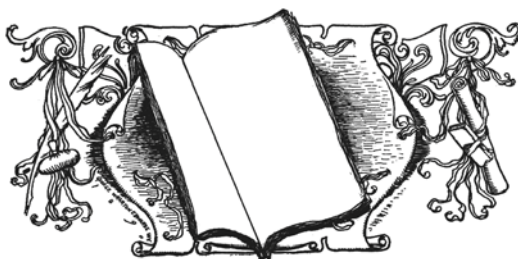


PUBLIC POLICY AND ECONOMIC DEVELOPMENT

Scientific and Practical Journal



Issue 9 (13). 2016

Publisher:

Adam Mickiewicz University
1 Wieniawskiego St. 61-712 Poznan
Faculty of Political Science and Journalism

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Local NGO «Center for Economic and Politological Studies»
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Adam Mickiewicz University Press
Faculty of Political Science and Journalism
89A Umultowska St., 61-614 Poznan, tel. 61 829 65 08

Publisher and manufacturer: Yemelyanova T.V.
54001, Mykolayiv, prov. Sudnobudivniy, 7
tel. (0512) 47 74 48

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ISSN: 2309-0863

The electronic version is the primary version of the journal.

Computer typesetting, printing and binding:

Yemelyanova T.V., 54001, Mykolayiv, prov. Sudnobudivniy, 7 tel. (0512) 47 74 48

Contact:

„Public Policy and Economic Development” 89A Umultowska St., 61-614 Poznan
54001, Mykolayiv, prov. Sudnobudivniy, 7 tel. (0512) 47 74 48, 767192

By the Order of the Ministry of Education and Science of Ukraine from 29.12.2014 №1528 this journal is included in the list of scientific professional publications on Public Administration, in which the materials of dissertation research for the scientific degree of Doctor of Sciences and Candidate of Sciences (PhD) can be published.

The journal is indexed in Index Copernicus (IC), SIS, Google Scholar

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Section 1.
PUBLIC ADMINISTRATION

DOI : 10.14746/pped.2016.9.1

УДК 352.07:005.591.4(1-2/-4)(477)=111

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REGULATORY FRAMEWORK OF LOCAL GOVERNMENT
REFORM AND UNIFICATION OF TERRITORIAL COMMUNITIES
IN UKRAINE

The article deals with regulatory provisions of local government reform and unification of territorial communities in Ukraine by analyzing normative acts in this area, highlighting shortcomings of such provisions and developing effective ways to eliminate them.

At the beginning of the article, the authors indicate reasons for resistance and complications in the process of formatting quality, effective and efficient self-governing authority in Ukraine and in the unification of local communities. Further, in the research they stress on the need for precision and clarity in regulatory provisions of reforming local self-governments and unification of local communities, by adopting new legislation and amending existing one. The article focuses on the Constitution of Ukraine. It considers a draft law on amendments to the Constitution of Ukraine (regarding the decentralization of power). It also determines the efficiency and effectiveness of some existing legislation as well as it analyses a list of draft legislation regulating issues of local self-government reform and building capable local communities. Besides, the article points out on several issues of practical and legal character, which emerge in the process of unification of territorial communities in Ukraine. Based on this research, the authors of the article offer a number of ways to correct deficiencies of regulatory foundation of local government reform and unification of territorial communities in Ukraine.

Keywords: regulatory provision, local government reform, unification of territorial communities, administrative and territorial system, voluntary, ability.

Jemeljanow W., Shulga A. NORMATYWNO-PRAWNE PODSTAWY REFORM SAMORZĄDU TERYTORIALNEGO I FUNKCJONOWANIA SPOŁECZNOŚCI LOKALNYCH NA UKRAINIE

W artykule autorzy analizują prawne podstawy samorządu i funkcjonowania społeczności lokalnych na Ukrainie poprzez analizę aktów prawnych w tej dziedzinie.

Podkreślają niedomagania w tej sferze i postulują opracowanie skutecznych sposobów ich rozwiązania. We wstępie artykułu przedstawiono przyczyny oporu i problemy w procesie tworzenia efektywniejszej i skuteczniejszej władzy samorządnej na Ukrainie oraz utrudnienia w funkcjonowaniu społeczności lokalnych na Ukrainie. Przedstawiono w tej analizie potrzebę doprecyzowania w aktach prawnych dotyczących reformy samorządu i podstawach prawnych działalności społeczności lokalnych poprzez przyjęcie nowych aktów prawnych i nowelizacje już istniejących. W artykule zwrócono uwagę na Konstytucję Ukrainy, projekt ustawy dotyczący wprowadzania zmian w Konstytucji Ukrainy (w zakresie decentralizacji władzy). W trakcie opracowania jest aktualnie szereg projektów aktów prawnych regulujących reformę samorządową oraz budowanie aktywnych społeczności lokalnych.

Słowa kluczowe: *normy prawne; reforma w sferze samorządu, społeczność lokalna, podział administracyjny i terytorialny, partycypacja, efektywność.*

Ємельянов В.М., Шульга А.А. НОРМАТИВНО-ПРАВОВЕ ЗАБЕЗПЕЧЕННЯ РЕФОРМУВАННЯ МІСЦЕВОГО САМОВРЯДУВАННЯ ТА ОБ'ЄДНАННЯ ТЕРИТОРІАЛЬНИХ ГРОМАД В УКРАЇНІ

У статті досліджується нормативно-правове забезпечення реформування місцевого самоврядування та об'єднання територіальних громад в Україні, шляхом аналізу правових актів у цій сфері, виділенням недоліків такого забезпечення та розробки дієвих способів їх усунення. На початку статті вказуються причини супротиву й ускладнень процесу формування якісної, ефективної та діючої самоврядної влади в Україні і об'єднання територіальних громад. Далі у дослідженні мова йде про необхідність внесення чіткості і ясності в нормативно-правове забезпечення реформування місцевого самоврядування та об'єднання територіальних громад, шляхом прийняття нових нормативних актів та внесення змін до вже діючих. У статті особлива увага приділяється Конституції України; розглядається Законопроект про внесення змін до Конституції України (щодо децентралізації влади); опрацьовується цілий ряд проектів нормативних актів, що регулюють питання реформування місцевого самоврядування та побудови спроможних територіальних громад. На основі проведеного дослідження пропонується ряд способів усунення недоліків нормативно-правового забезпечення реформування місцевого самоврядування та об'єднання територіальних громад в Україні.

Ключові слова: *нормативно-правове забезпечення; реформування місцевого самоврядування, об'єднання територіальних громад, адміністративно-територіальний устрій, добровільність, спроможність.*

Емельянов В.М., Шульга А.А. НОРМАТИВНО-ПРАВОВОЕ ОБЕСПЕЧЕНИЕ РЕФОРМИРОВАНИЯ МЕСТНОГО САМОУПРАВЛЕНИЯ И ОБЪЕДИНЕНИЯ ТЕРРИТОРИАЛЬНЫХ ГРОМАД В УКРАИНЕ

В статье исследуется нормативно-правовое обеспечение реформирования местного самоуправления и объединения территориальных громад в Украине, путем анализа правовых актов в этой сфере, выделением недостатков такого обеспечения и разработки действенных способов их устранения.

В начале статьи указываются причины сопротивления и осложнений процесса формирования качественной, эффективной и действующей самоуправляющейся власти в Украине и, в частности, объединению территориальных громад. Далее в исследовании речь идет о необходимости внесения четкости и ясности в нормативно-правовое обеспечение реформирования местного самоуправления и объединения территориальных громад, путем принятия новых нормативных актов и внесения изменений в уже действующие. В статье особое внимание отводится Конституции Украины, как юридической базы всего законодательства страны; рассматривается Законопроект о внесении изменений в Конституцию Украины (относительно децентрализации власти), с указанием его основных преимуществ и недостатков. Также определена, на сегодняшний день, эффективность и результативность отдельных действующих законодательных актов. Отдельно в статье обработан целый ряд проектов нормативных актов, регулирующих вопросы реформирования местного самоуправления и построения способных территориальных громад.

В конце статьи указано несколько сопутствующих проблем практического и юридического характеров, которые сегодня возникают в процессе объединения территориальных громад в Украине.

На основе проведенного исследования предлагается ряд способов устранения недостатков нормативно-правового обеспечения реформирования местного самоуправления и объединения территориальных громад в Украине.

Ключевые слова: *нормативно-правовое обеспечение реформирования местного самоуправления, объединения территориальных громад, административно-территориальное устройство, добровольность, способность.*

Introduction

Nowadays, the current system of local government does not meet the needs of society. The functioning of local governments in most local communities does not ensure the creation and maintenance of favorable conditions for the development of a person, his/her self-realization, protection of his/her rights, providing quality public administration and social services for population. [18]

In addition, the vast majority of Ukrainian territorial communities are unable to independently resolve issues of local importance and meet their needs due to their excessive fragmentation, extremely weak financial and material base, the decline of social and industrial infrastructure. The consequences are socio-economic degradation of rural areas; systematic population decline, especially in rural areas; steady state grants to local budgets; inaccessibility and poor quality of public services provided to citizens at the local level and so on.

As a result, Ukraine is facing an acute need to implement a global and comprehensive reform of local government and administrative-territorial structure by, above all, well-defined legislative regulation of the process. In this case,

there is an urgent need for society's awareness of futility of delay in policy of development and implementation of appropriate strategic decisions. We will not be able to build a democratic, social and legal state with civil society without legislative framework, without strategy, without making the basic principles of local government reform and building capable communities, without identifying and positioning priorities of the state and of the public on this issue, without knowing what state we build and what relationships should prevail in society [5, p. 4-5].

However, today there is no willingness to reform and no genuine interest in the formation of high quality, effective and efficient self-governing power in both the state and the Ukrainian society. Despite all significant benefits of the execution of decentralization of public administration, reform of local government and administrative-territorial structure of the country, there is a resistance (both open and hidden) and complication in the implementation process of appropriate amendments, including the unification of communities.

The reasons for this resistance and complications include:

- 1) lack of clear government position on changes in the country and expected results from them;
- 2) absence of legislatively approved legal basis of decentralization of public administration, reform of local government and administrative-territorial structure of the state (above all, adopting and making appropriate amendments to the Constitution of Ukraine, on which all regulations governing public power transformations in the country are be based on in the future);
- 3) the presence of ownership, personal and selfish interests of certain groups of people who are in power now, and who may lose it after appropriate changes and unification of territorial communities or who want to be in power to meet their own needs;
- 4) low level of trust in public authority itself, its agents, as well as practical disbelief in justice and the rule of law in what is currently taking place in Ukraine and in the successful completion of the planned reform;
- 5) misunderstanding and one-sided evaluation of the process of decentralization of public authorities and voluntary association of local communities by the public. Consequently, they practically reject and do not want these changes and transformations;
- 6) moral, psychological, financial and economic pressures of individuals interested in disrupting reforms to be held etc.

Analysis of recent research

Such scholars in Ukraine as M. P. Baran, V. A. Hudaverdiyeva, O. N. Yevtushenko, Y. I. Hanushchak, V. B. Yalovoy, S. G. Seroohina, V. S. Zhuravsky, A.

V. Kavunets, V. V. Doroh, V. A. Zavertaylo and others deal with normative and legal provisions of reforming local governments and associations of local communities. However, despite the large number of scientific publications of mentioned scientists, today there is no comprehensive study of regulatory framework of local government reform and associations of territorial communities, which would contain shortcomings of such provision and legally substantiated ways to address them.

Statement of research objectives

The purpose of this article is to study the regulatory framework of local government reform and unification of local communities in Ukraine by analyzing legal acts in this field, highlighting shortcomings of such provisions and developing effective ways to address them.

Results

To solve the issues noted above and complications in the implementation of the planned reforms and transformations in the state, it is necessary to primarily make precision and clarity in the regulatory provision of reforming by adopting new legislation and amending existing ones. The Constitution of Ukraine is one of these acts. It is the legal basis for all legislation of the state, an important source of law in our country and at the same time a powerful political tool of governance.

Speaking about the constitutional recognition of the institute of local government, the definition of this concept is enshrined in chapter 1, Article 140 of the Constitution of Ukraine. It highlights that territorial communities are its special subject, which exercise power directly and through bodies and local government officials [7].

In addition, provision of chapter 1 of mentioned Article suggests that the state recognizes a special right in the system of constitutional rights and freedoms of man and citizen - the right of local community to local government. Thus, by declaring local government as the basis of constitutional order, the legislator says about local government as the right of a territorial community - residents of a village or a voluntary association into rural community of residents of several villages, towns, cities [8, p. 678]. However, the provisions of the Constitution of Ukraine do not contain a definition of the concept of the local community. Only article 1 of the Law of Ukraine "On Local Government" from May 21, 1997 Number 280/97-VR gave legal definition of this concept for the first time [15].

Ukrainian society demands quality, depth and systemic changes to the Constitution of Ukraine, which are to contribute to the achievement of defined in the current Constitution of Ukraine purpose relating, in particular, to the desire

to develop and strengthen democratic, social and legal state. The President of Ukraine submitted a bill on amending the Constitution of Ukraine (concerning the decentralization of power), as urgent to implement the decentralization of public power, successful local government reform and build capable territorial communities in Ukraine. The Verkhovna Rada of Ukraine, in turn, considered this bill. In August 31, 2015, it issued a Decree "On Preliminary Approval of the Bill on Amendments to the Constitution of Ukraine Concerning the Decentralization of Power." Purposes of the proposed changes are departure from the centralized management model in the country, ensuring the capacity of local government, creating an efficient system of territorial organization of power in Ukraine, the implementation of provisions of the European Charter on Local Self-Government in full measure, the principles of subsidiarity, universality and financial sustainability of local government. [10]

The main direction of this bill is to create a constitutional basis for the decentralization of power in Ukraine and strengthen the legal status of local government, which should become a major achievement of the Ukrainian society. After almost twenty-six years of existence of Ukraine as an independent state, we have not actually moved away from centralized Soviet system of power, from its restrictive and repressive machine. It is primarily the concentration of power in the administrations, transfer of finances to the center, and their further redistribution to oblasts and from oblasts - to cities and rayons, and rayons - to villages and towns. It is almost one hundred percent dependence of local authorities on central authorities, unbalanced system of local government and mostly its absence. Ukraine incorporated the constitutional principles of local self-government. It ratified the European Charter of Local Self-Government, adopted the Law of Ukraine "On Local Government" and other basic normative and legal acts. Still functioning of local government as one of the democratic institutions of modern public administration is at a low level and is almost reduced to zero [2].

The mentioned bill provides amendments to nineteen articles and introduces one additional article within eight sections of the Constitution of Ukraine: Part IV «The Parliament of Ukraine» (Art. 81, 82, 83, 85, 88, 90); Section V «The President of Ukraine» (Art. 106, 107, 107 1); VI «The Cabinet of Ministers of Ukraine. Other executive authorities» (Art. 114, 118, 119); VII «The Prosecutor's Office» (Art. 121, 122); IX «Territorial Structure of Ukraine» (Art. 132, 133); X «The Autonomous Republic of Crimea» (p. 139); XI «Local Government» (Art. 140, 142, 143, 144); XI «The Constitutional Court of Ukraine» (p. 151).

The following is assumed in accordance with the proposed changes. Firstly, the administrative and territorial structure of Ukraine, the primary unit of which

is a community, is based on principles of unity and integrity of state territory, decentralization of power, ubiquity and capacity of local self-governance, sustainable development of administrative territorial units based on historical, economic, environmental, geographic and demographic characteristics, ethnic and cultural traditions. Secondly, the separation of powers in the system of local governments and their executive bodies at various levels is performed through a principle of subsidiarity, which corresponds to the European Charter of Local Self-Government. Thirdly, local state administrations are excluded from the constitutional regulation and, therefore, the institution of local state administrations heads is canceled. Instead, the major powers are concentrated at the basic level in the community. Fourthly, the formation of executive bodies of local government of the community that are under the control and accountable to the Community Council is foreseen. Fifthly, material and financial basis of local government is secured. This basis is land, movable and immovable property, natural resources and other objects that are in communal ownership of territorial community, local taxes and charges, part of national taxes and other revenues of local budgets. Sixthly, the Institute of prefects to monitor the observance of the Constitution and laws of Ukraine by local governments is introduced. [10]

Thus, the proposed changes are fully compatible with European and international standards. They take into account relevant conclusions and comments of the Venice Commission. The adoption of these amendments to the Constitution of Ukraine will provide the legal basis for the approval of future legislation and amendments to existing ones, necessary for the implementation of local government reform and, therefore, building capable communities in Ukraine. It will determine that local government is a full partner of the state, especially in the economic life. As a result, local governments will receive maximum powers and financial instruments to implement these powers. Thereby the empowerment of communities and the increase of community resources will take place.

However, despite a number of positive provisions laid down in the draft law on amendments to the Constitution of Ukraine (concerning the decentralization of power), some disadvantages are also present. First, the name of the section IX of the Constitution of Ukraine “The Territorial Structure of Ukraine” should be changed to “The Administrative and Territorial Structure of Ukraine.” Because speaking only about territorial structure we mean a system of territorial constituent parts, which constitute the geographical basis of state (territorial organization of the country). In its turn, the phrase “administrative and territorial structure” is broader at its core and is defined as the division of the territory of a state into the system of territorial units of different levels, according to which local government authorities and governance are formed (system of relations

between the state as a whole (its central government) and territorial component parts (their population and existing public authorities).

Secondly, the simultaneous combination of functions of the chairperson of the council and the chairperson of the executive committee may lead to the concentration of power in the region in the same hands. It may generate the pressure on local government and the confrontation with the President and the government. It is therefore necessary to write additionally in the bill that deputies of the respective councils are not eligible to work in the executive branch at the district or region levels.

Third, the bill repeatedly uses terms such as “community” and “territorial community”, which, in turn, can lead to a kind of legal confusion and the perception of them as two different concepts. Therefore, we consider it appropriate to unify the text of the bill with just one term - “community.”

Fourth, the bill is to formulate what constitutes community, giving it a clear definition and write down the possibility and the right of these communities to unite. The approval of such constitutional provision will be the legal basis (legitimate law, legalization) of possible (prospective) association of communities in Ukraine, further development and adoption of appropriate regulatory legal acts for this.

In addition, we would like to point out that the text of changes to the Constitution of Ukraine was not developed by the members of the constitutional commission or by constitutional law experts. Moreover, the concept of the bill and its text were not available to the preliminary discussion. There are many questions about carrying out scientific and peer review of the bill, based on rules of regulations of the Verkhovna Rada of Ukraine. It is not clear whether introducing amendments to the Constitution of Ukraine is an integral reform or only its first stage. Accordingly, if to consider it as a whole reform, it is also necessary to amend Section VIII «Justice» to strengthen guarantees of judicial independence. It is also needed to resolve the issue of limiting the scope of parliamentary immunity, possibly the period of stay of a deputy in the Parliament of Ukraine (for example, no more than two convocations in a row), personal voting, and the issue of the appointment of early parliamentary elections. It is also advisable to streamline the system of executive authorities at the central level and to establish the constitutional principles of public service. This does not reject the possibility that after an open professional discussion and further consultation with the community during the public debate, the need to make other changes to the Constitution of Ukraine will occur [2].

With the adoption of the Law of Ukraine “On Local Government in Ukraine” by the Verkhovna Rada of Ukraine in May 21, 1997 local councils that

had already been functioning at the time, received a new legal basis for their activities. This law establishes non-state status of local authorities. It complies with the provisions of the Universal Declaration of Local Self-government, adopted by the XXVII Congress of the International Union of Local Authorities on September 26, 1985 in the city of Rio de Janeiro. It also complies with the provisions of the European Charter of Local Self-Government, adopted on October 15, 1985 by the member states of the Council of Europe in Strasbourg, which Ukrainian Parliament ratified unconditionally on July 15, 1997.

In addition, the Law of Ukraine "On Local Government" defines the system and guarantees of local government in Ukraine, establishes principles of its organization and activity, legal status and responsibilities of bodies and local government officials, establishes organizational and legal, material and financial basis of local government. However, despite a number of democratic-progressive provisions approved in it, to date, this legislation is outdated and needs major changes.

Today local managers and scientists confirm the view – to adopt a radical new legislative act instead of amending the current law on local self-government. It would take into account changes in the society and the country as a whole and would be a kind of legal regulation in the process of unification of territorial communities and forming them as self-sufficient communities.

Accordingly, two drafts of the Law of Ukraine "On Local Government" were prepared for the implementation of the above-mentioned task. One draft is developed by a working group formed of representatives of the Foundation for Local Self-Government of Ukraine, the Association of Cities of Ukraine (hereinafter – the AUC), the Ministry of Justice of Ukraine, scholars of different educational institutions of Ukraine. The Parliamentary Committee on State Building, activities of councils and local authorities develops the other draft. Let us analyze these bills on four main aspects of government.

1. Local autonomy. The bill, submitted by the AUC, is a real attempt to create a law on local self-government in the traditions of developed democracies. For example, Art. 8 stipulates that state intervention is prohibited; Art. 73 guarantees the right to court proceedings of complaints and issues relating to government and others. In its turn, the bill proposed by the Commission of the Parliament, considers local units not as independent units, but more as a part of the mechanism of district, oblast and state authorities. There is a consistent duality between "proclaimed authority" and "delegated spheres" of competencies (for example, Art. 27) in the text of the bill. In many cases, local government acts merely as an intermediary for the implementation of state, oblast and rayon programs, but not as an independent body with independent powers (Art. 26,

28, 46-48). This bill also does not provide a clear division of responsibilities between central and local authorities. In contrast, the bill submitted by the AUC, clearly defines own powers of local government.

2. Fiscal and budget autonomy. Both proposed bills set defined by the state minimums of public expenditure at the local level, a system of subsidies and the increase of the amount of local taxes, which in turn should ensure the ability of local governments to function independently. However, in the bill proposed by the Commission, the right of local budget looks as if financial planning is in place only to determine how much money is necessary to implement the decisions taken from the above, after which certain amount for the implementation of these decisions is to be subsidized (e.g., Art. 28). Instead, the AUC's draft provides broader financial and budgetary self-governance, in which all types of financing are more tied to state functions. It contains much clearer provisions on local tax collections and other control measures on revenues that are made by elected officials of local governments. However, both versions contain provisions that give local governments the right to tax local businesses that expands possibilities of local self-governing authority to obtain additional revenues.

3. The powers of local authorities. The AUC's bill attempts to identify distinct and independent (own) powers of local authorities and separate them from those that the state should carry. Thus, Art. 48 lists separate obligatory duties (own) powers of local governments, which is consistent with the functions of local government in most democratic countries. Art. 49 establishes limited (delegated) powers of local governments, most of which belong to the everyday functions (such as registration, licensing, etc.). In such a way, local governments are excluded from the implementation of some state functions. In contrast to the previous draft, the text of the draft of the Commission does not concretely define own and delegated functions of local governments. As a result, it seems that all powers can be delegated to local governments, which certainly exceeds their ability to perform basic local functions and destroys self-governance in the field as such.

4. Means of the intergovernmental control. The Commission's bill states about delegating powers to oblast, rayon and local authorities from the central government. At the same time, Art. 58 says that local bodies of governance exercise powers granted to them independently. Accordingly, it becomes unclear exactly what the emphasis is made on - the independence of local authorities or powers granted to them. There is no clear separation of roles between the local state administration and local government authorities, except for the provisions of Art. 58 that the executive authorities should not interfere in the legitimate activities of local self-governing bodies. Instead, the AUC's bill makes a more

clear distinction between the local state administration and local governments. The weaker control from above is assumed, which in turn provides fiscal and budgetary, organizational and legal autonomy of local governments. In Art. 62 and 63 rayon and oblast local governments are interpreted as regional bodies composed of local government, intended to identify and solve local problems that municipalities are not able to cope with. Delegating too complex issues to these authorities of so-called “second tier” is not proposed. The control from bottom-to-top is built on the model of regions of France and provinces of Spain. [1]

Thus, we can conclude that the proposed draft laws define system, basic principles, powers and guarantees of local governments, foundations of the legal status of its organs and officials. It is important to conclude that the draft bill developed by the working group formed from representatives of the Foundation for Local Self-Government of Ukraine, the AUC, the Ministry of Justice of Ukraine, scholars of different educational institutions of Ukraine is consistent with the provisions of the European Charter of Local Self-Government. In its content, it is closer to achieving a balance between control of the central government and local self-governing authority by clearly defining spheres of local autonomy. In contrast, the draft law, proposed by the Parliamentary Committee on State Building, activities of councils and local authorities provides for centralization of power at the local level, thus creating conflict between different levels of authority, because it fixes tiered system of governance in oblasts and rayons. We believe that none of these bills is perfect. Therefore, both of them need improvements, particularly in the legal-organizational and financial security of local communities’ capacities.

We would like to point out that attempt to reform local government and change the territorial structure of Ukraine occurred almost immediately after the adoption of the Constitution of Ukraine and the Law of Ukraine “On Local Government in Ukraine”. Concepts of reforming the local government and territorial organization of power, plans to implement them have repeatedly been developed and approved by 2014. Moreover, draft laws to amend the Constitution of Ukraine, the Law of Ukraine “On Local Government in Ukraine” and other normative acts in this area were prepared. However, the process of local government reform has not been proven to its logical conclusion given the unstable political-legal and socio-economic situation in Ukraine and repeated not completeness of restructuring the territorial organization of power in the country.

Only in April 1, 2014, the Cabinet of Ministers of Ukraine in its Resolution approved the Concept of Reforming Local Government and Territorial Organization of Power in Ukraine. The aim of this Concept is to determine directions, mechanisms and timing of the formation of effective local governance and terri-

torial organization of power to create and maintain complete living environment for citizens, provision of high quality and accessible public services, the establishment of institutions of direct democracy, satisfaction the interests of citizens in all spheres of life on the respective area reconciling the interests of the state and local communities. [18]

This concept defines ways and means of solving the problem that has developed today regarding the capacity of territorial communities and efficiency of local government in our country. Still, in our opinion, in its content there is no balanced, differential thoughtful approach to the decentralization of power in the country, the redistribution of powers between the administrative and territorial units of the base and regional levels, the combination of two levels' features in one administrative territorial unit (for cities with population over 50 thousand inhabitants), management of large cities with rayon division and so on. We think that provisions of this Concept need to be rewritten given the current political and legal situation in the country and financial and economic capacity of the entire state and each individual local community, as well as historical, social, geographic, demographic, cultural characteristics of each region [5, p. 31-32].

In June 18, 2014, the Cabinet of Ministers of Ukraine approved the Action Plan to implement the Concept of Reforming Local Government and Territorial Organization of Power in Ukraine to implement in practice as soon as possible the provisions of the mentioned above Concept [14].

The Concept of Reforming Local Government and Territorial Organization of Power in Ukraine and the Action Plan to implement it are actually only framework documents defining strategic areas of implementation of reforms. The Verkhovna Rada of Ukraine and the Cabinet of Ministers of Ukraine adopted normative acts that clearly regulate forms of implementation of these reforms, define main stages, conditions and the process of the voluntary association of territorial communities, functions and responsibilities of unified territorial communities, finances that will be provided for their implementation after completing the procedure of unification. These are such acts as:

1. The Law of Ukraine "On Cooperation of Local Communities" from June 17, 2014 Number 1508-VII. It determines organizational and legal basis of cooperation of territorial communities, principles, forms and mechanisms of such cooperation and its promotion, financing and control [17]. This law defines a special mechanism of cooperation of territorial communities in the form of combining their joint efforts and resources to address specific problems. However, it is almost impossible to apply it in practice, since the provisions of this legislation are declarative and there are a number of drawbacks in terms of legislative technique. Although, to date, the practice of cooperation of some communities

in Ukraine is present. Thus, according to the Department of Local Government and territorial organization of government of the Ministry of Regional Development, Construction, Housing and Communal Services of Ukraine, as of May 1, 2015, nine agreements on cooperation of territorial communities are included in the State Register. The quantity of agreements grows (most active communities cooperate in Khmelnytsky, Chernihiv, Poltava and Vinnitsa oblasts). [9] However, such cooperation in our country has not received mass character, in particular by not taking into account peculiarities of mentality of Ukrainian people (especially the inhabitants of the southern and eastern regions of Ukraine), their disbelief in positive results in any change and other factors. Therefore, in our view, further implementation of the Law of Ukraine “On Cooperation of Local Communities” will not contribute to the achievement of the objectives declared during its adoption.

2. The Law of Ukraine “On a Voluntary Association of Local Communities” from February 5, 2015 Number 157-VIII. The Committee on State Development and Local Governance and other committees of the Verkhovna Rada of Ukraine, on the initiative of the Cabinet of Ministers of Ukraine, developed its provisions. This Law regulates relations arising from the voluntary association of territorial communities of villages, towns and establishes the procedure for such association [11]. The need for the adoption of this law was due to contradictory provisions of Art. 6 of the Law of Ukraine “On Local Government in Ukraine”, the lack of procedures of association of territorial communities of villages, towns, cities, and other objective reasons. The current system of local government, given current administrative and territorial structure of Ukraine, does not allow creating self-sufficient communities. Accordingly, the implementation of the provisions of this legislative act along with other legal acts, in our view, will allow forming capable communities in the future. Such communities would have the territory, sufficient material and financial resources and objects of social and production infrastructure, necessary for efficient and effective management, addressing local issues and needs of the population. However, we would also like to point to shortcomings of both the text of the law, and the hastiness of its adoption. First, this is the aspect of voluntariness during association of territorial communities, which today does not correspond to its essence. This is because there is a kind of pressure from the state (if there is no association, such communities do not receive funding) and certain population groups (substitution of notions, distortion of information, public intimidation, etc.), as well as the lack of thought and imperfection of perspective plans of forming communities. There is the lack of legally defined mechanisms for further operation of already newly united communities by not making appropriate changes to the

Tax, Budget, Land Codes of Ukraine and other regulations. The Law of Ukraine “On a Voluntary Association of Local Communities” does not define such mechanisms. Moreover, most of its provisions have the character of link. The introduction of the Institute of the village elders after the unification of communities in settlements where local councils previously operated causes many questions on the part of the residents regarding the level of its authoritativeness and effectiveness during representation of their interests and resolving local issues. In addition, poor road conditions, lack of social and industrial infrastructure in the communities’ territories and so on as problems of primary importance that are almost unsolved today, cause various kinds of inconveniences to the people themselves. Accordingly, the Law of Ukraine “On a Voluntary Association of Local Communities” contradicts one of its own tenets - the quality and availability of administrative services cannot be lower than before the merger. Based on this, we believe that it is necessary to suspend the unification process of territorial communities (in this case, it is best to remove the voluntariness aspect at all) for the successful implementation of the provisions of this law. It is needed for further improvement of legislation in this field, development of social and industrial infrastructure locally, ensuring the availability and quality of public services, development of pilot projects in selected oblasts as examples for other oblasts of the state. In case of failure to do this, the process of unification of territorial communities can eventually fail.

3. The Resolution of the Cabinet of Ministers of Ukraine “On Approval of Procedures of Forming Capable Local Communities” from April 8, 2015 Number 214. It determines the mechanism and conditions of forming capable territorial communities, and the development and approval of the long-term plan of forming the community territories of the Autonomous Republic Crimea and oblasts. This Procedure, supplementing the Law of Ukraine “On a Voluntary Association of Local Communities”, has become precisely the document that consolidated methodical recommendations as to exactly how forming of capable territorial communities must be done through their voluntary association. [13]

It should be noted that a more logical and, in terms of law, right process would be implementing the decentralization of public power, reforming local government and building capable territorial communities. This is due to a fact that firstly the appropriate amendments to the Constitution of Ukraine were made, new laws of Ukraine “On Local Government in Ukraine”, “On the Administrative and Territorial Structure of Ukraine” were adopted, the Procedures of Forming Capable Local Communities was developed. Then, on this basis, regional administrations developed plans of forming capable communities. Later the respective oblast councils they subsequently endorsed them and the

Cabinet of Ministers of Ukraine approved them too. Consequently, based on above-mentioned acts the Law of Ukraine "On a Voluntary Association of Territorial Communities" was adopted. Only after such actions, we could consider that the process of reforming local government, association and formation of self-sufficient communities having all legal grounds for this has started. For the time being, some controversies appear because the Law of Ukraine "On a Voluntary Association of Territorial Communities" appeared much earlier than the Procedures of Forming Capable Local Communities were approved (while amendments to the Constitution of Ukraine are still not made). For instance, some communities have begun the process of unification independently and in their own specific format, considering only material, financial and political interests of certain groups of people not having constitutional background for this.

Considering the above, additionally it is worth looking at plans of forming territories communities that are still not fully realized. This is because of failure to comply with territorial boundaries that were identified when drafting association, no thorough analysis of socio-economic development of communities, neglect of cultural, ethnic and historical features of communities and more. Moreover, most often oblast councils for one reason or another block making decisions on the adoption of such plans. As a result, communities unite regardless of perspective plans; they are simply not able to take over powers envisaged by the law, because they do not have appropriate resources (material, financial, personnel, infrastructure, investment, etc.). However, it should not be forgotten that the approval of the long-term plan is not a dogma, and it does not automatically lead to the unification of community. It is essentially a "road map" of modernization of the territorial organization local self- government system, its primary subject - the territorial community. In addition, such component as a voluntary association is available, which entitles communities to join voluntarily. Therefore, today there is a practice of amending the perspective plans of oblasts. They should meet the real state of unification of community. Particularly this is because that under existing legislation communities must unite according to the plan to get more powers and financial capabilities. At the same time, due to political influences, complex mechanism of creating united communities it is easier to "adjust" the plan according to the community unification, not vice versa - to unite according to the plan. This practice destroys the idea of developing perspective plans as the document that outlines the limits of formation of self-sufficient communities. At the same, studies were done on passports of capable territorial communities that are added to perspective plans of unification of community. They show that a significant part of them does not have a sufficient resource base for their own self-sustenance. Most communities

are subsidized. This indicates a lack of deep economic analysis conducted during the development and approval of these plans [3].

The adoption of the aforementioned normative legal acts and their subsequent implementation became a serious impetus in deciding on reforming local government and building capable communities. On the way to this goal, additionally a number of laws, regulations and other normative legal acts were adopted. These include:

- The Resolution of the Cabinet of Ministers of Ukraine “On Approval of State Strategy of Regional Development until 2020” from August 6, 2014 Number 385. It defines the objectives of state regional policy and main tasks of central and local executive authorities and local governments to achieve these goals. It also provides for the coherence of state regional policy with other state policies aimed at territorial development. The strategy aims to define tasks and instruments for solving social problems, improving economic potential of territories, productivity of their economy, business profitability and incomes of the population. As a result, it aims for creating conditions for a general increase of social standards, quality of life and business environment. Its implementation will allow defining an integrated approach to the formulation and implementation of state regional policy, which will include a combination of the following components: sectoral (branch), territorial (spatial) and management [12]. However, the public interest was not largely taken into account when developing this strategy. Accordingly, this strategy does not cover the whole range of existing problems in the regions and aims to address only some part of them. The absence of coherence of regional development priorities with the priorities of state regional policy is evident in certain provisions of this document. For example, solving different kinds of land issues, development of housing and communal services, attracting domestic and foreign investment funds, etc. We believe that in general the Regional Development Strategy is static in nature and is not able to respond to socio-economic and political changes that are constantly taking place in Ukraine;

- Law of Ukraine “On Local Elections” from July 14, 2015 Number 595-VIII, which defines basic principles, organization and procedure for conducting election of deputies of the Verkhovna Rada of the Autonomous Republic of Crimea, oblast, rayon, city, rayon in the city, village councils and village, town and city mayors and village elders. [16] This law differs significantly from previous laws and is a unique natural phenomenon in the process of unification of territorial communities and the formation of local political elite. According to experts, the Law of Ukraine “On Local Elections” is inherently contradictory (the real grounds for falsification of results of elections have only increased) and

temporary one. It is likely to expire after the adoption of appropriate amendments to the Constitution of Ukraine;

- The draft law of Ukraine "On Service in Local Government" from February 9, 2017 Number 2489. Its goal is to establish new institutional and legal framework of service in local government as politically and professional impartial activities for the benefit of the state and communities, and to ensure implementation of right to equal access to the service in local government of citizens of Ukraine. The project contains a number of novelties, chief among which are: a new division of positions into categories in local government; requirements for political impartiality employees; requirements for the level of professional competence of the person who applies for positions in local government; competition procedures; novelties on remuneration, bonuses and promotion. [4] At the same time, some provisions of the document have a number of controversies, including those concerning the right of citizens to serve in local government. For example, prohibition of membership in political parties for administrative positions of local government that directly contradicts the Constitution of Ukraine, which guarantees the right to freedom of association in political and social organizations; new classifier of positions of local government officials; lack of specificity concerning professional competence of local government officials; controversy and simultaneous duality of issues governing the corruption component in the activities of local government officials and others. We think that the law of Ukraine "On Service in Local Government" should not be derived from the Law of Ukraine "On State Service". It should determine actual mechanisms of effective and high quality professional activity in local government by ensuring all necessary conditions for local government officials.

After analyzing a number of normative legal acts, both active and drafts, we reveal their main drawback - the lack of a single line of strategy and fragmentation of state policy concerning the reforming local government and building capable territorial communities in Ukraine. In most cases, the legislative acts adopted for the implementation and development of specific individual projects in different regions without regard to other documents of legal nature, often contradicting one another or already existing legislation. The same drawback we see in the approach to establishing bodies designed to promote the development of local governments and to form capable communities [6, p. 56].

Today, when a new process of unification of communities affects the interests of many parties - executive authorities, local governments, community residents, there are a lot of related problems of legal and practical nature, including:

- no clear mechanism for joining one or more communities to the already established united local community. In this regard, the question arises regarding

the need for new elections throughout the united community or only in the communities that joined later. In view of this, it is necessary to distinguish clearly between what is accession and what is reunification. Therefore, based on this distinction, this issue can be solved one way or another;

- in the united territorial communities, their own jurisdiction outside settlements is missing. That is, currently their powers are limited only by territories of populated localities. Accordingly, these communities cannot dispose of land outside their boundaries, develop planning documentation on the entire territory of the community, decide on repairing roads between settlements, etc.;

- duality of authorities in the territory of those areas, where there are already united communities that have undertaken all the relevant authorities and responsibilities on themselves. There are still regional councils and rayon state administrations, which do not represent the common interests of communities anymore;

- the slowness of the process of unification of territorial communities, due to the absence of a clearly established deadline of this association, lack of legal and financial support from the state and shortage of qualified personnel.

Therefore, given all of the above, in order to address the deficiencies of regulatory framework of reforming local government and associations of territorial communities in Ukraine, one must:

- 1) make appropriate amendments to the Constitution of Ukraine concerning the decentralization of public power and reformation of local government; adopt new Laws of Ukraine “On Local Government”, “On the Administrative and Territorial Structure of Ukraine” and “On Local Referendum” (this will enable community residents to make decisions to support communities unification in a local referendum); improve provisions of some normative acts, which one way or another regulate the process of reforming local government and association of local communities, to overcome collisions and the duality of application of their legal norms (Tax and Budget Codes of Ukraine (this will provide adequate funding for own sustenance of voluntary united territorial communities, identified as capable ones by government decision), Land Code of Ukraine (this will regulate specific land issues in the process of unification of communities and their subsequent independent functioning), Laws of Ukraine “On Local Elections”, “On a Voluntary Association of Local Communities” and “On Local State Administrations” (or even abolish this legislative act and instead adopt a new law “On Prefecture”), the Resolution of the Cabinet of Ministers of Ukraine “On Approval of Procedures of Forming capable Local Communities” and others);

- 2) ensure the continuity of the process of unification of territorial communities with the process of improvement of administrative and territorial structure

of Ukraine on its primary level (that is in the case of association of territorial communities of villages, towns and cities into one territorial community the corresponding administrative and territorial unit - village, town, city should become bigger too), based on the principles of municipal unitary and municipal federalism;

3) introduce a mechanism for transferring the right of independent management and disposal of lands that are outside of the settlements, but within the community and other communal property to newly united territorial communities. This will provide significant economic levers for further development of these communities;

4) establish a mechanism for voluntary exit of territorial communities of villages, towns, cities, united into one territorial community, from the warehouse of territorial community;

5) exclude the voluntariness aspect from the process of unification of territorial communities by making appropriate changes to normative acts. This has to be done in order to overcome ownership, personal and selfish interests of certain groups of people interested in these or other results of reform. In addition, it is important to accelerate the process of unification of communities, the final implementation of decentralization of public power and reform local government for the formation and development of social and economically strong communities and the state as a whole;

6) systematically carry out active informational, educational, advocacy, expert and advisory work among the public, aimed at increasing the number of conscious supporters of decentralization of public power and the process of unification of territorial communities in Ukraine.

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COMPONENTS OF SUCCESSFUL REFORM OF PUBLIC ADMINISTRATION AND LOCAL GOVERNMENT IN UKRAINE

Complicated, but vital process of reforming public administration and local self-government take place in Ukraine. An urgent task is to regulate new social relations on the basis of the need to decentralize administrative processes, find and create new forms of interaction between the legislative and executive branches of government. At the same time the theory of government warns that regulatory and institutional reforms are carried out not only at the level of a subject of management, but also at the level of an object under the conditions of systemic modernization.

The author analyses modern understanding of state and public administration by some foreign and domestic scientists, and supposes that Ukraine needs a new concept of management. It should be based on objective laws of market transition and take into account specific conditions of state formation. Accentuating the special role of administrative reforms in modernization period because within it the process of a society institutional transformation is initiated and organized, the author underscores the necessity for methodological defining the nature of management, public management, public administration and inclusion of the concept and legal definition in the legislation of Ukraine. Strict limits of power, regulation of interrelation between citizens and the state, absolute observance of laws will protect people's rights and interests. The priority of the state over a person, a citizen should not be used any more.

The article emphasizes the low level of civil servants qualifications and the necessity of taking European experience in training and retraining of future specialists into consideration. And more importantly we need to continue reforms, decentralization and teamwork of all branches of government, and to avoid political crisis.

Keywords: public administration, public management, local government, administrative reform, decentralization, institutional reforms, civil servants qualifications, programs, reforms in public administration, regulation of public services system

Stojan O. WARUNKI SUKCESU REFORMY ADMINISTRACJI PUBLIC- ZNEJ I SAMORZĄDU NA UKRAINIE

Ukraina przeżywa trudny, ale bardzo konieczny proces reform w sferze administracji publicznej i samorządu. Ważnym zadaniem jest regulacja nowych stosunków społecznych. To jest spowodowane potrzebą decentralizacji administracji publicznej, znalezieniem i tworzeniem nowych form interakcji pomiędzy władzą ustawodawczą i

виконавczą. *Teoria administracji publicznej* zaznacza, że w warunkach modernizacji całego systemu, reformy prawne i instytucjonalne przeprowadzane są nie tylko na poziomie podmiotu zarządzania, ale również na poziomie podmiotu społecznego. Autor artykułu analizuje współczesne podejście do pojęcia zarządzania przez państwo i administrację publiczną. Niektórzy ukraińscy i zagraniczni naukowcy uważają, że Ukraina potrzebuje nowej koncepcji zarządzania, która oprze się na obiektywnych podstawach transformacji i uwzględni szczególne warunki w państwie. Podkreśla się również szczególną rolę reform administracyjnych w procesie modernizacji, ponieważ w jej ramach inicjuje się i organizuje się proces transformacji instytucjonalnej społeczeństwa. Istnieje potrzeba w metodologicznego definiowaniu pojęć i treści zarządzania, administracji publicznej oraz konsolidacji tych pojęć w postaci definicji legalnych w ustawodawstwie Ukrainy. Określenie granic władzy, reglamentacja procedury współpracy obywatela z państwem, bezwarunkowe przestrzeganie prawa będą gwarantować ochronę praw i interesów człowieka. Prymat państwa nad człowiekiem i obywatelem powinien pozostać tylko rozwiązaniem historycznym.

W artykule autorka podkreśla niski poziom kwalifikacji znacznej części urzędników oraz konieczności uwzględniania doświadczeń europejskich w sferze szkolenia przyszłych fachowców. Za kwestię najważniejszą należy uznać konieczność kontynuowania reform, decentralizacji i wspólnej pracy wszystkich podmiotów władzy publicznej w celu uniknięcia zjawisk kryzysowych.

Słowa kluczowe: administracja publiczna, zarządzanie przez państwo, samorząd, reforma administracyjna, decentralizacja, reforma instytucjonalna, kwalifikacje urzędników, reformy w sferze administracji publicznej, regulacja systemu usług publicznych.

Стоян О.Ю. СКЛАДОВІ УСПІХУ РЕФОРМИ ДЕРЖАВНОГО УПРАВЛІННЯ ТА МІСЦЕВОГО САМОВРЯДУВАННЯ УКРАЇНИ

В Україні відбуваються складні, але вкрай необхідні процеси реформування державного управління та місцевого самоврядування. Актуальним завданням є врегулювання нових суспільних відносин, виходячи із необхідності децентралізації управлінських процесів, пошуку та створення нових форм взаємодії законодавчої та виконавчої гілок влади. В той же час теорія державного управління попереджає, акцентуючи увагу, що в умовах загальносистемної модернізації нормативно-інституціональні реформи здійснюються не лише на рівні суб'єкта управління, а й на рівні об'єкта управління. Автор статті аналізує сьогодиніше розуміння сутності державного та публічного управління деякими зарубіжними та вітчизняними вченими і вважає, що Україні потрібна нова концепція управління, яка виходить із об'єктивних законів переходу до ринку та враховує специфічні умови становлення держави. Наполягаючи на особливій ролі управлінської реформи, в період модернізації, адже в її рамках ініціюється та організовується процес інституційної перебудови суспільства в цілому, він наголошує на необхідності методологічного визначення понять і сутності управління, публічного управління, публічного адміністрування, тощо та закріпленні цього поняття та правової дефініції в законодавстві України. Визначення межі влади, регламентація

процедур взаємовідносин громадянина з державою, безумовне дотримання законів забезпечить захист прав та інтересів людини. Пріоритет держави над людиною, громадянином повинен відійти у минуле.

У статті наголошується на низькому рівні кваліфікації значної частини державних службовців і необхідності врахування європейського досвіду підготовки та перепідготовки майбутніх фахівців. А головне на необхідності продовження реформ, децентралізації і злагодженої роботи усіх гілок влади, уникнення політичних і кризових явищ.

Ключові слова: *публічне управління, державне управління, місцеве самоврядування, адміністративна реформа, децентралізація, інституційні реформи, кваліфікація державних службовців, програми, реформи у сфері державного управління, регулювання системи державних послуг*

Стоян А.Ю. СОСТАВЛЯЮЩИЕ УСПЕХА РЕФОРМЫ ГОСУДАРСТВЕННОГО УПРАВЛЕНИЯ И МЕСТНОГО САМОУПРАВЛЕНИЯ УКРАИНЫ

В Украине происходят сложные, но крайне необходимые процессы реформирования государственного управления и местного самоуправления. Актуальной задачей является урегулирование новых общественных отношений, исходя из необходимости децентрализации управленческих процессов, поиска и создания новых форм взаимодействия законодательной и исполнительной ветвей власти. В то же время теория государственного управления предупреждает, акцентируя внимание, что в условиях общесистемной модернизации нормативно-институциональные реформы осуществляются не только на уровне субъекта управления, но и на уровне объекта управления. Автор статьи анализирует сегодняшнее понимание сущности государственного и общественного управления некоторыми зарубежными и отечественными учеными и считает, что Украине нужна новая концепция управления, исходящая из объективных законов перехода к рынку и учитывающая специфические условия становления государства. Настаивая на особой роли управленческой реформы, в период модернизации, ведь в ее рамках инициируется и организуется процесс институциональной перестройки общества в целом, он подчеркивает необходимость методологического определения понятий и сущности управления, публичного управления, публичного администрирования и т.д. и закреплении этого понятия и правовой дефиниции в законодательстве Украины. Определение предела власти, регламентация процедур взаимоотношений гражданина с государством, безусловное соблюдение законов обеспечит защиту прав и интересов человека. Приоритет государства над человеком, гражданином должен отойти в прошлое.

В статье акцентируется внимание на низком уровне квалификации значительной части государственных служащих и необходимости учета европейского опыта подготовки и переподготовки будущих специалистов. А главное - необходимости продолжения реформ, децентрализации и слаженной работы всех ветвей власти, избегании политических и кризисных явлений.

through the activities of public authorities that have the necessary competence. Implementation of public administration is based on power as an organised force of a society capable of enforcement.

In Ukraine the term of classical model of management in the public sector - public administration has gained recognition. It is not the exact equivalent of the term “public administration” and its meaning is closer to the term “public management”. Two different terms “public administration” and “public management” are often translated from English into Ukrainian as public administration.

Today’s understanding of public administration by some domestic scholars is quite close to understanding the essence of public management. V.D.Bakumenko says: “... understanding of public administration has evolved in consequence of the development of democracy and a civil society, particularly in Ukraine. Thus, nowadays the aspect of interaction between the state and civil society in public administration is very important in contrast to traditional concept of public administration as organising and regulatory state’s influence on social lives of people to regulate, store or transform it on the basis of its imperious force “[2].

A. Melnyk and A. Obolenskyi are one of the first scientists who distinguish the concept of “public governance”. It is determined that public governance is oriented to the implementation of public (common) interests and includes such components as state administration (the organs of state power are subjects) and public administration (non-governmental institutions are subjects). Being the elements of public governance, state and public administration interact, supplement each other based on the unity of public interests and expediency of coordinating administrative influence to enhance its efficiency. In the system of public governance state administration plays a decisive role. It carries out administrative impact on all spheres of social life. However, in the period of democratic reforms non-governmental institutions become more active in managing state affairs, and in solving social problems [3].

The researcher of the public governance model H.Bukert believes that “... public governance is not a neutral technical process, whereas it is an activity that is closely connected with politics, law, and a civil society [4].

Statement of research objectives

A key aspect of public administration is the state. Main features are imperious character, public will and spread to the whole society. People are the main aspect of public management. Only in former Soviet Union countries discussions on the transition from public administration to public management are conducted. Armenia has made its choice. Masters and postgraduate students are trained on the specialty “public management”. Only public management ensures

functioning and development of society as a whole, because management is primarily an organising activity of the state aimed at the implementation of its tasks and functions; purposeful functioning of society is not possible without management. Public management as a social phenomenon, its forms, methods, principles, and a character are predetermined anytime, anywhere with the needs of social development manifested in the interests of certain social classes and groups. This phenomenon is connected with the system of social relations, not only directly through real administrative processes that occur in social production, but also indirectly through consciousness, certain forms of knowledge, and so on. To disclose public management in market conditions, it is important to determine how real possibility of interoperability of management and self-government mechanisms is revealed, their proportional relationships, whether they have an advantage over natural regulation mechanisms. Hence, it is possible to determine the necessary trend to decrease or increase the level of control. Performance of functions oriented towards the needs of society does not exclude the use of power-regulatory and enforcement actions of governance, but they are not the basis of this activity.

Dominant measures should be: incentives, encouragement, persuasion, forming public opinion and consciousness, so it is obligatory to make a new management conception, which bases on objective laws of transition to the market and takes into account the specific conditions of formation of the state Ukraine.

It is necessary to define methodologically, adequately the concept and essence of management, public management, public administration, governance, and to fix it in legislation and legal framework of our country.

Results

The main goal of public administration reform is creation of a transparent system of public administration, establishment of a Professional Civil Service Institute and ensuring its efficiency. An effective, transparent, open and flexible structure of public administration should be created. On this basis, having declared a departure from the centralised model of governance, public administration and civil service reform should be done simultaneously and comprehensively, adding European principles of the rule of law, public service, public administration, international standards and EU norms, regulation of relations procedures of public authorities with legal parties to new or existing laws.

The world scientific thought and practice developed the conceptual-categorical apparatus of public management theory, including: government and public policy, public management and public administration, public service and public administration bodies, the principles of public administration, and

so on. The essential difference of public administration principles is that they are always fixed by certain legal norms and it gives them necessary weight in the relationship of public authorities with citizens. Because of the lack of these exceedingly important concepts, legal definitions in existing Ukrainian legislation we need urgently improve current legislation not only on public service and service in local government, but also the system of public administration and administrative law. It is clear that without a radical change in administrative law, including the adoption of the Code of Administrative Procedure of Ukraine, the executive power of Ukraine does not approach to European standards. Only at the legislative level, defining the boundaries of an administrative authority, procedures of relations between citizens and the state, regulating numerous administrative procedures, it is possible to ensure the protection of people's rights and interests. All developed democratic countries have particular laws or codes on administrative procedures that restrain the officials. The existing Law of Ukraine "On Administrative Services" is only the first positive step, but it does not solve the main thing – establishment of human rights and freedoms that is the main obligation of the state. The priority of the state over people, citizens should stop the existence.

The lack of professionalism of civil servants and local government officials prevents successful reforms in Ukraine. The effectiveness of the reformed system will depend primarily on the availability of a sufficient number of trained civil servants who have the skills to make managerial decisions on the specialty "Public management and administration". This requires urgent work within national legislation adopted for the EU legislation, new standards and curricula taking into account European experience and requirements for training future specialists of appropriate levels of education (Bachelor, Master, PhD, Doctor of Science), and acute shortage of personnel - retraining of civil servants and local government officials to improve professional competence for the proper performance of their duties. The institute of civil service will always be the main in this process because a person is an object and subject of administrative influence in management. The executive organs have peculiar staff, the majority of it are civil servants who hold posts and perform their functional duties in accordance with the Law of Ukraine "On civil service".

It is important to note that the transformation of a society and government in all countries is a complex process which takes place under the influence of both internal and external factors, but Ukrainian reforms occur much more slowly than in most post-communist countries. This problem was less noticeable in Poland, the Czech Republic and the Slovak Republic where the majority of population and political forces were focused on "return to Europe", and

largely levelled in candidate countries by the necessity to comply with the European Union requirements during its preparation for membership. In addition, we must remember that in these countries of the system of Warsaw Pact system in every 22-25 years (generations change) beginning from 1944-1945 attempts to change the chosen way of development occurred in the society. Only in 1988-1991 years these processes stopped in all socialist countries, including the dissolution of the Soviet Union and creation of an independent state of Ukraine. The events in 2013-2014 coincide with the generation change and give hope that a new generation of Ukrainians is able to fulfill its historical mission, as in Eastern European countries.

We need to understand that the European model of government is the result of long-term development of European countries, permanent scientific researches, experiments and coordination of innovations with the public.... For the implementation of this model in our country we must work hard on Europeanisation of our own public and state entities.

Traditional public administration is transformed from hierarchical system with centralised at the national level institutional organization to other levels or institutions, multi-organisational and multi-sectoral cooperation, from control and directive management to indirect regulation, self-government, accountability and transparency for the public.

From the 1980s scientists of leading countries are seeking innovative ways of managing public affairs. As a result, new concepts of public administration emerged. They widely use economic approaches, in particular concept and practice of "New Public Management" and the concept of a new way of administration - "governance".

In broad sense governance, public administration involves all social institutions: the state which forms political and law space; the private sector that creates jobs and incomes; civil society which promotes social and political interaction. The essence of governance is to stimulate intersectoral cooperation for promotion of development oriented towards people. The concept of governance focuses more on citizens as persons interested in co-producing services than just on meeting the needs of consumers.

First of all we must clarify the concept of management. The word "management" means "the ability to manage". The English word "to manage" comes from the Latin word "manus" (hand).

Famous scholars of classical and neoclassical school identified the concepts of management and administration.

The majority of domestic scientists agree with these terms, which indicates that these concepts are identified even today. But the terms of "management"

and “administration” have a significant difference - the subject to which it is directed. Management is applied mainly to the subject of management - organisations or entrepreneurs.

The use of the term “public” instead of “state” adequately reflects managerial activities in post-industrial society, and in the process of formation and development of civil society.

The Constitution of Ukraine (Article 5) states that “people exercise power directly and through state power agencies and local self-government”. Thus, people are the source of power. In other words, people elect the government, delegating their specific functions to it. Government has the following specific functions: administration, defence, social and economic. These functions government via public authorities implement by means of policy. Also with the delegation of certain functions, people give the government financial resources in the form of national income. Accordingly all these specific functions are public. That is, they are provided for people (society). Public governance means that people take part in the process of management.

Considering publicity of government and society influence on its actions we can say that public administration is the interaction between public authorities and society in the form of implementing specific public functions for socio-political effect.

In Ukraine, the term “public administration” is used, which is not an accurate reflection of the term “public management”. Many domestic scholars the terms “management” and “administration” considered to be equivalent. The English word “management” cannot be replaced by a “management” or “administration”.

The term “administration” is used mainly as organisational and administrative method of governance used by public authorities. In other words, administration is a bureaucratic method of society governance based on the power and authority of government, that is, orders, regulations, instructions, guidelines and instructions. This method is specific and is preferably used by executive authority in the face of civil servants. Administration is the activity of civil servants regarding providing citizens with services of the current legislation.

Public administration is a method of management that, on the one hand, provides public services on legislation, and on the other, implementation of the selected type of policies that is embodied by state officials with delegated powers during the elections, both within the country and abroad in all areas of its manifestation.

We shouldn't equate the terms “governance” with administration. Public administration is a mechanism that, on the one hand, provides public services on

legislation, and on the other, implementation of the selected type of policies that is embodied by state officials with delegated powers during the elections, both within the country and abroad in all areas of its manifestation.

Under these conditions, the role of public governance is to ensure the stability of social relations, without that it is impossible to achieve the ordering of social life and always keep it in this state. Stabilisation of a society is a necessary condition for further development.

State and therefore the state apparatus cannot function without the organising role of law, without its formalising and regulatory functions it is not possible to manage complicated social processes. Developing a new model of governance it is essential to take into account that the government, as a subject, constantly interacts with the environment - a society to which it has to adapt due to the fact that according to the Constitution of Ukraine people are the only source of power.

Constitutional and legal mechanism for providing human rights and fundamental freedoms is a continuous process consisting of several stages - realisation, protection and security. It is provided by legitimate subjects - state agencies, local governments, associations of citizens to create necessary conditions for effective and full implementation, security and protection of their rights. These principles are elements, ideas and requirements stipulated by the nature of public power, and they are the basis for organisation and functioning of local self-government and social relations.

The most significant and dominant values are human rights and freedoms. Under these conditions, goals of management should be formed only under the influence of prevailing values in the society. If major strategic decisions of the state take into account these values we may say about the impact of this "institute of law and freedom" on public authorities.

Segregation of the principle of rights and freedoms priority is justified by the fact that rights and freedoms of citizens are realised primarily at the local level, where they live, work, perform political or other activities, consequently, the rights and freedoms largely depend on local government. Local governments ensure the implementation of basic social and economic rights and freedoms; create conditions for the realisation of civil rights and freedoms successfully and effectively performing its functions in main areas of life: education, healthcare, municipal engineering, land use and environmental protection, transportation and others. The choice of forms and methods of local government is different, but it definitely should be based on the Constitution of Ukraine and laws, as they reinforce and guarantee fundamental rights and freedoms of citizens of Ukraine.

The Law of Ukraine "On Local Government» No. 280 / 97 - BP (Article 4) consolidated general principles of local government. However, there is no the

principle of human rights priority among these principles, although enforcement of the rights is a constitutional norm.

Conclusions

The process of decentralisation in Ukraine requires simultaneous and coordinated work of all branches of power, avoidance of political and economic crisis, well-timed amendments to the Constitution of Ukraine, and current national legislative and regulatory framework. The ultimate goal of transforming the system of government, especially local government, must be self-government of communities (institutional, organisational, financial etc.), redistribution of roles and responsibilities between central legislative, executive and local authorities. Thus, this process needs revising the model of parliamentary system, organisation of management, establishing principles of direct democracy, regulation of public services system.

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DOI : 10.14746/pped.2016.9.3

УДК 35.077.2:35.071.6] : 005.52] (477.73-21) "2014/2016" = 111

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THE COMPARATIVE ANALYSIS OF PROVIDING ADMINISTRATIVE SERVICES BY THE CENTER FOR PROVIDING ADMINISTRATIVE SERVICES OF THE MYKOLAYIV CITY COUNCIL IN 2014-2016 YEARS

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*The article "The comparative analysis of providing administrative services by the Center for providing administrative services of the Mykolayiv City Council in 2014-2016 years" focuses the attention on direct activities of the Centre in 2014, 2015 and the first half of 2016, on implementation of a number of urgent measures to improve the Centre's activities, improving the quality and results of work, as well as its main functions and tasks in the society. The article highlights the processes taking place in the Center for providing administrative services of the Mykolayiv City Council with the purpose of the timely implementation of reforms, quality services to citizens, rapid response to these deep changes that are implemented throughout the country in the context of decentralization reform.*

*The statistical data about work of the Center for providing administrative services of the Mykolayiv City Council in 2014, 2015 and the first half of 2016 is shown. The evaluation and analysis of the Center's activity is done, priority directions of further development and the improvement work are proposed. The process of decentralization of power, which influenced the Center's work, introduced a number of new services, directions of activity, and introduced new methods in work, is shown in the article. The key problems of the Center's functioning in 2016 are outlined. It is proved that the current state of the system of provision of administrative services in the city of Mykolayiv needs system improvements, both in the organizational field (the redistribution of responsibilities among employees, the introduction of new staff units, the modification and approval of a new Temporary list of services, the adoption of respective decisions by the Mykolayiv City Council) and in the field of financial support (the enlargement of the Center's room or the equipment of a new one, the equipment of additional job places, the purchase of scanners and modern machinery, opening branches in city administrations and management of their work). Conclusions are made about activities of the Centre in 2014-2016 years. The analysis of work as well as of the range of services provided in the Centre is done. The main directions of further improving the implementation of providing administrative services by the Center for providing administrative services of the Mykolayiv City Council and the development of a system of providing administrative services in our city are identified.*

**Keywords:** *the Center for providing administrative services, decentralization, administrative services, deregulation, state registration, registration of place of residence, administrative reform.*

**Semerej P. ANALIZA PORÓWNAWCZA USŁUG ADMINISTRACYJNYCH  
URZĘDU ŚWIADCZEŃ ADMINISTRACYJNYCH MIKOŁAJEWSKIEJ RADY  
MIEJSKIEJ W LATACH 2014-2016**

*Przeprowadzono analizę porównawczą, zwrócono uwagę na istotę i problemy w kontekście świadczenia usług administracyjnych przez Urząd świadczeń administracyjnych Mikołajewskiej Rady Miejskiej w latach 2014-2016. Określono warunki, które mogą zapewnić efektywny rozwój systemu usług administracyjnych w Mikołajewie i zaproponowano sposoby tworzenia pozytywnego wizerunku Urzędu i wysoki poziom zaufania wśród mieszkańców miasta, społeczeństwa i przedsiębiorców.*

**Słowa kluczowe:** urząd usług administracyjnych, decentralizacja, pomoc administracyjna, deregulacja, rejestracja państwowa, rejestracja miejsca zamieszkania, reforma administracyjna.

**Семерей П.М. ПОРІВНЯЛЬНИЙ АНАЛІЗ НАДАННЯ АДМІНІСТРАТИВНИХ ПОСЛУГ ЦЕНТРОМ НАДАННЯ АДМІНІСТРАТИВНИХ ПОСЛУГ МИКОЛАЇВСЬКОЇ МІСЬКОЇ РАДИ У 2014-2016 РОКАХ**

*Проведено порівняльний аналіз, проаналізовано сутність та проблеми надання адміністративних послуг Центром надання адміністративних послуг Миколаївської міської ради в 2014-2016 роках, умови, які здатні забезпечити продуктивний розвиток системи надання адміністративних послуг в місті Миколаєві та запропоновано шляхи створення позитивного іміджу Центру та високого рівня довіри серед населення міста, представників громадськості і бізнесу.*

*Ключові слова: центр надання адміністративних послуг, децентралізація, адміністративні послуги, дерегуляція, державна реєстрація, реєстрація місця проживання, адміністративна реформа.*

**Семерей П.М. СРАВНИТЕЛЬНЫЙ АНАЛИЗ ПРЕДОСТАВЛЕНИЯ  
АДМИНИСТРАТИВНЫХ УСЛУГ ЦЕНТРОМ ПРЕДОСТАВЛЕНИЯ АДМИ-  
НИСТРАТИВНЫХ УСЛУГ НИКОЛАЕВСКОГО ГОРОДСКОГО СОВЕТА В  
2014-2016 ГОДАХ**

*Проведен сравнительный анализ, проанализирована суть и проблемы предоставления административных услуг Центром предоставления административных услуг Николаевского городского совета в 2014-2016 годах, условия, которые способны обеспечить продуктивное развитие системы предоставления административных услуг в городе Николаеве и предложено пути создания позитивного имиджа Центра и высокого уровня доверия среди населения города, предпринимателей общественности и бизнеса.*

**Ключевые слова:** центр предоставления административных услуг, децентрализация, административные услуги, дерегуляция, государственная регистрация, регистрация места проживания, административная реформа.

## **Introduction**

One of the important directions of Ukraine's development as an independent democratic constitutional state is the building of a strong system of providing administrative services, which aims to satisfy the interests of natural and legal persons, that is subjects of request. To some extent, Ukraine has entered the path of reforms in this area. For instance, the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on Simplification of Conditions for Business Activity (deregulation)" came into force in 2015. The significant changes to the Law of Ukraine "On Administrative Services" came into force on the 1st of January, 2016. Moreover, the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine Regarding the Expansion of Powers of Local Governments and Optimization of the Provision of Administrative Services" was passed. That is the process of implementation of the administrative reform or decentralization has been going on in Ukraine. It should be noted that the real state of the provision of administrative services in Ukraine as of 2014 - beginning of 2015 did not satisfy either the legal system of Ukraine, or the state itself, neither Ukrainian citizens nor, even more, the European Union, membership in which Ukraine seeks to obtain.

The Center for provision of administrative services in 2015-2016 started adopting powers of state registration of business and property, registration of the place of residence and removal from the place of residence, provision of extracts from the State Land Cadaster. The relevance of the topic chosen is that for today, the Center for provision of administrative services gradually implements the decentralization reform, but many questions remain unsolved.

The urgent task of building the perfect organized system of providing administrative services is important as for the city of Mykolayiv, as for Ukraine as a whole.

## **Analysis of recent research**

Some issues of implementation of the provision of administrative services were researched in publications of such scholars as V.B. Aver'yanov, H.V. Atamanchuk, I.I. Bryhinevych, I.P. Butko, V.M. Vakulenko, O.S. Ihnatenko, V.I. Kampo, V.M. Knyazyev, A.A. Kovalenko, V.V. Kopyeychikov, D. Kohen, L.M. Kravchuk, A.V. Krusyan, V.S. Kuybida, J. Litvak, V.I. Luhovyy, P.I. Nadoleshniy, I.F. Nadolnyy and others. In addition, highest officials, state and public figures suggested many current priorities in the provision of administrative services. The purpose of these publications is to set directions for the further implementation of decentralization reform.

## **Statement of research objectives**

The question of implementing powers by the Center for provision of administrative services is not fully explored, and requires further in-depth study.

Moreover, in the process of constant improvements due to current reforms, the Centers for provision of administrative services throughout Ukraine, and in Mykolayiv in particular, have to become real integrated offices, which will provide most of the administrative services, required by citizens and businesses, in one place. In order to reform the system of provision of administrative services at the local level it is necessary to introduce a number of measures with the goal to achieve this result according to the European standards.

## **Results**

The Center for providing administrative services of the Mykolaiv City Council (hereafter – the CPAS) was established on October 3rd, 2012 for execution of the Law of Ukraine “On Administrative Services” [5] and was based on the decision of the Mykolayiv City Council. Today the Center of provision of administrative services of the Mykolayiv City Council is a modernly equipped premise divided into separate zones located on 194 sq.m.

When a visitor comes to the CPAS for the first time, he enters a waiting area, where he receives the stamp for electronic queue by a consultant. Then the visitor proceeds to the comfortable equipped place for the preparation of documents, filling out forms or just for waiting for a call, which is displayed on the screen, accompanied by a voice message. Afterwards the visitor goes to the area of counseling, where he receives a complete and competent professional advice about his questions from the specialist. Later, when he nevertheless decides that this is the service that he needs, he gets into an area of document processing, where he directly submits documents to receive a service, realizing his right by this act. After the established time the visitor addresses to an area of receiving services for the result. A reception desk, e-system of regulation of queue SSI SERVUS SYSTEMS INTEGRATION (Q-mate SSIPro), an electronic scoreboard as well as information terminals are established in the CPAS of the Mykolayiv City Council for proper functioning of all areas. Information boards with info cards of administrative services, samples of applications, forms, information and reference materials etc., area placed in the waiting area, which is also equipped with comfortable seats for visitors. All this is done for the convenience of consumers of services.

The webpage of the CPAS of the Mykolayiv City Council is located in the website of the Mykolayiv City Council (<http://mkrada.gov.ua>) [16], where you can get general information about the Center, its location, hours of reception of officers as well as information about each administrative service and licensing procedure. In addition, you can quickly find news announcements and assess the quality of work.

Main functions and tasks of the Center are the following:

- Providing administrative services;
- Creating favorable conditions for development of small and medium businesses in the city;
- Reducing the time spent for obtaining business permits;
- Reducing the timeframe to obtain documents by applying the principle of a “single window” in the process of the reception of documents;
- Counseling clients about the reception of incoming packets of documents for obtaining administrative services, document processing and delivery of services’ results;
- Providing advice and practical assistance on the discovery of new business objects, entrepreneurial activity in general;
- Interacting with the subjects of provision of administrative services;
- Organizing delivery of documents from the Center for provision of administrative services to the executive bodies involved in the provision of appropriate administrative services as well as delivery of original documents to the Centre.

Now the CPAS provides 103 administrative services. For comparison, in 2013 the CPAS provided 80 kinds of administrative services. In 2014, the number of administrative services increased to 85. In 2015, the CPAS provided 94 services.

In addition, it is possible to form a list of departments and agencies, which services are provided in the Center:

- the Department on Use and Development of Communal Property of the Mykolayiv City Council;
- the Land Resources Department of the Mykolayiv City Council;
- the Department of Culture and Cultural Heritage Protection of the Mykolayiv City Council;
- the Department of Urban Development and Architecture of the Mykolayiv City Council;
- the Department of Transport Complex, Communications and Telecommunications of the Mykolayiv City Council;
- the Department for Physical Culture and Sports of the Mykolayiv City Council;
- the Department of the Development of the Consumer Market of the Mykolayiv City Council;
- the Department of Accounting and Distribution of Housing of the Mykolayiv City Council;
- the State Consumer Grocery Service in Mykolayiv;

- the Main Department of the State Land Cadastre in Mykolayiv region of Mykolaiv oblast;
- the Department of the State Architectural and Construction Inspection in Mykolaiv oblast;
- the Department of Environment and Natural Resources of the Mykolayiv Regional Administration;
- the Main Department of the State Service of Emergency Situations in Mykolaiv oblast;
- the Department of Preventive Activity of the Main Department of the National Police in Mykolaiv oblast;
- the State Inspectorate of Agriculture in Mykolaiv oblast;
- the Main Department of the State Consumer Grocery Service of Ukraine in Mykolaiv oblast;
- the Department of Protection, Use and Reproduction of Water Bio-resources and Regulation of Fishing in Mykolaiv oblast;
- the Department of Labor of Mykolaiv oblast.

Separately, the work is done for receiving documents for granting permission to make land management projects on land allocation for construction and maintenance of residential homes and other buildings for participants of the antiterrorist operation (ATO).

The information on obtaining land plots by military personnel involved in the antiterrorist operation and family members of those killed during the antiterrorist operation, memo to participants of the ATO about the procedure of consideration of applications on the above issue is located on the website of the Mykolayiv City Council [16] in the section "Administrative services".

The information on the activities of the Center during this year, as of 30.06.2016 is the following:

- The total number of administrative services - 24,998;
- The number of services of the State Migration Service - 6965;
- The number of services on registration of legal entities and individual entrepreneurs - 7721;
- The number of services on property rights - 1463;
- The number of services of the State Land Agency - 2630;
- The number of accepted applications from participants of the ATO - 367;
- The number of registered declarations of working hours - 389;
- The number of refusals - 1114;
- The number of provided consultations - 49,654.

**Table 1.****The number of Administrative Services Provided through the Center of Provision of Administrative Services (as of 30.06.2016)**

| <b>Work place</b> | <b>Direction of services provision</b>                                              | <b>Accepted applications</b>                  | <b>Number of refusals</b> | <b>Number of consultations</b> |
|-------------------|-------------------------------------------------------------------------------------|-----------------------------------------------|---------------------------|--------------------------------|
| Reception         |                                                                                     | 367<br>(applications of the ATO participants) |                           |                                |
| 7,8,9,10          | The Land Resources Department, the Department of Urban Development and Architecture | 1749<br>Including 389 (declarations)          |                           |                                |
| 15                | The State Land Agency                                                               | 2630                                          |                           |                                |
| 17                | The Department on Use and Development of Communal Property                          | 989                                           |                           |                                |
| 18                | Account of housing                                                                  | 402                                           |                           |                                |
| 13,14             | The Land Resources Department                                                       | 1602                                          |                           |                                |
| 27,28,29,30,31    | State registration of property rights                                               | 1463                                          |                           |                                |
| 21,22             | Services provided by regional services                                              | 1110                                          |                           |                                |
| 25,26             | State registration of legal entities and individual entrepreneurs                   | 7721                                          |                           |                                |
|                   | The State Migration Service                                                         | 6965                                          |                           |                                |
| Total             |                                                                                     | 24998                                         | 1114                      | 49654                          |

According to the conducted monitoring of the number of people who applied to the CPAS in 2016 for obtaining administrative services it was found out

that the number of people, compared to the 2014-2015 years, had significantly increased:

- 2014 – 13271 people;
- 2015 - 65,881 people;
- as of 30.06.2016 - 74 652 people.

Such indicators show above all, that the CPAS of the Mykolayiv City Council has embarked on a path of decentralization of power and it gradually adopts powers from executive branch of government and implements them in the Center.

The provision of services for acceptance and issue of documents of state registration of rights on immovable property was such powers in 2015. The year of 2016 was marked by the transfer of a wide range of powers from the Ministry of Justice of Ukraine, the State Migration Service of Ukraine, and the State Land Cadastre.

For further implementation of the administrative reform envisaged by the Law of Ukraine from 10.12.2015 number 888-VIII “On Amendments to Some Legislative Acts of Ukraine Regarding the Extension of Powers of Local Governments and Optimization of Administrative Services” [9] it is proposed to include administrative services, that have the biggest demand among residents, to the powers of local governments. It is therefore necessary to create certain conditions for their successful implementation.

Local governments received additional powers, which significantly changed and improved the procedure of providing administrative services. The most requested among the transferred services are:

- Registration / registration cancellation of place of residence and stay;
- Provision of information from of the State Land Cadaster;
- The exchange of information between the registers of local communities and the transfer of information in the Unified State Register of Demographic.

Obtaining new powers entails not only significant revenues to the local budget, but also the necessity to increase the staff of the Center for providing administrative services of the Mykolaiv City Council.

The Center for providing administrative services in modern conditions should be an integrated office, which provides most of administrative services required by citizens and businesses in one place. The main objectives of the integrated office should become the following criteria: effectiveness, simplicity, convenience, availability, timeliness, transparency and professionalism.

It is also advisable to create conditions for opening public receptions at the centers for providing administrative services, where citizens can receive free legal assistance, and to attract community representatives to the independent

monitoring of the effectiveness of providing these services and to identifying problems in the process.

Nowadays problematic questions are still present that impede more effective work for providing administrative services by the Center for providing administrative services of the Mykolaiv City Council.

The following issues are included for consideration of the Mykolayiv City Council in order to implement requirements of current legislation, to ensure the proper level of services to citizens through the Centre of providing administrative services in the field of providing administrative services: the change the structure, the increase and the adoption staff of the Center, the increase in funding, the expansion of premises, the approval of the Regulation of the Center for providing administrative services of the Mykolaiv City Council.

Based on the situation analysis on the requirements of the legislation, it should be noted that there is the urgent need for implementation of a number of urgent steps to improve the specified direction of activity.

1. Due to the expansion of the range of the list of providing administrative services there is a need to allocate a separate room for arrangement of the Center for providing administrative services of the Mykolaiv City Council, because it is desirable that administrative services are provided according to the principle of a "single window". The foreign experience of providing administrative services shows that main forms of centers providing public services are the "service supermarket", "single window" and electronic services. The practice of "service supermarket" shows that its main advantage is that a citizen may not even know where one or another administrative body is placed, because all services he can get in one place. In accordance with the principle of "single window", a citizen is eliminated from the process of interdepartmental coordination; the collection of optional certificates and other supporting documents may be minimal. The mechanism of the provision of services presupposes that all in-organizational processes occur inside the body or between bodies, when a person submits an application and, after a while, he gets the required result or substantiated refusal. The electronic services is the communication of a person with the representatives of power, which is exercised indirectly, making it comfortable for the consumer.

2. For the purpose of establishing the provision of administrative services of the State Migration Service of Ukraine through the Centre of providing administrative services, there is a need for the arrangement of special isolated rooms, equipped with special equipment, bars, grates on windows, safes or fire-proof lockers, means of fire alarm systems connected to the centralized supervision of the Civil Service of Protection, some archival space.

3. Improving the system of sending scanned documents with the use of telecommunications.

Moreover, there are some material and technical problems regarding the equipment of the Center for providing administrative services of the Mykolaiv City Council:

- insufficient technical capabilities on registration of applications and requests of the State Register of rights in the database of registration, creation of electronic copies of documents by scanning;
- there are no metal cabinets (safes) for the preservation of original documents in the Center;
- there are problems with the arrangement of the Center, including archival facilities;
- the need to install software for electronic document management, the introduction of electronic logbooks and the account of administrative matters;
- the improvement of queue's electronic management.

Such measures are planned to undertake during 2016 to improve the quality of providing administrative services to the subjects of appeal by the Center for providing administrative services of the Mykolaiv City Council:

- The organization of electronic documents;
- The establishment of appropriate software in compliance with the requirements;
- The introduction of electronic logbooks and the account of administrative matters;
- The connection of the Center for providing administrative services to the network of the Mykolayiv City Council;
- Completing workplaces of administrators with technics;
- Establishing a system for informing applicants of the outcome of their administrative cases by means of telephone communications;
- Automate the process of notification of subjects of request for execution of their documents by a contract with "the Ukrtelecom" in order to connect two phone numbers to an automatic dial up;
- Creating conditions for online consultation of citizens (currently such project has been launched in test mode);
- Providing opportunities for customers to monitor the process of consideration of their application in the informational portal in their own office.

A portal is being developed together with the Department of Information and Public Relations, which will provide a full range of services to customers such as getting information about services provided by the Center, making appointments, filing the application and documents for getting specific services,

monitoring results of consideration and getting results for some services.

The Centre carries out explanatory work among subjects of provision of services about the need for automation of administrative services and interaction with the Center.

The application for funding of the Center was submitted to the draft budget in order to improve the material and technical base.

In addition, workshops-meetings will be held with subjects of providing administrative services, the media and all who are interested in this topic. Similar public events in the form of seminars, round tables, press conferences and briefings are to be conducted regularly in order to reconcile the differences that arise in the process of providing administrative services, as well as to cover urgent issues to the customers of services, raising their awareness on the subject. At the same time, information will be given through print and electronic media, on the Internet.

A constant advanced training of the Center staff is also planned.

Therefore, the Center for providing administrative services of the Mykolaiv City Council is quite different from its original model of 2012, since the processes of deregulation, decentralization of power and other reforms, implemented by the authorities, have contributed to the unification of the widest possible range of administrative services in one center of services provided to citizens.

### **Conclusions**

The analysis of work of the Center for providing administrative services of the Mykolayiv City Council aims to create favorable conditions for the development of the system of providing administrative services in the form of a modern Center for providing administrative services and its separate territorial units in districts of the city of Mykolayiv. Despite steps that local authorities make to streamline the work of the Center for providing administrative services, yet many major issues remain unsolved. Such problems are the shortage of staff, the lack of budget funds, the problem of the transfer of archives, their further maintenance and storage by local authorities, the construction of additional rooms or even buildings for the operation of the Centre. Mainly these challenges are connected with the necessary throughput of customers, which has increased in 2016 and it will increase further in the future. There is a need to pay attention to the fact that the Mykolayiv City Council still has not approved the new list of services provided by the Center for providing administrative services. In addition, the Centre needs modern machinery that would ensure the quality of maintaining the State Register, the possibility of making electronic copies of documents by scanning them and that would meet the requirements of the new software developed for the implementation of decentralization reform.

Thus, the improvement of work of the Centers of providing administrative services in several areas should become main direction of improvement and development of the system of providing administrative services in the future. The most important is to create favorable conditions for servicing visitors and working of employees, which includes providing the officials with modern machinery, furniture, a sufficient number of equipped space and comfortable waiting areas for customers of services, a sufficient number of separate territorial units. Each of these areas depend on the budget funding, which the City Council will provide for the development of the Center, because the Centre for providing administrative services is the face of the City Council. It is the body where every resident of city comes because of his/her social, legal and business issues. Opening territorial divisions or branches of the Center in four districts of the city should become a priority direction. Let us note that at present two such territorial divisions operate in Central and Inhulsky districts of the city. In this way, customers of the services will be able to obtain service requests in close proximity to their place of residence or place of work, to minimize numbers of visits and to save time. Such experience is a leading one in European cities, where even alternated days and hours are set so that a person who works is able to apply for service on weekday after work or on weekends.

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DOI : 10.14746/pped.2016.9.4

УДК 353.073.533:330.341(292.451/.454)(477)=111

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**PROSPECTS OF PUBLIC MANAGEMENT  
OF SOCIAL AND ECONOMIC DEVELOPMENT  
OF THE CARPATHIAN REGION:  
LEGAL AND ADMINISTRATIVE ASPECTS**

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Social and economic factors that influence the development of mountain territories of the Carpathian region of Ukraine are researched in the article. The main priority areas of socio-economic development of mountain territories, which should ensure material well-being of local people and environmental safety of these territories are established and analyzed. The author defines and evaluates public management mechanisms that allow implementing state mountainous policy, which is necessary to create a favorable business climate that will help bring these territories from the state of depression. The author of the article considers important instruments of influence of public management at different levels of management (nationwide, regional and local), which should ensure the revitalization of economic activities, introducing modern management and industrial interrelations that will promote social and economic development of mountain territories of the Carpathian region. Clear phased steps of legal mechanism that enable to determine the course of state mountainous policy and to fix it at the legislative level are established. This will improve the quality of both general and special legislation of Ukraine and will allow it to match the requirements of the documentation of the Council of Europe and the European Union. The improvement of the administrative mechanism as a key one to ensure the implementation of development strategies of mountain territories, sectoral and special programs and projects is proposed. They will guarantee the flourishing of these territories; contribute to the formation of institutional support to achieve strategic goal and tasks of state policy in the field of socio-economic development. This will allow establishing favorable institutional and economic conditions of their functioning concerning the improvement of efficiency of interaction of executive authorities and local government with the public, business structures, scientists-environmentalists, which will ensure the harmonization of their interests and contribute to the growth of the economic potential. In addition, it will contribute to the process of ensuring sustainable development of mountain territories of the Carpathian region.

Keywords: public management, legal mechanism, administrative mechanism, social and economic development, mountain territories.

Krysztanowicz S. PERSPEKTYWY ZARZĄDZANIA PUBLICZNEGO ROZWOJEM SPOŁECZNO-GOSPODARCZYM REGIONU KARPACKIEGO: ASPEKTY PRAWNE I ADMINISTRACYJNE

W artykule zbadano czynniki społeczno-gospodarcze, które wpływają na rozwój obszarów górskich w regionie karpackim Ukrainy. Dokonano analizy głównych sfer priorytetowych rozwoju społeczno-gospodarczego obszarów górskich i ustalono niezbędne warunki dla ich dalszego rozwoju, które zapewnią dobrobyt materialny dla mieszkańców i bezpieczeństwo ekologiczne obszarów górskich. Zaproponowano istotne elementy zmian prawnych i administracyjnych zarządzania publicznego, wspierających rozwój obszarów górskich regionu karpackiego.

Słowa kluczowe: zarządzanie publiczne, zmiany prawne, mechanizm administracyjny, rozwój społeczno-gospodarczy, obszary górskie.

**Криштанович С.В. ПЕРСПЕКТИВИ ПУБЛІЧНОГО МЕНЕДЖМЕНТУ
СОЦІАЛЬНО-ЕКОНОМІЧНОГО РОЗВИТКУ КАРПАТСЬКОГО РЕГІОНУ:
ПРАВОВИЙ ТА АДМІНІСТРАТИВНИЙ АСПЕКТИ**

У статті досліджено соціально-економічні чинники, що впливають на розвиток гірських територій Карпатського регіону України. Встановлено та проаналізовано основні пріоритетні галузі соціально-економічного розвитку гірських територій та визначено необхідні умови для їх розвитку, що забезпечать матеріальний добробут місцевого населення й екологічну безпеку гірських територій. Запропоновано важливі елементи правового й адміністративного механізмів публічного менеджменту, що сприятимуть розвитку гірських територій Карпатського регіону.

Ключові слова: публічний менеджмент, правовий механізм, адміністративний механізм, соціально-економічний розвиток, гірські території.

Крыштанович С.В. ПЕРСПЕКТИВЫ ПУБЛИЧНОГО МЕНЕДЖМЕНТА СОЦИАЛЬНО-ЭКОНОМИЧЕСКОГО РАЗВИТИЯ КАРПАТСКОГО РЕГИОНА: ПРАВОВОЙ И АДМИНИСТРАТИВНЫЙ АСПЕКТЫ

В статье исследованы социально-экономические факторы, влияющие на развитие горных территорий Карпатского региона Украины. Установлено и проанализированы основные приоритетные области социально-экономического развития горных территорий и определены необходимые условия для их развития, которые обеспечат материальное благосостояние местного населения и экологическую безопасность горных территорий. Предложено важные элементы правового и административного механизмов публичного менеджмента, способствующих развитию горных территорий Карпатского региона.

Ключевые слова: публичный менеджмент, правовой механизм, административный механизм, социально-экономическое развитие, горные территории.

Introduction

The potential of Ukrainian Carpathian Mountains is spectacular, but the government does not pay enough attention to the region. The experience of Ukraine shows that the existing mechanisms of public management to tackle the problems of mountain areas are not sufficiently effective. In particular, the economic situation of mountainous part of these territories does not ensure prosperity of population; the unemployment rate raises every year; the use of natural resources by farms is inefficient; different social problems increase such as population aging, depopulation, loss of cultural heritage. We can observe that environmental problems are solved slowly and are not systematized. Unfortunately, state and regional policies for sustainable development of the Carpathian region did not give expected results. These trends require greater attention of the central executive authorities and local government to further improvement of the existing instruments of state regulation of social and economic development of mountain areas of Ukraine.

Analysis of recent research

Many scientific works are devoted to problems of social and economic development of mountain areas of Ukraine. Such scientists as L. Abramov [1], A. Walewski [2], V. Vorotin [3], J. Zhalilo [3] and others paid attention to this topic in different ways. Different directions of social and economic growth of depressed areas, which were carried out by market methods of management, were covered in works of foreign scientists such as I. Pietrzyk [4], U. Schubert [5], E. Stormer [5] and others. However, many issues concerning the development of mountain areas remain open, despite the wide range of scientific views and the importance of scientific results.

Statement of research objectives

Therefore, it is necessary to consider and develop steps to improve legal and administrative mechanisms that guarantee the socio-economic development of mountainous areas in the Carpathian region to implement modern state mountainous policy of European degree of quality.

Results

The implementation of a modern state mountainous policy of European degree of quality obviously lacks consistency. Therefore, it is possible to improve the current socio-economic situation of mountain areas only by improving the mechanisms of influence on the efficient use of available resources. This will ensure the harmonization of the interests of all economic entities and will facilitate the growth of the economic potential of mountain areas.

The instrument of public management of socio-economic development of mountain areas is the established legislative distribution of competencies, re-

sponsibility and financial-economic base at all levels of management: national, regional and local. It should ensure the revitalization of economic activities by introducing modern industrial relations and influencing the effective use of their economic and natural resources; create conditions for accelerated development of promising sectors of social and economic complex of mountain areas, including attracting foreign investments in recreation and tourism; implement public regulation that will promote elimination of local ecological crises and create proper conditions for life of the population in mountain areas.

It is necessary to form a favorable climate of entrepreneurial environment for implementation of state mountainous policy [3, p. 86]. In order to do it, one needs to ensure the simplification of the licensing system, with the elimination of barriers to entrepreneurial activity; to accelerate the implementation of the principles of European enterprise policy for reducing the politicization level of regional executive authorities and local authorities with the goal to prevent their unlawful interference in the activities of economic entities; to arrange funding from the budgets of both national and local levels in the full scope for the implementation of activities of regional and local business development programs.

Measures to improve concluding agreements (contracts) of regional development should become an important tool to stimulate social and economic development of mountain areas. Research of international experience enables to implement the idea of concluding such agreements in Articles 4 and 5 of the Law of Ukraine "On Stimulating Regional Development". It also gives an idea to determine the mechanism of their implementation in accordance with the Cabinet of Ministers of Ukraine Resolution from May 23, 2007, № 751 "On Approval of Procedure of Preparation, Conclusion and Implementation of Agreements on Regional Development and the Corresponding Model Agreement" [6; 7]. Regional agreements through consolidation of state resources with the resources of the region (intellectual, financial, organizational) can overcome budget constraints. The main purpose of their introduction should be in setting and legally fixing priorities, in which countries and regions are interested in and establishing resources that have to be guided on the implementation of programs (including programs of the socio-economic development of mountain areas).

Among the obstacles that prevent further social and economic growth of mountain areas, we should highlight the problem of insufficient development of monitoring of their development, lack of clear algorithms of its holding. The Resolution of the Cabinet of Ministers of Ukraine "On Approval of State Regional Development Strategy for the Period up to 2020" [8] states that results of implementing policies and programs of socio-economic development of territories should be determined by monitoring the implementation of agreements on

regional development, programs to overcome depressiveness of defined areas, other measures of central executive bodies and local authorities. For the purpose of effective monitoring socio-economic development of mountain areas one should keep the only criterion according to which one can evaluate the real state of economy and social sphere of these areas and objectives for their further development.

Such mechanisms of organizational and managerial activities of local government needs to be improved, which will give in the future an opportunity to identify existing obstacles and barriers in the preparation and implementation of projects of socio-economic development of mountain areas; to identify ways to effectively use the existing local natural and human resources; to minimize all possible negative impacts, risks and limitations; to agree on the creation and development of all promising forms of productive activity; to develop human potential in general. All these actions are necessary to conduct as systematic activities of advisory and informational nature, as well as to adopt respective management decisions that will be directed on determining and overcoming obstacles in the implementation of socio-economic development of mountain areas.

In modern conditions, the administrative mechanism [2] should enhance the effectiveness of management activities in the implementation of the general state support for the social and economic development of mountain areas. It should be implemented covering all major areas: the development of sectoral programs with measures supporting mountain areas, programs and projects supporting mountain areas for environmental safety; the introduction of the necessary investment support of mountain areas; special programs to support the development of mountain territories etc.

The adequate funding must play a significant role among the instruments of the improvement of public management of socio-economic development of mountain areas. The implementation of management decisions because of this should be limited to such principles as scientific validity, effectiveness, optimality, optimal combination of market and non-market financial instruments, unity and interconnectedness of all activities of budgetary and financial policy. The priority direction of management activities should be the introduction of multi-channel (mixed) type of financing social and economic infrastructure of mountain areas, which will include state guarantees and co-financing and state lending of private agencies. Creation of effective financing of development of mountain areas will ensure the achievement of priority strategic, tactical goals in key areas of economic complex; it will greatly improve the quality of infrastructure services and will help to expand access to them.

Methods such as budgetary control of the development of these territories and direct government investment are interdependent. They will influence the performance of each other. Moreover, they become important to improve the socio-economic development of mountain areas. It should be noted that the reform of the investment process is very important because the economic conditions for the development of priority and potential sectors of mountain areas should be created primarily at the local level. Important support for socio-economic development of mountain areas should be provided by the state, through the implementation of sectoral and specific budget programs (subsidies from the state budget to local budgets, stabilization fund, etc.). Therefore, a significant part of issues of the socio-economic development of these areas can be solved thanks to funding from state and local budgets, which is written in the agreements of regional development.

Based on the experience of the EU Member States, it can be argued that we should not limit the role of government financing through subsidies, while the profitable part of local budgets has not been formed yet. Increasing the role of local budgets should be a priority for local authorities [4, 5]. Only a responsible attitude to the problems of reforming local governments and help to the communities, initially, by the state, will generate revenues of local budgets and bring them gradually on self-financing.

An important condition for successful economic and social development of mountain areas is the use of control of the implementation of the planned measures by local authorities, relevant results and their implications. This is a necessary condition for the effectiveness of social and economic policy aimed at preventing abuses and mistakes from bodies of public management. We are talking about creating institutions of control over the authorities. [1] These institutions could be particularly analytical and expert NGOs.

Therefore, in our opinion, to improve mechanisms of public management of socio-economic development of mountain areas in the Carpathian region, namely legal and administrative, we need to give their specific actions i.e. their focus, provision, ultimate purpose and conditions of implementation.

In order to improve legal mechanism it is necessary to direct all its actions to clear division of legislative competences, responsibility at different levels of management (nationwide, regional and local); precise formulation and legal consolidation of the priorities in the implementation of which both the state and region are interested in; determination of resources, which the parties pledge to direct on realization of programs of socio-economic development of mountain areas; legal provision of forming and implementing state mountainous policy in accordance with the best European and international experience; the intro-

duction of uniform criteria for monitoring of socio-economic development of mountain areas.

This mechanism for ensuring socio-economic development of the Carpathian region should provide simplified licensing system, with the elimination of barriers to carrying out business activity; acceleration of the implementation of the principles of European enterprise policy without undue interference of authorities in the activities of economic entities in the highlands; consistency of norms of the Law of Ukraine "On Stimulating Regional Development" according to the legal framework considering forecasts, plans, indexes (indicators), means, time of the implementation of development programs of mountain areas on the established priorities of their development; adoption of two laws, one - of conceptual level "On the Basis of the State Mountainous Policy," and the second – of special level, which will contain certain regulatory instruments of socio-economic development of mountain areas with the provisional name "Normative and Legal Basis of Sustainable Development of Mountain Areas."

Preliminary steps of legal mechanism will promote making some changes and additions to the general and special laws of Ukraine that regulate social and economic development of mountain areas; adopting the normative and legal act that would regulate the mechanism of state regulation of social and economic development of mountain areas, provide clear understanding and application of means of legal state influence on the development of these areas; legal enforcement for the implementation of environmental regulation of spatial development of recreational resources; improving the conclusion of agreements (contracts) of regional development, which will enable largely to overcome budgetary constraints; updating and adding the regulatory framework of state regulation of the development process of mountain areas, which should identify legislative consolidation of depressed regions that include mountain territories and their classification.

The mechanism of legal regulation will establish the ultimate goal of improving the legislation on normative and legal socio-economic development of mountain areas. This should take place taking into account the principle of social expediency, requiring the ordering of the legal framework and, on this basis, providing positive dynamic of indices of sustainable development of mountain areas; conditions of adaptation of legal, economic, social norms, guarantees, standards of European and international requirements for mountainous policy.

This will provide the opportunity to foresee the adoption of additional laws and regulations that will be designed to promote the activities of state and local authorities to ensure the effective and sustainable development of mountain areas; to bring legislation of Ukraine into compliance with requirements of docu-

mentation of the Council of Europe and the European Union, which set out the principles of mountainous policy and socio-economic development of mountain areas; in the new Law “On the Development of Mountain Areas in Ukraine,” based on the study of international experience of mountain development to lay the regulatory rules to prevent the deepening of social and economic decline of mountain areas, to create appropriate conditions for the development of mountainous territory, not individual settlements; to draft and adopt the Law of Ukraine “On the Territory of the Future Development”, in which procedure for determining the economic and legal basis of the status and operation of prospective development area, including of mountain areas should be brought to norm.

In order to ensure socio-economic development of mountain areas in the Carpathian region the administrative mechanism is important, which should be directed to the adoption of respective management decisions to identify and overcome existing problem situations on socio-economic development of mountain areas; the development and implementation of strategies for the development of mountain areas that have to define the tendency of their sustainable development; the development of sectoral programs with support measures of mountain areas, programs and projects supporting mountain areas, natural resources under special protection (including - ecological disaster zone), special programs to support the development of mountain territories.

Only through effective implementation of the administrative mechanism, it is possible to provide the conclusion of regional agreements that shape the institute of contractual relations, inter-agency cooperation and cross-sector partnership in the field of socio-economic development of mountain areas; effective management of enterprises located in the highlands that envisages making the effective administrative decisions aimed at the implementation of assigned tasks and their solutions with minimal resources and maximum quality of the final result; to create a favorable climate for attracting foreign and domestic investment and credit funds to implement innovative projects and implementation of international standards in recreational and resort process.

This mechanism will facilitate the formation of an effective institutional support to achieve the strategic goal and tasks of state policy in the field of socio-economic development of mountain areas; creation of conditions for accelerated development of promising sectors of socio-economic complex of mountain areas; the development of clustering of production, which largely has to make the transition from direct interference by public authority by involving other administrative sectors, under conditions of ensuring their interests that will be directed on development of new forms of territorial-industrial economic complex mountain areas; economic substantiation of methods of implementing

the policy development of the recreational potential mountain areas and ways to improve them; development of measures for combining resort and recreational resources of mountain areas into a single economic complex with the management regime that has to be carried at the expense of natural wealth with a prerequisite for preserving their natural resources; improvement of organizational and administrative activities of local authorities in the field of development of socio-economic complex of mountainous areas.

This will enable to install favorable institutional and economic conditions for the functioning of the socio-economic complex of mountain territories; the sequence of stages of strategy' implementation on socio-economic development of these areas; all organizational and administrative actions that are interconnected and guarantee the fulfillment of the goals.

Due to the above-mentioned steps of the administrative mechanism, it will be possible to include coordination of the activities of all economic entities that should ensure the harmonization of their interests and promote the growth of the economic potential of mountain territories; implementation of the mechanism of phased realization of the priority tasks of economic and social development of mountain territories; improvement of the efficiency of interaction of executive authorities and local government with the public, primarily scientists-environmentalists, which will contribute to the process of ensuring sustainable development of mountain territories of the region.

Conclusions

Therefore, summing up the above, we can say that social and economic development of mountain territories in the Carpathian region cannot be guaranteed without the characteristic changes of interaction between business entities and without the control of the real impact of existing market factors. The ratio between market and state mechanisms of regulation of social and economic development of mountain territories should take into account regional differences. The state should regulate all areas and processes, which the market does not affect enough. The implementation of proposed legal and administrative mechanisms will help to improve the socio-economic situation of mountain territories of the Carpathian region of Ukraine that in the future will result in raising the level and population life quality of these territories.

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DOI : 10.14746/pped.2016.9.5

УДК 35.07:[005.57+316.77]=111

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COMMUNICATIVE MECHANISM OF FUNCTIONING OF THE INSTITUTE OF PUBLIC SERVICE OF UKRAINE

Communication is an important element of ensuring the effective functioning of public administration system and implementing reforms. Creating efficient communication becomes a priority task of public policy in the context of the unstable socio-economic and political situation in the country. The development of the effective system of communication between civil servants vertically and horizontally, and on the level of citizen involvement to public administration at different levels of government becomes equally important.

According to the current institutional mechanism, there are such forms of public participation in managing state affairs as elections and referendum, appeal to the authorities, appeal against decisions, participation in political parties, public organizations, local governance, access to public service and others. At the same time, there are significant obstacles that hinder the effective functioning of these instruments. In particular, these include imperfection and inconsistency of legal and regulatory framework, imperfection and failure to comply with procedural provisions on implementation of various forms, low level of political activity of citizens, political involvement of civil servants and local government officials etc.

The establishment of internal communication system and the implementation of strategic communications as an integral part of national security are exacerbated on a background of an unstable socio-economic and political situation as well as hybrid war in Ukraine. The system of state communications of Ukraine is characterized by the lack of a unified communication strategy, the low dynamics of coordination and cooperation between ministries and departments, the low level of civil servants' competencies of communication services, the imperfection of legal and regulatory framework and the lack of budget for communications, substitution of public communications by political communications. In addition, the integrated system of evaluating the effectiveness of communication activities of informational divisions is not formed.

The close interconnection of all elements of public administration system among themselves and with the external environment elements form the basis of communicative mechanism of functioning of civil service of Ukraine. Particularly, this interconnection

is with the public, the media, the NGOs and political parties. At the same time, it is necessary to weaken the political basis of communication system of civil service functioning. Communication processes shall be a subject to unified communication strategy.

Keywords: civil service, communicative mechanism, communication, forms of transfer of powers to the public, decentralization.

Karpunec A. MECHANIZM KOMUNIKACYJNY FUNKCJONOWANIA SŁUŻBY PAŃSTWOWEJ NA UKRAINIE

W artykule przeprowadzono analizę komunikacji jako ważnego elementu skutecznego funkcjonowania administracji publicznej, realizacji polityki państwa i reform. Określono formy przekazywania ze strony władz publicznych praw publicznych i uprawnień publiczności co do zarządzania sprawami, które są interesem publicznym. Dokonano analizy głównych przeszkód na drodze skutecznej współpracy pomiędzy urzędnikami i społeczeństwem. Położono akcent na budowanie komunikacji wewnętrznej w systemie służby cywilnej jako strategicznego elementu w procesie komunikowania się w państwie. Zwrócono uwagę na model komunikacji w administracji publicznej.

Słowa kluczowe: służba państwowa, mechanizm komunikacyjny, komunikacja, formy przekazywania uprawnień publiczności, decentralizacja.

Карпунець А.С. КОМУНІКАТИВНИЙ МЕХАНІЗМ ФУНКЦІОНУВАННЯ ІНСТИТУТУ ДЕРЖАВНОЇ СЛУЖБИ УКРАЇНИ

У статті досліджується комунікація як важливий елемент забезпечення ефективного функціонування системи державного управління, реалізації державної політики та реформ. Визначено форми передачі від державних органів громадськості прав і повноважень щодо управління справами, що становлять суспільний інтерес. Аналізуються основні перешкоди, що стоять на заваді ефективній взаємодії між державними службовцями та громадськістю. Зроблено акцент на налагодженні внутрішньої комунікації в системі державної служби як складової стратегічних комунікацій держави. Запропоновано модель комунікативного механізму функціонування інституту державної служби.

Ключові слова: державна служба, комунікативний механізм, комунікація, форми передачі повноважень громадськості, децентралізація.

Karpunec A.C. КОММУНИКАТИВНЫЙ МЕХАНИЗМ ФУНКЦИОНИРОВАНИЯ ИНСТИТУТА ГОСУДАРСТВЕННОЙ СЛУЖБЫ УКРАИНЫ

В статье анализируется коммуникация как важный элемент обеспечения эффективного функционирования системы государственного управления, реализации государственной политики и реформ. Определены формы передачи прав и полномочий общественности по управлению государственными делами. Анализируются основные препятствия, стоящие на пути эффективного взаимодействия между государственными служащими и общественностью. Сделан акцент на внутренней коммуникации системы государственной службы как составляющей стратегических коммуникаций государства. Предложена модель коммунікативного механизма функционирования института государственной службы.

Ключевые слова: государственная служба, коммуникативный механизм, коммуникация, формы передачи полномочий общественности, децентрализация.

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Introduction

The actual task of public policy in conditions of social-economic instability is the modernization of a system of state communications and their adaptation to EU standards. An important aspect of the efficient communication model is establishing feedback from the public, NGOs, political parties, and the media. At the same time, increasing effective functioning of the civil service system is impossible without ensuring efficient interdepartmental communication. Now the communication system of the institute of public service of Ukraine is in imbalance and unable to provide effective functioning of public administration system, proper implementation of reforms, building confidence and establishing partnership with the public.

Analysis of recent research

Scientific studies of I. Aristova, V. Bebig, T. Bezverhnyuk, O. Berehova, N. Dniprenko, N. Dragomiretskaya, V. Dreshpak, A. Ermolenko, O. Zernetskoyi, S. Kaschavtseva, V. Kozbanenko, V. Konecka, V. Korolko, V. Komarovsky, B. Malinovski, A. Melnyk, V. Lisnychyi, N. Nyzhnyk, G. Pocheptsov, T. Prytychenko, E. Romat, V. Rubtsov, I. Slisarenko, S. Seryogin, M. Tomenko, E. Tikhomirova, Y. Shemshuchenko, O. Ivanytska and others display various aspects of establishing communicative interaction in public administration system. However, issues of implementation of systematic approach to state communication mechanism, establishment of internal communication within the civil service are insufficiently developed.

Statement of research objectives

The aim of this study is to identify the main obstacles to the effective functioning of the civil service communications and formation of communicative mechanism of functioning of public service in Ukraine.

Results

Ensuring effective functioning of the system of public administration, implementation of public policy and reforms largely depends on the nature of communication between civil servants vertically and horizontally, and on the level of citizen involvement to public administration at different levels of government.

The institutional mechanism provides a number of forms and types of public participation in managing state affairs (figure1).

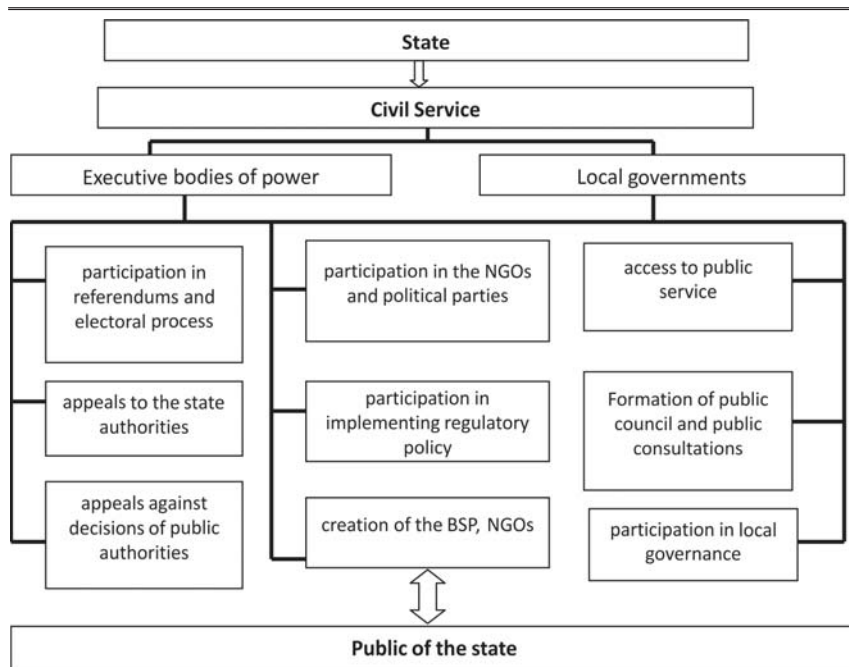


Figure 1. *Forms of Transfer of Rights and Powers of the Public on the Management of Public Affairs*

Note: Developed by the author

The aforementioned forms of public participation in public administration are effective. However, a considerable list of obstacles hinder the effective use of these tools to the fullest. In particular, the realization of public's right to referendum is complicated by contradictions in normative and legal base concerning regulation of process of conducting referendum, a narrow range of problems that can be put to a referendum etc.

Competitive selection for civil service positions as an element of equal access to public service, in turn, is not implemented properly due to procedural obstacles to competition. Participation of citizens and their associations, academic institutions, consultative and advisory bodies and economic entities in the implementation of regulatory policy is complicated by the absence of mandatory consideration of constructive proposals and public comments when making regulations on the legislative level. In this regard, regulatory authorities have the ability to ignore public opinion regarding the regulation of social processes. The

insufficient level of professional training of public representatives concerning issues formed for discussion impede the effective application of consultations with the public. Consequently, there is the lack of constructive criticism and suggestions, partial involvement of stakeholders in the discussion.

According to the European Charter of Local Self-Government, ratified by the Law of Ukraine, the right of citizens to participate in managing state affairs is one of the democratic principles that can be carried out most effectively at the local level [2]. According to the Constitution of Ukraine, the bearer of sovereignty and the only source of power in Ukraine is the people who exercise power directly and through bodies of state power in the person of civil servants and local government authorities in the person of local government officials. [3] At the same time, the Constitution of Ukraine does not provide conducting local referendums. Moreover, the Law of Ukraine “On National and Local Referendums” from 03.07.1991 number 1286-XII was repealed in 2012. Holding public meetings is hampered by the low activity of citizens and, consequently, the complexity of attracting the required number of members of the community to ensure the eligibility of a meeting. Local initiatives as a mechanism of participatory democracy in Ukraine does not work properly due to legislative inconsistency and uncertainty, complexity of initiation. In addition, the inadequate legislation causes in most cases the ineffective functioning of bodies of self-organization of population (hereafter – the BSP). In particular, the procedure for convocation of the meeting of residents is not established; the procedure for reregistration of the BSP after the end of council’s term of powers etc. is not envisaged [5]. Note that issues of interaction between state bodies with the public are well developed. At the same, establishing cooperation between civil servants of different levels of authority and in the context of reforming the civil service and its adaptation to EU standards becomes critically important. The establishment of internal communication system is exacerbated on a background of an unstable socio-economic and political situation in Ukraine. The implementation of strategic communications at present appears an integral part of national security. According to the Military Doctrine of Ukraine, strategic communications are “coordinated and proper use of communication capacity of the state – public diplomacy, public relations, military relations, information and psychological operations, measures aimed at promoting goals of the state” [7]. In addition, the introduction of strategic communications became part of the Annual National Programme of Ukraine - NATO cooperation in 2016 [8]. The main objectives of the development of strategic communications is the application of the systematic approach to their use, the transition from crisis response to risk management, the communicative competence of personnel and the establishment of a mechanism of interdepartmental communication coordination [6].

As the head of the Institute of Strategic Communications V. Lipkan states, internal communication (working with staff and internal PR) is one of the components of strategic communication [4]. However, currently the system of internal communications of civil service is in unbalanced condition. The study conducted by the Group of communications reforms in the period from 10 August to 30 September 2015 among representatives of ministries and other government agencies showed that the current system of government of communications is not functional and unable to track feedback. According to the study, 87% of ministries do not have communication strategies and analytical departments; they do not measure audience response to their communication. In addition, 70% of respondents do not see the need for horizontal cooperation, 47% of agencies experience problems of interaction within its ministry, 6 ministries do not communicate with each other, 7 communicate only through the Minister or the Cabinet of Ministers Secretariat. [9]

The imperfection and limited regulatory framework, lack of standards for informational cooperation between the authorities and the public, no uniform structure of communication units hinder the development of an effective system of communication in the system of state power. In addition, legal and organizational principles of functioning of information units are not established, their tasks and functions in government bodies are not defined. In the context of the trend towards the decentralization of public administration system of Ukraine, the communicative system of bodies of state power has to transform too. It is necessary to create an integrated information and communication system of adaptation of these bodies to the requirements of the decentralization, because the process of decentralization is accompanied by the expansion of powers of local government, the increase of the load and the intensification of internal communications of public administration bodies at the local level. V. Dreshpak and V. Pisotskyy note that redistribution of functions in the communicative sphere will contribute to the effective implementation of delegated and service functions, the stabilization of functioning of public administration and the increase of civic activism in solving local problems [1, p. 135]. The formation of an effective communicative mechanism becomes important. The principles of its application should be flexibility, rapid adaptation to changes in the political and socio-economic environment, scientific basis, and compliance of technical support with volume and content of information flows, focus on the most effective technologies of public administration, unity of approach to communications, political impartiality.

We have developed the model of forming of communicative mechanism of civil service (Figure 2)

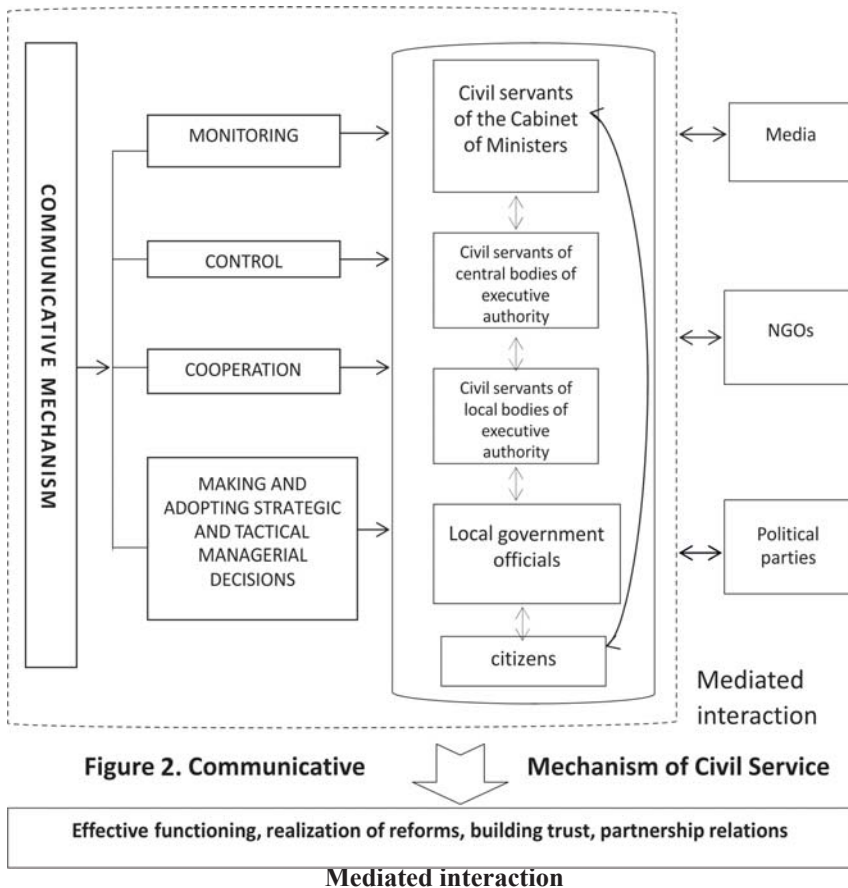


Figure 2. Communicative Mechanism of Civil Service Functioning

Note: Developed by the author

The communicative mechanism of civil service functioning in Ukraine should provide close cooperation inside of public administration system and with the external environment (citizens, media, NGOs, political parties). The communication process at all levels must be subordinated to a single communication strategy and provide a set of tactical management decisions subordinated to the chosen strategy. Monitoring and control of the results of communicative interaction both in interagency cooperation and with the public is an important aspect of ensuring effective communication system. In addition, it is necessary

to weaken the political basis of the communication system of civil service functioning.

Conclusions

Thus, the public service communication system is deployed in two planes - “public service - public service” and “public service – the public”. Despite the wide range of forms of transfer of authority to the public and forms of public participation in managing state affairs, there are obstacles to their effective use. In particular, these include imperfection and inconsistency of legal and regulatory framework, imperfection and failure to comply with procedural provisions on implementation of various forms, low level of political activity of citizens, political involvement of civil servants and local government officials etc. Internal communications in civil service system are currently characterized by imbalance, lack of unified communication strategy and connection between structural elements of the system. There are shortcomings in the management of human resources in the field of information and communicative provision of public authorities functioning. The lack of standards for informational cooperation between the authorities and the public, no uniform structure of communication departments and so on are significant obstacles to providing effective communications in the system of state power. Therefore, the development of a new communicative mechanism of public service functioning that envisages the interconnection of all levels of the civil service system between themselves and with the external environment, subordinated to the unified communication strategy becomes important.

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CONCEPTUAL APPROACHES TO THE CONCEPT OF INSTITUTIONAL DEVELOPMENT OF PUBLIC ADMINISTRATION

The article is devoted to the problem of institutional development of public administration in Ukraine. The political system of Ukraine as a system of public institutes and a place of public administration position in this system are examined in the organizational context. Core definitions concerning institutional development are defined in the legal aspect. Stages of institutional development of public administration of Ukraine are outlined in the political aspect.

Keywords: institutional development, state, power, public administration, civil service, civic society, Ukraine.

Sylczuk T. PODEJŚCIA KONCEPCYJNE W FORMUŁOWANIU DEFINICJI ROZWOJU INSTYTUCJONALNEGO ADMINISTRACJI PUBLICZNEJ

W artykule autor analizuje problemy rozwoju instytucjonalnego administracji publicznej na Ukrainie, a mianowicie aspekt organizacyjny oraz system polityczny Ukrainy jako system instytucji publicznych i miejsce administracji publicznej w tym systemie. W kontekście prawnym określono podstawowe pojęcia dotyczące rozwoju instytucjonalnego, zaś w kontekście politycznym - etapy rozwoju instytucjonalnego administracji publicznej na Ukrainie.

Słowa kluczowe: rozwój instytucjonalny, państwo, władza, służba publiczna, społeczeństwo obywatelskie, Ukraina.

Сильчук Т.В. КОНЦЕПТУАЛЬНІ ПІДХОДИ ДО ПОНЯТТЯ ІНСТИТУЦІЙНОГО РОЗВИТКУ ДЕРЖАВНОГО УПРАВЛІННЯ

Стаття присвячена проблемі інституційного розвитку державного управління України, а саме: в організаційному аспекті розглянуто політичну систему України як систему державних інститутів та місце державного управління у цій системі; у правовому аспекті визначено основні терміни щодо інституційного розвитку; у політичному – окреслені стадії інституційного розвитку державного управління України.

Ключові слова: інституційний розвиток, держава, влада, державне управління, державна служба, громадянське суспільство, Україна.

Сильчук Т.В. КОНЦЕПТУАЛЬНЫЕ ПОДХОДЫ К ПОНЯТИЮ ИНСТИТУЦИОНАЛЬНОГО РАЗВИТИЯ ГОСУДАРСТВЕННОГО УПРАВЛЕНИЯ

Статья посвящена проблеме институционального развития государственного управления Украины, а именно: в организационном аспекте рассмотрена политическая система Украины как система государственных институтов и место государственного управления в этой системе; в правовом аспекте даны определения главным терминам, касающимся институционального развития; в политическом – обрисованы стадии институционального развития государственного управления Украины.

Ключевые слова: институциональное развитие, государство, власть, государственное управление, государственная служба, гражданское общество, Украина.

Introduction

Institutional development of public administration continues in Ukraine. Let us lay out the understanding of institutional development for a general understanding of this phenomenon. According to Ukrainian scientist V. I. Melnychenko, institutional development can be defined as sustainable integrated development of an organization. At the same comprehensiveness provides not only updating organizational structure, but also forms, methods, tools, guidelines, rules and regulations (emphasis in italics is ours, insertion is ours) of its functioning [9, p. 7]. Principles, norms and rules of functioning give institutions of the political system of society special social, legal and political status. Note that “development is a change, but not a quantitative change, but qualitative (as opposed to growth, improvement, etc.), and, moreover, the change is only positive. A system that has changed is characterized by new features, which will ensure the effective implementation of its functions” [5, p. 9].

Objectively approaching the assessment of the concept of “institutional development of public administration” let us consider the environment that allows for a push. Thus, in organizational, legal and political context, in our opinion, it is noteworthy to examine and highlight interconnections (at least theoretically) with respect to such components of the political system as state, power, public administration (civil service), civil society.

Analysis of recent research

H.Atamanchuk, E.A.Afonin, L.Bunetsky, L.V.Honyukova, I.A.Hrytsyak, M.I.Karmazina, N.M.Kolisnychenko, V.M.Martynenko, V.I.Melnichenko, O.Yu.

Orzhel, O.M.Paliy, P.Rabinovych, Yu.P.Surmin, O.V.Sushyy, O.Yakubovskyy, Turgay Ergun and other scientists studied the issue of institutional development of public administration. Specifically, they explored concepts such as “institute”, “institution”, “institutional development”, “institutional change”, “formal” and “informal” institutions “political system”, etc. The object of such research is usually public administration in a particular area or some aspect of it. L. Bunetskiy considers political system in terms of the theory of institutionalism. However, this system does not have a room for public administration as a social institution.

Why is public administration an institution? How is it defined as the institution? In what collaboration with other public institutions is it? What is the substance of the institutional development of public administration? It is necessary to answer these questions for the theoretical justification of our research topic.

Statement of research objectives

Thus, the goal of our research is theoretical substantiation of the concept of “institutional development of public administration”, clarification of its organizational, legal and political content.

Results

We will find out the concept of “institution” to understand the social nature of public administration in the first place. O. Sushyy, for example, provides solution to problems regarding the delimitation of often-identical concepts of “institute” and “institution” as follows: “institute is interpreted as rules and regulations, but institution – as both organizations and people, guided by these rules and regulations” [16, p.156].

M. Karmazina gives her own understanding of these concepts “it would be correct to understand the term “institution” as setting, tradition, order in society, while “institute”, respectively should be considered as the consolidation of such customs and practices of laws and regulations”... Representatives of institutionalism interpret institutions as a socio-psychological phenomenon [7].

The representative of neo institutionalism D. Nort, for example, pointed out on the dual nature of institutions and organizations: on the one hand, institutional frameworks affect the appearance and development of organizations and, on the other hand, organizations influence the process of change of institutional frameworks [10, p. 20].

Taking into account the above-mentioned material, it should be noted that the concept of “institute” is used primarily as a generic, that is more abstract, something that indicates a direction, concept; “institution” is actually used as something specific, something that indicates a specific part of this trend. Although the scientific community has not yet reached unambiguous interpretation of these concepts.

L. Bunetskyy distinguishes the following political institutions in the social political system of Ukraine: state, state power, presidential power, parliamentarianism, executive authorities, public and political opposition, election, law, political parties and party systems, civil society, self-governance [2, p. 193-194].

P. Rabinovych gives a more generalized vision of the political system. Its elements, in his opinion, are public education, public organizations, private companies and institutions, labor groups [13, p. 70]. E. Afonin describes political system in a somewhat other terms. He views it as a system of relations of public and private social institutions that carry out political functions related to the protection of interests of certain classes and social groups [6, p. 4]. The interpretation of E. Afonin, in our opinion, is more in line with the theory of institutionalism. Based on this definition, we will attempt to describe the place and role of the main social institutions in the political system of modern Ukraine.

State is a special social institution that is “historically formed resistant forms of organization of joint activities of people” [15, c. 261]. In addition, the state is a legal institution, which “orients future behavior of people on certain rules and regulations (emphasis in italics is ours). The term institutionalization is associated with the latter two aspects [15, p. 261]. One of the meanings of this term is “legal and organizational consolidation of certain social relations” [15, p. 261].

However, above all, the state is a political institution. “The state is a set of interconnected institutions and organizations that manage the public; the link of the political system of society with the power” [15, p. 273]. According to P. Rabinovich, “the state is the center, the core of the political system of society” [13, p. 71]. The political system includes such elements as subjects (carriers) of the policy - social subjects and organizations representing them (the state is such an organization); political relations, political consciousness of subjects of politics, policy norms (general rules of behavior) [13, p. 70].

An interesting fact for us is that L. Bunetskyy considers power in three forms: state, presidential and executive. This scholar understands state power as relations of social partnership between the state, government and civil society. Institute of presidency does not belong to state power, but “it can act as an integrative legal institution,” whose purpose is to promote “coherent relationship and unity of the whole system of state power as the only political institution” [2, p. 193]. Finally, executive power means the purposeful influence of an integrated system of state authorities at central and local (or regional) level. This scientist regards local government as an organic part of civil society.

We add that in the given above system of political institutions by L. Bunetskyy there are no institute of public administration and institute of judiciary (as a systemic event). The specified institute of law this scientist regards as leg-

islative activity and implementation of it into practice – law implementation, law relations.

According to the definition of H. Atamanchuk “public administration is practical, organizing and regulating state’s influence on the social livelihoods of people with the purpose of streamlining, maintenance or transformation, based on the strength of its power” [1, p. 40]. This definition actualizes state-government interaction. O. Yakubovskyy supports the same approach. According to him “the power is inseparable from the state, and various types of states differ from each other in ways to use state power” [19, p. 11].

Scientists V. Martynenko and A. Jakubowski advocate this idea that public authorities and civil society are elements of public administration. According to A. Jakubowski, the best model is to build a state-government relationship based on interaction with civil society [19, p. 9]. V. Martynenko considers civil society as “self-organizing objective process that directs state-administrative activity to a democratic mainstream” and power-administrative activity - as a subjective process [8, p. 130]. In this way, public administration as a social phenomenon institutionalizes through state-government interaction with civil society.

Yet another important institution in the political system of society - public service, in our opinion, becomes an equal player in the political system of modern Ukraine. The Law of Ukraine “On Civil Service” from 10.12.2015 number 889-VIII confirms this. It defines public service as “public, professional, politically impartial activity of practical performance of tasks and functions of the state” [12, art. 1]. Thus, the evolution of the civil servant is to be held from an executive person to the executive and analytical person directed by constitutional principles.

Civil service of Ukraine (as, after all, and in any other country), we believe that above all should be seen as a set of society (social) relations, which can be conditionally divided into internal and external relations, connected with the functioning of public service as a social phenomenon and as a social institution. The state of institutional development of the state describes the development of internal and external relationships of civil service [14].

“Civil (civic) society is the sphere of communication, interaction, spontaneous self-organization and self-government of free individuals based on voluntarily formed associations. Necessary laws protect it from direct intervention and regulation by the state and civic values dominate in it” [3, p. 188].

According L. Honyukova, “structurally civil society is a subsystem of society as a whole” [3, p. 187]. “The people, the civil community should be the source, the subject of constitutionality and not its counterparty - a state bureaucratic system” [3, p. 186].

In the legal field, the institution of civil society is based on existing international treaties and, consequently, on national legislation.

We are mostly impressed by the following definition of the institutional development as a phenomenon: “the institutional development is related to the process and content of changes of existing institutions to improve their efficiency in supporting growth and service delivery. It relies on the support and participation of the participants at the highest political level, as well as key actors and interested parties” [23]. In some reports and methodical recommendations institutions are understood, for example, as government departments and agencies [22, p. 45], which, in our opinion, is a narrow approach. For example, the institution of the state is theoretically the interaction of institutions of legislative, executive and judicial authorities, whose quality of work and interaction balance affect the standard of living of citizens. On the other hand, we do not casually discuss the political system in the form of certain set of institutions, which, ideally, will be a well-filled institutional system. In the scale of the state, we cannot only talk about the development of government institutions, realizing that development at the national level can be top-down, bottom-up, in related institutions, under the influence of internal / external actors, etc.

The Resolution 41/128 of the General Assembly of the UN “Declaration on the Right to Development”, adopted on 4 December, 1986 (Ukraine at that time was represented by the Ukrainian Soviet Socialist Republic) and the CSCE Final Act adopted August 1, 1975 in the city of Helsinki promote institutional development at the international level. According to this declaration, a person acts as an interested party of institutional development. Actually, the person as a social being is institutionalized in the process. The Resolution 50/225 of the UN General Assembly “Public Administration and Development” puts public administration and development in logical interdependence.

Based on the above definition of institutional development, we understand that it happens on a foundation of institutional changes and the political process, which “allows seeing the specific facets of actors’ interaction about the state power” [6, p. 15]. Institutional changes compared to institutional development are broader concept. According to L. Bunetskiy, institutional changes in public administration can be considered as: 1) introduction and development of new state-administrative institutions; 2) adjustment and improvement of existing institutions; 3) review and abolition of inefficient institutions [2, p. 20]. Institutional development heats social development, whose essence is a “qualitative change of the whole structure of society until the change the way people think” [4, p. 624].

“The ability to prolonged update (reinvention) lies at the heart of institutional sustainable development (institutional sustainability). The latter is a more

quiet purpose, achieved by the improvement in the efficiency of existing structures, processes and systems usually through trainings and coaching. It is not recognized as institutional innovation" [22, p. 143].

Institutional development and institutional strengthening are interrelated but different from each other. Strengthening is associated with the creation or reinforcement of institutions' capabilities to generate, distribute and engage financial, human and material resources to achieve development goals.

In international programs and projects, institutional development is associated with building institutional capacity (capacity building). The UNDP defines it as a "long-term development process that includes all stakeholders, including government ministries, local authorities, NGOs, professionals, members of society, scientists and others." This society "should attract assistance to institutions in developing countries, which should include ... modernization of existing institutions and their support". [20]

The international organization UNPAN in its recommendations on the development of institutions of governance and public administration in Africa states: "institutional development starts with constitutional foundations that ensure the existence of these institutions" [21, p. 9]. Its important recommendations are redefining missions of the country, substantiation of governance and public administration in local conditions; establishment and approval of boundaries of competence, missions and goals, as well as future challenges; determination of responsibilities and methods of cooperation between public, private and civil sectors [21, p. 8]; exchange of "best practices, knowledge and information about successful experiences in carrying out reforms of public administration, including experience in providing services by public service" [21, p. 13].

Actually, the institutional development of public administration, in our opinion, affects more permanent socio-political entities. They are namely institutions, on which the main power-management burden lies.

It would be a mistake to speak only about the executive power in this context. In our opinion, the state-administrative mechanism is the interaction of the institutions of the legislature, the executive (public service), the judiciary, the enforcement agencies (enforcement of court decisions and decisions of the President of Ukraine, the Cabinet of Ministers of Ukraine, state authorities, etc.) [14] taking into account the intense activity of a new for Ukrainian political system actor - civil society.

A. Sushyy in his book "Psychosocial Culture of Public Administration" analyzes modern ("theory of bureaucracy according to Weber") and postmodern (the paradigm of "new public management" and "sensitive governance theory"). He notes that "in light of the aforementioned paradigmatic changes, models in

the sphere of public administration transform from the traditional public administration (Public administration) through public management (Public management) to sensitive governance (the theory of “Responsive governance”) [16, p. 43]. According to A. Sushyy’s materials, they are bureaucratic, market and sensitive to the needs of clients (network) models. In terms of success criteria, the first model focuses on the process, the second is the result-oriented model and the third focuses on the consequences. Relations with civil society in the first case are based on humility, obedience, in the second - on the contractual principle, in the third - on empowering (dialogue model) [16, p. 44]. Let us note the orientation on principles of public management in contemporary Ukrainian political, public and administrative opinion.

However, modern public (state) administration is increasingly focused on public administration. It is “aimed at the realization of the rights, freedoms and lawful interests of private individuals and provides the most complete application of the power of the principle of publicity - the openness and transparency of activities of its staff, the right of citizens to influence government activities, public control over activities of the administrative apparatus, etc.” [18, p. 605].

V. P. Troshchinsky identifies public authorities, local governments and other entities in the case of delegation of public powers to them as subjects of public administration [18, p. 605]. Actually, civil society may be this “subject”, and more specifically, its legally executed subject-institutions, combined by certain strategies and goals. Actually, specific reforms, complex of reforms to be more precise, can promote such institutional development.

Regarding stages of institutional development of public administration in the context of our research “Legal provision of institutional development of Ukraine”, currently we can highlight the following:

- 1) constitutional (political) reform - from 1990;
- 2) development (reform) of civil service - from 1993;
- 3) administration reform - from 1998;
- 4) administrative and territorial reform - from 1998;
- 5) development of civil society - from 2007 (reference date for each stage is the appropriate legal act). Each stage passes its cyclical development due to the passage of new turns of reforms [11].

Due to recent developments of 2014-2016 years, we also believe that the following has been started:

- stage of fight against corruption (in connection with the creation of the National Anti-Corruption Bureau and the Specialized anticorruption prosecutor’s office);

- stage of broad multilevel reform of law enforcement agencies (primarily we talk about the National Police).

We believe that with political will and with further development of indicated stages, we can entirely expect the development of stages of a full-scale pension reform, tax reform, and reform of prosecutors' office, court system, customs agencies, and agencies of civil service control and other important components of public administration in accordance with democratic (that is, excluding the corruption component) standards and new types of public administration (through "public management" to the paradigm of "new public management" and the theory of "sensitive governance").

Conclusions

1) The institutional development of public administration of modern Ukraine is the adjustment and improvement of existing state-administrative mechanism relating to actually the implementation of state-power interaction under the control of civil society. The institutional development is possible only on condition of institutional capacity building (capacity building), i.e. legal capacity, organizational and resource readiness of specific institutions to cooperate with international organizations and to adopt new challenges for ensuring social development. The development of public administration is only possible on the condition of systematic legal regulation and provision of necessary social reforms for the society, strategic vision of the principles and norms of public administration and "sensitive governance", appropriate institutional changes in the political system of society. The complexity of the development should be based on the development of all sectors of society based on relevant state strategies and development programs.

2) In view of the above, we propose the following hypothesis: human as a social being stands as one of the actors in the current political system of Ukrainian society. That is human activity becomes the subject in the political process on the condition of interaction of civil society organizations with the institution of state and institutions of power.

Prospects for further research are in further theoretical development of such concepts as institutional development of the state, institutional development of civil service, institutional development of civil society.

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SPECIFICITIES OF E-GOVERNANCE LOCAL IMPLEMENTATION IN UKRAINE

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*E-governance consists of two key components: e-government and e-democracy. E-government is identified as use of modern information and communication technologies in public administration alongside with organisational changes and new skills to ensure provision of administrative services and interaction between authorities. E-democracy provides for ensuring by the Government of the required preconditions to enable citizens' participation in formation and taking of decisions using modern information and communication technologies.*

*Development of local e-governance in Ukraine commenced nearly 10 years ago. Such development had no systemic nature, and no required statutory and regulatory support was available. It was primarily driven by initiatives of municipal leaders attempting to solve certain problems in local development through the use of modern information and communication technologies. The experience of Slavutych, Kyiv Region, may be viewed as an example here. During the last two years, the process of implementation of e-governance in cities, towns and villages in Ukraine has begun to develop in scale extensively. As of the beginning of 2017 there is almost no town in Ukraine not trying to develop certain e-governance elements, except for the Ukrainian territories under Russian occupation, where such process is suspended or applied to enhance the repression against local residents opposing the occupation. Another specificity of implementation of e-governance in Ukraine is a digital gap between urban and rural areas. Development of local e-governance is a complicated process that requires considerable material, intellectual and financial resources and solving of numerous legal, organisational and technology problems. Moreover, it should be emphasised that the majority of e-governance components are vulnerable to external and internal threats in the circumstances of network warfare. In this article the most critical problems hindering the process of e-governance local implementation in Ukraine have been analysed, and solutions have been suggested.*

**Keywords:** *e-governance, e-government, e-democracy, e-city, e-services, electronic document flow, electronic applications, e-participation.*

**Dmytrenko W. SPECYFIKA WDROŻENIA E-ADMINISTRACJI NA UKRAINIE NA POZIOMIE LOKALNYM**

*Zrobiono analizę istoty i specyfiki wdrażania e-administracji na szczeblu lokalnym na Ukrainie. Zwrócono uwagę na najważniejsze problemy, które utrudniają proces*

Дмитренко В.І. ОСОБЛИВОСТІ ВПРОВАДЖЕННЯ ЕЛЕКТРОННОГО  
УРЯДУВАННЯ В УКРАЇНІ НА МІСЦЕВОМУ РІВНІ

**Ключові слова:** електронне урядування, електронний уряд, електронна демократія, електронне місто, електронні послуги, електронний документообіг, електронні петиції, е-вчасть.

*Рассмотрена сущность и особенности внедрения электронного управления на местном уровне в Украине. Проанализированы наиболее важные проблемы, которые тормозят процесс внедрения электронного управления на местном уровне в Украине, а так же предложены пути их решения.*

**Ключевые слова:** э-правительство, э-управление, электронная демократия, э-город, электронные услуги, электронный документооборот, электронные петиции, э-участие.

In late 2015 and early 2017, the number of initiatives related to e-governance local implementation in Ukraine has increased. While, a decade ago, this process started from launching of websites of local governments and local authorities with a strong emphasis on their information content and information accessibility for the general public, currently, such processes have a deeper nature and appertain to providing services for individuals and business entities, more intensive interaction between governments and the public, etc. We can also see more stringent requirements to the quality of information providing, its exhaustiveness, high quality and convenient web services for individuals and business entities, better involvement of the general public in management decision making and their influence on local community development. Such issues gain still higher significance in the light of the Ukrainian Government's declared focus on decentralisation, increased importance of local authorities and local governments, enhancement of their powers, and shifting responsibility from central authorities onto local authorities.

### **Statement of research objectives**

The concept of «e-governance» was first officially defined in Ukraine in the Concept of E-Governance Development in Ukraine as «a form of governance contributing to better efficiency, openness and transparency of acts of governmental authorities and local governments using information and telecommunication technologies to form a new type of the state oriented on meeting of public needs» [1].

E-governance consists of the two key components: e-government and e-democracy. E-government is identified as use of modern information and communication technologies in public administration alongside with organisational changes and new skills to ensure provision of administrative services and interaction between authorities. E-democracy provides for ensuring by the Government of the required preconditions to enable citizens' participation in formation and taking of decisions using modern information and communication technologies.

The key widely recognised principles of e-governance implementation, both on the central and local levels, include: providing of services at any time (7/24); maximum simplicity and transparency (convenient to use not only for professionals but also for the ordinary public); uniform technical standards and compatibility (software applications should be compatible with the general architecture of identification, security and design systems); ensuring of confidentiality and compliance with the information security rules; and the unconditional focus on public opinion when implementing new developments.

According to the experience of many countries worldwide, the process of e-governance implementation mainly includes three key stages:

At the first stage, the Government develops its strategy and tactics of e-government, and makes the foundation of its further implementation: launching of governmental authorities' websites specifying reference information on the key operation directions of such authorities, dandling of the issues related to hardware and software support of their operation, and commencement of the public awareness campaign to explain the e-government purpose and train the general public to use e-government options in satisfying of their needs;

At the second stage, further integration of websites of separate governmental authorities into a uniform portal takes place, interactive elements are implemented in websites of governmental authorities, first of all, the set of on-line services available for the public is prepared (providing for simplification of red tape processes, i.e. placement of form, blanks and orders that may be filled out and sent with no personal presence of the applicant), portal navigation and browsing is improved (a user can easily switch between web pages of different

governmental authorities or local governments, that is, both the horizontal navigation (i.e. between the authorities of the same level) and the vertical navigation (i.e. between the central governmental authorities and local governments), are enabled, and, in addition, the option of feedback (i.e. submission of applications, statements, complaints, requests, etc. requiring no online response of the governmental authorities) is enabled, and the network of public Internet access points is developed and extended;

The third stage provides for switching over to the predominantly online communication between the public and governmental authorities, all-time provision of web services (24 hours per day, 7 days per week), intensive feedback implementation (governmental authorities' and local governments' responsibility for responses to online applications and calls from the public), e-democracy development (i.e. ability of interactive communication, public participation discussions of draft laws, decrees and resolutions of governmental authorities, discussions in respect of candidates for certain offices in governmental authorities and local governments, electronic voting, etc).

The objective of the article is to study the nature and specificities of implementation of the e-governance on local level in Ukraine. Also, it is envisioned to analyse the most critical problems hindering the process of implementation of e-governance on local in Ukraine and to propose adequate solutions.

## **Results**

In Ukraine, the most significant contribution to e-governance implementation is made by the Ukrainian Public Agency of E-Governance (<http://e.gov.ua/>), which is a central executive authority responsible for implementation of the governmental policy in informatization, e-governance, formation and use of national electronic information sources, and information society development. The Ukrainian strategy of e-governance development is implemented within the framework of the Europe 2020: Europe's Growth Strategy, in particular, the Digital Agenda For Europe [2].

The major sources of the legal support of implementation of e-governance on local level in Ukraine are: the Ukrainian Law of Information; the Ukrainian Law of Public Applications; the Ukrainian Law of the Concept of IT Development Program; the Ukrainian Law of the IT Development National Program; the Ukrainian Law of Electronic Documents and Electronic Document Flow; the Ukrainian Law of Electronic Digital Signature the Ukrainian Law of the Key Principles of Information Society Development in Ukraine in 2007-2015; the Ukrainian Law of Personal Data Protection; the Ukrainian Law of Access to Public Information; the Ukrainian Law of Administrative Services; the Ukrainian Law of State-Owned and Communal Property Lease; the Ukrainian Law

of Municipal Development Regulation; the Ukrainian Law of Prevention and Fighting of Corrupt Practices; the Ukrainian Law of the Governmental Policy of Business Regulation; the Ukrainian Law of Public Procurement.

In addition, electronic document flow is regulated in the currently effective Ukrainian statutory provisions by Decree No. 1452 (Approval of the Regulation for Use of Electronic Digital Signature by Governmental Authorities, Local Governments, State-Run Companies, Establishments and Organisations) passed by the Ukrainian Cabinet of Ministers on October 28, 2004, Decree No. 1453 (Approval of the Standard Regulation for Electronic Document Flow in Executive Authorities) passed by the Ukrainian Cabinet of Ministers on October 28, 2004, Decree No. 680 (Approval of the Regulation for Confirmation of Electronic Document (Electronic Data) at Certain Time) passed by the Ukrainian Cabinet of Ministers on May 26, 2004, and Decree No. 733 (Electronic Exchange of Office Documents by Executive Authorities) passed by the Ukrainian Cabinet of Ministers on July 17, 2009.

As one of specificities of e-governance implementation in Ukraine, emphasis is placed on: e-governance operation modes in the circumstances of a military threat [3] and intensive reforming process; and clearly defined steps of e-governance implementation on the local and national levels.

It should be mentioned that development of local e-governance in Ukraine commenced nearly 10 years ago. Such development had no systemic nature, and no required statutory and regulatory support was available. It was primarily driven by initiatives of local governors attempting to solve certain problems in municipal development through the use of modern information and communication technologies. The experience of Slavutych, Kyiv Region, may be viewed as an example here.

Slavutych (<http://www.e-slavutich.gov.ua>) is a new town founded in 1986 and inhabited in 1988, after the accident at the Chornobyl NPP, for permanent residing of Chornobyl NPP workers and their families. As a specific feature, the opinion of town communities has been always taken into account in handling of various municipal issues in Slavutych. The early 2000-s saw here the intensive use of different e-governance technologies, in particular, the electronic document flow system was implemented, the internal and external information architecture was developed, the Town Council's website was continuously developed and updated and the public was involved in discussions related not only to implementation of the town development strategy, but also to its development, employing various types of communication, such as public meetings, municipal sessions, meeting of the Town Development Public Council, live interviews with representatives of the town authorities, managers of companies, establish-

ments and organisations, and business games, involving the widest community of socially active Slavutyich residents. For a long while, Slavutyich has been a successful example of e-governance local implementation in Ukraine.

During the most recent two years, the process of e-governance local implementation in Ukraine has begun to develop in scale extensively. In 2017, there is hardly a town in Ukraine failing to develop certain e-governance elements, except for the Ukrainian territories under Russian occupation, where such process is suspended or applied to enhance the repression against local residents opposing the occupation.

In addition, another specificity of e-governance implementation in Ukraine is a digital gap between urban and rural areas. This problem was partially solved in 2014, after the Ukrainian President signed the decree related to implementation of the 3G and 4G communication network in the country. Development of local e-governance is a complicated process that requires considerable material, brain and financial resources and solving of numerous legal, organisational and technology problems.

It should be emphasised that the common feature of e-governance implementation in the prevailing majority of Ukrainian cities and towns is the fact that it starts from implementation of electronic document flow in offices and departments of the City / Town Council; launching of the internal portal (local network) for all executive authorities of the City / Town Council; making the official municipal website the key tool of communication with the municipal communities; handling of public contacts via the Internet (interactive contacting); provision of high quality administrative services for municipal residents via the Internet; and launching of web pages and websites of different offices and departments of the City / Town Council and municipal utility companies.

However, efficient development of local e-governance requires a comprehensive approach covering the areas and directions listed hereafter [4]:

1. Development of the e-governance infrastructure on the municipal level.
2. Availability of a public data portal.
3. A set of municipal safety measures.
4. Making of the local community register.
5. Launching and operation of centres providing administrative services, including e-services.
6. Ensuring of shared operation facilities (i.e. compatible software, enables transactions, etc).
7. Use of the electronic document flow system compatible with other applicable systems.
8. Functioning and appropriate content of the official city / town website.

9. Development of various tools of electronic involvement of residents, such as e-advice, e-voting, e-forums, etc.

10. Use of electronic applications to ensure efficient involvement of residents in development of the city / town.

11. Development of sectoral e-governance on the city / town level (e-medicine, e-education, e-trade, e-transport, e-travelling, etc).

12. Implementation of municipal cards (optionally).

In 2013-2015, the Monitoring of Implementation of E-Governance Tools in Local Governments of Ukrainian Cities and Towns [5] was accomplished in Ukraine by a coalition of non-governmental organisations: Podillia Agency for Regional Development NGO, the Association of Ukrainian Cities, E-Governance Ukrainian Cities and Towns Local Governments Associations, European Dialogue NGP, and OPORA Civil Network NGO. The study was designated to ascertain the extent of local governments' use of e-governance elements to ensure prompt and uninterrupted information sharing with residents, contribute to transparent local policy and prevention of corrupt practices, ensure higher quality of administrative services, and make residents more driven and involved in social and political processes. The study resulted in formation of the system of rates broken down into five categories: information access, public feedback, administrative services, public information access, and website convenience.

Ukraine also implements a number of international programs and projects aimed at better development of certain e-governance aspects on the local and central levels, and enhanced public involvement in processes of management decisions. For instance, the UNDP Project of Municipal Governance and Sustainable Development Programme (<http://msdp.undp.org.ua>) was launched in 2004 to contribute to development of local governments in Ukrainian cities and towns to ensure higher quality of local residents' life due to implementation of self-assistance mechanisms. The Programme cooperates with community organisations, educational institutions, local non-governmental organisations and local governments of 23 cities and town and 5 townships in Ukraine and other local public and private sector partners to implement the relevant mechanisms of sustainable development. Between 2004 and 2010, 232 projects of local communities (with the total cost of UAH 26.3 million) were supported. The new direction of the joint project of the European Union and UNDP in Ukraine is implemented as Community Based Approach to Local Development. Phase III under the Smart Cities and E-Governance Project. The Project implementation provides for support of 'smart cities' and 'e-governance' development in the following directions: providing of e-governance services: municipal projects aimed at support of public and municipal services for all stakeholders; trans-

parency and reporting in local governmental organisations (establishments) to improve their functionality and reporting performance. It's worth mentioning that the municipal component of the EU/UNDP joint project (Community Based Approach to Local Development. Phase III) is financed by the European Union together with the United Nations Development Programme for towns and cities having the population between 10 and 150 thousand people.

### **Conclusions**

Local implementation of e-governance is a priority development direction for cities and towns. E-governance organised in a small town would substantially simplify the process of system launching. However, there are still major problems related to financing and investor involvement since public programs may not fully cover all financial expenses of the relevant portals. Furthermore, Ukraine is currently in the state of a war, and, therefore, each step of further e-governance implementation, including that on the local level, should be carefully weighed and evaluated in terms of optional combining of security and privacy protection. The lack of trust in reliable protection and safe keeping of personal data, even in peacetime, is a significant obstacle for e-governance development. Solving of this problem directly depends on amending of the relevant Ukrainian statutory provisions, in particular, the Ukrainian Law of Personal Data Protection.

It should be also mentioned that convenience of local governments' websites using needs improvement, including solving of such problems as: availability of a website map; the option of tag search; availability of a website version for mobile devices; availability of a website version for people having vision problems; and availability of multi-language versions of a website.

The common problems related to implementation of e-governance in Ukraine include:

The compatibility problem: all e-governance technologies implemented in governmental authorities and in local governments should be always compatible;

The national security problem: as the transparency and openness of operation of governmental authorities and local governments increase supported by modern electronic document flow systems and their interactions with other systems, the relevant information is more likely to be used to the detriment of our national sovereignty. Careful attention should be paid to various cybercrimes, such as, in particular, hacker attacks on websites of governmental authorities and local governments, spy ware collecting and sending information to stakeholders in other countries, and media wars employing modern information and communication technologies, etc;

The public identification problem: to interact with governmental authorities, residents should have the possibility to identify themselves, while such

identification should ensure protection of personal data and enable residents' effective partaking in online discussions;

The national identity problem: attempts to implement e-governance technologies of foreign vendors when adopting and unifying them without consideration of the specificities and peculiarities of our country might result in the loss of our national identity. A user language (usually English or Russian) may be viewed as an example here [6];

The privacy protection problem: public distrust in respect of electronic interactions with governmental authorities due to the threats of meaningful data loss, unreasonable personal data disclosures, with cybercrimes being the key constraint here. Compiling of different databases by governmental authorities and local governments without clear rules of access to such information and use thereof would certainly result in the loss of public trust in such authorities and reluctance to accept any e-governance innovations;

The business security problem: insufficient protection of information and reports of Ukrainian entities against threats posed by unfair competitors;

The responsibility problem: the majority of servants in governmental authorities, in local governments and in the service sector assume no responsibility for the access by interested organisations and individuals to personal data of other persons. This fact becomes particularly evident during election and promotion campaigns, etc; and

The force majeure problem: keeping of all documents in the electronic form without backups, and switching to employee training in various areas using modern information and communication technologies may result in a total national collapse in case of force majeure circumstances. Equipment failures (power supply disruptions, 'hanging' of electronic document flow systems, electronic queue, e-registration, etc) would result in totally suspended operation of governmental authorities and local governments.

Moreover, it should be emphasised that the majority of e-governance components are vulnerable to external and internal threats in the circumstances of network warfare. Therefore, the primary focuses should be made, which means that a personal identification mechanism complying with the modern global requirements should be developed and used to implement the National Identification System. Taking into account the Ukraine's choice of EU integration, implementation of the eIDAS Regulation would be much helpful here. The attempts of the Ukrainian Public Agency of E-Governance to develop the Strategy of Modern Electronic Identification Facilities and Schemes Implementation in Ukraine is another supporting step forward in this direction.

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## **STATE BORDER GUARD SERVICE OF UKRAINE AS A SUBJECT OF INTERACTION WITH PUBLIC AUTHORITIES OF UKRAINE**

*The article describes the main issues of State Border Guard Service of Ukraine as a subject of interaction with public authorities of Ukraine. We can solve this scientific objective by means of a complex analysis of legislation and results of recent research devoted to the implementation of fundamental problems by border authorities, in particular aimed at counteracting threats to border security and protection of national interests in the border area.*

**Keywords:** national security, border security, border policy, state border.

### **Galaniuk J. PAŃSTWOWA SŁUŻBA GRANICZNA UKRAINY JAKO PODMIOT WSPÓŁPRACY Z ORGANAMI WŁADZY PUBLICZNEJ**

*W artykule poddano analizie rolę państwowej służby granicznej Ukrainy jako podmiotu który współpracuje z organami władzy publicznej. Te zadanie naukowe można rozwiązać przy pomocy analizy ustawodawstwa i wyników najnowszych badań dotyczących realizacji podstawowych zadań służby granicznej, które skoncentrowane są na przeciwdziałaniu zagrożeniom dla bezpieczeństwa granic i ochrony interesów narodowych w strefie przygranicznej.*

**Słowa kluczowe:** bezpieczeństwo narodowe, bezpieczeństwo granic, polityka przygraniczna, granica państwa.

### **Галаниук Я.С. ДЕРЖАВНА ПРИКОРДОННА СЛУЖБА УКРАЇНИ ЯК СУБ'ЄКТ ВЗАЄМОДІЇ З ОРГАНАМИ ПУБЛІЧНОЇ ВЛАДИ**

*У статті обгрунтовано роль Державної прикордонної служби України як суб'єкта взаємодії з органами публічної влади. Дане наукове завдання вирішується на основі комплексного аналізу законодавства та результатів останніх досліджень, присвячених виконанню прикордонним відомством фундаментальних завдань, зокрема спрямованих на протидію загрозам у сфері прикордонної безпеки та забезпеченню захисту національних інтересів у прикордонній сфері.*

**Ключові слова:** національна безпека, прикордонна безпека, прикордонна політика, державний кордон.

### **Галаниук Я.С. ГОСУДАРСТВЕННАЯ ПОГРАНИЧНАЯ СЛУЖБА УКРАИНЫ КАК СУБЪЕКТ ВЗАИМОДЕЙСТВИЯ С ОРГАНАМИ ПУБЛИЧНОЙ ВЛАСТИ**

*В статье обоснована роль Государственной пограничной службы Украины как субъекта взаимодействия с органами публичной власти. Данное научное задание решается на основе комплексного анализа законодательства и результатов последних исследований, посвященных выполнению пограничным ведомством фундаментальных заданий, в частности направленных на противодействие угрозам в сфере пограничной безопасности и обеспечение защиты национальных интересов в пограничной сфере.*

**Ключевые слова:** национальная безопасность, пограничная безопасность, пограничная политика, государственная граница.

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## Introduction

The level of border security as a protection status of the state border and Ukraine border area, the vital interests of the individual, society and country from the entire spectrum of real and potential internal and external threats in the border area – is an important and very accurate indicator of the stability of the country, closely related to border security and the situation in the border area. At its core, ensuring border security – is a rod, concentrated expression of border government policy that is based on its national interests. The need to ensure border security requires appropriate state mechanisms. It is becoming increasingly clear that ensuring border security is impossible without the construction and implementation of relevant national policies, border policy to be exact. The leading role in shaping border policy belongs to the State Border Service of Ukraine. The issue of the place and role of the State Border Service of Ukraine as a subject of interaction with public authorities in the field of border security is not sufficiently explored and extremely relevant in modern conditions of statehood.

## Analysis of recent research

Analysis of recent publications showed that the review of problematic issues of contractual and legal registration of Ukraine state border is contained in researches of A.L.Bodnarya, A.M.Dohtyarya, M.O.Tryuhana, M.M.Lytvyna, B.D.Trehubova, M.A.Nartova etc.; some aspects of state border protection and customs authorities interaction can be found in works of A.I.Pedeshko, S.V.Prodayko, S.S.Savchuk; organizational and legal features of providing border security as a separate component of national security is mentioned in the works of M.M.Lytvyna, A.M.Mahnyuka, O.V.Ananyina, V.F.Yermolovycha, O.V.Kutulina etc.; certain aspects of the problems of formation and development of border security public administration is featured in the works V.M.Servatyuka, P.A.Shysholina, O.V.Altunina, O.Ye.Korotyuka, O.H.Melnykova, S.R.Stolyaruka, M.Yu.Tsybrovskoho and others.

However, these works focus only on the individual components of the system. Paying tribute to the scientists, whose works dealt with certain aspects of

border activities, it should be noted that the study, which from the standpoint of system analysis examines state-management aspects of the complex problem of ensuring border security as part of national security, is virtually absent.

### **Statement of research objectives**

The purpose of this article is to study the place and role of the State Border Service of Ukraine as a subject of interaction with public authorities in the field of border security.

### **Results**

Utmost importance was attached to the state borders protection since princedom and is regarded as one of the most important state functions. Nowadays borders are still one of the objects of increased attention to the government. Having borders is an essential attribute of sovereignty of the state; it's a binding factor of building an integral state-territorial body. This determines the necessity of reliable protection and, consequently, the creation of a special state body responsible for implementation of state functions.

Article 17 of the Constitution of Ukraine stipulates that national security and the protection of Ukraine state border is assigned to the relevant military units and law enforcement.

State border service of Ukraine is a law enforcement agency for special purposes, specificity of enforcement activity is linked to the national interests of the country and its national security. State Border policy is part of national security policy of Ukraine and is a system of officially adopted views and actions to define goals and objectives, principles, main directions and mechanism of ensuring protection of state borders and national interests of Ukraine at its border area. It is carried out in accordance with the Constitution and laws of Ukraine, universally recognized principles and norms of international law and by implementing a focused and coordinated activities of public authorities, local governments, public organizations and citizens according to their rights and responsibilities in this area in order to implement and protect Ukraine's national interests at its border area. The result of this policy is assessed by the degree of feasibility and protection of the interests [1].

The main directions of the state border policy is defined by the Concept of state border protection and the sovereign rights of Ukraine in its exclusive (maritime) economic zone, Concept of state border policy of Ukraine. These directions are: prevention of illegal attempts to cross the state border of Ukraine; counteracting uncontrolled migration, fight against organized crime at the state border; enforcement of legal decisions of public authorities in the border area; combating illegal state border of persons, vehicles, goods, weapons, terrorism and narcotic drugs and psychotropic substances; enhance the reliability of pro-

tection of the sovereign rights of Ukraine in its exclusive (maritime) economic zone, stop the illegal industrial activities, exploration or exploitation of natural resources; population protection against crime and other illegal activities at the state border; creating the necessary conditions for an effective fight against corruption and crime, especially in its organized forms; involving Ukraine citizens on a voluntary basis to the State Border Protection [2].

That is, the State Border Service of Ukraine is the organ of implementation of border policy and providing border security. Sphere of interests of the State Border Service of Ukraine deals with many aspects of border security state – political, economic, environmental, military, law-enforcement and others. Ukraine state border is defined by the Constitution and laws of Ukraine and international treaties of Ukraine ratified by the Verkhovna Rada of Ukraine [3, Article 2]. Ukraine Border security is an integral part of the national system of ensuring national security that lies in coordinated activity of military units and law enforcement agencies, organization and operational procedure that are determined by law. This activity is conducted within the powers vested in them by taking complex political, organizational, legal, diplomatic, economic, military, border, immigration, intelligence, counterintelligence, operational search, environmental, sanitary-quarantine, environmental, technical and other measures.

State Border Service of Ukraine within the established by the legislation powers coordinates the activities of state bodies, carrying out various kinds of control when crossing the state border of Ukraine or participate in securing the state border regime, the border regime and the regime at checkpoints across the state border of Ukraine. Resolution of the authorized central executive agency for State Border Protection of Ukraine on points of abidance of the regime at the state border issued within its competence, are obligatory for public authorities.

The executive and local authorities under the legislation on border related issues are responsible for:

- Regional directorate of State Border Service of Ukraine – protection of state border and exclusive (maritime) economic zone of Ukraine, ensuring their integrity; border control at checkpoints across the state border; control over the observance of the border regime and the regime at checkpoints across the state border; measures to prevent illegal immigration and other violations of the legislation on border related issues and measures of deportation from Ukraine of foreigners and stateless persons detained within controlled border areas;
- State Fiscal Service of Ukraine – customs control and customs clearance of goods and vehicles fight against customs violations, ensuring installing equipment at checkpoints across the state border operated in areas of customs control or are an integral part of the automated system of customs clearance,

reconstruction, construction and equipping state border for road traffic and other functions in accordance with the assigned tasks;

- Ministry of infrastructure of Ukraine – organization of transport communication across the state border, construction, reconstruction, repair and maintenance of checkpoints across the state border for rail, sea, river and air traffic, submitting proposals to the Cabinet of Ministers of Ukraine to create new and change the status of the current checkpoints across the state border, to address issues concerning road construction in border areas; implementation of intergovernmental agreements on international transport and control of aviation and railway safety, and other activities within the competence of the Ministry of Infrastructure;

- Ministry of foreign affairs – coordination of negotiations with neighboring countries and international organizations, resolving issues concerning visa entrance to Ukraine for foreign citizens;

- Ministry of Defense of Ukraine – protection of the state border in the air by forces of air defense;

- Ministry of Agrarian Policy and Food of Ukraine – veterinary and phytosanitary control at checkpoints across the state border;

- Ministry of Health of Ukraine – sanitary and quarantine control, medical care of citizens at checkpoints across the state border;

- Ministry of Ecology and Natural Resources of Ukraine – state control over compliance with legislation on environmental protection in the border zone, controlled border area and the exclusive (maritime) economic zone of Ukraine, environmental control at checkpoints across the state border;

- Ministry of Culture of Ukraine – checkpoints control across the state border on export and import of cultural values onto the territory of Ukraine;

- National Police – crime prevention and fight against it, to ensure public safety and order, road safety within the border zone and controlled border area, and other functions in accordance with its tasks;

- State Migration Service of Ukraine – execution of court decisions on forced expulsion of foreigners and stateless persons from Ukraine, as well as oversight of the proper and timely implementation of the decisions about their forced return to the country of origin or third countries;

- Regional directorate of State Border Service of Ukraine and its structural divisions within the legislation authority coordinate activities in accordance with the central and local executive bodies and local authorities on the organization and implementation of state border crossing of persons, vehicles and cargo; compliance with the established sail order of all non-military ships and warships and staying in the territorial sea, internal waters and in waters of

border rivers, lakes and other water bodies that belong to Ukraine; compliance with border regime in the border zone and controlled border areas, checkpoints regime across the state border; settlement of border incidents at the state border.

Regional directorate of State Border Service of Ukraine:

- along with other executive authorities and local governments develops and implements measures to ensure the state border regime, the border regime in the border zone and controlled border area;

- along with the authorities specified by the law determines the procedure for crossing the state border of persons, vehicles, cargoes and regime at checkpoints across the state border;

- in the presence of properly executed documents makes the final decision on granting permission to cross the border by persons, vehicles, cargoes that passed control of the relevant services of state control at checkpoints across the state border;

- independently or by following orders from concerned executive authorities and local authorities in cases specified by law, makes a decision about restrictions of carrying out works, any other economic activities on the state border, approves the order of carrying out this activity;

- according to the legislation defines special powers of border representatives for settlement of border incidents at a certain section of the state border;

- on its own initiative or on the initiative of the concerned executive authorities and local authorities in case of need introduces the proposal the Cabinet of Ministers of Ukraine on temporary restriction or termination of traffic across the state border;

- determines additional rules regulating the order of admission to the area of border control of persons (including vehicles) that are involved in monitoring and servicing of passengers and vehicles, and defines the procedure of crossing the state border for vehicles and goods transported across the state border, sets other restrictions to prevent illegal crossing of the state border.

The decision of the Administration and other authorities of the State Border Service of Ukraine adopted within their authority and registered with the Ministry of Justice in the established order are mandatory for implementation by executive authorities and local governments, enterprises, organizations and citizens.

Local authorities and local government authorities ensure bringing these solutions to the attention of enterprises, institutions, organizations and persons to whom they apply.

To ensure interoperability with issues regarding the compliance of the regime at the state border, Regional directorate of State Border Service of Ukraine,

its structural divisions, other executive authorities and local governments hold joint session of collective bodies, meetings, workshops, operations, training, coaching and performing other activities. The executive and local government authorities make plans of interaction, which defines the basic joint activities undertaken by them for the purpose of prevention, early detection and termination of any violations of the law on border issues.

The interaction of these bodies, their departments is provided in compliance with powers of these bodies prescribed by law in the following areas: development and implementation of joint measures for detection and disclosure of violations of legislation on border and customs issues; identifying and solving crimes, including in the field of foreign trade, search and arrest criminals; fight against illegal migration; prevent smuggling across the state border of goods and other items; the organization and safety of crossing the border for vehicles of international connection.

In addition, specified authorities carry out in an expeditious manner the exchange of information on: any intention and attempts to violate the border and the detention of its violators; signs of preparation for a violation of the state border; place of a concentration and routes for illegal immigrants; identify individuals concerning whom there are appropriate instructions from the police; wanted criminals trying to move across the state border, including international criminal groups; sabotage, terrorist acts, acts of provocation and conflict at checkpoints across the state border in the border zone and controlled border area; facts and channels of illegal movement across the state border of goods, currency, raw materials, hazardous substances and waste, cultural and historical values, stolen vehicles; any attempts of illegal import/export of drugs; inability to allow the state border crossing by vehicles due to organizational or technical problems; facts and reasons for detention of vehicles at checkpoints across the state border; sanitary and epidemiological situation in the border zone and controlled border area.

The exchange of information may also be provided on other issues that are defined during preparation of the interaction plans of authorities or clarification of those plans. The terms and procedure for drawing up plans for cooperation, measures for their implementation, information exchange procedure determined by executive authorities and local governments according to their powers with the State Border Service, its business units.

### **Conclusions**

Therefore, priorities of Ukraine's national interests in the security domain are defined by the need to protect the sovereignty and independence, to ensure the inviolability of borders and territorial integrity. In modern conditions, na-

tional interests involve the introduction of effective guarantees of neutralization of external threats the conditions of their occurrence. Current issues are the development and implementation of modern European-style border policy, implementation of border legislation of Ukraine to the level of European law.

With the implementation of said above it's the State Border Service of Ukraine that is considered a subject of interaction with public authorities of Ukraine in the field of border security. Notably, the quality of the organization and implementation of work on improving interaction with the public administration influences reform of all components of the border security sector and border agency conversion into the Office of European type.

Prospects for further research of this problem is to study the nature of the relationship of the State Border Service of Ukraine with Ukraine public authorities according to their competence in the field of safety and protection of the state border.

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DOI : 10.14746/pped.2016.9.9

УДК 351.86(477)=111

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## **FORMATION AND IMPLEMENTATION OF THE COMPLEX MECHANISM OF PUBLIC ADMINISTRATION OF MAINTENANCE OF MILITARY SECURITY OF UKRAINE**

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*The article is devoted to investigation of key aspects of formation and implementation of the complex mechanism of public administration of maintenance of military security of Ukraine.*

*The components of the complex mechanism of public administration of maintenance of military security of Ukraine were identified: policy and diplomatic, economic, military, moral, and psychological ones.*

*The main goals of formation and implementation of the complex mechanism of public administration of maintenance of military security of Ukraine were set: definition of opportunities, need and limits of use of military force for military safety ensuring; assessment of qualitative and quantitative characteristics of necessary and sufficient military force, definition of ways of use of military force for military safety ensuring, and military and power impact on the probable opponent if necessary, justification and development of military and political decisions; preparation of concrete plans of functioning and development of the state military system; regulation of the military and political relations with other states, coalitions, blocks; organization of information support of the decisions made; management in military construction in general, especially formation of Armed Forces, connected with creation of military capacity of the country; management of military and political actions within the territory of Ukraine and on the international scene, called to provide coordination of actions with allied forces; resolute counteraction to the opponent at conflict situations, when infringing of Ukrainian national interests takes place.*

*The factors, which will promote the stable functioning of the complex mechanism of public administration of maintenance of military security of Ukraine, were allocated. The main factor among them is maintenance of internal political stability, protection of the constitutional system, integrity and inviolability of the territory of Ukraine.*

**Keywords:** *complex mechanism, public administration, military security, factors, effective functioning.*

**Poltorak S. TWORZENIE I WDROŻENIE ZINTEGROWANEGO MECHANIZMU ZARZĄDZANIA PRZEZ PAŃSTWO BEZPIECZEŃSTWEM MILITARNYM UKRAINY**

**Полтораки С.Т. ФОРМУВАННЯ ТА ВПРОВАДЖЕННЯ КОМПЛЕКСНОГО МЕХАНІЗМУ ДЕРЖАВНОГО УПРАВЛІННЯ ЗАБЕЗПЕЧЕННЯМ ВІЙСЬКОВОЇ БЕЗПЕКИ УКРАЇНИ**

*Виділено фактори, що сприяють стабільному функціонуванню комплексного механізму державного управління забезпечення воєнної безпеки України.*

**Полторак С.Т. ФОРМИРОВАНИЕ И ВНЕДРЕНИЕ КОМПЛЕКСНОГО  
МЕХАНИЗМА ГОСУДАРСТВЕННОГО УПРАВЛЕНИЯ ОБЕСПЕЧЕНИЕМ  
ВОЕННОЙ БЕЗОПАСНОСТИ УКРАИНЫ**

Выделены факторы, способствующие стабильному функционированию комплексного механизма государственного управления обеспечения военной безопасности Украины.

## Introduction

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formation and realization of uniform state policy in the field of military security; maintenance of internal political stability; protection of the constitutional system, integrity and inviolability of the territory of the country; development and strengthening of friendship with the neighboring and other states; creation and maintenance of Ukrainian defense system at the necessary level; high-quality improvement of Armed Forces, military formations and authorities and maintenance of their readiness for coordinated actions if necessary; protection of important objects in various spheres, etc. All these actions go for maintenance and strengthening of military security of the country. That is why development and implementation of the complex mechanism of public administration of maintenance of military security of Ukraine are very topical nowadays.

### **Analysis of recent research**

Nowadays the works of such scientists, as O. D. Baklanov [1], V. M. Begma [2, 3], V. A. Chumak [4] etc. are devoted to problems of military security. However, there are no effective mechanisms of public administration of its maintenance in Ukraine.

### **Statement of research objectives**

The work objective is investigation of key aspects of formation and implementation of the complex mechanism of public administration of maintenance of military security of Ukraine.

The following tasks were solved for the objective achievement:

- identification of the components of the complex mechanism of public administration of maintenance of military security of Ukraine;
- setting of goals of formation and implementation of the complex mechanism of public administration of maintenance of military security of Ukraine;
- allocation of factors, which will promote the stable functioning of the complex mechanism of public administration of maintenance of military security of Ukraine.

### **Results**

Military security is the most important component of national security, which defines a condition of defense capability of the country and its opportunity for ensuring protection of national interests with the armed means.

Military security characterizes ability of the state to counteract war, involvement in war, and minimizing of damage and destructive consequences for national security of the country in the case of war.

The military security has two aspects: internal and external ones. The internal aspect of military security is shown in the conditions of unstable development of the country and is connected first with problems of protection of the existing constitutional system and relationship of the center with regional subjects [2].

The external aspect of military security is connected with a condition of relationship between subjects of international law and is characterized by ability of the state to counteract attempts of the certain states or their unions to use the military force as the tool of permission of the existing contradictions in various spheres. It assumes the need of presence of modern Armed Forces, formation of systems of collective or general security, entry into structure of military and political unions.

Internal and external aspects of military security in modern conditions are closely intertwined. It is caused by declaring in the Constitution of Ukraine of a primacy of international law over the domestic legislation [1].

Maintenance of Ukrainian military safety requires maintenance of military potential at the level sufficient for defense in case of a crisis in close proximity to frontier. The required level of military security is reached by the purposeful and coordinated efforts of the state institutes in the presence of all complex of structural components of the complex mechanism of public administration of maintenance of military security of Ukraine both military – on the one side, and political and diplomatic, economic, ideological and others – on the other side.

In particular, the policy and diplomatic component of the complex mechanism of public administration of maintenance of military security of Ukraine is provided with the help of the following actions:

- high level of system of collective (international) security;
- integration of the state into the system of military and political unions;
- the acceptable ratio of military and political forces in the world;
- the guaranteed implementation of international treaties and agreements, in which Ukraine participates;
- further improvement of the mode of the international arms control and non-proliferation of weapons of mass destruction and means of their delivery.

The economic component of the complex mechanism of public administration of maintenance of military security of Ukraine includes the following elements:

- the material and financial opportunities providing defense capability of the country;
- quantitative and qualitative parameters of Armed Forces;
- the military industrial complex, which provides all necessary army, fleet and other troops and creates a mobilization reserve of arms and military equipment;
- the scientific and technical potential allowing to create new weapon types and military equipment;

- the mobilization opportunities of the industry providing delivery of necessary quantity of arms and military equipment to Armed Forces and other troops if needed.

The military component includes the military organization of the state created for ensuring military safety with a support on military force.

The military component assumes existence of certain quantitative and quality indicators, which include the following ones:

- the number of Armed Forces with control systems and ensuring, other troops, military formations and authorities;
- level of training of troops and forces, on which their fighting capacity and combat readiness depends;
- technical equipment of Armed Forces and other troops (with military equipment, ammunition, military and technical property);
- existence of stocks of arms and the military equipment, which are contained in arsenals, on bases and warehouses;
- condition of the military infrastructure (stationary objects) intended for ensuring training of troops (forces), strategic and operational expansion and conducting of military operations.

The moral and psychological component, which is closely connected with military component, includes the following elements:

- spiritual opportunities of the country population, which are defined by degree of morale and psychological training of the population;
- the public status of the military personnel representing set of their rights and duties, position and prestige in society and state;
- moral and psychological condition of the main categories of staff of Armed Forces and other troops.

Military safety is subdivided into three levels: global, regional and national ones [3].

At the global level, military safety of Ukraine is ensured by actions for control of non-proliferation of weapons of mass destruction, reduction of strategic offensive arms, etc.

At the regional level, military safety of Ukraine is ensured by strengthening of strategic position of Ukraine by creation of system of collective security.

At the national level, military safety of Ukraine is ensured generally by creation of necessary military capacity of the country.

The main objectives of the complex mechanism of public administration of maintenance of military security of Ukraine are the following:

- definition of opportunities, need and limits of use of military force for military safety ensuring;

- assessment of qualitative and quantitative characteristics of necessary and sufficient military force, definition of ways of use of military force for military safety ensuring, and military and power impact on the probable opponent if necessary;
- justification and development of military and political decisions;
- preparation of concrete plans of functioning and development of the state military system;
- regulation of the military and political relations with other states, coalitions, blocks;
- organization of information support of the decisions made;
- management in military construction in general, especially formation of Armed Forces, connected with creation of military capacity of the country;
- management of military and political actions within the territory of Ukraine and on the international scene, called to provide coordination of actions with allied forces;
- resolute counteraction to the opponent at conflict situations, when infringing of Ukrainian national interests takes place [4]

Ensuring military safety of Ukraine is the most important activity of the state is the main goal in the field of adequate response to threats, which can arise in the 21st century, at rational costs of national defense. There are several approaches to implementation of the complex mechanism of public administration of maintenance of military security of Ukraine.

The first approach is based on the concept of prime value of international law in military policy of the state and the military alliances. The part of the concept directed to prevention of the military conflicts by not military means, is supported by Ukraine.

The second approach to military safety ensuring with use of force demands creation and maintenance of high military potential.

The third approach is assumed by prime value of legal, diplomatic and other not military means of prevention of the military conflicts with the simultaneous maintenance of the power military structures having the potential of defensive sufficiency.

These military forces, for which maintenance the minimum resources are spent, have to be capable to provide control from war initiation, and to carry out strategic expansion and to reflect aggression in case of attack. This option is accepted for Ukraine.

Thus, the purpose of ensuring of Ukrainian military safety is creation and maintenance of such political, world and military situation in the country, which would exclude an opportunity for any state or the union of the states to weaken

a role and value of Ukraine as the subject of international relations by any kinds of influence.

Content ensuring of stable functioning of the complex mechanism of public administration of maintenance of military security of Ukraine includes the following components:

- formation and realization of uniform state policy in the field of military safety ensuring;
- maintenance of internal political stability, protection of the constitutional system, integrity and inviolability of the territory of Ukraine;
- development and strengthening of the friendly (allied) relations with neighbors and other states;
- creation and improvement of system of Ukrainian defense;
- comprehensive ensuring and high-quality improvement of Armed Forces, other troops, military formations and authorities, maintenance of their readiness for coordinated actions on prevention, localization and neutralization of external and internal threats;
- protection of objects of Ukraine in the World Ocean, space, in the territory of the foreign states;
- protection of Frontier of Ukraine within the border territory, airspace and the underwater environment;
- support of political actions of Ukraine by holding the relevant military activities if needed, control of mutual implementation of obligations in restriction, reduction and elimination of arms and strengthening of measures of trust;
- ensuring readiness for participation in peacekeeping activity.

### **Conclusions**

Thus, the following conclusions were made because of the work carrying out.

1. The following components of the complex mechanism of public administration of maintenance of military security of Ukraine were identified: policy and diplomatic, economic, military, moral, and psychological ones.

2. The following main goals of formation and implementation of the complex mechanism of public administration of maintenance of military security of Ukraine were set: definition of opportunities, need and limits of use of military force for military safety ensuring; assessment of qualitative and quantitative characteristics of necessary and sufficient military force, definition of ways of use of military force for military safety ensuring, and military and power impact on the probable opponent if necessary, justification and development of military and political decisions; preparation of concrete plans of functioning and development of the state military system; regulation of the military and political relations with other states, coalitions, blocks; organization of information support of

the decisions made; management in military construction in general, especially formation of Armed Forces, connected with creation of military capacity of the country; management of military and political actions within the territory of Ukraine and on the international scene, called to provide coordination of actions with allied forces; resolute counteraction to the opponent at conflict situations, when infringing of Ukrainian national interests takes place.

3. The factors, which will promote the stable functioning of the complex mechanism of public administration of maintenance of military security of Ukraine, were allocated. The main factor among them is maintenance of internal political stability, protection of the constitutional system, integrity and inviolability of the territory of Ukraine.

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## CONCEPTUAL BASES OF MODERNIZATION OF PERSONNEL POLICY IN PUBLIC ADMINISTRATION SYSTEM OF UKRAINE

Problematic questions of forming and implementing personnel policy in public administration system in Ukraine are identified. It is ascertained that the manifestation of the deep crisis in public administration system currently exists in Ukraine. It manifests itself in such destructive phenomena as corruption of officials, abuse of office, negative effects of bureaucracy, lack of transparency of information, distancing of state and local government representatives from the community and from the problems in the society, the instability of management apparatus. The abovementioned is due to constant pseudo reforms, reorganizations and, as a consequence, staff turnover.

Innovative personnel technologies in public administration system are systematized. They are innovative technologies of forming personnel potential in government agencies ("assessment center", outplacement, polygraph) and innovative technologies of improving the efficiency of work with staff (anticorruption technologies, outsourcing, benchmarking, time management, information technology, competence approach, and process approach).

The concept of personnel policy in public administration system is presented, where the basic purpose of human resources policy in Ukraine in public administration sphere is to provide bodies of state administration and local government with highly professional, effective, active, and moral managerial specialists, who are also patriots. They should be able to implement objectives and functions of the state to ensure a high life quality of citizens, successfully address national and regional problems, create conditions for the development of human potential to organize effective management of political, economic and social development of the state.

It is proved that the basis of human resources policy in public administration system is a focus on humane criteria and norms of activities. Recruitment of staff, who would represent the system of civil interests, should take place not only according to business qualification criteria based on an objective assessment of the professional level of the civil servant through the mechanism of certification and evaluation. Staff recruitment should take place also according to moral qualities based on comprehensive and unbiased assessment.

**Keywords:** state personnel policy, staff potential, personnel technology, goals of personnel policy, public administration system.

**Iwanchenko G. PODSTAWY KONCEPTUALNE MODERNIZACJI POLITYKI KADROWEJ W ADMINISTRACJI PUBLICZNEJ NA UKRAINIE**

*Zidentyfikowano problemowe obszary tworzenia i realizacji polityki kadrowej w administracji publicznej na Ukrainie. Usystematyzowano innowacyjne polityki kadrowej w administracji publicznej. Przedstawiono również koncepcję modernizacji polityki kadrowej w administracji publicznej na Ukrainie.*

**Słowa kluczowe:** polityka kadrowa państwa, potencjał ludzki, polityka kadrowa, cele polityki kadrowej państwa, administracja publiczna.

**Іванченко Г.В. КОНЦЕПТУАЛЬНІ ОСНОВИ МОДЕРНІЗАЦІЇ КАДРОВОЇ ПОЛІТИКИ У СИСТЕМІ ДЕРЖАВНОГО УПРАВЛІННЯ УКРАЇНИ**

*Визначено проблемні питання формування та реалізації кадрової політики у системі державного управління України; систематизовано інноваційні кадрові технології в системі державного управління; окреслено концепт модернізації кадрової політики у системі державного управління України.*

**Ключові слова:** державна кадрова політика, кадровий потенціал, кадрові технології, цілі державної кадрової політики, система державного управління.

**Иванченко Г.В. КОНЦЕПТУАЛЬНЫЕ ОСНОВЫ МОДЕРНИЗАЦИИ КАДРОВОЙ ПОЛИТИКИ В СИСТЕМЕ ГОСУДАРСТВЕННОГО УПРАВЛЕНИЯ УКРАИНЫ**

*Определены проблемные вопросы формирования и реализации кадровой политики в системе государственного управления Украины; систематизированы инновационные кадровые технологии в системе государственного управления; очерчены концепт модернизации кадровой политики в системе государственного управления Украины.*

**Ключевые слова:** государственная кадровая политика, кадровый потенциал, кадровые технологии, цели государственной кадровой политики, система государственного управления.

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**Introduction**

National economy has been demonstrating the aggravation of social and political reactions in the society for a long time. This is a consequence of systemic drawbacks of public administration, an artificial imbalance of the structure of state power in Ukraine, institutional inability to lay vectors of social development. In such circumstances, ensuring the appropriate level of professionalism and competence of state and local governments, improving human resources policy are important tasks standing in the way of strengthening trends towards sustainable socio-economic development.

It is ascertained that the manifestation of the deep crisis in public administration system currently exists in Ukraine. It manifests itself in such destructive phenomena as corruption of officials, abuse of office, negative effects of bureaucracy, lack of transparency of information, distancing of state and local government representatives from the community and from the problems in the

society, the instability of management apparatus. The abovementioned is due to constant pseudo reforms, reorganizations and, as a consequence, staff turnover.

In order to address these critical deficiencies, the concentration of attention should be on training highly qualified personnel and corresponding formation of professional personnel potential of public servants, capable of high performing their duties and being open to changes and innovations in management.

### **Analysis of recent research**

Such Ukrainian researchers as V. Averyanov, G. Atamanchuk, R. Babun, K. Vashchenko, S. Dubenko, Y. Kovbasyuk, N. Nyzhnyk, O. Obolensky, Y. Surmin and others worked and covered in their works problems of formation and realization of state personnel policy in public administration system.

### **Statement of research objectives**

Tasks of this article are to outline the concept of modernization of Ukraine's human resources policy in public administration system, to systematize innovative personnel technologies in public administration system.

### **Results**

Certainly, when determining the structure of human resources policy, one allocates goals and objectives, main directions and principles, forms and methods of organization. Consideration that is more detailed reveals that researchers include to human resources policy the following: first, values and principles on which it is based; second, the closest (tactical) and long term (strategic) goals and objectives, main stages of their implementation; thirdly, subjects of policy, its adversaries and opponents, the relationships between them; fourth, effective methods, tools, forms of organization of social forces to achieve the set objectives and implementation of formulated tasks; fifthly, resource provision of activity of policy's subjects; sixth, political activities of resource use by various methods to solve problems and achieve goals; seventh, main directions of implementation of political activity, its priorities; eighth, political culture, which is a collection of individual positions and orientations of participants of political activity [1, p. 101].

The concept of human resources policy in public administration is shown in Figure 1.

Thus, the basic purpose of human resources policy in Ukraine in public administration sphere is to provide bodies of state administration and local government with highly professional, effective, active, and moral managerial specialists, who are also patriots. They should be able to implement objectives and functions of the state to ensure a high life quality of citizens, successfully address national and regional problems, create conditions for the development of human potential to organize effective management of political, economic and social development of the state.

The basis of human resources policy in public administration system is a focus on humane criteria and norms of activities. Recruitment of staff, who would represent the system of civil interests, should take place not only according to business qualification criteria based on an objective assessment of the professional level of the civil servant through the mechanism of certification and evaluation. Staff recruitment should take place also according to the moral qualities based on comprehensive and unbiased assessment.

**The concept of human resources policy in public**

**Purpose:** formation of productive labor groups in the realization of goals and objectives of the state; rational use of human potential of the country; creation favorable conditions for comprehensive development of the individual as well as society in general.

**Tasks:**

- manning of the state apparatus with highly professional, highly intellectual, law-abiding public servants;
- implementing guarantees and creating conditions that encourage civil servants to implement the experience, maximally disclosure the creative potential of civil servant in the professional sphere.

**Priority areas:**

- professional development of civil servants in accordance with goals, objectives and prospects of development of public administration system;
- development of vocational orientation's system of youth and playback for elite of civil service, who have the qualities of public service;
- protection of public service from incompetence and bureaucracy;
- ensuring favorable and equal conditions for career advancement of civil servants according to their abilities and level of professional training;
- increasing the prestige and authority of public service as a kind of professional activity;
- demand for professional opportunities and protection of professionals civil service;
- openness of state personnel policy in civil service system;
- formation of effective staff composition of bodies of state service;
- preparation of specialists on personnel management in civil service;
- informational and analytical support of personnel processes' management in public service.

*Figure 1. The concept of human resources policy in public administration*

It is also important to balance the ratio between experience continuity and staff renewal, which is due to the challenges of a changing economy, trends of formation of globalized, multicultural society [2, p. 33].

Human resources policy, conducted in public administration system, should be based on democratic and human centric priorities and carry out the following tasks:

- create conditions for normal human relationships in a collective;
- create equal social conditions and legal guarantees so that each employee can exercise his or her skills and knowledge;
- create incentives to improve the quality and efficiency of work;
- create conditions for professional growth and career advancement,
- create conditions in which employees are willing to identify their interests with the interests of the service (society, state) and perform office tasks with optimum dedication;
- assist in solving conflicts and easing emotional and psychological tension;
- establish reliable barriers for persons who are prone to careerism, unprofessional persons and persons who do not possess the qualities of service to public for their advancement to senior management positions in public administration system.

State personnel policy should be based on the following principles in order to achieve a positive result in the formation of public administration system:

- it should be scientifically grounded, realistic and adequate to the state of personnel corps of the state;
- it should be consistent in solving strategic tasks, which involves performing a certain algorithm of actions: planning and forecasting numerical requirements for qualified personnel of public authorities; drafting orders for educational institutions; development of priorities in qualifying, moral and ethical requirements for candidates for office; carrying out measures to optimize the conditions of civil service; improvement of human resources technologies and methods of evaluation of officials' activity; keeping registers and preparation of human resources reserves of staff in public authorities; improvement of statistical accounting and reporting;
- it should be focused on revival and sustainable development;
- it should be focused on bringing professionally trained initiative persons with innovative creative aspirations and motivations to public service;
- it should be realized on the basis of innovative management and administration;
- it should be a comprehensive one, involving a combination of goals, principles, forms and methods of work with personnel, given various aspects of resolving personnel issues (economic, social, political, moral, social, psychological, etc.);

- it should be the only one for Ukraine, but a multilevel one also (considering the requirements to central and regional levels), which covers the entire human resources segment, all personnel processes using different mechanisms of state influence on them;

- it should be a prospective one that takes into account innovative changes in the nature of work and management processes;

- it should be a democratic one considering the aims and instruments of resolving HR problems;

- it should be a spiritual and moral one, aimed at developing humaneness, honesty, civic responsibility for job performance and personal behavior in each civil servant;

- it should be a legal one, carried out within and based on the law, creating legal guarantees of objective and fair resolving personnel issues.

Exactly outlined principles provide integrity and essential certainty, certainty and unity within the entire state for state personnel policy, create the possibility of its impact on all human processes on all of subjects of HR, and are the base of their interaction.

Personnel policy in public administration system is distinguished by orientation of defending the public interest, competitive approach associated with the selection of the most professionally trained and capable professionals, and focus on humanitarian criteria and norms of activities.

This leads to continuity of the processes of improvement and modernization of instruments of its implementation.

The following set of measures is defined as the way to improve the effectiveness of state personnel policy [3]:

- establishing constructive interaction of civil servants on the basis of scientifically based theories and concepts aimed at their organizational identification;

- harmonizing official duties of a civil servant with his rights and obligations while in office;

- strengthening legal guarantees for material and moral security of civil servants to fulfill their professional duties;

- creating a clear mechanism of responsibility of civil servants by informing them about the aims and objectives of institutions and organizations in which they work, and evaluation of their work;

- reviewing and improving the allocation of job duties to overcome the duplication of powers;

- establishing an open selection and placement of human resources by creating a nationwide data bank on the availability of vacant posts in government agencies and their periodic rotation.

However, multidimensional nature of functions and tasks of state authorities actualize the implementation of HR innovations and the need to obtain vocational training and its constant renewal according to the needs of economic and social country development, the establishment of civil society.

Personnel innovation serves as the result of the implementation of scientific researches in personnel policy that provides new knowledge and methods and increases the efficiency of the organizational and administrative procedures in the framework of HR technologies. Implementation of HR innovations leads to changes in personnel work as object of management. Consequently, economic, social or other kind of effect is achieved.

Innovative personnel technologies in public administration system is advisable to divide into two groups (Table 1):

a) innovative technologies of forming personnel potential in government agencies (“assessment center”, outplacement, polygraph);

b) innovative technologies of improving the efficiency of work with staff (anticorruption technologies, outsourcing, benchmarking, time management, information technology, competence approach, process approach).

Table 1.

**Innovative Personnel Technologies in Public Administration System**

| Title                                                                                   | Dedicated purpose                                                                                                                                                                                                                                                                                                                                                        | The essence of use                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Innovative technologies of formation of human resources in bodies of state power</i> |                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Assessment center                                                                       | Makes it possible to assess the ability of the candidate to manage the processes and activities of the employees and get a reliable forecast of his/her success in the role of the leader.<br>It is used for selection, training and staff development.<br>In developed countries, it is considered one of the best procedures in the evaluation and selection of staff. | The essence of method is in the fact that the subject performs a series of exercises on key aspects in this kind of activity, in which his/her knowledge, skills and professionally important qualities are shown.<br>Trained evaluators according to specially formed evaluative scales assess the degree of expressiveness of these qualities.<br>Based on these estimates, one concludes on degree of candidate's suitability for this work, his/her promotion.<br>Multifactorial online tests for all candidates are held in the first phase.<br>Verification of professional, business, personal and moral qualities of reservists takes place. |

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|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                      |                                                                                                                                                                                                                                                                                              | After summarizing the results, each reservist is given a picture of his/her capabilities. The assessment of staff in groups according to a certified methodology takes place on the second stage of selection.                                                                                                                                                                                                                                                                                                                        |
| Outplacement                                                                         | <p>The activity of the employer is towards the employment of laid-off employees.</p> <p>Outplacement technology is used in cases where the need to dismissal of an employee is caused by a reorganization, reduction of the staff or liquidation of enterprise, institution, agency etc.</p> | <p>The following operations are provided:</p> <ol style="list-style-type: none"> <li>1. Advising the employer and employee to avoid conflicts;</li> <li>2. Assisting employee in drafting a strategy for finding a new job, that is description of the sequence of actions and methods of job searching, posting resumes online, etc.;</li> <li>3. Assistance in preparing a resume or a letter of recommendation, an interview;</li> <li>4. Recommendations for employee on effective probation at the new place of work.</li> </ol> |
| Polygraph                                                                            | <p>Conducting special psycho-physiological diagnostics.</p> <p>Verification of the reliability of information.</p>                                                                                                                                                                           | <p>Technology of verification is in the fact that the subject is presented a series of questions relevant to a particular situation and simultaneously 5-10 tested physiological parameters are recorded (respiration, pulse, blood filling, skin resistance, i.e. stress tension).</p> <p>According to the results of registration, the conclusion about the degree of answers to questions' truthfulness of the subject is made.</p>                                                                                                |
| <b><i>Innovative technologies of improving the efficiency of work with staff</i></b> |                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Anticorruption technologies                                                          |                                                                                                                                                                                                                                                                                              | <p>It includes:</p> <ol style="list-style-type: none"> <li>a) anticorruption expertise of normative legal acts;</li> <li>b) control of the match between revenues, costs and size of the property of officials;</li> <li>c) providing access to information about the activities of state bodies, such as the organization of public procurement;</li> <li>d) staff rotation and more.</li> </ol>                                                                                                                                     |

|                                 |                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Outsourcing</b>              | Optimizing functions of executive authorities when organization passes to the outsourced organization or physical person any non-core functions on a contractual basis. The outsourced should be a specialist in this area and should have relevant experience, knowledge and technical means. | Accompanying services with respect to the principal activities (introduction of new information technologies, management of buildings and structures, organizing recruitment and training of staff, communication services, personnel management, etc.) are transferred to outsourcing among major administrative and management processes in state governance bodies.                                 |
| <b>Information technologies</b> | Implementation of human resource management and infrastructure development of e-government.                                                                                                                                                                                                    | They are focused on:<br><ul style="list-style-type: none"> <li>- management of organizational structure and staff list;</li> <li>- personnel records;</li> <li>- operation time registration;</li> <li>- career development planning;</li> <li>- work with personnel reserve;</li> <li>- system of certification and more.</li> <li>- provision of public services in electronic form.</li> </ul>      |
| <b>Competence approach</b>      | The transition from the conception of qualification to the concept of competence (possession of a wide range of knowledge and experience, allowing transferring them from one sphere of professional activity to another with minimal time and money for re-training).                         | Competence is considered as a measurable skill, ability, knowledge or behavioral characteristics and is the highest degree of development of professionalism.<br>It assumes design and implementation in practice of administrative regulations to improve efficiency and to increase the level of provision of public services for juridical and natural persons.                                     |
| <b>Process approach</b>         | Management of processes and their interactions.                                                                                                                                                                                                                                                | It assumes a clear definition of responsibility, authority, resources, information and management connections.<br>It is focused on ensuring transparency, continuous control of processes' connections within the system of processes, as well as over their connections and interaction. Moreover, it is focused on clear responsibility for completing processes and for the result of the activity. |

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|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Benchmarking</b>    | The special administrative procedure that is in the fact that technologies, standards and best methods of organizations (institutions) - counterparts are implemented in the practice of work. | Searching institutions (organizations) that show the highest performance, analyzing their practice, learning their methods of work and implementing the best practices in their own terms.                                                                                                                      |
| <b>Time management</b> | Productive organization of activities planning based on working time. Self-management of time resource.                                                                                        | <ul style="list-style-type: none"> <li>- identification of factors of unproductive loss of time;</li> <li>- plans for self-development in the sphere of rational use of working time;</li> <li>- time management;</li> <li>- identification of potential opportunities of their productive behavior.</li> </ul> |

The consistent and in-depth study of all advanced technologies that make the process of formation of human resources of modern format of thoughts and actions is necessary to address successfully the issue of forming a new generation of professionally suitable personnel for public administration system. The formation of such human resources policy is important that is based on regularities of human activity of nowadays, takes into account the specifics of such management sphere as public administration sphere. We are talking about such its principles and mechanisms that shape the quality of the state, its human component, provide such regulations that protect public administration from nonprofessionals and motivate to professional growth and development.

### Conclusions

Thus, the personnel policy pursued in public administration system is in a state of search for new approaches for its modernization. The basis of changes are the creation of a value system of professional activities' consideration based on civil servant personal values besides criteria of qualification and professional level – his/her commitment to innovation activities, his/her competence and professional skills; education and professional culture etc. Systemic understanding of the totality of HR technologies used in practice today will undoubtedly enhance the effectiveness of personnel work in government agencies.

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DOI : 10.14746/pped.2016.9.11  
УДК 352.072.2:[911.375:659]=111

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## FORMATION AND DEVELOPMENT FACTORS OF CITY BRAND

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Today, most scientists who investigate the issues of place branding, consider the process of formation and brand management from the point of view of tourism, marketing and interaction with stakeholders (communication aspect). The article is accentuates attention on the expediency of consideration the specific and concept of the city brand in the field of public administration, since local authorities function as public authorities, whereby it becomes possible the formation of city brand and implementation its development strategy. The author identifies the factors that influence on the formation, management and implementation of city brand.

Keywords: local authorities, city, city brand, city branding, public administration, strategic planning.

Balaszov D. CZYNNIKI POWSTAWANIA I ROZWOJU MARKI MIASTA

Obecnie większość naukowców, którzy badają kwestie marki lokalnej, rozważają proces tworzenia i zarządzania marką w takich sferach jak: turystyka, marketing i współpraca z interesariuszami (aspekt komunikacyjny). W artykule zwrócono uwagę na wykonalność i specyficzną koncepcję marki miasta w płaszczyźnie administracji publicznej oraz jak samorząd tworzy markę miasta i realizuje swoją strategię rozwoju. Opisano czynniki, które wpływają na tworzenie, zarządzanie i wdrażanie marki miasta.

Słowa kluczowe: władze lokalne, miasto, marka miejska, branding, administracja publiczna, planowanie strategiczne.

Балашов Д.В. ФАКТОРИ ФОРМУВАННЯ ТА РОЗВИТКУ БРЕНДУ МІСТА

На сьогоднішній день більшість науковців, які досліджують питання місцевого брендингу, розглядають процеси формування та управління брендом міста переважно зі сторони туризму, маркетингу та взаємодії із зацікавленими сторонами (комунікаційний аспект). У статті зацентовано увагу на доцільність розгляду специфіки та поняття бренду міста у площині публічного управління, оскільки саме органи місцевої влади виконують функцію публічної влади, за допомогою якої стає можливим формування бренду міста та впровадження стратегії його розвитку. Визначено фактори, що впливають на формування, управління та впровадження бренду міста.

Ключові слова: органи місцевої влади, місто, бренд міста, міський брендинг, публічне адміністрування, стратегічне планування.

Балашов Д.В. ФАКТОРЫ ФОРМИРОВАНИЯ И РАЗВИТИЯ БРЕНДА ГОРОДА

На сегодняшний день большинство учёных, которые исследуют вопросы местного брендинга, рассматривают процессы формирования и управления брендом города преимущественно со стороны туризма, маркетинга и взаимодействия с заинтересованными сторонами (коммуникационный аспект). В статье сакцентировано внимание на целесообразности рассмотрения специфики и понятия бренда города в плоскости публичного управления, поскольку именно местные власти выполняют функцию публичной власти, с помощью которой становится возможным формирование бренда города и внедрение стратегии его развития. Определены факторы, которые влияют на формирование, управление и внедрение бренда города.

Ключевые слова: органы местной власти, город, бренд города, городской брендинг, публичное администрирование, стратегическое планирование.

Introduction

In modern Ukrainian society, in the context of globalization, economic uncertainty and instability, social and cultural processes in connection with necessity of rational use of resources, the issue of implementation of the city development strategy becomes more relevance and considered as one of the most important factors to ensure its sustainable development.

Due to the increasing and intensification of competition between cities within a single states and international level, greatly increased a need for construction of city brand.

Cities are competing both in traditional resources necessary to ensure their full development (such as people and material resources for infrastructure development) and for unique: tourism attractiveness, the investment climate and innovation. Accordingly, the level of competitiveness of the city are determined with more efficient use of resources or presence of unique resources. The competitiveness of the city directly depends on its position and reputation among different groups of stakeholders (investors, tourists, entrepreneurs, government officials, local people etc.).

The question of the essence and specifics of city branding or as a separate direction, or in the place branding was investigated in the works of such scientists as S. Anholt, M. Kavaratzis, S. Rainisto, P. Kotler, D. Heider, I. Rein, T. Moilanen, N. Morgan, K. Dinnie, A. Pritchard, R. Pride.

However, it should be noted that today the majority of scientists who study the issue of local and regional branding, consider the factors and processes of formation and brand management primarily in the field of tourism, marketing

and interaction with stakeholders (communication aspect). Among the theories that explore the specific branding of the city, not enough attention is given to elements and factors that influence the formation of city brand as well as on participation and regulation of this complex process by the municipality. This unresearched part of the general area of the city branding determines the relevance of this article.

Statement of research objectives

To identify the factors that impact on the processes of formation, implementation and managing the brand of the city by local authorities.

Results

Formation and control over the processes of formation of city brand within the competence of local authorities who act as public authorities and implementation city development strategy. Correspondingly, to increase the competitiveness of the city without the political will and desire of the municipality is impossible.

It should be noted that after the author's analysis of leading scientists in the world on the specifics of city branding, some of the highlighted factors have already been discussed and used, but only to study the specifics of city brand with relation to tourism, marketing and interaction with stakeholders (communication aspect).

To make municipality be able to effectively implement the city brand, it is advisable to allocate the factors that influence the development and managing the brand of the city, such as: strategic planning, leadership, local involvement and influence of local people, financial and economic feasibility and public-private partnership.

1. Strategic planning factor.

This factor, to the opinion of the author, must be decisive in the formation of the city brand. Strategic planning can be realized through a strategic change plan that has to combine with a definitive list of steps that must be done to achieve these objectives. Without a plan of strategic changes it is complicated to achieve the strategic objectives of the city, and also formation and management of the city brand.

Strategic change plan should include the following components:

1. Selection of the desired development horizons of the city.
2. Allocation of the strategic city objectives.
3. The list and sequence of actions to achieve the goals.
4. Determination of responsible people or departments.
5. Identification of potential stakeholders.

Definition of potential stakeholders and responsible people or departments is one of the most important stages of strategic planning, since the mayor, as

the head of the municipality, is the main strategist of the city, who should be responsible for the current and future condition of the city, and take political responsibility for the implementation of its development strategy.

So this stage of strategic planning is directly related to leadership component that once again determines the advisability of city brand research not as a separate concept, but as a set of interrelated factors.

6. Determination of the desired positioning of the city. City positioning is often viewed by scientists rather narrowly, as a part of the marketing analysis. Regarding the existing points of view of scientists who study the specifics of city branding in the field of tourism, marketing and communication theory, it should be noted that the prospects of city brand are seen, firstly, as a general vision of the future position of the city for the condition of obligatory use of methods of strategic analysis [1, p. 70-73], secondly, as a set of opportunities for the city that can offer potential stakeholder groups [2, p. 63-86], and finally, thirdly, a general representation and acceptance city development strategy of its leaders [3, p. 31].

To examine the positioning of the city in the context of strategic planning it is necessary to find a mechanism for effective use of resources of the local authorities, to analyze their organizational structure, consider the establishment of responsible departments and define their responsibilities and tools for the implementation of the concept of branding the city.

7. Analysis of the organizational structure of local government.

8. Determination of strategic analysis methods. These methods are used by local authorities to assess the current state of implementation of the concept of branding the city, provide opportunity to explore the positive and negative impacts on the city brand and identify ways to achieve the strategic objectives of the city. For in-depth analysis of strong and weak points of the city and construct ways to use strengths to minimize weaknesses, it is necessary to use the methodology of SWOT-analysis and identification of key performance indicators (KPI). Also it is important to use such methods and tools of strategic analysis as PEST, forming a matrix of stakeholders of the city, foresight, project-oriented management.

Given the important role of cities in the national economy, it is advisable also to apply the methodology of the strategic planning as scenario planning not only at national level but also at the local level to ensure the overall competitiveness of the state, which depends on the competitiveness of cities. In the following scientific papers author will attempt to explore the relationship of national brand and the brands of individual cities.

9. Mechanism, tools and the resources needed for the implementation of the plan of strategic change.

10. Monitoring the implementation of the strategic plan. The responsible departments of local government, which controls execution of the strategic plan, should use modern methods of strategic and project management for the control of the current problems and global processes, specified in the strategic plan.

One issue that also needs further study is the need to apply the international standards of project management during the control over realization of the strategic plan implementation of city brand. Despite the fact that such standards of project management as the Project Management Body of Knowledge (PMBok, used in the US) [4] and P2M (used in Japan) [5] are used in business administration, according to the author, it would be appropriate to analyze the international experience, the ability to use and implementation of the system of local government. Perhaps the construction of a new mixed model of project management in the field of city branding and public administration will help to increase the effectiveness of management processes at national, regional and local levels, improve conditions of public-private partnership that will definitely stimulate the economy and ensure the development of the social sphere of the city. Author will review this issue in future scientific papers.

Public control factor, local involvement and influence of local people, which will be discussed below (factor №3), should also be considered to control over implementation of strategic plan. With the establishment and functioning of the national program for the development of city-brand as a guarantee of national brand, it will be advisable to control of implementation of the urban development strategy by profile and special state authority, whose function would be to create implementation monitoring of independent concepts city branding.

2. Leadership factor.

In the field of tourism, marketing and communication theory, leadership is considered as a possibility of organizing power and control of complex processes [1, p.84-86], and also as an emotional landscape, social purpose and empowerment the mayor of the city [6].

However, considering the factor of leadership as part of the formation of the city brand with local authorities, it should be noted that one of the conditions for efficient construction of city brand is the presence of a strong leader – a mayor, considering disclosing potential and possibilities of his team, which implements the strategic plan changes.

Considering the factor of leadership, it is appropriate to pay attention to various theories of leadership and extrapolate them to the mayor as the main leader of the city.

The concept of charismatic leadership [7, p. 478-481] proposes to consider the mayor as the leader, whose activities and decisions have an impact on the

activities of all employees of the local authority. The charismatic mayor gives its employees understanding that in achieving and implementing the overall strategy of the city it is realized the potential of every citizen and must be improved living conditions of every citizen of the city. The followers of the mayor, noting his dedication to achieve specific goals, gradually position the interests of subordinate structures and municipality above their own interests.

According to the concept of transformational leadership [7, p. 481-483], the mayor can act as a transaction leader, who will motivate his employees to achieve this goal, or transformation leader, who will stimulate intellectual and mental development and take care of every employee of the municipality.

A Blanchard-Hersey situational leadership model [8, p. 592-594] indicates that the mayor must follow up the professional level of psychological maturity of municipality workers, because only the readiness to work under his leadership can create effectively working team that implements the development strategy of the city. Depending on the tasks in the framework of strategic changes, the mayor can use the task-centric (unilateral) or the anthropocentric (bilateral) communication.

The mayor shall determine leadership style by using the situational factors (a Stinson-Johnson situational leadership model) [7, p. 468-469]. One of these factors can be structured work (high or low) and focus on the ultimate objective of team work (as a result or as the construction and implementation of city brand, relationships with employees). In addition to the above theories it is appropriate to pay attention to the theory of cooperation and competition (does not concern the mayor, this is the question of leadership among cities within the same state and level of global governance) and the theory of integration processes.

Studying the theories of leadership in the area of managing the city brand is quite massive and relatively undeveloped question, so there is a need to explore it in more detail.

Important thing is that the level of confidence in the mayor as a representative of public authority and guarantor of effective functioning and development of the city influences the desire of investors and banks to cooperate with the municipality as there is more confidence that loans will be repaid on time. Thus, the level of confidence in the mayor and his team is directly related to the intended use of funds, which in its turn is the connection with the economic component of the financial and economic feasibility.

Impact factor of leadership in the formation of city brand is important, but without public involvement factor in this process, its effective implementation is almost impossible.

3. Local involvement factor and influence of local people.

The citizens of the city should be the main stakeholders in the city branding since one of the outcomes of building effective city brand is raising living standards of local people. They have a right to directly influence the formation of the city brand, since they are taxpayers, due to which it is possible to implement of the concept of city branding. Multiplier effect in this case is that citizens pay taxes to the local government both directly and indirectly through taxes by local companies. Therefore, paying taxes or buying products and services, the local population actively participates in fundraising mechanism for the implementation of urban projects and city development strategy. That is why the citizens of the city have the right to request the municipality accountable for the money spent from the local budget and influence the city branding processes. These forms can influence public discussion and petitions, participating in the mechanism of control and feedback from local authorities through public discussions, petition and forming public complaints. An important element of the impact of the local population on the city brand formation and the work of the municipality is to participate in public discussions of powerful public figures and philanthropists, who are outside the structure of local governments, and involvement of non-governmental organizations and foundations, because with their help it is possible to obtain additional financing (grants, financial assistance, etc.) for the formation of city brand and its development strategy implementation.

4. Financial and economic feasibility factor of the city brand implementation.

Research of scientists concerning factors that impact on formation of the city brand in the field of tourism, marketing and communication theory suggests that the factors that affect the economic component of these processes include the impact of the global market on the formation of city brand [1, p. 80-82], financial incentives for local manufacturers [3, p. 31] and improving the quality and cost of services for consumers in the process of interaction between stakeholders [9, p. 21-23], and the speed with which the city responds to internal and external changes in global and local markets [6].

Local authorities, considering the economic component and managing the brand of the city, should take into account the effectometry phenomenon under which all stakeholders receive a positive economic effect. When building a city brand it is important to consider their individual characteristics. The methods of strategic analysis may help to define competitive advantage. If extrapolating theory of technological gap of M. Posner [10, p. 40] at the level of the city, each city can make a breakthrough in any direction of scientific and technical areas and using these competitive advantages they may get profits and increase their competitiveness in the global market. On practical level, an example of this theory may be the city of Detroit, which in the first half of the twentieth century

positioned itself as a monopolist in the automotive industry, thus able to concentrate on its territory producing cars for state programs.

City brand should be considered as a similar to the corporate brand, but always considering the features of the city as an object of public administration. To study the economic component of city brand, the author considers that it is necessary to introduce “city brand lifecycle” stage which will be similar to the lifecycle of the organization and the corporate brand.

5. Public-private partnership factor.

Effectively established cooperation of local, national and international businesses with local authorities can provide the opportunity to introduce significant for socio-economic, cultural, sports and other projects for the city, programs and grants that can improve the investment climate of the city and increase the value and efficiency level of its brand. This issue requires more in-depth research to be made by the author in further works on research of the formation and the city brand management.

Conclusions

To sum up, it should be noted that today the participation of local authorities in the formation, management and implementation of city brand is relevant and requires detailed study, because without participation and building an effective work of the local authorities is complicated achieve the strategic objectives and build efficient and competitive city brand of the city. City branding should be considered as one of the most important tools of their positioning in the regional, national and international level. That is why local authorities should create a new model of city management, always bearing in mind its features and competitive advantages.

Considering the weak formalization of processes of the formation and implementation of city brand in terms of public administration, there is a need for deeper study of the factors that influence the development of the city brand by local authorities as strategic planning, leadership, involvement and influence of the local population, financial and economic feasibility of public-private partnership. It is reasonable to pay attention to a new approach to understanding the brand of the city and explore the relationship of national brand and brand of the city, since competitive cities provides development of various sectors of socio-economic sphere of the state. It is also important to consider the possibility of applying methods and tools of project management and strategic planning in the formation and implementation of city brand. Research of these factors will help to develop an effective model of city branding.

City brand can not be seen only as a set of visual and concept meanings, such as a logo and a slogan. City brand is the result of complex interrelated

processes, which influence a number of factors that should be considered and regulated by local authorities to achieve the competitiveness of the city since its high level and image depends on its compliance to modern high criteria of sustainable development.

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DOI : 10.14746/pped.2016.9.12

УДК 341.24:061.2(1-87)=111

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NORMATIVE AND LEGAL FRAMEWORK FOR THE FUNCTIONING OF FOREIGN AND INTERNATIONAL NON-GOVERNMENT ORGANIZATIONS

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*The article consistently analyzed the legal regulation of the operation of foreign and international civil society organizations as subjects of international relations. Reveals the variability, the nature and the concept of «social organizations» abroad; examined their characteristics, properties and types of classification; defined sources of regulation. Historical stages of the legislative base of non-governmental organizations in European countries. Thesis: there is determined the basic principles governing the legal status of NGOs in Europe. Also determine number of regulations, which are led by foreign and international non-governmental organizations. It shows the role of international non-governmental organizations in the process of democratization of Ukrainian society and the formation of civil society in Ukraine. The article states that one of the many specific features truly democratic State that aspires to become Ukraine is to attract the public to important decision authority for this community of people making. After analyzing the experiences of member countries of the European Union, the article concluded that more effective and constructive involvement is not individuals, but public organizations. Given the fact that the Ukrainian people elect a democratic path of development, special attention in this paper is paid to the legal basis of functioning of foreign and international NGOs as compared with the corresponding realities of Ukraine. To harmonize the legislation of Ukraine on associations with European standards, it is proposed to introduce two statuses - national and international, not only in connection with the territory of the NGO. It was concluded that it is appropriate to give non-governmental organizations the right of legislative initiative at the local level. It is noted that the Ukrainian state in the future, in close cooperation with civil society organizations must take a number of concrete measures in the legislative field, what will lead to compliance legislation of Ukraine to legislative achievements of the European Union. With a view to designing and developing specific proposals to improve the standards of current legislation of Ukraine in the sphere of public organizations in line with European norms and standards, this subject requires further integrated and comprehensive study.*

**Keywords:** non-governmental organizations, NGOs, foreign NGOs, international NGOs, civil society, democratization of society, the legal framework, legal status.

## **Gololobov S. PRAWNE PODSTAWY FUNKCJONOWANIA ZAGRANICZNYCH I MIĘDZYNARODOWYCH ORGANIZACJI POZARZĄDOWYCH**

*W artykule dokonano analizy regulacji prawnych funkcjonowania zagranicznych i międzynarodowych organizacji pozarządowych jako podmiotów stosunków międzynarodowych. Zwrócono uwagę na pojęcie „organizacji pozarządowych” za granicą; zbadano ich właściwości, typy klasyfikacji; zdefiniowano źródła regulacji prawnej. Ukazano etapy historyczne rozwoju bazy legislacyjnej organizacji pozarządowych w krajach europejskich. Określono podstawowe zasady, które określają status prawny organizacji pozarządowych w Europie. Zwrócono uwagę na akty prawne, które są podstawą działalności organizacji pozarządowych zagranicznych i międzynarodowych. Ukazano rolę międzynarodowych organizacji pozarządowych w procesie demokratyzacji społeczeństwa ukraińskiego i tworzenia społeczeństwa obywatelskiego na Ukrainie.*

**Słowa kluczowe:** organizacje pozarządowe, zagraniczne organizacje pozarządowe, międzynarodowe organizacje pozarządowe, społeczeństwo obywatelskie, demokratyzacji społeczeństwa, akty prawne, status prawny.

## **Гололобов С.М. НОРМАТИВНО-ПРАВОВЕ ПІДґРУНТЯ ФУНКЦІОНУВАННЯ ЗАРУБІЖНИХ І МІЖНАРОДНИХ ГРОМАДСЬКИХ ОРГАНІЗАЦІЙ**

*У статті послідовно проаналізовано нормативно-правову регламентацію функціонування зарубіжних і міжнародних громадських організацій, як суб'єктів системи міжнародних відносин. Розкрито варіативність, сутність та зміст поняття «громадські організації» закордоном; розглянуто їх ознаки, характеристики та види класифікації; визначено джерела нормативно-правового регулювання. Наведено історичні етапи становлення законодавчої бази громадських організацій у європейських країнах. Виокремлено основні принципи, які визначають правовий статус громадських організацій у країнах Європи. Визначено ряд нормативно-правових актів, якими у своїй діяльності керуються зарубіжні і міжнародні громадські організації. Розкрито роль міжнародних громадських організацій в процесі демократизації української спільноти та формування в Україні громадянського суспільства.*

**Ключові слова:** громадські організації, зарубіжні громадські організації, міжнародні громадські організації, громадянське суспільство, демократизація суспільства, нормативно-правова база, правовий статус.

## **Гололобов С.Н. НОРМАТИВНО-ПРАВОВАЯ ОСНОВА ФУНКЦИОНИРОВАНИЯ ЗАРУБЕЖНЫХ И МЕЖДУНАРОДНЫХ ОБЩЕСТВЕННЫХ ОРГАНИЗАЦИЙ**

*В статье последовательно проанализирована нормативно-правовая регламентация функционирования зарубежных и международных общественных организаций, как субъектов системы международных отношений. Раскрыто вариабельность, сущность и содержание понятия «общественные организации» за рубежом; рассмотрены их признаки, свойства и виды классификации; определены источники нормативно-правового регулирования. Приведены исторические этапы*

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The activity of foreign and international non-governmental organizations in various spheres of public causes growth of scientific interest in them as actors in the process of democratization and civil society, and requires a rethinking of the role, place and magnitude of influence in international relations. There is a logical urgent need for a comprehensive study of the regulatory framework of functioning of foreign and international NGOs as subjects of international relations, the media world public opinion. This study is an urgent problem that has both theoretical and practical aspects.

Problems functioning of foreign and international non-governmental organizations highlighted in the works of many Ukrainian and foreign scientists, including T. Alekseeva, V. Butkevych, O. Burlak V. Holovenko, N. Husak, O. Zaitseva, A. Kolyadin, N. Krylov, V. Markushyna, A. Matsko, G. Morozova, T. Neshatayeva, S. Podshybyakin, V. Polishchuk, O. Tarasov, A. Khodorchuk, M. Therkes, L. Chernyavska. Diversification issues legislative field of foreign and international NGOs investigated: I. Berlin, G. Volinko, A. Karas, S. Kravchenko, B. Kistjakovsky, D. Cola, M. Kryzan, T. Rozova.

However, besides the attention of a large circle of scientists remained problems involving experience regulatory functioning of foreign and international non-governmental organizations in the legislative field of the Ukrainian state. Not highlighted the main points of a system of foreign and international non-governmental organizations.

Actuality stipulated purpose of the study - to analyze the regulatory framework of functioning of foreign and international NGOs.

With this purpose a logical task: to identify the sources of legal regulation of foreign and international NGOs; highlight the basic principles that define the legal status of non-governmental organizations in Europe; reveal the role of

international NGOs in the process of democratization of Ukrainian society and the formation of civil society in Ukraine.

### **Results**

The fundamental factor for the deployment of democratization of modern society at this stage no longer appears distribution market economy and private property, and the implementation of government public organizations is the content of civic self-organization.

An urgent problem in the modern stage of development of Ukraine, in contrast to the European Union (hereinafter – EU) is the creation, not the long-term availability of sufficient conditions for the deployment of power as an accomplice non-governmental organizations cooperating with the state.

Legal regulation of NGOs primarily creates a framework for the implementation of their activity, which limits the space in which they can function and form in which they are allowed to reach their goals. Therefore, documents and procedures of the legal regulation of public organizations together constitute a kind of organizing or organizational dimension, which is subject to the activities of civil society [1, p. 197].

Abroad non-governmental organizations indicated by various names, the most common is the «NGOs», «non-profit organizations», «nonprofit organizations» «NGOs» or «third sector».

The term «nonprofit» in the world is used mostly in American legislation, while international organizations often use the term «NGO».

Definitions of «NGOs» was first put into circulation by the UN Charter in 1945 and subsequently enshrined not only in many international documents, but also reflected in the legal acts of countries.

The term «NGO» emphasizes that the organization is independent from the government, but seeks to meet social needs and pursuing humanitarian purposes [6].

A common definition of NGOs can be a non-governmental organization - an organization created not for the purpose of obtaining and distribution of profits, and to make new business to achieve positive change in the existing state of society, to help people regardless of their nationality, religion, political preferences etc. [9, c. 3].

The term «non-profit organization» emphasizes the special regime of taxation and organization. The purpose of non-profit organization is not for profit, which means it can be redistributed and is aimed only for the purposes of [6].

Turning to the historical origins of the formation of the legal framework of public associations in some EU countries, we can see a picture. Status associations changed along with society and the status of the individual from the

unlimited right of association in ancient Greece - the regulation of individual rights and responsibilities of associations of people in ancient Rome, medieval through professional corporations with heavy regulation of work and life Member prohibition on establishment of political organizations - to permit unions and political parties of the XIX century, securing the rights to freedom of association in national legislation, and in the middle of the XX century - and international norms [9, c. 10-11].

Between the ends of the XIX century the middle of XX centuries in Western Europe, the legislative regulation of the rights and activities of associations was enshrined at the constitutional level. Over the years, were adopted constitutions of EU Member States: Austria 21.12.1867 p.; Finland 07.17.1919 p.; Italy 22.12.1947 p.; in of Denmark in 1953.; Greece 09/06/1975 p.; Spain 29/12/1978 p. etc. [9].

With a view to greater awareness of the content of «freedom of association» as a basis for the establishment of non-governmental organizations, as an example, we give some constitutional provisions.

In Austria the Basic Law states that «Austrian citizens have the right to create associations» (Article 12) [7, c. 119]. Belgium Constitution determines that the Belgians have the right of association, which cannot be subjected to any precautionary measures (Article 27). Constitution of Denmark (Articles 78 and 79) stipulates that citizens have the right to form associations for any lawful purpose, without prior notice; associations who resort to violence or seek to achieve their aims by violence, calling for violence or imposing their views to others through threats of violence, dismissed the court decision; no public association cannot be dissolved government decision [3, c. 214].

Legislative process in foreign European countries is considering the need to ensure the implementation of Article 11 of the European Convention on Human Rights and Fundamental Freedoms, adopted in 1950: «Everyone has the right to freedom of peaceful assembly and to freedom of association with others, including the right to form trade unions and join them to protect their interests» [5].

In July 2002 the participants of the multilateral meetings organized by the Council of Europe in Strasbourg, was made «Fundamental Principles on the Status of NGOs in Europe», which was first systematized basic European standards in this area. Among the fundamental principles that define the legal statuses of non-governmental organizations in Europe are:

- Non-governmental organizations include associations or organizations established both by individual persons (natural or legal) and groups of such persons;

- NGOs can be either informal associations or organizations, and associations or organizations having legal personality;
- NGOs can be national and international and the composition and scope of activities;
- NGOs should have the right to freedom of expression and any other rights and freedoms, with guarantees in international or regional treaties and may include such organizations;
- Non-governmental organizations not subject to direction by public authorities;
- NGOs with legal personality should have the same rights generally enjoyed by other legal entities and they should extend the same duties and sanctions in administrative, civil and criminal law, usually applied to such legal people;
- Legal and tax rules applicable to NGOs should encourage their establishment and continued activity;
- non-governmental organizations should not distribute any profits that may result from their activities among its members or founders but can use that profit for realization of objectives;
- Action or inaction of government agencies affecting the NGOs must be submitted to the administrative appeal and open to challenge by the NGO in an independent and impartial court of competent jurisdiction [2].

The problems of public organizations that require a solution, is the financial base of their activities, and eliminate the complexity of creating, monitoring the activities of the state, society and donors. State regulation should provide for state and public control over the allocation of funds, but it does not undermine the freedom of the sector [6].

In foreign legislation fairly common division of NGOs in social benefits and of mutual benefit. However, it is necessary to emphasize that tax incentives mutual benefit organizations, there is much less reason [6].

Along with foreign NGOs, civil society organizations with international status play a significant role in the democratization of the Ukrainian community in Ukraine formation of civil society and the rule of law, establishing permanent interaction and cooperation between society and the state.

In certain international non-governmental organizations should take note of resolution number 288 of February 27, 1950, adopted by the Economic and Social Council of the United Nations, which emphasized that any international organization, an agreement on creation of which has an intergovernmental character, considered a non-governmental organization. Researchers often distinguish its characteristics such as the international nature of the composition and

purpose, the private nature of representation (members of these organizations is not a sovereign state), voluntary activity [8, c. 22].

The legal status of international NGOs is defined as the European Convention on the Recognition entities international non-governmental organizations adopted by the Council of Europe in Strasbourg on 24 April 1986 accordance with this Convention, an international non-governmental organization should aim to non-profit activities of international importance; be created document that meets the requirements of national law certain countries (Parties); carry out statutory activities in at least two Parties; have legal headquarters of the Party and administrative and control bodies - on the territory of the State Party [4].

June 29, 1990 adopted a resolution Copenhagen Meeting of the Conference on the Human Dimension of the Organization for Security and Cooperation in Europe. According to chap. 9.10 of a document, the meeting recognized the right of everyone to freely hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers. This right is guaranteed to every person to participate effectively in the activities of NGOs also have easy access to and liaise with similar bodies in their countries and beyond their borders from international organizations [10].

The rich variation of the rights and interests of citizens, who represent different segments of the population, in order to implement them created by international non-governmental organizations, causes a significant number of basic characteristics that are the hallmarks of typology.

One of the most common criteria typology international NGOs have scope:

- Health (Doctors of the World (Doctors of the World), International Association of Gerontology (International Association of Gerontology));
- Science and Technology (Future Research (Resources for the Future), World Association of Industry and Technology (World Association of Industrial and Technological));
- Education (Alliance of Universities for Democracy (Alliance of Universities for Democracy), Association for World Education (Association for World Education));
- Religion (Universal coalition alternatives to globalization (Ecumenical Coalition for Alternatives to Globalization (ECAG)), World Federation of Christian Students (World Student Christian federation));
- Economics (Center for Economic Initiatives (Center for Economic Initiatives), International Cooperation Center (Center for International Cooperation));
- Culture and Arts (International Federation of Composers (International Federation of Composers), Union of International Cultural Relations (Union for Intercultural Action));

- Ecology (World Animal Protection Network (World Animal Net), Global network of eco-villages (Global Eco-Village Network));
  - Information (International Federation of Free Journalists (International Federation of Free Journalists), Inter news (Inter- News));
  - Human Rights (International Society for Human Rights (International Society for Human Right); European Center for Roma Rights Protection (European Roma Rights Centers));
  - Social welfare (Institute of International Social Development (Institute of International Social Development, Social Fund assistance (Foundation for the Social Promotion)) );
  - Peace (security and disarmament) (International Peace Bureau (International Peace Bureau), World without War (The World without War Council));
  - Humanitarian sphere (MSF (Doctors without Borders), Oxfam (Oxfam))
- [11, c. 203-230].

According to L. Chernyavska, another criterion for the classification of international non-governmental organizations is membership or an activity. On this basis distinguished professional associations (lawyers, doctors, entrepreneurs and so on, for example, the International Law Association (International Law Association), female (Worldwide Fund for Women (Global Fund for Women)), youth (World Assembly of Youth (World Assembly of Youth)), student (International Union of students (International Union of students)), an association of people with special needs (World blind Union (World blind Union)) and many others [1, p. 244].

International non-governmental organizations differ and resources (financial and human), their degree of participation in the work of volunteers and professionals, the ratio of free and paid services [11, c. 203- 230].

By directing activities of international NGOs operating in Ukraine, you can highlight the organization of self-help and mutual aid (World Federation of the Blind), charity (NGO Social Justice) involved or specific problems (eg, AIDS, homelessness) or of problems specific population groups (elderly, children, minorities, refugees, the disabled, etc.), for example, European Centre for protection of Roma (European Roma Rights center), Foundation for child and family (Foundation for the child and the family), Global alliance for women's health (Global alliance for women's health) [11, c. 203-230].

### **Conclusions**

Foreign experience normative and legal regulation of the legal status of NGOs is important for Ukraine, considering that enables identification of positive developments that could be the basis for improving the national legal framework of non-governmental organizations.

Given international experience, international NGOs, as key to the formation of civil society in Ukraine, should be the connecting link between the international community, the state (public authorities and local governments) and the citizen, because they are intended to form a wide range of legal citizens and legal culture, to cultivate civic awareness, tolerance, solidarity, which are the basis of human rights, to disseminate information about human rights, about national and international institutions that protect them.

With the successful and constructive functioning of non-governmental organizations in Ukraine paramount importance today's changes and adapts the current legislation to the international legal framework. Ukrainian state in close cooperation with NGOs, should take a series of regulations that would have strengthened the authority of the international non-governmental organizations in Ukraine and were given an opportunity to be introduced to a greater extent and to realize universal acceptance of human values and norms.

The prospect of further scientific research and development is to solve the problems associated with the implementation of international standards in the legal framework of the Ukrainian state, in order to enhance and accelerate the process of democratization and civil society in Ukraine.

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DOI : 10.14746/pped.2016.9.13

УДК 342.53:[328.132.4+328.123](477)=111

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## **PECULIARITIES OF LEGAL REGULATION OF FACTIONS' ACTIVITIES IN THE PARLIAMENT OF UKRAINE**

*The article deals with the activities of factions in Ukrainian Parliament and the issues pertaining to legal regulation of their work in connection to electoral law; division of powers between branches of government, mechanism for parliamentary factions (groups) creation, cooperation between the coalition and the opposition in the Parliament of Ukraine.*

*It is figured out that there is a need to replace the organizational type of formation of parliamentary factions with ideological or structural type in order for it to be more forward-looking and democratic. The necessity to switch from mixed electoral system to proportional representation with open lists is substantiated, what would strengthen party discipline, create conditions for parity of coalition and opposition in the Parliament.*

*The author brings forward several proposals for laws and subordinate acts that determine the foundation for activities in the national Parliament of Ukraine.*

**Keywords:** parliamentary faction (group), coalition, opposition, faction activities.

### **Gandziuk A. SPECYFIKA REGULACJI PRAWNEJ DZIAŁALNOŚCI FRAKCJI PARLAMENTARNYCH NA UKRAINIE**

*Poddano analizie działalność frakcji w ukraińskim parlamencie, a także kwestie związane z regulacją prawną ich działań w stosunku do prawa wyborczego, podziałem władzy, mechanizmem stworzenia frakcji parlamentarnych (grup), współpracy między koalicją a opozycją w parlamencie Ukrainy. Stwierdzono, że istnieje potrzeba, aby zastąpić typ organizacyjny tworzenia frakcji parlamentarnych na ideologiczny lub strukturalny, aby parlament był bardziej stabilny i demokratyczny. Zwrócono uwagę na konieczność przejścia z mieszanego systemu wyborczego do proporcjonalnej reprezentacji z listami otwartymi. Wzmocni to dyscyplinę partyjną, stworzy warunki dla współpracy koalicji i opozycji w parlamencie. Autor przedstawia szereg propozycji do ustaw i innych aktów prawnych, które określają podstawy działania w parlamencie Ukrainy.*

**Słowa kluczowe:** frakcja (grupa) parlamentarna, koalicja, opozycja, działalność frakcji.

### **Гандзюк А.М. ОСОБЛИВОСТІ ПРАВОВОГО РЕГУЛЮВАННЯ ДІЯЛЬНОСТІ ФРАКЦІЇ ПАРЛАМЕНТУ УКРАЇНИ**

*У статті розглядається діяльність фракцій в українському парламенті, а також питання, що стосуються правового регулювання їх діяльності в зв'язку з виборчим законом, поділ повноважень між гілками влади, механізм створення*

парламентських фракцій (груп), співпраця між коаліцією і опозиція в парламенті України.

З'ясовано, що існує необхідність замінити організаційний тип формування парламентських фракцій на ідеологічний чи структурний тип для того, щоб парламент бути більш стабільним та демократичним. Обґрунтована необхідність переходу від змішаної виборчої системи до пропорційного представництва з відкритими списками, що сприятиме зміцненню партійної дисципліни, створить умови для співвідношення коаліції і опозиції в парламенті.

Автор висуває ряд пропозицій до законів і підзаконних актів, які визначають основу для діяльності в національному парламенті України.

**Ключові слова:** парламентська фракція (група), коаліція, опозиція, діяльність фракції.

### **Гандзюк А.М. ОСОБЕННОСТИ ПРАВОВОГО РЕГУЛИРОВАНИЯ ДЕЯТЕЛЬНОСТИ ФРАКЦИИ ПАРЛАМЕНТА УКРАИНЫ**

Статья посвящена деятельности фракций в украинском парламенте и вопросам правового регулирования их деятельности в связи с избирательным правом, разделением полномочий между ветвями власти, механизмом формирования парламентских фракций (групп), сотрудничеством между коалицией и оппозицией в парламенте Украины.

Уточнено, что для того, чтобы он был более перспективным и демократичным, необходимо заменить организационный тип формирования парламентских фракций на идеологический или структурный тип для того, чтобы парламент стал более стабильным и демократическим. Обоснована необходимость перехода от смешанной избирательной системы к пропорциональному представительству с открытыми списками, что укрепит партийную дисциплину, создаст условия для паритета коалиции и оппозиции в парламенте.

Автор выдвигает ряд предложений к законам и подзаконным актам, которые определяют основу деятельности в национальном парламенте Украины.

**Ключевые слова:** парламентская фракция (группа), коалиция, оппозиция, деятельность фракции.

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### **Introduction**

The basic component of factions' activities is their cooperation within the coalition, which is fundamentally different in transit countries that include Ukraine and other states pertaining to Central and Eastern Europe, and in established democracies. Unlike in Ukraine they tend to form coalition based on close ideological concepts.

Unstable parliamentary coalitions are caused by diametrically opposed political opinions in Ukrainian parliament, what is reflected in the work of heterogeneous (diverse) government. Therefore, much time is spent in order to solve political and private conflicts. In Ukrainian parliament coalitions are usually created on the basis of pro-presidential political parties and thus are "potential

source of governmental and parliamentary crises” [1].

In order to attain stability in activities of governmental (ruling) coalition under the circumstances where there is no stable majority in the parliament, most scientists bring forward the following suggestions: “to form government on the basis of balance of powers in Parliament and to ensure solidarity and political responsibility of government to the parliament” [2].

Most researchers come into line with the need to implement these principles and suggest that such implementation in Ukraine should be accompanied by the combination of parliamentary-presidential form of government and proportional system of elections in order to encourage political parties to intensify their activities not only in the pre-election period, but also during their work in Parliament. Nevertheless, national electoral system remains mixed, and coalition agreement has not yet become a fruitful mechanism for consolidating society, what is essential under the contemporary conditions of development of Ukrainian state and society. All of the abovementioned positions are reflected in the decree of the President of Ukraine Petro Poroshenko “On priority measures to promote national unity and consolidation of Ukrainian society, support for public initiatives in this area” [3].

Therefore, it is of great relevance to study the peculiarities of regulatory legal acts that provide for stable activities of factions in Ukrainian parliament, by which we consider “system of general principles for organization of parliament and government / public authorities, which provides political consensus between them, contributes to transparent professional formation of the coalition government and its political support for designated authority” [4].

### **Analysis of recent research**

The establishment of constitutional status and priority of the Verkhovna Rada of Ukraine within the system of checks and balances depends on the success of formation of such well-established in foreign constitutional practice structures in representative bodies, as parliamentary majority (coalition) and parliamentary opposition. In the corresponding decision of the Constitutional Court of Ukraine it is directly stated that “Factional structuring of the Verkhovna Rada of Ukraine and formation of coalition of deputy factions are obligatory conditions for its authority” [5].

Most scientists admit that the institute of parliamentary majority is the most vital tool for policy development, formation and work of government and implementation of the abovementioned course through it in mixed parliamentary and republican forms of government. “Party factions that form the majority tend to be represented in government. Those political forces (parties), not participating in the formation of the cabinet, are considered opposition” [6].

Thus Ukrainian scientists consider such coalition to be sustainable and working that “has the majority in parliament, is formed by respective parliamentary groups that support the policy of the President and form the Government” [7]. According to the researchers, political opposition [8] – is political force that does not have sufficient capacity and tools to influence the formation of political and administrative decisions. The existence of factions that are formed from political opposition in the parliament shows a clearer regulation of political system [9].

For Ukraine such issues are considered to be the most vital: the regulation of the status of political opposition in the Parliament, the introduction of respective amendments to the Law of Ukraine “On the Rules of the Verkhovna Rada” [10], the clarification of procedures related to parliamentary discipline of the people’s deputies identified in the draft Law of Ukraine “On amendments to the Rules of the Verkhovna Rada” [11].

The abovementioned draft brings forward the following provisions: “it is possible for the Deputy Head (deputy chairman of the parliamentary group), in case the Head of parliamentary faction (head of the deputy group) is absent, on his behalf participate in the meeting of the Conciliation Board”, as well as to introduce restrictions with regard to the presence of people’s deputies at the session of the Conciliation Board: “session of the Conciliation Board is empowered and authorized if attended by at least half of its members” [11].

These changes are intended to improve faction, and thus party discipline, which is extremely important for contemporary Ukrainian parliament, which is characterized by organizational, not ideological or structural (more progressive and democratic) type of faction formation [12].

It is determined that organizational type of faction formation outlines the form of organization, according to which faction is created and operates on the basis of party discipline, loyalty to the aim, attitude towards the world; ideological - based on ideological foundations of its existence; structural – on the formal organization of factions, while considering it on the one hand as a separate unit, and on the other in its relation to the party, part of which it usually is.

The final type of parliamentary factions’ formation (structural) is the most efficient and contributes the most to stability of Parliament and Government. This type of formation for parliamentary factions is regulated by the relevant regulatory acts, including electoral law based on proportional representation with open lists. Equally important are issues connected to the division of powers between different branches of government, the mechanism for the establishment of parliamentary factions (groups), the cooperation between the coalition and the opposition in Parliament.

Statement of research objective is to identify the peculiarities of regulatory support for factional sustainable activities in the Parliament of Ukraine and to offer respective changes.

### **Results**

Such peculiarity of factional structures in Ukrainian Parliament as lack of stability, in our opinion, is due to a number of imperfections of regulations related to:

- electoral law;
- separation of powers between different branches of government;
- conditions for creation of parliamentary factions (groups);
- cooperation between opposition and coalition in parliament.

It is important to consider these issues within the framework of peculiar features of the relevant legal mechanisms for stabilization of factional structure in the national parliament and to form respective proposals to each of them.

1. Law of Ukraine on “Elections of the people’s deputies of Ukraine” 2011 [13] introduces holding parliamentary elections in Ukraine according to mixed electoral system under which half of the Parliament is elected in single-mandate electoral districts. These candidates, who alone or as members of electoral blocs overcome the election barrier, are purely formally connected to the parliamentary parties. People’s Deputies, who are elected according to the majoritarian component of the electoral system, represent one of the factors of factional instability, due to the fact that they can be non-party members and have no clear ideology.

Such people’s deputies that were elected to the Verkhovna Rada of Ukraine of I convocation include 6 people [14], in 2014 (the Verkhovna Rada of Ukraine of VIII convocation) - 50% (225 people). Such amount of majoritarian members of parliament does not provide clear structuring of parliament and its factional stability, but to the contrary is a “weak link” in the integrity of the factions, their stability in certain policies and work.

The type of electoral system is the main factor that determines the stage of the parties’ involvement into civil activities through the introduction of a mechanism for political representation in the parliament, determines the composition of parliamentary parties, affects the number of parties participating in elections and subsequently designates the composition of the parliamentary majority (coalition).

According to most scientists, proportional system with open lists will facilitate more precise structuring of the Parliament, and therefore society. Thus, according to L. Pavlov, in order to achieve the desired effect it is necessary, not only to change the principles of elections, but also to pay attention to the restrictive barriers, rules of formation of election lists [15].

According to the author, lack of open lists what concerns deputies' candidates, hinders the stability of not only factional activities, but also the parliament as a whole. This is confirmed by how party leaders take into account loyalty during the elections, when they decide whom to include into the lists of candidates for the parliamentary elections.

2. Analysis of the current legislation of Ukraine, the Constitution of Ukraine [16], the laws of Ukraine "On the Verkhovna Rada of Ukraine" [17], "On the Cabinet of Ministers" [18], "On the President of Ukraine" [19], also confirm the lack of clear division of powers between the Parliament, the Head of the state and the government what concerns the results of public policy implementation. So Parliament is practically debarred from deployment of the right to express distrust to the members of the Cabinet of Ministers of Ukraine and from significant influence on public policy, and the President of Ukraine has the power to cancel regulations of the Government, to direct its activities in the necessary for him direction by issuing decrees, etc. In a parliamentary-presidential republic it is unacceptable and does not facilitate stability of factions' activities in the Parliament, despite the fact that Article 16 of the law of Ukraine «On the Rules of the Verkhovna Rada of Ukraine» [10] underlines the importance of formation and registration of factions (parliamentary groups) during the first seating of the newly elected Verkhovna Rada, without which it is impossible to settle personnel issues. Namely, the election of the Counting Board, the Head of the Verkhovna Rada, election of the First Deputy and the Deputy Chairman of the Verkhovna Rada, creation of committees and Conciliation Board of deputy factions, which then influence the election of the Government and governmental policy.

Because of the fact that the first session of the Verkhovna Rada of Ukraine is exceptionally responsible, particularly what concerns the issues of further implementation of the inaugural function of the parliament, it is important that people's deputies are fundamentally qualified to work in Parliament, what provides for having skills of political debate, elaboration of joint coherent solutions, skills for public speeches, political culture and so on. In our view, this can be encouraged by preliminary debates between the candidates for the position of people's deputies within the parties, which usually form the foundation for proportional system with open lists.

3. Ukraine's legislation, which determines the order of work for the Verkhovna Rada of Ukraine [10; 20], does not bring forward the introduction of efficient mechanisms in order to ensure the stability of factional structure of the parliament as well. Thus, the minimum requirements for the creation of factions meet only 3% of deputies from the constitutional composition, what is less than the dimension of electoral threshold in elections. Exit or exclusion of a deputy

from the faction or group under the Rules of the Verkhovna Rada and the Law “On Committees of the Verkhovna Rada of Ukraine” does not foresee any negative legal consequences for such deputy. For example, it can be early termination of office for Chairman, Deputy Chairman, Secretary of the committee, etc.

The absence of appropriate legislative mechanisms for the prevention of expansion of number of factions (groups) in parliament, of frequent changes in factions’ composition what concerns people’s deputies of Ukraine, in addition to destabilization of political structure of the parliament, causes the emergence of another problem – failure to comply with the principle of proportional representation in the parliamentary committees of deputy factions and groups.

The existence of frequent changes between factions in the national parliament characterizes low level of political culture of people’s deputies, and therefore, unlike many foreign countries, factional structure of Ukrainian parliament does not always reflect the results of the parliamentary elections and the heterogeneity of representatives of parliamentary parties, the lack of “similarity in origin and training” reduces the degree of party (factional) cohesion.

Those parties stay more united, where their members have similar past (belonging to the same social class, obtaining the same education, experience, etc.). That is why it is vital to develop party system in Ukraine, which is based on national values and democratic ideological principles, and not only on leadership qualities of the heads of parties.

4. Quite an important role belongs also to the parliamentary faction that consists of political opposition in parliament and resists the current state authorities, opposes to ongoing strategic course in order to replace it with another that meets the demands of oppositional political organization.

Protection of rights of the opposition and assurance of legal guarantees of its activities represent some of the conditions for the implementation of constitutionally defined political and socio-economic rights of citizens of Ukraine, who by their vote during the elections to the Verkhovna Rada of Ukraine, supported political forces that did not join the parliamentary coalition (majority) and thus – didn’t receive the determining influence on the content of the policy that is implemented by the supreme legislative body and the executive branch.

Upon that, the opposition provides for: a clearly articulated and publicly expressed critical attitude towards the policy of the President; non-participation in the implementation of this policy due to the absence of oppositional representatives of parties or blocs of parties in the composition of the Presidential Administration, the Cabinet of Ministers and other central executive bodies [ 21]

In Ukraine, one of the major drawbacks is the dependence of opposition’s existence on the functioning of parliamentary majority.

Since the activities of the parliamentary minority (opposition) is embodied in specific forms of operation of legal authority in general, it is the regulation of this activity that should be carried out through making amendments to the laws and subordinate acts that define the forms of activity of the Parliament (Constitution of Ukraine, Law “On the Rules of the Verkhovna Rada”, Law “On the Committees of the Verkhovna Rada” etc.). It is particularly these laws that define current rights of parliamentary factions and individual people’s deputies of Ukraine during the process of election of authorities of the parliament, the formation of personal composition of the committees, temporary special and investigative commissions, reinforce the principle of proportional representation of parliamentary factions in the composition of the authorities of the Verkhovna Rada, the rights of deputies and factions during the approval, discussion and consideration of the items on the agenda, the forms of participation of deputy factions and people’s deputies in the exercise of their parliamentary supervisory functions, the procedure of initiation and expression of individual and collective vote of non-confidence to people, who are appointed and dismissed by the Verkhovna Rada of Ukraine.

On the basis thereof, the peculiarities of legal regulation of the status of parliamentary minority (opposition) determine the necessity to make amendments to the existing legal acts, while there is no need to adopt a separate law.

Opposition activities depend on the form of government, prevailed in a state. In countries where parliament traditionally dominates (without regard to whether it is a republic or monarchy), parliamentary opposition confronts pro-government majority. In countries with presidential-parliamentary form of government oppositional activities are carried out in relation to the pro-presidential forces that form the majority [8].

By analyzing the peculiarities of national parliament faction activities, we have concluded that there is a need to improve their legal provision as one of the basic mechanisms. Not less important are issues relating to the improvement of staff, financial, organizational and political mechanisms.

### **Conclusions**

Factional activities of the parliament are characterized not only by specific system of principles and organizational measures, but most importantly - by regulations that ensure stability of Government and purposeful realization of the plan of coalition agreement [22]. This is only possible under conditions of political consensus between the ruling and opposition forces in the parliament so that consolidated laws on factional discipline can be adopted, transparent professional formation of coalition government, political support for a designated authority.

Another important peculiarity is represented by the necessity to find ways of formation of parliamentary factions and groups on ideological basis, subject

to the application of free parliamentary mandate for factional discipline and avoidance of changing factions, forms and methods of preparation before the elections of parliamentarians and political leaders, in order to form stable democratic traditions of parliamentary activities in the Verkhovna Rada of Ukraine.

Addressing these and other issues will promote factions' stable activities in the national parliament and efficiency of Government in Ukraine.

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DOI : 10.14746/pped.2016.9.14

УДК 342.53:124.5]+35.07=111

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## AXIOLOGY OF THE PARLIAMENTARY ACTIVITY: ESSENCE AND FEATURES

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*It has been revealed the essence of axiological approaches to the state administration; an emphasis has been made on the problems of their application at the parliamentary activity.*

*It has been determined that the parliamentary activity is one of the types of professional activity, carried out by the lawmakers by means of persistent efforts in the highest body of legislative power, and in cooperation with other institutions of the state and society.*

*It has been distinguished the features and general methods of the national parliamentary activity on the basis of axiological approach - systematic observation; functional, systematic and structural analysis; evaluation, comparison, classification; statistics and organizational cybernetics.*

**Keywords:** Parliament, parliamentary activity, lawmakers, axiological approach, public administration.

### **Twerdochlieb M. AKSJOLOGIA DZIAŁAŃ PARLAMENTARNYCH. ISTOTA I SPECYFIKA**

*Określono istotę podejść aksjologicznych do administracji publicznej. Zwrócono uwagę na problemy ich stosowania w działalności parlamentarnej. Stwierdzono, że aktywność parlamentarna jest rodzajem aktywności zawodowej i jest prowadzona przez ustawodawców w sposób aktywnej pracy w parlamencie oraz współpracy z innymi instytucjami państwa i społeczeństwa.*

*Wyróżniono cechy i podstawowe metody działalności parlamentarnej na podstawie podejścia aksjologicznego: obserwacji, analizy funkcjonalnej, systemowej oraz strukturalnej. Dokonano oceny porównawczej oraz klasyfikacji.*

**Słowa kluczowe:** parlament, działalność parlamentarną, ustawodawcy, podejście aksjologiczne, administracja publiczna, metody badawcze.

### **Твердохлеб М.Ю. АКСІОЛОГІЯ ПАРЛАМЕНТСЬКОЇ ДІЯЛЬНОСТІ: СУТНІСТЬ ТА ОСОБЛИВОСТІ**

*Розкрито сутність аксіологічних підходів до державного управління; зроблено акцент на проблемах їх застосування у парламентській діяльності.*

*З'ясовано, що парламентська діяльність є одним із видів професійної діяльності, яку здійснюють законодавці шляхом активної роботи у вищому законодавчому органі влади та співпраці з іншими інститутами держави і суспільства.*

*Виокремлено особливості та основні методи дослідження парламентської діяльності на засадах аксіологічного підходу - системне спостереження; функціональний, системний та структурний аналіз; оцінювання, порівняння, систематизація; статистика та організаційна кібернетика.*

*Ключові слова: парламент, парламентська діяльність, законодавці, аксіологічний підхід, державне управління, методи дослідження.*

### **Твердохлеб М.Ю. АКСИОЛОГИЯ ПАРЛАМЕНТСКОЙ ДЕЯТЕЛЬНОСТИ: СУЩНОСТЬ И ОСОБЕННОСТИ**

*Обоснована сутність аксіологічних підходів к державному управлінню; зроблено акцент на проблеми їх застосування в парламентській діяльності.*

*Уточнено, що парламентська діяльність є одним з видів професійної діяльності, яка здійснюється законодавцями шляхом активної роботи в вищому законодавчому органі влади в співпраці з іншими інститутами держави та суспільства.*

*Визначено особливості та основні методи дослідження парламентської діяльності, які базуються на принципах аксіологічного підходу - системне спостереження; функціональний, системний і структурний аналіз; оцінювання, порівняння, систематизація; статистика і організаційна кібернетика.*

*Ключевые слова: парламент, парламентская деятельность, законодатели, аксиологический подход, государственное управление, методы исследования.*

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Introduction

Economic, social and political changes that happen in Ukraine have significant impact on all spheres of social life. Stipulated by them manifestations of social consciousness are no longer governed by norms, customs, traditions, established earlier, and therefore, the issue of formation of new intangible value references for the development of an independent country is extremely important.

Unfortunately, up until now we can see the regression of the old value scales that no longer serves as a guideline of behavior in terms of the social paradigm transformation. The state of public consciousness, even at the highest echelons of the governance, characterized by variability, eclectics, spiritual confusion, thus also by understanding and awareness of the need to introduce a new system of values.

So, by defining its way to democratic development since 1991, Ukrainian scientific community reinvents traditional and creates new theoretical and methodological approaches to the state governance. Among them is the axiological approach, preconditioned by the existing problems of the state administration, in particular: in the parliamentary activity. Among them:

- devaluation of value references in lawmaker's activity, which shows itself in the development of an oligarchic economy, nepotism, political corruption and other negative manifestations of poor political culture;
- increase of the electoral initiatives density regarding the rise of the representatives' institute of the State (the Parliament), as such, which must have constitutional powers, adequate for implementation of "the electoral proposals";
- low efficiency of the national legislation changes, including changes on the status of people's deputy.

Regarding the latter, according to our estimates it is determined, that since 1993, the changes to the law of Ukraine "On the status of people's deputy" [1] were introduced 52 times. However, none of them imposed responsibility on people's deputies for violations of norms of this law, in particular for violation of art. 8 of "Deputy's ethics." Although, namely this article of the law requires the necessity of people's deputies to comply with the generally accepted moral norms; retention of their own dignity, respect for the honor and dignity of other people's deputies, officials and citizens; abstinence from actions, statements and acts that compromise them, their voters, and the Verkhovna Rada of Ukraine (the Parliament), the State; prohibition of using their mandates contrary to the universally recognized standards of morality, human rights and freedoms of man and citizen, lawful interests of society and the State; impossibility to use their deputies' mandates for personal, particularly selfish, purposes.

As we see, these requirements of the citizens of Ukraine, defined in the Law of Ukraine "On the status of people's deputy" [1], only partially reflect the values references regarding the behavior of lawmakers, and those that are defined, in practice, remain uncontrolled and declarative. The problem is, in our opinion, in the people's deputies lack of consciousness of the essence of the parliamentary activity, appreciation, and application by them of the basic axiological concepts to achieve consensus at the Parliament between the coalition and the opposition, and adoption by them the effective social-value decisions, as well as a research of the parliamentary activity on the basis of axiological (values) approach, in not enough developed methodological instrumentarium.

Analysis of recent research

Starting from 50-s of the twentieth century, the problem of the axiological approach to the state administration was examined by many Western scientists and impacted on the state models' transformation – from authoritarian to economic, situational, institutional, cybernetic, etc., in each of which special attention was paid less as to functions and structures at the governmental organizations, than as to the behavior of the subjects of the administration.

This has led to the creation of such scientific concepts of the axiological approach to the state administration, as behaviorism, post behaviorism, modernism, structural functionalism, and intuitionism, situationalism, organizational cybernetics, founded respectively by, D. İston [2], K. Klakkhon [3], M. Diuverzhe [4], P. Chekland [5] and others.

These scientific concepts actualized the issues of axiology (from Greek αξία — value) – science about values, nature of spiritual, moral, esthetic and other values, their relations among themselves, with social, cultural factors and personality of a person [6]; determined that the object of the study at the state administration should be not less as the institutions and their formal elements, than as the actions of people, aimed at the achievement of the optimal administration. In people's behavior, while at the administrative process, were discovered elements of repeatability that yield to generalization and systematization within the framework of the behavior theory, and have explanatory and predictive value.

Development of the axiological approach to the state administration has expanded the possibilities for its use in democratic countries and contributed to the rise of national theory and practice.

Among the modern national scientists in this field of science, the important significance has the scientific achievements of R.Voytovych [7], V. Hoshhovska [8; 17; 18], Y. Kalnish [9], V. Kozakov [10], B. Kuhta [12], T. Novachenko [13], I. Surai [14] I. Pashko [15], M. Pyrene [16], etc.

We agree with the view of the national scientists that the parliamentary activity is the complex integrated interaction among its subjects and objects. To the subjects of the parliamentary activity, they include political organizations of the State – political parties and their formations, in particular the parliaments, which in the democratic states of the world are formed through democratic elections; to the objects – all other institutions of the State and local governments, in addition to the legislative (the Parliament) [26]. To wit, the parliamentary activity is a way of interaction of the Parliament with the other institutions of the State and society. In this case, most of the scientists pay attention to the problems of institutions and not to the behavior and acts of the Parliament (the lawmakers), in particular their observance to social values orientations, democratic and humanistic values of the Ukrainian State and society. Because of that, the particularity of the parliamentary activity is the parliamentary culture that is seen in the theory as a part of the political culture of society in general. In this case, the practice confirms the well-known observation that democracy depends not only on the structures and institutions, but also on values. The system of the parliamentary culture includes two main subsystems: the parliamentary culture

of the society in general, and the culture of the parliamentary activity of the people's representatives – deputies.

The purpose of the article is to define the essence, characteristics and methods of the national parliamentary activity research, based on the analysis of the axiological approach to the state administration and its evolution.

Results

In terms of the development of parliamentary-presidential Ukrainian State [12] an important role is played by the Parliament – the Verkhovna Rada of Ukraine – the highest legislative body of the State, which is represented by the main politically active groups of the country's population.

According to the Law of Ukraine “On the Verkhovna Rada of Ukraine” [19], the Parliament, as the State Institute of the representative governance, performs various functions (representative, legislative, control, organizational), the combination of which, implemented by people's deputies (the lawmakers) in own parliamentary activity, which is multifunctional and multifaceted. As defined in the Classifier of professions [25], the activity of the lawmakers is characterized not only by the administrative, political or legal components, but also it is an integrated form of professional activity, which requires appropriate knowledge and skills, qualities and abilities, motivation and experience.

We agree with the national scientists that such parliamentary activity must contribute to:

- formation of social goals in the course of legislation, political influence on all the components of the social system;
- formation of the political views and the views of voters on the actions of political leaders, and guidance of their political behavior in a certain direction;
- correction of mass behavior by means of administrative and social-psychological influence on the basis of legal rules and regulations, and application of certain administrative sanctions based on the unwritten, but commonly accepted in society or social groups political norms;
- “withdrawal” from the mass consciousness of contradictions between the desire of the people to change, improve their living conditions, and the possibilities, provided for that by the political system of the State in general and the Parliament in particular;
- promotion of mass communication of the people, political organizations (parties, socio-political organizations, parliamentary factions, etc.) at different levels of communications;
- strengthening and support of a certain political entity of people, based on commonality of their political views, interests, and values;

- studying, generalization, and comprehension of the information about the conditions of mass consciousness, evaluation of activity of all branches of the government, individual organizations, and territories;
- the prediction of the political processes' development in the country and at the Parliament, features of activity and potential positive and negative outcomes that affect the overall state of affairs in the field of the parliamentary activity, behavior of people's deputies;
- provision of the information feedback on the subjects and the objects of political actions regarding the qualitative characteristics of their interaction, public opinion, social mood, attitude to specific actions, deeds, etc.;
- assistance to the subjects of political actions, parliamentary factions, groups and individual deputies on the improvement of their activity, consultations in the system of relations, "people's deputy – voter" [18].

In addition to these knowledge and skills, the complexity of the functional tasks, faced by the lawmakers, also requires from them:

- special powers, in particular, volitional that in the science are divided into basal/primary/ - vitality and patience, and systematic/secondary/ - sense of purpose, persistence, integrity, independence, initiative, and determination [18];
- development of spiritual values that prevail over material;
- motivation to meet the interests and needs of Ukrainian people, but not their own;
- availability of values of upholding dignity, honor and experience in serving Ukrainian people.

Such personal qualities and abilities, knowledge and skills, motivation and experience of people's deputies, mostly being acquired purposefully, in the corresponding (exclusive) system of education and self-education, family education, political parties' experience. Nowadays, the different ways of selecting people's deputies are important for Ukraine. The most important, is that they got rid of the Soviet stereotypes and traditions, had developed system of national values, defined by the Strategy of sustainable development, "Ukraine-2020" [24], which provided lead of the country to a higher level of sustainable development.

You can check the national lawmakers' readiness to use a new system of values, defined in Ukraine, through the research of their parliamentary activity, in particular, their behavior and actions, by the appropriate methods. For the selection of such methods we analyzed, developed in the Western science within the 20th century, such concepts of the axiological approach to the state administration, as behaviorism, post behaviorism, structuralism, and institutionalism, situationalism, permanency ("soft thinking"), causality (organizational

cybernetics), which provide a study not only of organizational structures and functions of the state institutions and society, but also the behavior and the actions of the specific individuals, and characterized by respect for human rights and freedoms, the approval of individual values in the State, and social significance of the State itself.

Therefore, to improve the behavior and actions of the national lawmakers, forecasting of their behaviors and actions, public coverage of their system of values, priority setting for the “Rule of Law” principle, standardization of the parliamentary process, we consider the application of such methods as system surveillance; functional, system and structural analysis; assessment; comparison; systematization; statistic and cyber data processing to be important.

The study of the parliamentary activity by using the suggested methods we consider as “the lens” of compliance with the axiological approach to the parliamentary activity, in particular, to the activity of the Parliament, its structural elements and specific people’s deputies (the lawmakers).

Herewith, in our opinion, in the national Parliament, the most active performers (the subjects) of parliamentary activity, are the lawmakers, elected on a proportional voting system, and the less active – the ones, elected on the majority voting system. The reason is that according to the Law of Ukraine “On the Verkhovna Rada of Ukraine” [20] the parliamentary factions are formed by the parliamentary parties, and the majority people’s deputies join them by their own will, preferences, interests and values. The major parliamentary factions unite in a coalition, forming a majority in the Parliament, and elect the government; (in this case the word government should be written in lower-case letters) the minority – forms the opposition.

In democratic countries the coalition and the opposition in the Parliament are working on the terms of the consensus, thereby providing the conditions for sustainable development in their own countries. At the first place, quite close value system that brings together parliamentarians to perform their own functions contributes to it. Unfortunately, in Ukraine in recent years a consensus between the opposition and the coalition appears very difficult, their interests and values differ significantly, and their relations are quite often strained, which manifests itself in the negative behavior of people’s deputies, their violation of the legislation, and ultimately, in reduction of the development pace of our country. This is evidenced, for example, by very low levels of human development index (HDI) [21] and of the gross domestic product (GDP) [22], on which Ukraine ranks, accordingly, 83rd and 59th places in the world. Thus, according to the index of prestige professions (IPP) [23] in Ukraine for many years the profession of the lawmaker (the people’s deputy) has consistently been on a high

level, unlike, for example, the United States of America, where, on the contrary, the profession of a doctor, a scientist, a teacher, but no Congressman [8] is far ahead between the prestige professions.

Such contradiction among the IPP, HDI and GDP indicates, in our opinion, the lack of awareness by national lawmakers' responsibility on the execution of parliamentary activity, and insufficient level of their political culture, which is based on a system of values, traditions, interests, knowledge on laws of the State development and public relations.

Thus, we note that the high political culture is distinguished by such indicators as involvement in political activity, positive activity and rationality. Therefore, the peculiarity of the axiological approach to parliamentary activity is the formation of political culture of people's deputies and society.

Conclusions

Based on the conducted research of the axiology of the parliamentary activity as one of the modern tendencies of development of the theory and practice of the state administration, which is based on the value references and political culture of the nation, we admit, that its peculiarity is not only the study of the activity of State institutions, society or their structural elements, but also the behavior and actions of their subjects, including parliamentarians.

The research evolution of the axiological approach to the State administration demonstrates the relevance of socio-political values in the State and society, and promotes the establishment of "the lens of values reference" for parliamentary activity, and can be used during the implementation of the people's deputies of their parliamentary powers, stipulated by the current legislation.

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DOI : 10.14746/pped.2016.9.15

УДК 352:[32:316.614]

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POLITICAL SOCIALIZATION AS A BASIS OF PERSONNEL'S POLICY IN ORGANS OF LOCAL SELF-GOVERNMENT

The article analyses political socialization as basis and an organic component of the state personnel's policy, as purposeful strategic activity of the State connected with formation of professional development and rational use of personnel in the organs of local self-government.

The main conditions are mentioned under the influence of which social and political group interests of the individuality are formed: immediate social and political environment, inner world of the individuality.

Political socialization is defined as influence of the complex of inner and outer factors upon the individuality. These factors form the individuality as a subject of policy; they also favour to elaboration of personal qualities, valuable instructions, behavioural models in the individuality; they give the person a possibility to integrate a concrete political system and carry on certain functions there as well.

Mechanisms of the individual's reaction to certain stimuli, manifestation of social activity of the person him/herself, aspects of his/her social and political experience are considered to be the inner factors of the political socialization. Its outer factors are: political institutions, social groups, printed and electronic means of information, separate individuals.

The political socialization in the system of personnel's policy in the organs of local self-government is given as a bi-valent process of the State and society influence upon the individual to make him/her integrate the existing system of political relations: a society forms the person as a citizen in the process of political socialization, the individual influences creatively the development of existing political structures and relations in the process of socialization transforming steadily the society itself.

The article presumes a possibility of civil service to lower the degree of abruptness between the person and authorities, to make the individual free from atavisms of the post-soviet paternalism, to provide the person's emancipation from monovaluation of state institutions.

Keywords: *personnel's potential, political socialization, person, individual, personnel's policy, local self-government.*

Gonchar C. SOCJALIZACJA POLITYCZNA JAKO PODSTAWA POLITYKI PERSONALNEJ W RZĄDZIE LOKALNYM

W artykule omówiono socjalizacji politycznej osoby jako fundamentu i składnika organicznego polityki personalnej związanej z tworzeniem i zarządzaniem personelem rozwoju zawodowego w samorządach. Socjalizacja polityczna systemu polityki personalnej w rządzie lokalnym jest reprezentowany jako dwuwartościowej procesie wpływem państwa i społeczeństwa do jednostki w celu włączenia jej do istniejącego układu stosunków politycznych: społeczeństwo w procesie socjalizacji politycznej tworzy osobę jako obywatela, jednostka w procesie socjalizacji twórczych wpływów na rozwój istniejących polityczny struktury i relacje, stopniowo przekształca się społeczeństwo. Papier jest sugestie o możliwości służby cywilnej w celu zmniejszenia stopnia abrupcji między człowiekiem i mocy.

Słowa kluczowe: zasoby ludzkie, socjalizacji politycznej, tożsamość, indywidualne, polityka kadrowa, samorządu lokalnego.

Гончар С.В. ПОЛІТИЧНА СОЦІАЛІЗАЦІЯ ЯК ПІДҐРУНТЯ КАДРОВОЇ ПОЛІТИКИ В ОРГАНАХ МІСЦЕВОГО САМОВРЯДУВАННЯ

У статті розглянуто політичну соціалізацію особистості як підґрунтя та органічну складову державної кадрової політики, пов'язану з формуванням професійного розвитку та раціонального використання кадрів в органах місцевого самоврядування. Політичну соціалізацію у системі кадрової політики в органах місцевого самоврядування подано як бівалентний процес впливу держави і суспільства на індивіда з метою інтеграції його в існуючу систему політичних відносин: суспільство в процесі політичної соціалізації формує людину як громадянина, індивід у процесі соціалізації творчо впливає на розвиток існуючих політичних структур і відносин, поступово трансформуючи саме суспільство. У роботі зроблено припущення про потенційну можливість громадянської служби знижувати ступінь абруції між людиною і владою.

Ключові слова: кадровий потенціал, політична соціалізація, особистість, індивід, кадрова політика, місцеве самоврядування.

**Гончар С.В. ПОЛИТИЧЕСКАЯ СОЦИАЛИЗАЦИЯ КАК ОСНОВА
КАДРОВОЙ ПОЛИТИКИ В ОРГАНАХ МЕСТНОГО САМОУПРАВЛЕНИЯ**

В статье рассмотрена политическая социализация личности как основа и органическая составляющая государственной кадровой политики, связанная с формированием профессионального развития и рационального использования кадров в органах местного самоуправления. Политическую социализацию в системе кадровой политики в органах местного самоуправления представлено как бивалентный процесс влияния государства и общества на индивида с целью интеграции его в существующую систему политических отношений: общество в процессе политической социализации формирует человека как гражданина, индивид в процессе социализации творчески влияет на развитие существующих политических структур и отношений, постепенно трансформируя само общество. В работе сделано предположения о потенциальной возможности гражданской службы снижать степень абрупции между человеком и властью.

Ключевые слова: кадровый потенциал, политическая социализация, личность, индивид, кадровая политика, местное самоуправление.

Introduction

“The State administration is focused on the introduction of democratic institutions, electronic government, partnership for the sake of democracy and development, innovations and quality, provision of open and transparent government”, - is mentioned in the scientific report “About the Strategy of the state personnel’s policy in 2012-2020” where the results of analytical comprehension of the essence, contents of the state personnel’s policy, the ways of its realization at the present stage of state and governmental reforms in Ukraine are integrated [7, p. 22]. In this Strategy, the local self-government is recognized as an important, functionally progressive, democratic institution of a political life of the society as it is responsible for creating favourable conditions of citizens life.

Analysis of recent research

Recently some Ukrainian researchers have studied the problem of personnel’s policy in the organs of local self-government: S. Dembytska [3], O. Demykhina [4], H. Shchokin [8], P. Sydorenko [9], V. Zolotariov [11], the authors of the collective report: Yu. Kovbasyuk, K. Vashchenko, Yu. Surmin [7] and others.

Researching personnel’s policy in the organs of local self-government, O. Demykhina comes to the conclusion about its imperfection explained by the absence of legislative basis, society and authorities’ representatives’ mentality (it is said about corruptibility and improper use of costs which have to serve to realize citizens’ needs) [4]. Though the researcher speaks about the need of qualified personnel of the local self-government as a guarantee of the development of municipal representative organs, she doesn’t focus her attention upon the political socialization of the personality as upon the basis of the personnel’s policy in the organs of local self-government.

Analysing the question of personnel’s policy in Ukraine and provision of organs of state administration and those of local self-government with high professionals, S. Dembytska states: “Now, as never before Ukraine needs a scientifically grounded state personnel’s policy, a clear, considered system of work with personnel: creation of necessary potential for nominating to the posts, formation of administrating personnel, its elite, training of state officials-professionals, constant rise of their qualification” [3, p.35]. However, in this research and in many others, the authors don’t touch upon the problem of political socialization and don’t regard it in the system of personnel’s policy as to the organs of local self-government.

Statement of research objectives

Reviewing all said above, we consider the motion of accents in the state personnel’s policy to be an important pre-condition of the development of insti-

tutional and administrative ability of the organs of local self-government. This motion includes many vectors: principles of building and functions of the state personnel's policy; scientific, legislative, normative and legal provision; elaboration of directions of personnel's improvement and the Strategy of development of the state personnel's policy (see. "Strategy of development of the state personnel's policy in Ukraine in 2012-2020 pp. and ways of its realization") [7, p.60-65]. In connection with this, we are firmly convinced to examine first of all the basis of personnel's policy in the organs of local self-government exactly the process of political socialization of the personality which determines the goal of this research.

Results

I agree with the authors of the collective scientific report; we regard the state personnel's policy as a purposeful, strategic activity of the State connected with the formation of professional development and rational use of personnel, all resources of the country, determination of purposes and priorities of the personnel's activity. We treat personnel's policy as a social phenomenon with multilevel structure that is considerably wider by contents than the state personnel's policy where the state is the subject and can't solve all the personnel's problems.

That's why we consider the formation of personnel's policy is to be a very complicated, contradictory process that could be resultative after keeping to all demands and consequent realization of some scientific and methodical, legislative, political, organizational and administrative measures [7, C.3].

We regard the political socialization of the personality as the basis of the personnel's policy in the organs of local self-government.

According to M. Baimuratov, the system of local self-government in its unity determines "the municipal rights of the personality" in a wide sense, forms his/her legal position on the local level and is the basis of the existence of local self-government, municipal authorities, the end in itself and a dominant task. The following rules are related: a) the interests of the territory where the individuality functions being an integral part of the territorial collectivity and those interests which are at present stage of the development of the society are prevailing in connection with the "self-confirmation of territories; b) the interests of the territorial collective itself which are the sum of interests of individuals-members (general interests) and individualized (personal) interests; c) the interests of a concrete personality as a member of the collective presenting his/her municipal rights; the interests which are in fact the subject-object of self-government (municipal authorities) and are able to carry positive and negative potentials, to coincide or not to coincide with the interests of the whole collective whose member a citizen is. [1, p. 96-101].

A very important function of the organs of local self-government precisely the function of the political socialization of citizens is fallen out from the sphere of research. This function is connected with satisfaction of political (and wider - social and political needs) of the personality. It is necessary to point out that the social and political needs of the personality are reflected in his/her determining the formation and development of his/her inner world. In the personality's world outlook the total combination of social and political needs is reflected immediately, and their evaluation and intention to support or change the existing state are contained.

The information about the social and political reality as a structural and forming element of the world outlook differs in authenticity and stability of group needs.

H. Berehova is convinced that the result of cognitive activity of the personality and work of his/her consciousness are knowledge, convictions, thoughts, feelings, aspirations, hopes united in the worldview look like more or less the whole understanding of the world and people by themselves. World outlook orientations unite experience and knowledge of life wisdom which help people to overcome all the obstacles on their life way..." [2, p.3].

To our mind the most trustworthy and stable formation is knowledge because to get it scientifically grounded methods are used. Convictions, especially political are also stable. Knowledge and convictions determine a strategy of behaviour of the personality and a behaviour regulation in concrete situations. In the world outlook, the main types of internal and personal relations with the subjects of professional activity, collective, society, state in a whole are reflected.

The personality and his/her social and political group needs are formed under the influence of three main conditions: a) social and political environment as a general level of the social and political determination of the personality; б) immediate political and social environment as a specific criterium defining a political and social formation of the personality; в) the personality's internal world as an isolated factor in the structure of social and political determination.

The social and political surroundings being an objective sphere of the personality's formation as a political subject of the State is a socially important system. A free person with all his/her system of interests, needs and values is a key structural unit of the social and political surroundings. Not despotism but freedom as a principal qualitative indicator of the individual's existence has to qualify the state of the modern democratic society. In the political aspect, the individual and citizen's freedom is in his/her independence from the state - in the possibility to be a member of a political party or a public organization opposed to the existing state authorities, in the right to take or not to take part

in the elections of the organs of state power and local self-government. There are all the grounds to state that it is necessary to rise ordinary citizens' level of political and legal culture as compulsory components of general culture for them to take part in the political life. Progressive movement of a social organism in the direction given by social will is realized by the personality who has to be regarded not as an elementary unit but as individual personification. As modern domestic researchers emphasize, such a personality "is regarded as a socially attractive model whose measurements condition the directions, contents and depth of the constructive interaction of the individuality and society or the process of socialization. As mathematicians say, the individuality is a function of the level of society development. Such a way of reflections is quite logically connotes the principles of the personal pedagogical anthropology stressing the priority of personal forms of being in the society" [5, p.6].

Exactly the participation in the processes of local self-government forms in a citizen a responsible relation to him/herself and to a local collectivity whose creative unit he/she is; an active member of the territorial community aspires self-comprehension, self-cognition, self-perfection, self-estimation, self-respect and, no doubt, self-realization. An active civil position including participation in the solving of problems of local level stimulates in the personality some kind of secession from manifestations of complete obedience in behaviour, forms constructive mercantilism and reasonable practicicism, orientates to the values of classical democracy, aspires to growing of ambition, energetic power, decisiveness, readiness to conflicting relations not only with the organs of local self-government but with the state structures as well. Emotional, without looking back, faith of the post-soviet personality in a "strong State" is transformed into conscious und real confidence to a legal State and structures of civil society (including organs of self-government), causing citizens' participation in the constructive political discourse, in the processes orientated to democratization of the society, its steady but dynamic approach to the parameters of a perfect model.

There is a stable position about the personality's gaining influence of a principally new contents upon the society in the democratic political space. Uniting in different organizations, individuals establish relationships of a very wide spectrum, realize their differently orientated intentions providing harmonic, productive, perspective development of the society i. e. they change it according to a generally recognized ideal orientating the social values without which further development of civil society is impossible. So, under the personality's influence who, according to H. Hehel, acts "not like a separate individual but in accordance with the notions of morality in general", the society in its development moves from idealized reality to realized ideal [6, p. 81].

From the general point of view, political socialization is a process of the personality's development as a subject of policy, formation in him/her individual qualities, valuable instructions, behavioristic models giving him/her a possibility to integrate a concrete political system and fulfill certain functions in it. This process is complicated and has many aspects; it is characterized with the influence of many internal and external factors upon the personality.

Internal factors are mechanisms of the individual's reactions upon certain stimuli, manifestations of his/her social activity, aspects of his/her social and political experience. External factors can be regarded as those purposeful and elemental: political institutions, social groups, printed and electronic means of information, separate individuals.

Political socialization is a bi-valent (of two directions) process of influence of the State and society upon the personality to make him/her integrate the existing system of political relations, his/her conscious acception of political norms, values and instructions. If a society forms the personality as a citizen in the process of political socialization, the individual influences creatively upon the development of existing political structures and relations in this process, transforming gradually the society. The interaction of the individuality and State can be regarded as the dialectics of the subjective and universal, by this Logic demands the relationships in the constructions "individuality - State" and "individuality - society" to be equivalent or the notion "interaction" loses its sense. In a totalitarian State, a separate person's role is levelled to the function of a "small screw" in a suitable for ruling clique political machine; in such conditions, people transform into a mass which, according to K. Jaspers, "is deprived of any distinctive qualities, traditions, grounds - it is empty, ... is an object of propaganda and compulsion, doesn't have any responsibility and exists on the lowest level of consciousness" [10, p.142-143].

It is necessary to mention, in the sphere of social and political sciences, as a rule, some typical schemes of interaction of the individuality and State called the models of political socialization are examined. The American politologist R. Merelman distinguishes four models. The first model is systematic; it is characterized with formation of positive attitude towards authorities, legal order, traditional institutions; its leading agents are family, school and the personality's surroundings. The second system is hegemonic; it forms the individuality inimically set against any social and political system except his/her own one; its leading agents are mass media. The third model is pluralistic whose aim is to form citizens' ideas about their political interests, to stimulate their wish to self-realization, high level of civil activity; the agents of this model are educational establishments, public organizations (including territorial public collectives).

The fourth group is conflicting; it aims to form loyalty as to a certain group and get ready to support it in its struggle against other groups; the agents of this model are organs of propaganda and agitation representing the interests of the concrete groups [12].

In Ukraine, a pluralistic model of the political socialization as the most acceptable in the conditions of forming a democratic State is being realized though with certain difficulties. Domestic researchers consider the following characteristics of movement in this direction: "... diversification of youth political associations, growth of those associations representing the main identification of the Ukrainian nation, stimulation by the State and society the individual potential of civil activity, fixation in the social and political rhetoric the statements about the optimization of activity of the agents of political socialization on the principles of united and functional synchronization, valuably orientated convergence, public and uniting congenius" [5, p. 17].

Such a context causes the statement according to which political socialization causes a high enough level of the personality's autonomy in the process of choosing of an individual political position, free change of such a position and an ability to be guided with internal, sometimes subconscious preferences and convictions in this process. As we can see, the activity of the organs of local self-government has an ambivalent character: from one side, they favour (with different degree of success) to forming within the individual values, norms, instructions, traditions, patterns of political behaviour and roles existing in the society; from the other side, the officials of the organs of local self-government stimulate (or at least have such possibilities) their transformation into person's own valuable orientations and instructions.

Conclusions

So, in the process of self-government on the local level, the production of a new communicative strategy of interaction of the individuality of the civil society and State is activated; as a result, a social and political maturity of the individuality and his/her ability not only to participate in the political processes but to influence them are formed. After that, the principles of cooperation, open activity, mutual responsibility, social, economic, political and cultural partnership otherwise the principles upon which modern democracy is formed obtain the characteristics of general congenius in the space of territorial communities. Democracy relates to the system of power - every individual can hold a post in the society and State.

In the system of local self-government, a citizen has a right (as a result of elections) to serve in the organs of district, town or regional levels, take part in recruiting officials, attract active, initiative, responsible people, real patriots to

the process of self-government. Civil service favours to lowering the degree of abruptness between the personality and authorities, makes him/her free from the atavisms of the post-soviet paternalism, provides his/her slow but steady emancipation from monovaluation of state constructions.

So, the personality's political socialization is his/her comprehension of social and political experience by his/her taking part in the political system and government of the political processes of the country foreseeing the result of forming the personality's political convictions, values and norms of political activity and, no doubt, is the basis of the personnel's policy in the organs of local self-government capable, in their turn, to keep, modernise or change a political regime.

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Section 2.
ECONOMY AND MARKETING RESEARCH

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FORMATION OF CAPITAL STRUCTURE AND CREDIT PORTFOLIO OF BANKING INSTITUTION

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*The paper studies the relationship between the composition and structure of entity's capital and the number and quality of its loan portfolio. Banking policy involves keeping accurate and uniform credit ratings for the entire loan portfolio. The rating system is based on different types of financial analysis. Combined with processed market information, they are the basis for assessing the risk of the counterparty. Therefore, it is important to study the characteristics of formation of the composition and structure of the company's capital, which directly affect the quantity and quality of the loan portfolio and, as a result, the possibility of preventing a possible loss in bank activities and the possibility of making a profit from operations.*

*The author studies the capital structure and the formation of the loan portfolio of PJSC “First Ukrainian International Bank” for the period of 2013-2015. Regarding the composition and structure of equity capital, at the beginning of 2013 the equity of company amounted 5,571,528 thousand UAH, of which shareholders - 3,427,350 thousand UAH, that is 10.66% of all Bank's capital, but a significant half of own capital. At the end of the study period the proportion of equity in the capital structure has decreased to 8.75% (132 858 thousand UAH). Note the positive trend of growth of emission income (78.98%) and the availability of the reserve fund at the end of 2015 in the amount of 1,475,430 thousand UAH. Exploring equity capital indices both in absolute and in relative terms, one can conclude that the amount of equity capital has been decreasing. This trend has occurred due to the emergence of significant uncovered loss in 2015, reduction of share capital and revaluation reserve during 2015 and a significant increase of debt (borrowed) funds. Positive trends in the structure of the loan (raised) capital should be noted, including reduction of debt owed to the National Bank of Ukraine and other banks, subordinated debt and other borrowings. However, this reduction does not affect the substantial predominance of debt (raised) capital over their own at the end of the study period.*

*To sum up, the improvement of results of lending activity was in 2015 as the study of the dynamics of capital and loans granted shows. Particularly 36,819,000 UAH loans granted that exceed the value of the previous period on 11% (with a similar level of capital) accounts for the Bank's 37,644,000 UAH equity capital and borrowings (raised). This indicates both active lending activities of the Bank and optimal allocation of financial resources of the bank, which form a significant share of company profits.*



to eliminating a number of banks was an important factor that had influenced the decrease in remnants of loans of the banking system of Ukraine, especially at the end of 2015. During 2016 the downward trend in lending in foreign currency (20.3 % by the year results) have also continued.

In addition, factors such as rising unemployment in Ukraine, reduced liquidity and profitability of the corporate sector negatively affect the level of solvency of customers and accordingly the service quality of the loan portfolio of the banking institution.

Capital has priority role in the system of production's factors of any industry of national economy, because it combines all the factors into a single financial and economic complex, especially in actions of banking institutions [1, p.142].

As known, the capital of the company is formed by various external and internal sources of funding and is divided into tangible and intangible assets. They create revenue by participating in various economic or financial processes. Therefore, it is very important to study the relationship between the composition and structure of entity's capital and the number and quality of its loan portfolio. Scientists do not pay enough attention to this problem, especially in the practice of financial institution's activity.

### **Statement of research objectives**

The primary objectives of capital management of banking institution are to ensure compliance of external requirements with capital, maintenance of strong credit ratings and healthy capital ratios in order to support its business and maximize shareholder value. The banking institution manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, it can adjust the amount of dividend payment to shareholders, return capital to shareholders or issue additional securities.

Quality management of the loan portfolio of any banking institution is carried out by using the system internal credit ratings of borrowers. Banking policy involves keeping accurate and uniform credit ratings for the entire loan portfolio. The rating system is based on different types of financial analysis. Combined with processed market information, they are the basis for assessing the risk of the counterparty.

In this regard, there is a very important need to study the characteristics of formation of the composition and structure of the company's capital, which directly affect the quantity and quality of the loan portfolio and, as a result, the possibility of preventing a possible loss in bank activities and the possibility of making a profit from operations.

## **Results**

Capital's composition and structure of the enterprise are defined by factors of economic and organizational character. Moreover, they are different in various sectors of the economy. Let us consider capital's composition and structure of bank institution as an example. Share capital, share premium, reserve of association (reserve funds), revaluation reserve and securities uncovered loss (retained earnings) are part of equity capital. Loan (raised) capital of banking institution is debts before the National Bank of Ukraine and other banks, long-term commitments and ensuring next expenditures and payments, customer accounts and other borrowed funds [2, p. 238].

The bank is exposed to credit risk, which is the risk that counterparty may not fulfil their obligations on time and in full. The bank structures the levels of credit risk by setting credit limits on the sum of risk accepted in relation to one borrower or group of borrowers. Such risks are under constant control and are analyzed in accordance with established procedures. The Credit Council of the Bank and the Credit Committee of the banking institution regularly approve limits on the level of credit risk per borrower.

Credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to repay interest rates and principal amount of debt on loans, and through changing these lending limits where necessary. In addition, credit risk management involves obtaining collateral and corporate guarantees.

The appropriate risk ratings are assessed and updated regularly. In determining the rating of the borrower - legal entity, the banking institution typically uses the following information [3, p.169]:

- Availability to provide loans to borrowers of first-class coverage;
- Rating is calculated using the internal rating model.

For example, we study the capital structure and the formation of the loan portfolio of PJSC "First Ukrainian International Bank" (hereinafter - the Bank) for the period of 2013-2015 (Table 1). In general, it should be noted that the currency of company's balance sheet tended to increase. In 2013, the total bank balance amounted to 32,158,721 thousand UAH, in 2014 - 37,431,279 thousand UAH, in 2015 - 37,644,091 thousand UAH.

The following trend is observed on research of borrowed (raised) capital. First, it should be noted that customer accounts amounted 21,067,555 thousand UAH (65.51% of the total liabilities of the company) at the beginning of 2013. At the end of 2015, the amount reached 27,584,757 thousand UAH, representing 73.28% of the total liabilities of the company. That is, during the study period receipts from customers increased by 6,517,202 thousand UAH (30.93%), indicating that both natural and legal persons had confidence in the Bank.

There was a growing share of issued Eurobonds in the structure of Bank's obligations. Their share increased from 6.19% in 2013 to 12.55% at the end of 2015. This has led (along with the increase of customer accounts and other liabilities) to the growth of total amount of liabilities in the overall structure of capital. This is somewhat menacing trend, given that the share of equity capital in the overall structure of capital at the end of the study period has decreased to 9.74% (in 2013 it was 17.33%).

**Table 1. Analysis of Bank's Composition and Capital Structure**

| Article                                  | 2013     | %     | 2014     | %     | 2015     | %     | Deviations | Growth rate, % |
|------------------------------------------|----------|-------|----------|-------|----------|-------|------------|----------------|
| <b>Obligations</b>                       |          |       |          |       |          |       |            |                |
| Debt before the National Bank of Ukraine | 1062916  | 3,30  | 1190046  | 3,18  | 485426   | 1,29  | -577490    | -54,33         |
| Debts before other bank                  | 1352951  | 4,21  | 244119   | 0,65  | 224827   | 0,60  | -1128124   | -83,38         |
| Customer Accounts                        | 21067555 | 65,51 | 26272519 | 70,19 | 27584757 | 73,28 | +6517202   | +30,93         |
| Issued Eurobonds                         | 1989392  | 6,19  | 3272979  | 8,74  | 4722461  | 12,55 | +2733069   | +137,38        |
| Other borrowed funds                     | 90939    | 0,28  | 25725    | 0,97  | 26289    | 0,07  | -64650     | -71,09         |
| Other obligations                        | 360592   | 1,12  | 295679   | 0,79  | 441508   | 1,17  | +80916     | +22,44         |
| Deferred tax liability                   | 133686   | 0,42  | 105745   | 0,28  | -        | -     | -133686    | -100           |

|                                             |                 |              |                 |              |                 |              |                 |               |
|---------------------------------------------|-----------------|--------------|-----------------|--------------|-----------------|--------------|-----------------|---------------|
| Subordinated debt                           | 529162          | 1,64         | 492825          | 1,32         | 492174          | 1,30         | -36988          | -6,99         |
| <b>Total obligations</b>                    | <b>26587193</b> | <b>82,67</b> | <b>31899637</b> | <b>85,22</b> | <b>33977442</b> | <b>90,26</b> | <b>+7390249</b> | <b>+27,80</b> |
| <b>Equity capital</b>                       |                 |              |                 |              |                 |              |                 |               |
| Share capital                               | 3427350         | 10,66        | 3427350         | 9,16         | 3294492         | 8,75         | -132858         | -3,88         |
| Share premium                               | 56798           | 0,18         | 56798           | 0,15         | 101660          | 0,27         | +44862          | +79,98        |
| Reserve of union                            | 34266           | 0,11         | 34266           | 0,09         | -               | -            | -34266          | -100          |
| Revaluation reserve of fixed assets         | 597471          | 1,86         | 642188          | 1,72         | 538213          | 1,43         | -59258          | -9,92         |
| Revaluation reserve for securities          | (30010)         | (0,10)       | 17873           | 0,05         | (2153)          | -            | +27857          | +92,83        |
| Reserve fund                                | -               | -            | -               | -            | 1475430         | 3,92         | +1475430        | -             |
| Uncovered loss) / Retained earnings         | 1485653         | 4,62         | 1353167         | 3,61         | (1740993)       | (4,62)       | -3226646        | -21719        |
| <b>Total equity capital</b>                 | <b>5571528</b>  | <b>17,33</b> | <b>5531642</b>  | <b>14,78</b> | <b>3666649</b>  | <b>9,74</b>  | <b>-1904879</b> | <b>-34,19</b> |
| <b>Total obligations and equity capital</b> | <b>32158721</b> | <b>100</b>   | <b>37431279</b> | <b>100</b>   | <b>37644091</b> | <b>100</b>   | <b>+5485370</b> | <b>+17,06</b> |

Regarding the composition and structure of equity capital, at the beginning of 2013 the equity of company amounted 5,571,528 thousand UAH, of which

shareholders - 3,427,350 thousand UAH, that is 10.66% of all Bank's capital, but a significant half of own capital. At the end of the study period the proportion of equity in the capital structure has decreased to 8.75% (132 858 thousand UAH). Note the positive trend of growth of emission income (78.98%) and the availability of the reserve fund at the end of 2015 in the amount of 1,475,430 thousand UAH. Exploring equity capital indices both in absolute and in relative terms, one can conclude that the amount of equity capital has been decreasing. This trend has occurred due to the emergence of significant uncovered loss in 2015, reduction of share capital and revaluation reserve during 2015 and a significant increase of debt (borrowed) funds.

Positive trends in the structure of the loan (raised) capital should be noted, including reduction of debt owed to the National Bank of Ukraine and other banks, subordinated debt and other borrowings. However, this reduction does not affect the substantial predominance of debt (raised) capital over their own at the end of the study period.

The general condition of the capital structure is characterized by the predominance of involved and borrowed capital. Although the experience of other companies shows that, the effectiveness of the use of debt capital is more than equity capital's efficiency, but appeal to the external sources of funding does not give positive results. This is because the company receives losses in the last two reporting periods, as evidenced by Bank's financial statements.

The Bank maintains and actively manages capital base to cover risks inherent in this business. Capital adequacy is monitored by using, among other things, the standards established by the Basel Capital Accord in 1988 and the regulations established by the National Bank of Ukraine. Management believes that total capital amount managed by the Bank, equals to the total amount of regulatory capital.

As of December 31, 2015, the aggregate loan amount of 14,270,963 thousand UAH issued to 20 largest Bank's borrowers accounted for 39% of the loan portfolio before deducting reserves. As of December 31, 2014, the aggregate loan amount of 10 216 212 thousand UAH issued to 20 largest Bank's borrowers accounted for 31% of the loan portfolio before deducting reserves. These are companies with a high rating. They occupy a strong position in the market and their share in the loan portfolio increases.

Below is the loan portfolio of the Bank in the context of industries, credit risk of which affects the quality of loans (Table 2). According to the data of the table for the period (2013-2015 years) there is a significant increase in the total Bank's loan portfolio of share of enterprises of mining and extractive industry (share increased on 10,36%), mechanical engineering (share increased on

3.35%) and metallurgy (share increased on 2.25%). At the same time, shares of physical persons (a decrease of 6.68%), enterprises of food industry and agriculture (a decrease of 5.73%) decreased in the Bank's loan portfolio. During the study period, shares of enterprises of chemical industry, wood processing, trade, virtually did not change in the structure of loan portfolio. This demonstrates that the Bank management responded to the challenges associated with changes in the structure of gross national income.

**Table 2. The Loan Portfolio of the Bank in the Context of Economy's Industries, thousand UAH**

| Industry                      | 2013    | %     | 2014    | %     | 2015    | %     | Deviation |           |
|-------------------------------|---------|-------|---------|-------|---------|-------|-----------|-----------|
|                               |         |       |         |       |         |       | Abso-lute | Rela-tive |
| Physical persons              | 6826164 | 27,76 | 7584400 | 22,68 | 7760736 | 21,08 | +934572   | +13,69    |
| Trade and agency services     | 4309237 | 17,52 | 5681936 | 16,99 | 6352432 | 17,26 | +2043195  | +47,71    |
| Construction and Real Estate  | 3568428 | 14,51 | 5454572 | 16,31 | 5043864 | 13,70 | +1475436  | +41,35    |
| Food industry and Agriculture | 4741502 | 19,28 | 6403639 | 19,15 | 4988003 | 13,55 | +246501   | +5,2      |
| Mining industries             | 413723  | 1,68  | 1367761 | 4,06  | 4434604 | 12,04 | +4020881  | -         |
| Machine Engineering           | 1151503 | 4,68  | 1963514 | 5,87  | 2957391 | 8,03  | +1805888  | +156      |
| Metallurgy                    | 742610  | 3,02  | 1063203 | 3,18  | 1941691 | 5,27  | +1199081  | +161      |

|                                                           |                 |            |                 |            |                 |            |                  |               |
|-----------------------------------------------------------|-----------------|------------|-----------------|------------|-----------------|------------|------------------|---------------|
| Non-bank financial institutions                           | 1187601         | 4,83       | 1508461         | 4,51       | 929933          | 2,53       | -257668          | -21,7         |
| Processing of wood                                        | 554854          | 2,26       | 784658          | 2,35       | 842772          | 2,29       | +287918          | +51,89        |
| Transport, telecommunications services and infrastructure | 490053          | 1,99       | 690790          | 2,07       | 590036          | 1,60       | +99983           | +20,4         |
| Chemical industry                                         | 135240          | 0,55       | 128206          | 0,38       | 193202          | 0,52       | +57962           | +42,86        |
| Other                                                     | 471141          | 1,92       | 813552          | 2,43       | 784166          | 2,13       | +313025          | +66,44        |
| <b>Total loans to clients</b>                             | <b>24592056</b> | <b>100</b> | <b>33444695</b> | <b>100</b> | <b>36818830</b> | <b>100</b> | <b>+12226774</b> | <b>+49,72</b> |

In fact, the example of this banking institution shows an increase in loans to almost 50% in 2015, compared with 2013, including to physical persons (on 13.7%). It should be noted that legal entities received over 80% loans granted. Mortgage loans and consumer loans were most popular among physical persons.

After a study of the dynamics of capital and loans granted, we can conclude that there is an improvement of results of lending activity in 2015. Particularly 36,819,000 UAH loans granted that exceed the value of the previous period on 11% (with a similar level of capital) accounts for the Bank's 37,644,000 UAH equity capital and borrowings (raised). This indicates both active lending activities of the Bank and on the optimal allocation of financial resources of the bank provided reliable supply of loans granted.

Regarding the procedure of forming loan portfolio, the amount and type of maintenance required by the Bank for a loan depends on the credit risk assessment of the counterparty.

The main types of credit support are:

- securities lending transactions and contracts "reverse repo" - securities;

- lending operations for corporate clients - real property, goods and inventories, accounts receivable for main business and property rights on deposits;
- lending operations for physical persons - property rights to movable and immovable property, property rights for deposits.

The Bank also obtains guarantees from parent companies for loans to their subsidiaries. At the end, be noted that management of any banking institution constantly monitors the value of collateral, demands additional collateral in accordance with the underlying agreement and monitors the market value of collateral in the review of the adequacy of the allowance for loan impairment. These are necessary measures to prevent a possible loss in the banking institutions' activities because of the depreciation of the value of collateral for loans under the conditions of national economic crisis.

### **Conclusions**

The risk is part of banking activity. It is managed through a process of identifying, assessing and controlling risks, taking into account risk limits and other means of control. As part of overall risk management of financial risks, the banking institution uses a system of limits and restrictions for managing interest rate, currency, credit risks and liquidity risk. These limits and restrictions provide actual values of risks at levels that do not exceed the Bank's tolerance to such risks. The improvement of results of lending activity is observed in 2015 in the study of the dynamics of capital and loans granted. Note that particularly 36,819,000 UAH loans granted that exceed the value of the previous period on 11% (with a similar level of capital) accounts for the Bank's 37,644,000 UAH equity capital and borrowings (raised). This indicates both active lending activities of the Bank and optimal allocation of financial resources of the bank, which form a significant share of company profits.

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DOI : 10.14746/pped.2016.9.17

УДК 330.341.1:332.142

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## STRATEGY OF DEVELOPMENT OF INNOVATION ACTIVITIES IN THE REGION

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The article defines the dependence of innovation activity strategy on parameters of innovation development. It is substantiated that the effectiveness of implementation of innovative tools depends on both economic entity innovative potential, as well as on market conjuncture, effective state support. The author of the article analyzed the dependence of innovative activity strategy from the innovative development parameters, depending on which the formation of development strategy of economic entity is formed. It allows to consider the trends that arise in the process of working out a strategy of innovation activity. It is proved that the efficiency of taking innovative measures depends on the innovative capacity of the entity, which is based on the intellectual, physical, financial, personnel, infrastructure and other resources. It also depends on market conditions, available features of development of an effective government support. It is substantiated that the strategy of development of innovation activity in the region should be aimed at increasing the contribution of research and innovation activity in scientific progress of the country, developing the economy of the region and improving the quality of life of its population. However, regional priorities of innovative activity should be either components of national priorities, or coincide with them, providing active cooperation of regional authorities with state authorities on this issue. Main directions of development for the economic entity with the aim of increasing its innovative potential growth, as well as implementing innovative inventions are developed.

Keywords: strategy, innovation activity, region, economic and innovation development, innovative potential, state.

Lotarew A. STRATEGIA ROZWOJU DZIAŁALNOŚCI INNOWACYJNEJ W REGIONIE

W artykule określono zależność strategii działalności innowacyjnej od parametrów rozwoju innowacyjnego. Uzasadniono, że efektywność realizacji przedsięwzięć innowacyjnych zależy zarówno od potencjału innowacyjnego podmiotu gospodarczego, jak i od koniunktury rynku i znaczącego wsparcia państwowego. Wypracowane zostały podstawowe kierunki rozwoju dla podmiotu gospodarczego, służące podniesieniu jego potencjału innowacyjnego i wdrożeniu rozwiązań innowacyjnych.

Słowa kluczowe: strategia, działalność innowacyjna, region, rozwój ekonomiczno-innowacyjny, potencjał innowacyjny, państwo

Лотарєв А.Г. СТРАТЕГІЯ РОЗВИТКУ ІННОВАЦІЙНОЇ ДІЯЛЬНОСТІ В РЕГІОНІ

Лотарев А.Г. СТРАТЕГИЯ РАЗВИТИЯ ИННОВАЦИОННОЙ ДЕЯТЕЛЬНОСТИ В РЕГИОНЕ

Ключевые слова: стратегия, инновационная деятельность, регион, экономико-инновационное развитие, инновационный потенциал, государство.

The strategy of the development of innovation activity in the region should be aimed at increasing the contribution of research and innovation activities in scientific and technological progress of the country, developing the economy of the region and improving the quality of life of its population. However, it should be understood that regional priorities of innovation activities should be either components of national priorities, or they should coincide with them, providing active cooperation of regional governing bodies with the state power on this issue.

Taking into account the existing regional specificity of problems associated with sustainable economic development, the limitations of budget funds, including the concentration on current costs, we can say that determining priorities of regional development is a paramount goal, achieving which is extremely important for sustainable economic development.

Different target applications must be used as tools for their observance. Since the main idea of sustainable development is to achieve parity in economic, social and environmental interests of society, one needs to track that the principles of sustainable development are taken into account in any activity on the development of plans and strategies.

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port of public authorities, which will always slowdown in these conditions of updatable of innovative product. Ultimately it will lead to the reduction of production of innovations and reorientation on the expansion of the market segments, diversification of manufactured products, and improvement of its quality. At the same time public authorities' support of small-sized organizations, innovation activities of which do not allow them to achieve independently their own strategic development goals, will provide greater innovation activity for such economic entities that are the fundamental principle of innovation activity, particularly in the conditions of management in our country.

However, it should be noted that increased government support may provoke a significant number of small organizational forms in the innovation sector of economy. It should be borne in mind that currently small businesses are limited by formed state measures in different branches and spheres of activity. This does not allow them to effectively develop and to compete with larger entities.

Therefore, support for small innovative organizations can lead, on the one hand, to the social tension due to ineffective measures of state support for small businesses that are not involved in the innovative development. On the other hand, it can also lead to the intensification of the process of reorientation of small enterprises into the production and sale of innovative products.

Analysis of recent research

Domestic and foreign scientists in the last decade made significant progress in the development of the theoretical foundations of the development of innovation activities in the region. Scientific publications of O.I Amosha [1], E.B. Balashov [2], V.D. Bondarchuk [3], V.S. Boychenko [4], A.N. Valyuh [5], N.P. Honcharova [6], O.Y. Dotsenko [7], S.O. Bila, Y.A. Zhalilo, O.V. Shevchenko [8], Y.V. Karakay [9], V. P. Solovyova [10], D.M. Stechenko [11] and others are of greatest interest. Thus, scientific works of leading scientists indicate the interest of scientists in studying problems of the development of innovation activity of the region.

Despite the expansion of the studied problems, many aspects of them are studied insufficiently. This is related to the definition of dependence of innovative activity's strategy on the parameters of innovation. Not enough research was carried out on effective state support of innovative development of the region.

Statement of research objectives

The goal of this article is to define the dependence of strategy of innovative activity on the parameters of innovation development and the development of the main directions of innovative development in the region.

Results

Specific action programs for the near and distant future will allow local power structures not only to quickly solve immediate current problems, but also

to coordinate the work of all bodies and individuals interested in the development of the region, to provide its purposefulness. In our opinion as researchers, the primary purpose at the regional level should be the preparation of the concept of regional development as a system of ideas about strategic choices, objectives and priorities of development, key provisions in terms of its individual components and means of implementation of these goals.

The concept of regional development, which considers the characteristics and aspects of life in the region as main priorities, which determine its competitiveness, is the basis for development: a strategic development plan of the region as a means of coordinating efforts and achieving mutual understanding of all stakeholders; program - forecast-analytical instrument that implements the concept and contains a set of events connected according to resources, performers and timing of events; these vents are aimed at achieving the set goals of sustainable economic development of the region; doctrine of regional development of Ukraine, which defines directions of regional policy and development [3, 8, 9, 10].

Thus, the mechanism of sustainable economic and innovative development of the region in the conditions of economic transformation is a system of measures to ensure the sustainable development of economy of systemic reproduction. It should be noted that one of the main conditions for the formation of competitive strategic perspective today is the development of new technologies that facilitate an increase of innovation activity because they form strategic behavior based on an innovative approach.

Economic entities have the ability to win competitive position in the market, increase the pace of development, reduce the level of expenditure, achieve high rates of profit. That can be broadly characterized as the strengthening of innovative activity.

The application of different marketing approaches is possible, by which the achievement of strategic goals is based on a combination of such directions' development as development of new technologies, release of new products and service delivery, entering new markets, modernization of existing equipment, expanding the range of goods and services.

The effectiveness of taking innovative measures depends on the innovative capacity of economic entity, which is based on the intellectual, physical, financial, personnel, infrastructure and other resources, and on market conditions, available features of development, and effective state support [4, 7].

The economic entity has several main directions of development in order to improve its innovative capacity and implement innovative developments:

- creating its own innovative unit;
- creating new innovative organizations;

- forming internal ventures;
- market innovative integration;
- creating an innovative environment of the economic entity;
- forming independent innovation enterprises.

We note in this regard that the main purpose of creating own innovative unit is detail-established scientific and technical ideas with the aim of achieving the strategic goals of development by solving tactical tasks and taking technical measures.

We can identify the following main advantages of this area of increasing the innovative capacity of economic entity: cost optimization; an integrated approach to solving existing problems; increasing the effectiveness. Innovative units may be established on a permanent or temporary basis. Scientific and technical departments are created on a regular basis, which can be decentralized, that is aimed at specific industrial structures or the developments in production directly, without the use of internal market mechanisms.

Temporary units are such organizational formations, created temporarily for a period of developing and implementing innovations. Specialists in different fields are involved to them. They are administratively subordinated to the heads of the permanent units, but they are temporarily assigned to work in the temporary innovative structure for conducting innovative work.

The formation of this kind of units allows to provide execution of works in a short time, to concentrate experts of different profiles under a single management, to optimize the development and implementation by reducing production costs. According to the author, the creation of an innovative unit currently should be based on an ongoing basis, which will help to reduce the likelihood of negative tendencies in the team.

However, the formation of innovative temporary units gives more opportunities for reaching the set objectives by increasing the available resources (human, time, financial, material, and production) in a particular innovative task. The creation of new innovative organizations is justified for large entities that have a complex system of management of innovations, focused in their purposes on the implementation of large projects in the short period of time while ensuring high profitability. It is known that the size of the economic entity is the main cause of low production of innovative products. This has ultimately a positive impact on the efficiency of enterprise's activity as a whole and corresponds to strategic objectives of organization's activity in the conditions of market.

The internal ventures can be formed for the immediate implementation of innovative developments. At the same time the orientation on the market segment may be different. Typically, the target orientation on the new market segment

is the most promising under the condition of the introduction of technical and technological innovations, results of scientific achievements that have not yet been tested in practice. This is because new qualities of the produced innovative product may differ significantly from the usual ones and may not be perceived by a segment in which they were oriented before technological changes [1, 11].

In our view, the support of specific areas of innovation activity is ineffective due to lack of methodological base of innovative development of determining priorities. It is reasonable to note that an integrated approach is required for the formation of an effective mechanism of state support of innovation activity. It allows organizations to develop organically, to be engaged in the production and marketing of innovative products, regardless of their size, to reach the market segments of available material, production and human resources.

The socio-economic orientation in strategic perspective that will increase the efficiency of the entire system of macroeconomic management must be laid in the basis of their support from the state. At the same public support should be based on the effective legal regulation that meets the current requirements of the market that will allow in various stages of formation and development of innovation activity in our country to combine existing areas of innovation.

Therefore, according to the author, the essence of the implemented nowadays policy in our country of innovation processes and innovation development strategy should be founded. In these circumstances, the role of the state will be defined as the leading one and this will allow to promote interest of various potential participants to innovation activity. Thereby the state, through accepted administrative decisions, will promote innovation activity and the growth of investment appeal of objects of innovation development. In the opinion of the author, this is also a basis for further effective development of innovation activity.

Note, however, that the support of the state can be effective only in the event that the proposed measures of managerial nature will be perceived by economic entities engaged in the production and sale of innovative products, promote the development of innovation activity. In this regard, a systematic approach should be applied by organizations which are aimed at innovative development. A necessary is the use of other scientific approaches: portfolio analysis, integrated and parallel-sequential approach, since they will allow substantiate the management decisions taken [2, 5].

It should be noted that specific feature of carrying out scientific and experimental developments is that the activities of a large organization can be oriented on achieving two goals simultaneously: obtaining and using planned scientific developments in the interests of the company; achieving commercial results from scientific activity. Thus, large formations in the scientific economic

sector, which invest heavily in creating new products, perform basic activity defined by organizational goals.

Not the primary scientific and technical activity, which results in the creation of new techniques and technologies that have commercial value, can also be implemented. However, often this area is not connected with the main objectives of the organization. Note here that the commercial significance can be realized through the sale of documents, licenses, know-how, providing engineering services. In some cases, the diversification of activities of the organization, which provides innovative development, can be carried out on the basis of the obtained results.

In turn, the diversified company can produce innovative products, which are at different stages of their life cycles. This helps to reduce the costs and to increase the investment appeal of objects of innovation activity while using the integrated approach. However, for the implementation of innovative development in effective manner and systematically, the strategy of activity of organization as a whole must be the basis when forming strategy of innovative development produced in the company. It must be done considering features of economic entity's development in the retrospective period of time, now and predictive estimates of functioning.

It should be noted in this regard that different aspects affect the formation of economic entity's strategy and the development of a strategy of research activity. The main ones are such as the purpose of organization's activity, available resources (material, financial, labor, production, time, infrastructure), sector of the enterprise's activity and its focus on market segments. Table 1 shows the dependence of strategy produced from the main parameters of innovation activity.

Table 1

**The dependence of strategy produced from
the main parameters of innovation activity**

Parameters of innovative development	The basis of developing strategies of economic entity	The basis of formation of strategy of innovation activity
Criteria definition of goal	Market conditions	The level of competitiveness
Available resources and possibilities of their attraction	Approval of long, medium and short term plans	
Area of activity	Product and market	Technics and market
Orientation on consumer	Diversification. Integration	Formation of innovation portfolio

Based on the data from Table 1 it can be seen that the development strategy of an economic entity by means of increased attention to certain factors is based on the existing features of innovative development, defined by parameters. This allows taking into account trends in the process of developing the strategy of innovation activity.

The most important element of strategy of innovation activity is a choice of an effective management of portfolio of research, experiments and design developments using existing limited resources. The organization, which is engaged in the production and marketing of innovative products in its activities may use an offensive strategy of innovative development, defensive strategy, mixed strategy, and also licensing.

The offensive strategy for the development of innovative activity can be applied when developing new products and technologies, the defensive strategy - while improving products and technologies. Choosing a strategy is determined by the position of organization in the market, the level of competitiveness and the nature of innovative portfolio. It is important to consider that the formation of the overall main objective of the organization is necessary for isolating the criteria for defining goal of the innovative development [6, 8].

Besides the main purpose of innovation activity - improving socio-economic efficiency, which should lead to increased competitiveness, sub goals can be as follows: increasing innovation activity; getting commercial result; improving quality of production made; increasing the investment attractiveness; getting state support; expanding market.

Depending on the targets of development of an innovative performance, different market conditions will underlie in the formed strategy of a business entity. For this, the determination of features of the impact of environmental factors on both activities of the organization and on the achievement of the set goal and the production and sale of innovative product becomes necessary.

The level of competitiveness of the enterprise or product, which is produced by this enterprise, shall be in the base of formed strategy of innovative activity. This will allow generating effective measures to optimize the implementation process of innovative development in conditions of the composed economic activity. Limited resources or their possible involvement create certain barriers to further effective innovation development.

So molded measures of state support of innovative activity should be systemic in nature, take into account existing features of development of innovative processes taking place in our country and abroad, and be focused on improving the socio-economic efficiency of innovative development of the region and Ukraine as a whole.

Conclusions

It is substantiated that the strategy of development of innovation activity in the region should be aimed at increasing the contribution of research and innovation activity in scientific progress of the country, developing the economy of the region and improving the quality of life of its population. However, regional priorities of innovative activity should be either components of national priorities, or coincide with them, providing active cooperation of regional authorities with state authorities on this issue.

It is determined that the development strategy of the region, which considers as main priorities the characteristics and aspects of life in the region that determine its competitiveness, is the basis for the development: a strategic development plan of the region as a means of coordinating efforts and achieving mutual understanding of all stakeholders; a program - forecast-analytical instrument that implements the concept and contains a set of related resources, performers and timing of actions aimed at achieving the set goals of sustainable regional economic development; a doctrine of regional development of Ukraine, which defines directions of regional policy and development.

It is noted that one of the main conditions for the formation of a competitive strategic perspective for today is the development of new technologies that enhance innovation activity. This is because they form strategic behavior based on an innovative approach, when economic entities have the ability to win competitive position in the market, increase the pace of development, reduce level of expenditure and achieve high rates of profit. This can generally be described as strengthening the innovation activity.

The author of the article analyzed the dependence of innovative activity strategy from the innovative development parameters, depending on which the formation of development strategy of economic entity is formed. It allows to consider the trends that arise in the process of working out a strategy of innovation activity.

It is proved that the efficiency of taking innovative measures depends on the innovative capacity of the entity, which is based on the intellectual, physical, financial, personnel, infrastructure and other resources. It also depends on market conditions, available features of development of an effective government support.

The following areas of development are proposed for the economic entity to improve its innovative capacity and implement innovative developments:

- creating its own innovative unit;
- creating new innovative organizations;
- forming internal ventures;

- market innovative integration;
- creating an innovative environment of the economic entity;
- forming independent innovation enterprises.

Thus, the strategy of innovative development developed at the state level of the state system as a whole can be implemented in such fundamentally different ways:

- support of large competitive innovation structures;
- support of small in size and in coverage economic entities that are engaged in the production and marketing of innovative products, the level of competitiveness of which does not allow them to achieve independently their own strategic directions of development - improving socio-economic efficiency of innovative activity;
- support of social innovation projects and programs; support of organizations that are engaged in the production and marketing of social innovation; priority support of innovative programs, projects, economic entities and their complexes.

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DOI : 10.14746/pped.2016.9.18

УДК 330.342.05-044.372:330.36=111

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METHODICAL PRINCIPLES OF STABILITY ASSESSMENT OF THE SOCIAL-ECONOMIC SYSTEMS

The article deals with the functional development of the social economic systems (the SES) of different types. Development of the SES can be steady for a sufficiently long period. Of course, any SES develops through certain cycles, repeated at regular intervals, which means the arising of the appropriate crises. In addition, as theory and practice of management shows, the crisis of the SES is somehow a positive fact, since it stimulates the search and implementation of new management methods and tools. Crisis is some kind of filter of natural selection and checking SES ability to survive.

This paper analyses stability. It is argued that the main starting condition for sustainable development is an internal quality system. The essence of the concept of stability in the activity of industrial and economic system is defined. It is noted that the stability is an indicator of the quality of management system, internal quality mechanism of functioning of the SES.

It is concluded that stability is a sign of the quality of processes, their controllability and minimization of risks. Moreover, it can be identified with the concepts of consistency, ordering, and handling. The stability of the SES means that the results of its activities have minor fluctuations regarding a particular medium trend of development. The more the spread of indicators around a particular trend, reflecting the results of economic activity of SES, the more random processes in these results. The more factors' influence on the result that are not governed the less organized internal mechanisms and appropriate processes. This leads to the fact that activities' results of the SES are random and not natural variables. Randomness is a feature of not controllability of process. Randomness is a sign of SES's low quality of management system as a whole or its individual processes.

Keywords: stability; socio-economic system; indicators of stability, rhythm system.

Czyszyt S., Prylepow M. PODSTAWY METODYCZNE OCENY STABILNOŚCI SYSTEMÓW SPOŁECZNO-EKONOMICZNYCH

W artykule przedstawiono rozwój funkcjonalny systemu społeczno-ekonomicznego (SSE) różnych typów. Rozwój SSE rozwijał się przez stosunkowo długi okres czasu lin-

earnie. Oczywiście, każdy SSE rozwija się cyklicznie i powtarza się przez określony okres czasu, co oznacza pojawienie odpowiednich zjawisk kryzysowych. Ponadto, jak pokazuje teoria i praktyka zarządzania, kryzys SSE w taki czy inny sposób jest pozytywnym zjawiskiem, ponieważ stymuluje proces poszukiwania i wdrażania nowych metod i narzędzi zarządzania. Kryzys jest rodzajem filtra doboru naturalnego i instrumentem sprawdzenia konkretnego SSE.

Słowa kluczowe: stabilność, system społeczno-ekonomicznych, wskaźniki stabilności, rytm, systemy.

Чимшит С.І., Прилепова М.О. МЕТОДИЧНІ ЗАСАДИ ОЦІНКИ СТАБІЛЬНОСТІ СОЦІАЛЬНО-ЕКОНОМІЧНИХ СИСТЕМ

У статті розглядається функціональний розвиток соціально економічної системи (СЕС) різного типу. Розвиток СЕС має бути постійним протягом досить великого проміжку часу. Звичайно, будь-яка СЕС розвивається через певні цикли, що повторюються з певною періодичністю і означають появу відповідних кризових явищ. Крім того, як показує теорія і практика менеджменту, криза СЕС в тій чи іншій мірі є позитивним явищем, оскільки стимулює з пошуку і впровадження нових методів та інструментів управління. Криза є свого роду фільтром природного відбору, перевірка на здатність СЕС до виживання.

Ключеві слова: стабільність; соціально-економічна система; показники стабільності, ритмічності, системи

Чимшит С.И., Прилепова Н.А. МЕТОДИЧЕСКИЕ ОСНОВЫ ОЦЕНКИ СТАБИЛЬНОСТИ СОЦИАЛЬНО-ЭКОНОМИЧЕСКИХ СИСТЕМ

В статье рассматривается функциональное развитие социально-экономических систем (СЭС) разного типа. Развитие СЭС может быть постоянным на протяжении достаточно большого промежутка времени. Конечно, любая СЭС развивается через определенные циклы, повторяющиеся с определенной периодичностью, что означает появление соответствующих кризисных явлений. Кроме того, как показывает теория и практика менеджмента, кризис СЭС в той или иной степени положительное явление, поскольку стимулирует поиск и внедрение новых методов и инструментов управления. Кризис является своего рода фильтром естественного отбора и проверкой на способность СЭС к выживанию.

Ключевые слова: стабильность; социально-экономическая система; показатели стабильности, ритмичности, системы.

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#### **Introduction**

The functioning and development of the social and economic system (hereafter – the SES) of various types (enterprise, industry, probably economy of the country) can occur only under certain external and internal conditions. The SES development should be sustainable over quite a long time. Of course, any SES develops through certain cycles that are repeated at regular intervals and that mean the emergence of appropriate crisis. There is no SES that has not been exposed to some crisis throughout its life cycle. In addition, as it is proved by

theory and practice of management, the SES crisis in one way or another is a positive phenomenon, because it stimulates to finding and implementing new methods and management tools. The crisis is a kind of filter of natural selection, the SES's test on ability to survive.

Directly the SES's development before, during and after the crisis is important. The SES can grow. For instance, sales volumes in the company can grow on average by 15% each year during 4 years. However, during the crisis, the company can lose everything and even more. That means the rapid growth and deep fall. Alternatively, the company may have average growth rate of 2-3%, and during the crisis, it may lose only 5%. As practice shows, the likelihood of bankruptcy in the first case is several times higher and therefore the likelihood that the SES will cease to exist. Such ragged rhythm of development causes severe consequences for the state and prospects of development. It is clear that in the first case the SES will need at least 2-3 years to start the growth again. In the second case, the SES will grow probably next year, or in a year.

The main starting condition for sustainable development is an internal quality system. For example, the SES cannot control a number of external environment factors. Therefore, they directly affect its activities, but they are the same for all. For instance, the leap of the national currency is the only for all importers of computer equipment or household appliances. Why are some able to adapt and survive, while others cease their activities? The drop in demand and therefore in the price happens for all metal producers on the external markets. Why do some manufacturers have significant losses and are on the verge of bankruptcy, and others, for example, are able to get even a small income? Why does Ukraine lose 30% of GDP and Germany 5% during the global financial crisis? All are in the same conditions. This happens because the internal mechanisms are built in such a way that they are of a better quality in some than in others. Thus, it is almost impossible to control external factors. Nevertheless, each SES is able to adapt in different ways, to generate new solutions and to support regime of functioning according to a constructed system.

### **Statement of research objectives**

It should be noted that indicators of stability, rhythm and system reliability are key characteristics of internal quality system. This paper is devoted to the analysis of one of these characteristics – stability. It should be noted that this direction of analysis of SES is new, but very promising one.

### **Results**

First step is to define the essence of the concept of stability in the activity of industrial and economic system. Note that the stability is an indicator of the quality of management system, internal quality mechanism of functioning of the SES.

The stability of the socio-economic system (the SES) means that the results of its operations have minor variations concerning a particular medium trend of development. The main hypothesis is the following: the more variation of indicators reflecting the results of economic activity of SES are around a particular trend, the more random processes are in these results. The more factors that are not governed affect the result, the less organized internal mechanisms and related processes are. Therefore, from period to period these indicators will have significant differences, moreover, without any regularity. Thus, activities' results of the SES are random and not natural variables. Randomness is a feature of not controllability of process. Randomness is a sign of SES's low quality of management system as a whole or its individual processes. This means that the leadership of the SES does not control processes and they happen by themselves. In some cases, it gives such result and in other cases it gives the opposite result.

The presence of the general trend with relatively high index of approximation is a sign of high quality management system. The absence of such trend, or the presence of a certain amount, so to speak, of not typical results is a sign of low quality management system. The SES management system of a high quality will give consistently high positive result that will allow developing the company in the future over a significant time period.

This equally applies to extremely complex social and economic systems, as the economy of a particular country, and relatively simple ones – companies. General methodological positions as defined above will be identical for all socio-economic systems. This is why later in this paper we will use SES calculations of different difficulty levels.

In other words, one can say that studying the stability of SES's activities as a whole and its individual processes in particular, researcher should answer the question of whether these results fit into normal distribution law. Of course, incidental events can occur in any case of any SES's activity. These developments will lead to rather irregular results. However, an insignificant number of such events happens when the company operates at a high internal quality management system. For example, one or two indicators do not fit into the overall trends from a sample of ten or more indicators. They can be temporarily excluded from the analysis because they will artificially distort the overall trends. These cases need to be analyzed individually and to conduct separate analyzes. Nevertheless, these are random events and they are less interesting to the researcher. For example, in 2012 Ukraine hold a certain event (Euro 2012). This is a major event within the whole economy and it needed considerable investments in infrastructure. Nevertheless, not before, not after, nothing like this happened. Therefore, certain figures of that year may be artificially high / understated and

not such that do not meet the general macroeconomic trends. Therefore, the first step requires the analysis of the sample / the general totality for the major errors.

This methodical approach also allows you to assess the level of risk of existing internal economic mechanism of the company and its industrial and economic activities. The less stable the SES is, the higher the risks of its activities are.

Another important aspect in the management system should be noted. The lack of stability does not allow SES to plan adequately its activities. The variability is too high. Control in the management process becomes inefficient without credible plan. So at least two management functions cannot be efficiently performed out of generally known four management functions.

It should be noted that the concept of stability is often equated with the concept of sustainability. Note that these are slightly different aspects of the SES' activities. Sustainability as a synonym is closer to the concept of the viability of the system, its adaptability, the possibility to adapt and survive. Stability is a sign of the quality of processes, their controllability and minimization of risks. Stability can be identified with the concepts of consistency, ordering, and handling. So methodical base of analysis of these concepts is fundamentally different.

You can use indicators that reflect the extent of the spread of a particular indicator regarding certain average trend for the analysis of stability in the simplest form. It is proposed to use relatively simple indicators: dispersion, standard deviation, mean square deviation and more. You can also use the coefficient of approximation.

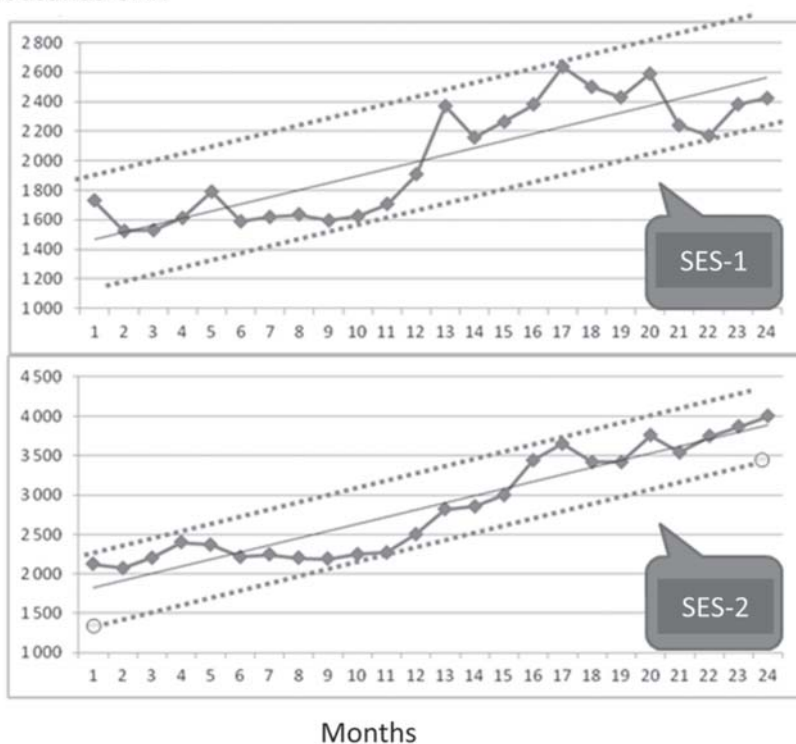
Figure 1 shows an example of sales volumes of two companies' products of one industry for two years in months. As we see, even visually stability of sales volumes of SES 2 is higher than in SES 1, which is confirmed by the spread width. Hence, the variability relative to the average trend is much lower.

The use of index approximation for analyzing the sustainability of the SES is based on the following considerations.

There is a certain array of indicators based on which we can derive appropriate mathematical relationship, and describe it by a specific function. In this case, it does not matter which one exactly. The view of this feature is another question: what it is and what it should be. Thus, the existence of mathematical dependence means the presence of a particular regularity, which we are able to formalize in one form or another.

All deviations from this function mean certain misbalance of the system. The more these deviations are, the bigger they are in values, the greater the likelihood that the received result is random, because it does not fit the pattern.

## Thousands UAH



The attention should also be drawn to the fact that at a certain stage of SES's development the origin of fundamentally new trends and patterns may occur. They can emerge spontaneously from the outside without the knowledge of SES's management.

If we analyze them from the standpoint of the past, they will negatively reflect indicators of stability until these indicators take a particular critical mass and it will become evident that these are new phenomena in SES's activities. In this case, the researcher should make appropriate adjustments in the analysis. How can he beforehand recognize these phenomena and understand that they are not random problems, but sustainable trends? Because of limitations into scope of this work, we will leave this question unanswered. We note only one thing: a constant monitoring of indicators of stability with minimal period is needed. Typically, a new trend can already be recognized in the 3rd-5th meaning.

Often cases are possible where the growth rate of sales volume in given period of a company with lower stability is higher than sales volume of a similar company with a higher stability. However, it should be noted that not only the sum of current implementation determines the efficiency of production and economic system, especially as it is only about short period. It is likely that, for example, the total profit or profitability of sales (profit is high quality integrated performance indicator) will be lower in the first company. Alternatively, perhaps it can be higher, because the casualty for this company is higher. Therefore, it is difficult to give some assessment. Risks are higher in less stable SES, especially risks of uncertainty of their behavior and outcomes. Higher current performance realization indicators with less stability usually lead to more losses in the future.

In general, it should be noted that it is difficult to predict the behavior of systems with high levels of variability, and after some threshold of the variability, it is impossible. It is meaningless to build certain plans and to give them beforehand assessment. The error in the plans / forecasts will be very high and will not represent a significant interest for management. The final performance indicators will be able to set only post factum, but then it will not be possible to change anything.

You can use a more complex indicator – the stability coefficient to characterize the uniformity of certain processes. It can be calculated as follows:

$$KCT = 1 - CB / CA3 \quad (1)$$

where KCT – the stability coefficient;

CB – standard deviation;

CA3 – the arithmetic mean value.

The second more complicated way to study stability of the SES functioning is building trend lines and calculation of the approximation coefficient.

With all listed indicators of you must first assess:

- o income of the company;
- o operating income and operating profitability of sales;
- o remnants of raw materials, finished products and receivables;
- o net income and total profitability of sales, assets and equity;
- o cost as a whole and for individual groups of costs;
- o labor complexity rates, material consumption, energy intensity, administrative and management costs, and marketing costs;
- o weighted average cost of capital;
- o net cash flow;
- o level of indebtedness.

When it comes to the calculation of stability indicators, it is necessary to remember about the presence of cycles in the enterprise work caused by, for example, seasonal demand for products or seasonal production (construction, agriculture, etc.). Therefore, one of the initial conditions for analysis of stability is to determine business cycles.

When you study stability, it is important to understand two aspects:

1. Parameters of mathematical dependence (various economic processes have a different shape of this dependence: stable linear, increasing linear, polynomial of the 2nd degree polynomial of the 3rd degree, etc.). The researcher should understand that the ideal figure, such as unemployment or inflation in the economy should be in the form of a stable linear dependence of the type  $y = b$ , all fluctuations around this line are a manifestation of instability.

2. The scope of permissible fluctuations, which in each case will be different. We must interpret them differently (fluctuations + 10% of income for the company or its operating profit is a remarkably high stability rate. However, for example, for material costs per unit of output, or average wages it is contrary extremely high variability).

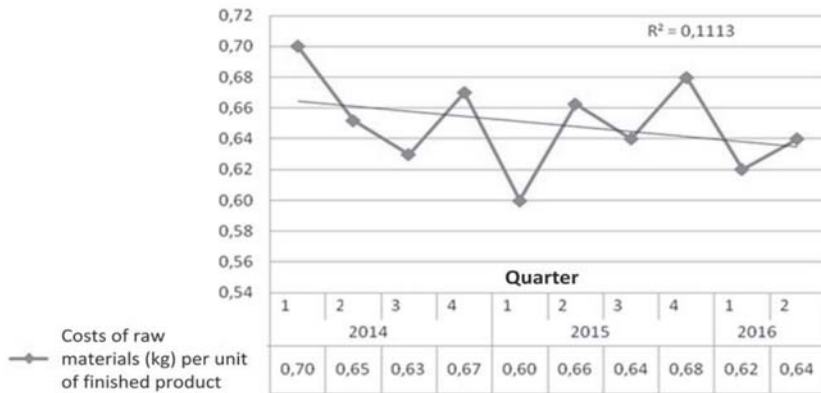
Very often, the value of the stability indicator of a particular parameter of the SES's operation has not as great importance as its dynamics has. It is advisable to compare the indicators of the enterprise according to different periods and to observe how this figure changes. To do this, you need to select a sufficient sample size. If the reporting system allows, you need to take a week, which is the 52nd value as the base. When it comes to difficult SES, then perhaps you need to take according to years (e.g. GDP of the country, industrial production index, inflation, etc.). Once the SES has worked a certain period, the new value is added to survey and the last value is ejected. This is a kind of moving average method.

Let us consider an example of the SES's stability analysis (in this case the production company) by such indicator as material consumption. Figure 2 shows calculations of material consumption of one of food industry's companies.

What conclusions can be drawn from the above data other conditions being equal?

First, this may indicate shortcomings and significant problems in production technology (deficiency, waste, yield coefficient of product, etc.).

Secondly, the company loses a lot. The difference between the maximum and minimum value potentially is 100 grams per 1 unit of product. Given the share of this component in the total cost of production (in this case it is 63-65%) and its price, these are significant indicators.



Thirdly, this leads to corresponding changes in production costs. Of course, the company cannot change the price of its own output in this way. Therefore, the price remains most likely a stable one. If it is calculated on the minimum threshold of costs of these raw materials, the company loses profit. If it is calculated on the maximum, the company has a slightly inflated price and may lose a certain number of customers. If the company adjusts price every time, the consumer will see the volatility of pricing policy. He/she will think why that is. The consumer also needs stability. There is a high probability that he/she will suspect something is not good and “just in case” will abandon production of this producer. Consequently, the price should be kept stable. However, then the profit of the company will vary considerably.

Let us consider more complex example for more complex SES.

We will take economies of five countries: the USA, Germany, Spain, Greece and Ukraine for the analysis. To some extent, we have known in advance the quality of social and economic processes of that or another country. Therefore, we need to get confirmation of the hypothesis that is described above after calculations.

Let us start with the key performance indicators of the SES - GDP.

From these calculations, we see that the economy of Ukraine (if judged only in terms of GDP) is much less stable than, for example, economies of Germany or the USA. Moreover, in this indicator we are inferior even to countries such as Greece or Spain. It testifies that the processes that occur in our economy are not managed. Therefore, they are casual in the vast majority. The internal quality system and components of the mechanisms are very low. Otherwise, Ukraine's economy operates on its own. When due to certain external factors

there is growth, it also grows. When negative external factors occur, it collapses. Moreover, this does not depend, for example, on economic policy of the state. The mechanism is an uncontrollable one. The results are random. The year 2009 is taken as a threshold that divides the economy “before” and “after” crisis. The table shows what happened after the crisis, how stable and manageable systems reacted and how economies of other countries reacted. Germany’s economy lost -8.9%. The situation was stabilized next year. Two years later the country’s GDP has surpassed pre-crisis rate. Ukraine’s economy lost 35%. It reached pre-crisis level only 5 years after. Interesting that Greece and Spain, which have also extremely low indicator of stability, have not been able to reach the pre-crisis period by year 2014.

**Table 2.**

**Calculation of Stability Indicators for Different Economies (in billions USD, according to the World Bank)**

|                    | GDP of Germany | GDP of the USA | GDP of Spain | GDP of Greece | GDP of Ukraine |
|--------------------|----------------|----------------|--------------|---------------|----------------|
| 1992               | 2123           | 6539           | 629          | 116           | 74             |
| 1993               | 2069           | 6879           | 524          | 109           | 65             |
| 1994               | 2206           | 7309           | 529          | 117           | 53             |
| 1995               | 2592           | 7664           | 613          | 137           | 48             |
| 1996               | 2504           | 8100           | 641          | 146           | 44             |
| 1997               | 2219           | 8608           | 589          | 143           | 50             |
| 1998               | 2243           | 9089           | 617          | 144           | 42             |
| 1999               | 2200           | 9661           | 633          | 142           | 32             |
| 2000               | 1950           | 10285          | 595          | 130           | 32             |
| 2001               | 1951           | 10622          | 626          | 136           | 38             |
| 2002               | 2079           | 10977          | 705          | 154           | 42             |
| 2003               | 2506           | 11510          | 906          | 202           | 50             |
| 2004               | 2819           | 12275          | 1069         | 240           | 65             |
| 2005               | 2861           | 13094          | 1157         | 248           | 86             |
| 2006               | 3000           | 13856          | 1265         | 273           | 108            |
| 2007               | 3440           | 14477          | 1479         | 318           | 142            |
| 2008               | 3752           | 14718          | 1635         | 354           | 180            |
| Average error      | 0,116          | 0,02           | 0,19         | 0,17          | 0,45           |
| Standard deviation | 507,1          | 2 596,9        | 342,1        | 73,5          | 39,6           |

|                 |         |          |       |       |      |
|-----------------|---------|----------|-------|-------|------|
| Arithmetic mean | 2 500,8 | 10 333,1 | 836,0 | 182,9 | 67,7 |
| Stability index | 0,80    | 0,75     | 0,59  | 0,59  | 0,41 |
| 2009            | 3418    | 14419    | 1499  | 330   | 117  |
| 2010            | 3417    | 14964    | 1431  | 299   | 136  |
| 2011            | 3757    | 15518    | 1488  | 288   | 163  |
| 2012            | 3539    | 16163    | 1339  | 245   | 176  |
| 2013            | 3745    | 16768    | 1369  | 239   | 183  |
| 2014            | 3868    | 17419    | 1381  | 235   | 132  |

Of course, these calculations are only an illustration of the calculation methodology. It is impossible to make serious conclusions about the state of the economy and the quality of its mechanisms based on only one indicator of GDP.

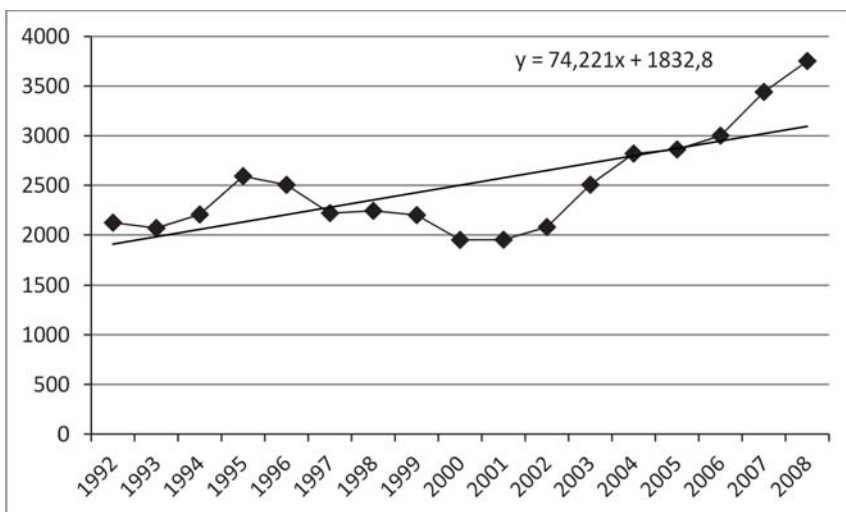
If you hold such an analysis using the average error indicator, we get similar findings.

Be noted that ideally the function of trend should be of type  $y = kx + b$  and no other. The only difference would lie in the fact that US economy will look more reliable than Germany's one. An example of calculation is presented in Table 3.

**Table 3.**  
**The Example of Calculation of Average Error of GDP for Germany**

|             | GDP of Germany | GDP growth equation    | Value according to regression line | Error | Percentage of error | Average error |
|-------------|----------------|------------------------|------------------------------------|-------|---------------------|---------------|
| <b>1992</b> | 2123           | $y = 74,221x + 1832,8$ | 1907,0                             | 216,0 | 0,10                | 0,116         |
| <b>1993</b> | 2069           |                        | 1981,2                             | 87,8  | 0,04                |               |
| <b>1994</b> | 2206           |                        | 2055,5                             | 150,5 | 0,07                |               |
| <b>1995</b> | 2592           |                        | 2129,7                             | 462,3 | 0,18                |               |
| <b>1996</b> | 2504           |                        | 2203,9                             | 300,1 | 0,12                |               |
| <b>1997</b> | 2219           |                        | 2278,1                             | 59,1  | 0,03                |               |
| <b>1998</b> | 2243           |                        | 2352,3                             | 109,3 | 0,05                |               |

|             |      |  |        |       |      |  |
|-------------|------|--|--------|-------|------|--|
| <b>1999</b> | 2200 |  | 2426,6 | 226,6 | 0,10 |  |
| <b>2000</b> | 1950 |  | 2500,8 | 550,8 | 0,28 |  |
| <b>2001</b> | 1951 |  | 2575,0 | 624,0 | 0,32 |  |
| <b>2002</b> | 2079 |  | 2649,2 | 570,2 | 0,27 |  |
| <b>2003</b> | 2506 |  | 2723,5 | 217,5 | 0,09 |  |
| <b>2004</b> | 2819 |  | 2797,7 | 21,3  | 0,01 |  |
| <b>2005</b> | 2861 |  | 2871,9 | 10,9  | 0,00 |  |
| <b>2006</b> | 3000 |  | 2946,1 | 53,9  | 0,02 |  |
| <b>2007</b> | 3440 |  | 3020,3 | 419,7 | 0,12 |  |
| <b>2008</b> | 3752 |  | 3094,6 | 657,4 | 0,18 |  |



**Figure 3.** GDP of Germany

In its turn, the approximation indicator of this function  $R^2$  will make 0.51. Difficult for German economy years from 2000 to 2003 are the reason for such low indicator.

If we conduct stability studies through this indicator, we will have the following meanings:

For the USA = 0,99;

For Spain = 0,75;  
 For Greece = 0,78;  
 For Ukraine = 0,37;

Table 4 shows the results of calculations of several more macroeconomic indicators.

**Table 4.**  
**Calculation of Inflation and Unemployment Indicators**

|                     | Standard deviation | Arithmetic mean | Stability index |
|---------------------|--------------------|-----------------|-----------------|
| <b>Germany</b>      |                    |                 |                 |
| <b>Inflation</b>    | 0,011              | 2,03%           | 0,44            |
| <b>Unemployment</b> | 0,011              | 8,74%           | 0,87            |
| <b>The USA</b>      |                    |                 |                 |
| <b>Inflation</b>    | 0,006              | 2,67%           | 0,79            |
| <b>Unemployment</b> | 0,009              | 5,46%           | 0,83            |
| <b>Spain</b>        |                    |                 |                 |
| <b>Inflation</b>    | 0,027              | 4,15%           | 0,36            |
| <b>Unemployment</b> | 0,055              | 15,54%          | 0,65            |
| <b>Greece</b>       |                    |                 |                 |
| <b>Inflation</b>    | 0,041              | 5,98%           | 0,32            |
| <b>Unemployment</b> | 0,011              | 9,59%           | 0,89            |
| <b>Ukraine</b>      |                    |                 |                 |
| <b>Inflation</b>    | 0,193              | 18,88%          | 0,02            |
| <b>Unemployment</b> | 0,019              | 8,52%           | 0,77            |

In this case, our assumption is fully confirmed. The most stable is the economy of the USA. It is followed by Germany. Spain and Greece are considerably inferior to the first two economies. Ukraine does not even reach two, probably the worst economies in the EU.

In this case also we must remember that the level of unemployment or inflation in each country differs significantly, which in itself is important. This figure clearly shows the indicator of standard deviation and Arithmetic mean. For example, average inflation from 1992 in Greece is 5.98%, in the United States it is 2.67%.

Overall estimates confirm the main thesis - more stable SES are more manageable, results of their activities are not random, but natural. Such SES are more effective, they are developing stably and better tolerate crisis.

The proposed methodological provisions also allow making some forecasts. Less stable SES may develop more rapidly in some short period (Ukraine in 2004-2008), but even in the medium term they will give up in their development to more stable SES. The reason for that, above all, will be more failures during the crisis. These SES are unable to resist external interference efficiently; they do not have appropriate potential for this. Stability is primarily a sign of the quality of system and its potential.

In addition to these aspects, the stability analysis can be used as an auxiliary tool. For example, it is possible to use side indicators such as earnings stability in the analysis of the solvency of the company and its financial stability. Let us suppose that the company has debts for the total amount of 100 thousands hryvnia. It should be paid in the current period, for example, a week. The company also has some revenues, which are in average approximately 300 thousands hryvnia per day. So theoretically, the company receives weekly earnings of 150 thousands hryvnia and it has to pay 100 thousands hryvnia. Mathematically everything is fine. However, if the company has a low-income stability, it causes significant risks whether it will receive 150 thousands hryvnia this week. It is quite possible that 90 thousands hryvnia will be received this week and 210 thousands hryvnia will be received next week, for example. Nevertheless, money is needed this week.

Let us give another case. The company's management is considering the possibility of saving costs by buying large amounts of raw materials and getting additional discounts. Overall, this will reduce liquidity and turnover, but this should be compensated by an increase in profitability. The supplier provides a standard deferred payment of 3 weeks. The question is – will it not violate a financial mechanism of the enterprise? Maybe the company will have to apply to credit funds and then the interest payments on loans will block further benefit from the discount. In this case, if stability of sales is low, it is likely to lead to the situation that products produced from raw materials will not be fully realized in the current period, money for it will not be received in full. Therefore, the difficulties will occur with payment to suppliers.

In addition, sales stability allows more effectively planning material and technical support of the company and keeping smaller material reserves. For example, additional excessive raw materials remains in the warehouse, which the company holds to ensure the continuity of production, are frozen financial resources.

Here it is possible to bring another rule - unstable SES should have greater reserves to balance their activities. It leads to excessive use of capital and, consequently, to the reduction of their performance. The capital of the SES is not used efficiently – low turnover, low productivity, low return on capital. If such system does not hold reserves, it will have to compensate for this with additional borrowed resources. This in turn, will violate its financial stability, solvency and high added value losses due to the required interest payments to creditors. For example, an unstable SES Ukraine has today (2016) 16.2% for repayment of debt within the structure of budget expenditures. That means that every sixth hryvnia in the state budget is not spent on social and economic development, but is given to creditors. By the way, all three economies of Spain, Greece and Ukraine, which had low rates of stability, are bankrupt in one form or another today, because they did not have their own reserves.

### **Conclusions**

Stability is an indicator of the quality of management system, internal quality of mechanism of functioning of SES. Stability is a sign of the quality of processes, their controllability and minimization of risks; it can be identified with the concepts of consistency, ordering, and handling. The stability of the SES means that the results of its activities have minor fluctuations regarding a particular medium trend of development. The more the spread of indicators around a particular trend, reflecting the results of economic activity of SES, the more random processes in these results. The more factors' influence on the result that are not governed the less organized internal mechanisms and appropriate processes. This leads to the fact that activities' results of the SES are random and not natural variables. Randomness is a feature of not controllability of process. Randomness is a sign of SES's low quality of management system as a whole or its individual processes.

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DOI : 10.14746/pped.2016.9.19

УДК 336.71:[339.138:330.341.1]=111

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## IMPLEMENTATION OF INNOVATIVE MARKETING CHANNELS OF THE PROMOTION OF BANKING PRODUCTS

*The modern development of financial and economic relations in the society requires banks to reconsider the relationship between them and customers in terms of information and technological provision. In this case, an urgent issue is the improvement of innovative marketing channels for the promotion of banking products.*

*It is appropriate to improve cooperation in contacts with clients of bank and the bank branches that provide marketing, Internet banking, mobile banking, interactive auto-responders, ATMs and call centers to promote banking products. The purpose of the paper is to summarize the experience of domestic banks that ensure the development of marketing innovative channels for promoting banking products on the basis of taking deliberate decisions on Internet banking, mobile banking, social networks for better interaction with clients.*

*The paper explores the innovative development of marketing channels of the banking system of Ukraine. It justifies the acceptability of remote banking services to the excessive commitment to physical network relations shown by bank managers and the lack of faith in virtual relationships.*

*The perspective of further research on the problem is the development for retail banks of new management approaches in the applying of social networks to improve the perception of the brand, creating a marketing model for electronic banking.*

**Keywords:** Internet banking, banking marketing, the spread of innovation, remote banking, mobile banking, social networks, crowdsourcing.

**Kowalenko W., Piddubna W. WDROŻENIE INNOWACYJNYCH KANAŁÓW MARKETINGOWYCH ROZPOWSZECZENIA PRODUKTÓW BANKOWYCH**

*Artykuł został poświęcony współczesnemu rozwojowi stosunków gospodarczych i finansowych w społeczeństwie, który wymaga od banków relacji między nimi a klientami w zakresie informacji i wsparcia technicznego. W związku z tym aktualnym problemem jest udoskonalenie innowacyjnych kanałów marketingowych w celu promowania produktów bankowych. Udowodniono, że konieczne jest wzmocnienie współpracy w kontaktach klientów z oddziałami i jednostkami, które świadczą marketing, bankowość*

internetowa, bankowość mobilną, interaktywne autoodpowiedzi, bankomaty i callcentra w celu promowania produktów bankowych. Poruszono problematykę usług bankowych na odległość dla menedżerów banków, którzy nie przewidywali tak szybkiego rozwoju wirtualnych relacji z klientami. Perspektywą dla dalszych badań nad tym problemem, jest rozwój nowych podejść w zarządzaniu bankami w zakresie korzystania z portalów społecznościowych, aby poprawić postrzeganie marki, tworzenie modelu marketingu przystosowanego do nowoczesnej bankowości elektronicznej.

**Słowa kluczowe:** bankowość internetowa, marketing bankowy, rozpowszechnienie innowacji, usługi bankowe na odległość, bankowość mobilna, portale społecznościowe, kroudsourcing.

### **Коваленко В.В., Піддубна В.Г. ВПРОВАДЖЕННЯ ІННОВАЦІЙНИХ МАРКЕТИНГОВИХ КАНАЛІВ ПРОСУВАННЯ БАНКІВСЬКИХ ПРОДУКТІВ**

У статті визначено, що сучасний розвиток фінансово-економічних відносин в суспільстві вимагає від банків перегляду взаємовідносин між ними і клієнтами з точки зору інформаційного та технологічного забезпечення. У зв'язку з цим актуальним питанням виступає удосконалення інноваційних маркетингових каналів для просування банківських продуктів. Доведено, що доцільним є зміцнення співпраці в контактах з клієнтами відділень банку та підрозділів, які забезпечують маркетинг, інтернет-банкінг, мобільний банкінг, інтерактивні автовідповідачі, банкомати і колл-центри з метою просування банківських продуктів. Обгрунтовано прийнятність дистанційного банківського обслуговування для менеджерів банків, які відносяться з надмірною прихильністю до фізичних мережесих відносин і відсутністю віри в віртуальні відносини. Перспективою подальшого дослідження, щодо поставленої проблеми, є розробка для розрібних банків нових управлінських підходів у використанні соціальних мереж для поліпшення сприйняття бренду, створення моделі маркетингу адаптованої для електронної банківської справи.

**Ключові слова:** Інтернет-банкінг, банківський маркетинг, розповсюдження інновацій, дистанційне банківське обслуговування, мобільний банкінг, соціальні мережи, краудсорсінг.

### **Коваленко В.В., Поддубная В.Г. ВНЕДРЕНИЕ ИННОВАЦИОННЫХ МАРКЕТИНГОВЫХ КОММУНИКАЦИЙ ПРОДВИЖЕНИЯ БАНКОВСКИХ ПРОДУКТОВ**

В статье определено, что современное развитие финансово-экономических отношений в обществе требует от банков пересмотра взаимоотношений между ними и клиентами с точки зрения информационного и технологического обеспечения. В этой связи актуальным вопросом выступает усовершенствование инновационных маркетинговых каналов для продвижения банковских продуктов. Доказано целесообразность укрепления сотрудничества в контактах с клиентами отделений банка и подразделений, обеспечивающих маркетинг, интернет-банкінг, мобильный банкінг, интерактивные автоответчики, банкоматы и колл-центры с целью продвижения банковских продуктов.

*Обосновано приемлемость дистанционного банковского обслуживания перед показываемой менеджерами банков чрезмерной приверженности физическим сетевым отношениям и отсутствие веры в виртуальные отношения. Перспективой дальнейшего исследования, относительно поставленной проблемы, является разработка для розничных банков новых управленческих подходов в использовании социальных сетей для улучшения восприятия бренда, создание модели маркетинга адаптированной для электронного банковского дела.*

*Ключевые слова: интернет-банкинг, банковский маркетинг, распространение инноваций, дистанционное банковское обслуживание, мобильный банкинг, социальные сети, краудсорсинг.*

## **Introduction**

Electronic banking marketing channels have been developed very quickly and then turned into dominant ones. The questions arose in the ability of banks to manage customer relationships through these new channels. For banks, appearance of digital platform was the most significant component for making new digital marketing strategy [1]. The analysis of case studies on these issues shows that the market was guided by new technologies, the approach to customer service changed at the operational level, in some cases quite effectively, but the methodological support for this process lagged behind. Ukrainian authors were mainly focused on security issues [2; 3; 4] or formulate this problem only in general terms. So in the paper of V. Vartsaba [5, P. 379], the authors call the process of technological renewal of banking “futuristic” marketing and do not even try to disclose the content of this term. We support the opinion of I. Zhurba [6, S. 47], who argues that there are already quite a few foreign banks making deposits and loans through the Internet. In Ukraine, the so-called Internet banking is passive enough and can only be viewed as a promising task, and not as an object of active ongoing activity. The introduction of these technologies in Ukraine began recently, which is why the analysis of their development needs to be done, relying primarily on the experience of commercial banks.

## **Statement of research objectives**

The purpose of the paper is to summarize the experience of domestic banks that ensure the development of marketing innovative channels for promoting banking products on the basis of taking deliberate decisions on Internet banking, mobile banking, social networks for better interaction with clients.

## **Results**

The sphere of the provision of financial services has undergone changes in many areas. With the advent of ATMs, Internet banking, smartphones, social networks, customers were less likely to visit banks. ATMs have existed for almost half a century, and nevertheless we have reasons to consider them to

innovative channels, as they are constantly being improved and besides remote cash dispensing, they receive all new functions (payment of bills, transfers, depositing of checks, etc.). In total, domestic banks have more than 26,5 thousand ATMs. The first place for the number of ATMs was taken by JSC "Privatbank" (more than 7,7 thousand ATMs on the territory of Ukraine). At the second position is JSC "Alfa-Bank" (more than 2,7 thousand ATMs). The third place in the rating by the number of ATMs was occupied by the "Oschadbank" (more than 1,7 thousand ATMs). In the top ten leading joint stock companies "Ukrsotsbank" (Unicredit Bank), (more than 1,1 thousand ATMs). A thousand ATMs are owned by "Ukrsibbank", the "Raiffeisen Bank Aval". The opinion that the time of ATMs will soon pass we do not share. ATMs remain for a long time, because with their help you can withdraw and deposit cash, and while there is a migration of the population there will be cash. In addition, ATMs are becoming multifunctional self-service terminals for customers from which banks will continue to receive revenue.

Electronic banking is one of the types of remote banking services, which has the most dynamically growth. The remote banking system was created in 1983 by two companies: "Bank of Scotland" and "British Telecom" [7]. Soon the Internet appeared, which provided free contacts between people. The revolution made by the Internet in the spheres of information, consumption and communications continues, we are at its initial stage [8, p. 21]. In the Internet environment, the time scale is significantly different from the usual one and allows banks to make decisions several times faster than before. In addition, the Internet is highly flexible, making it easy to make changes to the information provided and thereby maintain its relevance without time delays and significant costs.

Internet banking is not new service provided by the bank, but changing it is the form of servicing the client base and a new marketing channel that allows to implement the network. In Western banks, through the Internet, you can purchase all retail banking products, such as credit cards, time deposits, shares and other securities, mortgages, consumer loans, fixed interest deposits, foreign currencies, insurance, and others [9; 10]. The peculiarity of banks with Ukrainian capital in more modest opportunities in terms of financial support for the introduction of Internet technologies, compared with banks belonging to international financial groups. The financial crisis significantly affected the effectiveness of their actions. Since 2009, the financial results of their activities have been deteriorated, which caused consumer mistrust, a decrease in the attractiveness of the banks themselves and the loss of a large number of customers.

The leader of the introduction of innovations is JSC "Privatbank". He was the first to offer Internet banking services to clients [11]. Innovation of

JSC “Privatbank”, which is called “without coins” and is an electronic deposit system, was recognized in 2010 as the best banking innovation [12]. Internet banking services from the largest group are provided by banks: “Raiffeisen Bank Aval”, “Citybank”, “Swedbank”, “PUMB”, “Pivdenny”, “Sberbank RF”, “Unicredit Bank”. In this group we can identify bank “Pivdenny”, one of the few Ukrainian banks with subsidiaries in the EU. At the beginning of 2016, he entered the Top-20 banks for household deposits, with a portfolio of deposits of UAH 3.3 billion. The security of the functioning of the system is provided here by the implemented mechanisms of protection using the technologies for generating passwords for confirming payment. The popularity of this service is obvious - only for the first few days at the “Pivdenny” Bank, more than two thousand customers have joined it.

The research of the impact of gender features in e-banking shows that men have a more positive attitude towards Internet banking than women, and this is regarded as the prospect that the number of Internet users will grow [13, p. 41].

Mobile phone became the tool of mobile banking. The mobile app allows you to make payment with the mobile phone associated with a loyalty program and a prepaid debit card. Pioneer of the sale of its ATMs and terminals of electronic vouchers of IP telephony via the network was “Privatbank” [11]. The capacity of this sector of the market is rapidly increasing. In 2016, 35% of Ukrainians used smartphones, whereas in 2015 this figure was 28%. Among young people under the age of 35 this figure is even higher. In this age category, 72% of Ukrainians use smartphones. And in general, since 2013, the number of smartphone users in Ukraine has increased by 150% [14].

Social networks allow bank employee to communicate with a remote clients. Banks are also represented in channels like Facebook, Vkontakte, Instagram, Twitter. Among the countries in terms of the number of users, the US remains the leader, where more than 155 million people are registered in Facebook. In second place with a significant gap from the leader holds Indonesia with 37.9 million users. Among the countries with the largest number of participants in this social network are Great Britain (30.7 million), Turkey (29.5 million) and India (26.6 million). The Ukrainian audience of the social network Facebook in 2015 amounted to 4 million users. According to statistics, 45% of Ukrainian Facebook users are in the age group 18-24 years, 33% - in the age group 25-34 years, in addition, 1% of users of the social network - over 65 years old; 65% have higher education; Students account for 21% [15; 16].

A promising marketing channel is video-banking in Skype. Since 2006, at first the movement “Pay off Wall Street”, the term “crowdsourcing” has appeared, which means involving the general public to solve their problems. This

channel, can get wide distribution and instant support of customers. The number of Ukrainian banks that use online banking is growing every year, however, a sharp spread of these services will not happen soon. The reason for this is the inadequate security of providing banking services via the Internet. While banks: “Privatbank”, “Raiffeisen Bank Aval”, “Ukrsotsbank”, “Citybank”, “PUMB”, “Pivdenny”, “Sberbank RF” provide the highest level of security when working in Internet banking. On average the market for half of the Ukrainian banks that provide these services are placed on unprotected field pages for authorization, contact information of banking services, user name and password, confidential information is sent by e-mail in an unprotected form that does not meet the security requirements. These shortcomings are overcome with the help of more sophisticated means of electronic interaction. Banks can receive confidential information about each customer and automatically provide products and services that meet individual requirements in a protected form. It is important that the systems are user friendly and understandable. Having created complex security systems, having acquired software, management often does not attach special importance to the delivery of simple and convenient instructions to customers. The decisive factor in the introduction of remote banking services, comparable to the one offered by specialized agencies at mass market prices, is a radical change in the attitude towards banking by clients. At the same time, the marketing model itself changes significantly (Fig. 1).



**Fig. 1 Transformation of the marketing model in the banking sector**

**Source:** development of authors using [1; 8]

E-commerce allows you to significantly reduce the product path between the bank and the customer. Figure 1 shows that an increase in the share of online sales leads to a reduction in the need for a sales location (area), that is, the need for a network of branches is reduced.

### **Conclusions**

The introduction of principally new marketing distribution channels provides an opportunity for the bank to assume the functions traditionally performed by intermediary specialists, which contributes to the trend in the dynamics of the number of Ukrainian banks. So, in 2000 there were 214 banks operating in Ukraine. By 2007, there were 198 of them and this number remained unchanged until 2014. As of January 2017, there were 98 operating banks. The number of banks with foreign capital (40), including 18 with one hundred percent foreign capital, remained unchanged [17]. Until 2009 there was an increase in the number of structural branches of Ukrainian banks. In 2009, their number was 17.6 thousand, but then began to decline annually, on average per thousand, and for 2014-2016 decreased by 5.5 thousand and at the beginning of 2017 amounted to 10, 316 thousand offices [18; 19]. The regional network was cut by the largest banks in Ukraine like: "Oschadbank", "Privatbank", "Raiffeisen Bank Aval", "Pravex Bank", "Ukrsotsbank", "Ukrsibbank", "Prominvestbank". At the same time, according to the results of 2016, "Akordbank" expanded the network to 60, "Ukrgasbank" - to 231, "Sich" bank - to 60. In banks that implemented Internet banking the largest Reduction for 2015-2016. Happened: in the network of "Privatbank" for 670 branches, in the network of "Raiffeisen Bank Aval" for 188 branches. The general dynamics of the reduction in the number of branches is due not only to a drop in the economy, capital outflow as a result of the deployment of military operations and the political and economic crisis in 2014-2016, but also to the improvement of marketing communications channels.

The key factors that make banks to apply remote service are the adoption of new technologies by other competitive banks, consumer demand and the availability of these technologies.

In the context of the information economy, the degree of influence of the bank's branches is changing, the sale of retail financial products largely depends not on the staff and the number of branches, but on the bank's brand, the impressions of clients on the level of service in social networks. Social networks are quickly integrated into the commercial experience of Ukrainian enterprises, and banks are lagging behind in this. In conclusion, we have to say that at the same time, banks will have to pay attention to technical and organizational measures to ensure the safety of Internet banking.

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## TOOLS OF IMPROVEMENT OF STATE ADMINISTRATION IN THE TAX FIELD

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This article reviewed questions of government administration in the field of tax. The essence and genesis of the state tax politics and main ensuring instruments are clarified. Tax policy was determined as an important regulator of public intervention in the economy through the corresponding arrangements. Analyzing state tax policy, the meaning of "subject", "targets", "methods" was revealed. The connection of goals of tax policy, of the impact of its mechanisms on the social and economic processes in the country and the regions was justified. The recent problems in state tax policy of Ukraine and the ways of improving its mechanisms were found. A new approach to the evaluation of the effectiveness of tax policy as a whole or its individual method by evaluating the results and their compliance goals was offered. The research stated that modern scientific objective is to develop a holistic concept of state tax policy and to build respective conceptual apparatus and practical recommendations.

Keywords: public tax policy, mechanisms, goals, methods, ways of improvement.

Jemeljanow W., Kurnosow O. KIERUNKI UDOSKONALENIA MECHANIZMÓW POLITYKI PODATKOWEJ PAŃSTWA NA UKRAINIE

W artykule ukazano administrację publiczną w dziedzinie opodatkowania. Zwrócono uwagę na istotę i genezę polityki podatkowej państwa, głównych jej instrumentów. Ustalono, że polityka podatkowa poprzez odpowiednie mechanizmy jest ważnym regulatorem interwencji publicznej w gospodarce. Podczas analizy polityki podatkowej państwa zwrócono uwagę na definicję „podmiotów”, „celów” oraz „metod”. Uzasadniono połączenie celów polityki podatkowej i wpływu jej mechanizmów na procesy społeczne i gospodarcze w kraju i regionach. Określono aktualne problemy w polityce podatkowej państwa na Ukrainie i sposoby jej poprawy. Zaproponowano nowe podejście do oceny skuteczności polityki podatkowej w całości lub jej indywidualnego sposobu poprzez ocenę wyników. Stwierdzono, że współczesnym celem i wyzwaniem naukowym jest opracowanie całościowej koncepcji polityki podatkowej państwa i stworzenie odpowiednich pojęć i praktycznych zaleceń.

Słowa kluczowe: polityka podatkowa państwa, mechanizmy, cele, metody, kierunki poprawy.

Смельянов В.М., Курносков О.В. НАПРЯМКИ ВДОСКОНАЛЕННЯ МЕХАНІЗМІВ ДЕРЖАВНОЇ ПОДАТКОВОЇ ПОЛІТИКИ УКРАЇНИ

У статті розглядаються питання державного управління у податковій сфері. З'ясовано сутність та генезис державної податкової політики, головних інструментів її забезпечення. Визначено, що податкова політика за допомогою відповідних механізмів являє собою один з важливих регуляторів системи державного втручання в економіку. При аналізі державної податкової політики розкриті такі поняття, як «суб'єкти», «цілі», «методи». Обґрунтований взаємозв'язок цілей податкової політики, впливу її механізмів на соціально-економічні процеси в країні та регіонах. Виявлені актуальні проблеми у сфері державної податкової політики України та напрямки вдосконалення її механізмів. Запропонований новий підхід для оцінки ефективності податкової політики в цілому або окремого її методу через оцінку результатів і їх відповідність поставленим цілям. Встановлено, що сучасним науковим завданням є формування цілісної концепції державної податкової політики та побудова відповідного понятійного апарату і практичних рекомендацій.

Ключові слова: державна податкова політика, механізми, цілі, методи, напрямки вдосконалення.

Емельянов В.М., Курносков А.В. НАПРАВЛЕНИЯ УСОВЕРШЕНСТВОВАНИЯ МЕХАНИЗМОВ ГОСУДАРСТВЕННОЙ НАЛОГОВОЙ ПОЛИТИКИ УКРАИНЫ

В статье рассматриваются вопросы государственного управления в налоговой сфере. Выяснены сущность и генезис государственной налоговой политики, главных инструментов ее обеспечения. Определено, что налоговая политика с помощью соответствующих механизмов представляет собой один из важных регуляторов системы государственного вмешательства в экономику. При анализе государственной налоговой политики раскрыты такие понятия, как «субъекты», «цели», «методы». Обоснована взаимосвязь целей налоговой политики, влияния ее механизмов на социально-экономические процессы в стране и регионах. Выявлены актуальные проблемы в сфере государственной налоговой политики Украины и направления усовершенствования ее механизмов. Предложен новый подход для оценки эффективности налоговой политики в целом или отдельного ее метода через оценку результатов и их соответствие поставленным целям. Установлено, что современным научным заданием является формирование целостной концепции государственной налоговой политики и построение соответствующего понятийного аппарата и практических рекомендаций.

Ключевые слова: государственная налоговая политика, механизмы, цели, методы, направления усовершенствования

Introduction

The public tax policy is conditioned by socio-economic politics of the government and being criticized. In particular the underestimation of regional features

during taxation stipulates the decline of level of tax revenues of local budgets. It has to be noted that close connection with the tax income financial results of enterprises makes them a place of political confrontation at both the state and the regions. In this context, the problem of scientific evidence goal setting, development directions, forming tax mechanisms of its implementation are actual for considering.

Analysis of recent research

Such well-known foreign authors devoted the advances studies the question of government control of economic development as John. M Keynes (Keynes, 2012), F. Nitti (Nitti, 1904), I. Ozerov (Ozerov, 1909), B. Petty (Petty, 1993), D. Ricardo (Ricardo, 1955), A. Smith (Smith, 2001), V. Pushkareva (Pushkareva, 1996).

An important contribution to the scientific study of state tax policy of Ukraine made Y. Ivanov (Ívanov, 2007), A. Krysovaty, W. Volgar (Krysovaty, Volgar, 2010), P. Mel'nik, L. Taranhul, Z. Varnaliy (Miller, Taranhul, Varnaliy, 2008), S. Lekar (Lekar, 2005), A. Sokolovska (Sokolovska, 2006), K Shvabiy (Shvabiy, 2009). Exploring the state tax policy scholars rightly note that taxes are the economic expression of the state. How effective and fair taxes - so effective and fair and the state itself.

Statement of research objectives

The main goal of this article is to identify areas of improvement for present mechanisms of state tax policy. In order to achieve this aim the following problems has to be solved, in particular to find out the nature of management thought and the main instruments of provision; to identify current problems in government tax policy of Ukraine.

Results

Analysis of literary sources shows that provide a clear definition of state tax policy is not easy task, because the availability determination associated with an idea of what tax policy generally formed in the state and what goals it sets. However, the same is true for the concept of "politics". Interpretation of this statement is various, this is due to multidimensionality of this phenomenon.

We consider it appropriate to focus on the classic definition of politics as a science of public administration. It means that when it comes to policy as management, the term "politics" acquires additional meaning associated with a certain idea of management, its direction, purpose and ideology.

The concept of tax policy should be considered an extended sense. This concept defines the system targeted measures in the tax area, implemented by the government. The role of social and economic understanding of tax and fiscal policy is as follows:

- in determining the philosophical (ideological) perception of tax as perceived social need;
- the formulation of socio-economic targets of society that can be achieved by using government tax policy;
- in the formation of the methodological foundations and principles of tax administration, based on the provisions of the economic theory of reproduction, the theory of the state and its functions.

There are many theories of taxation that differ in the basic approach to tax and taxation as an instrument of socio-economic development in areas of tax policy. Exploration theories of taxation revealed their strong justification and development by identifying socio-economic effects of taxes.

Tax policy is one of the most important regulators of public intervention in the economy, because of this, almost all tax theories raised “manipulation” taxes, the tax burden, fiscal priority goals and others.

Development of tax theories caused by intentions of the government to explain its actions on the formation and implementation of mechanisms regarding taxes, increasing the tax burden and shifting taxes. In the area of tax policy scholars hold opposite points of view.

Representatives of the classical theory of taxation A. Smith (Smith, 2001), Ricardo (Ricardo, 1955), F-B. Say (Say, 2000), justify the reduction of state functions and tax burden. Representative of the theory of economic proposals A. Laffer, who is a supporter of the ideas of economic liberalism, focuses on the impact of tax and fiscal policy on economic activity, reduced regulatory influence of the state (Laffer, 1983).

The global economic crisis of 1929-1933 demonstrated the weakness of the provisions of the classical theory that limits the possibility of intervention in the economy. It became clear that it is necessary to find a new ways of government regulation of the economy, including the way of increasing the role of taxes. In contrast to the classical Keynesian theory argued necessity of state regulation of the economy, consideration of taxes as regulatory norms of consumption, savings, optimal structure formation play progressive taxation.

British economist John. M. Keynes formulated a fundamentally new theory. The main idea was that the system is imperfect market economic relations and requires constant monitoring. The highest employment and growth can be achieved only through active intervention in the economy. According to Keynes, the basic tenet of government policy is to use taxes as a “built-in stabilizers” of the economy, which must be actively manipulated. In order to increase investment activity and economic recovery of production during the recession taxes should to be reduced, the tax incentives has to be increased, generate the ap-

propriate tax treatment. On the contrary, in order to affect a reverse during the economic boom to contain the growth of investment activity, preventing the occurrence of future crises of overproduction should raise taxes, reduce tax benefits and related modes. According to the authors, this manipulation taxes should be considered as an effective mechanism positions solving social and economic problems, investment in the regions of Ukraine.

The main Keynes's contribution to the tax theory is to substantiate the importance of fiscal management, identifying positive role of taxes is their impact on the redistribution of resources in the economy. The most attention was paid to changes in tax policy that have been classified took one of the main objective factors that influence the propensity to consume (Book 3, Chapter 8) (Kejnes, 2012, p. 35-37).

JM Keynes said: "Since the economic process participants incentives to savings estimated revenue impact, then these incentives depend not only on the rate of interest, but also on tax policy. If fiscal policy is deliberately used as a tool by which to be made more equitable distribution of income, it will certainly put even greater impact on increasing the propensity to consume (Vol. 2, Ch. 6) (Kejnes, 2012, p. 36). The government should "provide a guiding influence on the propensity to consume partly through appropriate tax system, partly by fixing the rate of interest" (Vol. 2, Ch. 6) (Kejnes, 2012, p. 141).

When we try to analyze the state tax policy, we need to distinguish between such concepts as "agents of the government tax policy" and its "objectives", "method" and "form".

In modern scientific literature distinguish the following forms of tax policy, as the maximum tax, economic development, reasonable taxes and adaptive tax policy. Courtesy of tax policy the government contributes to a balanced production, favorable structural changes to support social services, socio-economic development of regions. Funds withdrawn from production, used to finance non-productive sectors, it is contributes to developing of aggregate demand and providing extended playback.

The objectives of government tax policy determine its shape. Some of them are presented on Fig. 1.

It should be noted that the fiscal goals have always been a priority. Other goals, although extremely important for the state, are still minor in nature. This is because the main function is considered fiscal taxation, all other functions are secondary. These are the main secondary goal in the relevant state policies are social, economic, environmental, external, for which tax policy is only one method of implementation. The distribution of targets to primary and secondary often leads to the manifestation of the dual nature of tax policy. This occurs when the priority implementation of any purpose is realized at the expense of others.

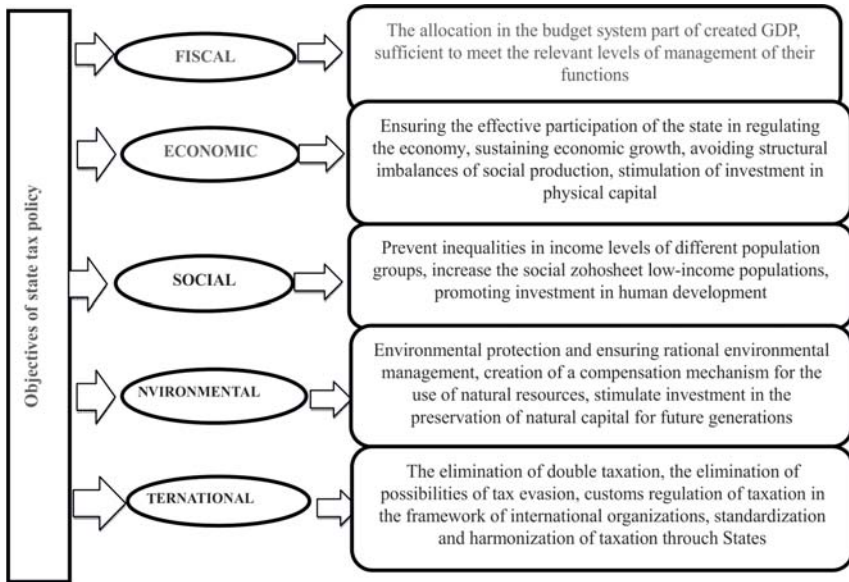


Fig. 1. *Goals of the State Tax Policy (author's interpretation)*

For example, implementation of priority economic goals of tax policy by significantly reducing the tax burden on the economy leads to infringement of fiscal targets. Research shows that the main fiscal objectives are not always a priority. For example, implementation of priority economic goals of tax policy by significantly reducing the tax burden on the economy leads to infringement of fiscal targets. Elimination of progressive taxation of incomes facilitates implementation economic and fiscal purposes at the expense of social.

The increase in tax payments ecological orientation allows implementation of environmental and fiscal objectives, but it reduces the price competitiveness of products that adversely affect the economic and international goals.

Depending on the objectives, selected priorities and the appropriate form using a particular method of taxation policy or their set. There is some methods from the arsenal of modern international practice. It is regulation:

- the ratio of direct and indirect taxation; state and local taxes; proportionate and progressive tax rates and the degree of progression;
- industry tax burden, carrying the load of some taxpayers to others; magnitude and direction of tax privileges and preferences, deductions, rebates and exemptions from the tax base; the composition of taxes, taxable items, tax rates,

methods of calculation of the tax base, the manner and timing of payment of taxes.

The stated aim can be achieved using alternative or parallel certain methods of providing them with the appropriate orientation towards increase or decrease the value, structure and so on. In order to make the right choice in favor of a method, you must evaluate the efficacy of each method and then based on comparative analysis reasonably make this choice.

Based on the investigation of the relationship purposes of state tax policy, the impact of its mechanisms for social and economic processes in the country and the region to assess the effectiveness of tax policy as a whole or its individual method could offer a new approach through the assessment of results and their compliance goals. The criterion for assessing efficacy in this case we see the approach of result that is achieved the stated objectives. Comparative evaluation of the effectiveness of alternative methods at the stage of selecting qualified complicated need forecasting and modeling of these results. However, an objective evaluation of the results into the implementation of a method of tax policy no less complicated. In our opinion, we should highlight the following issues.

First, the desired result can be obtained as a result of not only a method of state tax policy, but also the combined use of methods other policies. Indeed, when put some socio-economic objective, it is almost always to achieve except additional tax measures arsenal of methods appropriate orientation. Thus the results to isolate only the effect of application of a tax nature impossible. We believe that objectivity is significantly increased only in evaluating the compliance results stated fiscal targets, as well as other policies fiscal targets are not present, the combination of different effects can be neglected. Thus, a dual goals of state tax policy also stipulates a different objective evaluation of its effectiveness.

Second, in assessing the degree of achievement of stated objectives obtained results should be analyzed not only the efficacy of the methods themselves, but also the correct targets. If you put a false target, contrary to the general nature of ongoing state tax policy and complex measures already implemented, this could lead to negative results, despite the high efficiency in use of a single method. For example, repeatedly raised the target for combating tax breaks and used the method of their use zoom, but the result remained negative at the same time - the amount of benefits are not reduced. According blame should not a method, and a goal that must be made in another way: as a realization of the principle of equality of taxation and incentive-based privileges. Then methods have been chosen by others, and the result would be different.

It should be noted that the procedure for evaluating the effectiveness of the stated objectives of selected forms and methods have not yet become an essential component of state tax policy. The reason is simple: to reform the Ukrainian

tax system is kept focus on the process as a self-contained element of tax policy, rather than the result. Dominated by separate qualitative assessment and not incorporated in qualitative and quantitative criteria that are subject to continuous monitoring. Therefore, we believe that one of the major scientific challenges is to create a holistic concept of state tax policy and building conceptual apparatus appropriate and practical recommendations.

Thus, the analysis of functional and regulatory capabilities taxes leads to the conclusion duality Ukraine tax policy goals: on the one hand, targets due to the need of financial resources of the state, which corresponds to the essential features of tax and makes problem solving improve taxation; the other - the objectives associated with the need to solve tactical problems of social and economic policies that are not directly related to taxation. Elimination of double nature, ie forming a consistent state tax policy is extremely difficult, sometimes almost impossible task. This is a long-term benchmark to which the state should seek, developing the concept of tax policy.

Under the concept (doctrine) state tax policy is a fundamental decision on the architecture building or reforming the tax system.

State tax policy strategy aimed at implementing long-term goals and long-term solution to problems associated with the construction or reform the tax system in line with the concept of generation. This strategy is being developed for the long term and, in fact, embodies the concept of state tax policy. To increase the validity and the possibility to be implemented this strategy must be aligned and connected with the corresponding budgetary, economic, social, environmental and international strategy. The strategy of state tax policy in the country determined by the President of Ukraine, Verkhovna Rada of Ukraine and the Government of Ukraine.

Tactics state tax policy aimed at the implementation of current short-term goals and objectives related to the management of the tax system, the transformation of its individual elements produced in line with the strategy. In connection with this tactic state tax policy should be organically linked with the strategy and be substantially mechanism for implementing the chosen concepts and appropriate strategy. Tactics state tax policy determined by the Government of Ukraine, including ministries, agencies and local authorities.

The subjects of state tax policy has various levels of government that have tax sovereignty within the authority established by the tax legislation, and have the ability to affect the economic interests of taxpayers. Ingredients business tax policy determined by the type of government and in accordance with difference in government. In Ukraine, these subjects are management level: national and local. The scale of their impact on government tax policy generally determined

by the level of decentralization of tax powers set methods used in the practical implementation of a tax provision. At the state level entities active fiscal policy is the President of Ukraine, Verkhovna Rada of Ukraine, the Government of Ukraine. The entities include state tax policy, taxpayers, tax authorities, authorities. Subject to state tax policy are the taxes and the tax system.

Conclusions

Thus, clarifying the nature and genesis of management thought and the main instruments to ensure it helped to found the current problems in state tax policy of Ukraine, namely:

- none of the doctrines of classical economic theory is not able to develop universal guidelines, compliance with which can ensure the success of the economic policies pursued by the state;

- the rejection of Keynesian methods of state regulation has not led to the renewal of the economy in Ukraine, improvement of existing mechanisms of state tax policy;

- most of the research in the field of fiscal policy was limited to the state level, without considering regional and local, and research on the regional economy does not emphasize the impact of government tax policy on regional development.

- There are contradictions between the need for stability of the tax legislation and its operational response to changes in economic activity, social sphere, international trade in order to enhance impact to economic growth;

- procedure for evaluating the effectiveness of the stated objectives of selected forms and methods have not yet become an essential component of state tax policy;

Accordingly, should identify ways of improving current mechanisms of state tax policy Ukraine, the observance of which will contribute to solving these problems. First of all, the formation of a coherent concept of state tax policy, building conceptual apparatus appropriate and practical recommendations; introducing a new approach to evaluate the effectiveness of tax policy as a whole or its individual method by evaluating the results and their compliance goals; dissemination of research in the field of tax policy at the regional level.

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Section 3.
INTERNAL POLICIES

DOI : 10.14746/pped.2016.9.21
УДК 35.072.3+323.2]:316.48=111

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NEGOTIATIONS BETWEEN THE STATE AND CIVIL SOCIETY IN SITUATIONS OF CONFLICT: STRATEGY AND TACTICS OF PUBLIC POLICY

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*The article investigates the problem of negotiations between the state and civil society in situations of conflict to overcome the crisis in the country and determine the strategy and tactics of public policy for its resolution and prevention. The negotiation process in terms of relationship conflict is complex and has its own specifics. Talks aimed at finding common solutions begin only when all members of the state and civil society, convinced that they have no better alternative to negotiations. Its absence is one of the key elements of the negotiation process. Some alternative of negotiations can become a better alternative than a decision on negotiations. To participants in conflict moved from unilateral to shared, they must define the area where possible and where the debate - possible consensus, define negotiation sphere. Arrangements can be achieved only within this sphere. Needs of society in the country due largely need to implement control functions are conflicting processes occurring in it and anticipating, in particular, the formation of political and legal rules of conduct of participants in these processes, which eliminate violence against each other (legislative brunch of power); implementation of these rules in the real emerging social relations (executive); resolving disputes over the application of these rules (the judiciary).*

*These characteristics were important signs of law-governed state. Quite difficult to implements a strategy to reconcile social conflicts in the transitional society. To prevent destructive conflicts in such societies it is essential to stabilize economic structures, because of their rational basis, interest groups and pressure groups capable of constructive negotiations and compromise. But the main thing - strengthening democratic institutions must generate pluralistic society where political processes are organized, is an expression of institutionalized interaction organized and perceived group interests.*

**Keywords:** civil society; public administration; negotiations; conflict relations; conflict situation; cooperation; negotiations; BATNA.

**Bondar G. NEGOCJACJE MIĘDZY PAŃSTWEM I SPOŁECZEŃSTWEM OBYWATELSKIM W SYTUACJI KONFLIKTU. STRATEGIA I TAKTYKA POLITYKI PUBLICZNEJ**

*Dokonano analizy istoty i problemu przeprowadzania negocjacji między państwem i społeczeństwem obywatelskim w sytuacji konfliktu w celu zwalczania kryzysu w kraju. Określano zdolność do wykorzystywania strategii i taktyki w administracji publicznej w celu pogodzenia konfliktów społecznych w społeczeństwie przejściowym.*

**Słowa kluczowe:** społeczeństwo obywatelskie, administracja publiczna, negocjacji, stosunki konfliktowe, sytuacja konfliktowa, proces negocjacji, BATNA.

**Бондар Г.Л. ПЕРЕГОВОРИ МІЖ ДЕРЖАВОЮ ТА ГРОМАДЯНСЬКИМ СУСПІЛЬСТВОМ ЗА УМОВ КОНФЛІКТУ: СТРАТЕГІЯ І ТАКТИКА ПУБЛІЧНОЇ ПОЛІТИКИ**

*Проаналізовано сутність та проблеми проведення переговорів між державою та громадянським суспільством за умов конфлікту з метою подолання кризових явищ в державі. Визначається можливість використання стратегії і тактики в публічному управлінні з метою примирення соціальних конфліктів в перехідному суспільстві.*

**Ключові слова:** громадянське суспільство; державне управління; переговори; конфліктні відносини; конфліктна ситуація; співробітництво; переговорний процес; BATNA.

**Бондарь А.Л. ПЕРЕГОВОРЫ МЕЖДУ ГОСУДАРСТВОМ И ГРАЖДАНСКИМ ОБЩЕСТВОМ В УСЛОВИЯХ КОНФЛИКТА: СТРАТЕГИЯ И ТАКТИКА ПУБЛИЧНОЙ ПОЛИТИКИ**

*Проанализированы суть и проблемы проведения переговоров между государством и гражданским обществом в условиях конфликта с целью преодоления кризисных явлений в государстве. Определяется возможность использования стратегии и тактики в публичном управлении с целью примирения социальных конфликтов в переходном обществе.*

**Ключевые слова:** гражданское общество; государственное управление; переговоры; конфликтные отношения; конфликтная ситуация; сотрудничество; переговорный процесс; BATNA.

## Introduction

The negotiation process in terms of relationship conflict is complex and has its own specifics. During the conflict, the emphasis is usually on allocation or reallocation of existing resources. As a result of all negotiations in conflict almost similar to each other so that they are heard threats, ultimatums, and the behavior of the parties is «unyielding» - they focused on the promotion, strengthening its position. Social practice on general issues of conflict management is mainly focused on the formation of institutional arrangements (creation and development of appropriate legislative, executive, advisory and other services) and spread ideas social cohesion and social partnership.

Needs of society in the country due largely need to implement control functions are conflicting processes occurring in it and anticipating, in particular, the formation of political and legal rules of conduct of participants in these processes, which eliminate violence against each other (legislative brunch of power); implementation of these rules in the real emerging social relations (executive); resolving disputes over the application of these rules (the judiciary). These characteristics were important signs of law-governed state. Quite difficult to implements a strategy to reconcile social conflicts in the transitional society. To prevent destructive conflicts in such societies it is essential to stabilize economic structures, because of their rational basis, interest groups and pressure groups capable of constructive negotiations and compromise. But the main thing - strengthening democratic institutions must generate pluralistic society where political processes are organized, is an expression of institutionalized interaction between and perceived group interests.

### **Analysis of recent research**

Theories and characteristics of negotiation in conflict social environment, the negotiations have devoted their attentions to such foreign scholars as R. Fisher and W. Ury. The study of current institutional arrangements for managing social conflicts, the role of the state and civil society engaged R. Dahrendorf. The features and nature of the political settlement of conflicts studied M. Lebdev, A. Glukhov and V. Rakhmanin.

### **Statement of research objectives**

The objective of the article is to analyse the essence and the problems of negotiations between the state and civil society in situations of conflict to overcome the crisis in the country. Determine the ability to use strategy and tactics in public administration with a view to reconcile social conflicts in the transitional society.

### **Results**

Negotiations as form and method of cooperation between the communicators, have always been, are and will be valued phenomenon. Referring different interests of the different entities (people, countries, institutions, religions). They will inevitably give rise to various conflicts, many forms and methods of interaction. Any problem situation, regardless of the specifics, outlines the participants of the negotiation process specific tasks that both parties must decide to reach agreement. Passage of these stages is the foundation of the success of the negotiation process as a whole.

Common actions that negotiations aimed at finding common solutions begin only when all members become convinced that they have no better alternative to negotiations. American authors R. Fisher and W. Ury [4] introduced a

special term «BATNA» (an abbreviation of the English «Best Alternative to a Negotiated Agreement») - the best alternative to the negotiation decision (agreement). It should be emphasized the word «best» since entering into negotiations to resolve the conflict, the participants usually have few alternatives to them. Alternatives are examined and developed, and often this is done in parallel with the negotiation process. Not by chance in resolving the conflict situation can be observed when negotiations are conducted simultaneously with attempts to use other means to resolve it, including the militar. Participants conflict through trial and error check for the ability and effectiveness of various options. Depending on the scenario or another alternative negotiation can become a better alternative than a decision on negotiations, the BATNA. Then the negotiations will be broken off, and hand over to unilateral action. Later, they can once again return to negotiations, although it has to be negotiated and other new conditions [3, p. 50].

To participants in conflict moved from unilateral steps to common except their BATNA no need to define the area where possible and where the debate - possible agreement. This area is called negotiation space. Before deciding on joint action to resolve the conflict, the participants compared negotiation space and BATNA. Arrangements can be achieved only within this space [3, p. 50]. This agreement is seen as «fair» or «equal» only if both parties to the agreement are better compared to the estimated their BATNA.

Having no negotiating space BATNA - the basis of a peaceful settlement of the conflict. But sometimes, seeing opportunities to solve problems with unilateral actions, the participants begin negotiations and conflict without negotiating space hoping to determine its possible limits. This discussion is preliminary. The result can be a beginning of real negotiations on the conflict settlement negotiation if space is found, and a return to unilateralism. If the parties are the best alternative to the absence of negotiation space, the need to develop not last because it will be implemented BATNA.

Sometimes it happens that the conflict has no negotiating space or BATNA. Typically, the first sides are trying to develop their own alternatives and find the best among them, because otherwise the fact of accession negotiations will impose restrictions on them in realizing the goals of maximum and even the development of alternatives in the future. Failure promises sharp intensification of military operations during the talks could significantly undermine the reputation, reduce support and trust. Therefore, the parties to the conflict still try to avoid such behavior.

Then, when participants can not develop their BATNA, they begin to search negotiation space continues parallel search of a better alternative. That is, parties to the conflict are immediately in both directions, looking for ways

to jointly address while making unilateral moves. As a result of the conflict is reduced when the focus detection negotiation space is growing with renewed vigor until the armed struggle.

The negotiations and armed to struggle can also occur to parallel. As a result of the settlement of the conflict becomes prolonged nature, and accompanied by other forms of activity, some of which contribute to the search for peaceful solutions, others inhibit them. This may be a request for support from international organizations, and the purchase of weapons, and the use of the media, and various diplomatic steps [3; c. 52].

Social practice on general issues of conflict management is mainly focused on the formation of institutional mechanisms and the dissemination of ideas of social agreement, social partnership and others. These conclusions were based on view prevailing upon experts on issues of public employment, whereby the devastating social life leaving industrial conflicts (R. Dahrendorf) and, conversely, there are institutional mechanisms for conflict management. An example of such a system of regulation of social relations that used in recent decades has been the doctrine of so-called «industrial democracy» based on the principles of equal representation, parity, equality and transparency. There are social conflicts that lead to political conflicts. But instead of acquiring more and more violent and destructive nature of these conflicts are resolved organizations and institutions by which they can find expression within the constitutional order. Political parties, elections and parliaments can make possible conflicts without revolutions [2].

Experience of open, democratic societies shows that compromise and political consensus depends on the interaction of political actors. It is caused by lots of factors, including the availability of full market structures, stable political institutions, and interactive (non-confrontational) political culture ethos of tolerance. So hope for overcoming destructive conflicts should not be linked only with government agencies. Equally important and responsible role of civil society, especially in formation of such a political environment that will be able to «extinguish» all the negative effects of destructive conflict, retaining only the innovative potential conflict [1 , p. 278].

In the stable functioning social role of the state and civil society are clearly defined. The authorities can not afford to become independent entities in the political conflict, without risking to forget about the common good, for which they exist. But civil society actors, competing with the state political development of production programs and projects of public welfare, alternative proposals - can not claim the prerogative of the state, namely the monopoly on the use of institutionalized violence, including the influence and authority and power as the threat to coercion.

The very need of society in the country due largely needs to implement control functions conflict processes occurring in it and anticipating, in particular, the formation of political and legal rules of conduct of participants in these processes, which eliminate violence against each other (legislative branch of power); implementation of these rules in the real emerging social relations (executive); resolving disputes over the application of these rules (the judiciary). These characteristics were important signs of law.

Thus, mass democracy inherent in the state with developed social security system is a tool that softens class contradictions. However, this is only possible if unabated dynamics of economic development defended the policy of state intervention. Only in this case there are funds to pay social compensation distributed through institutionalism and the mechanism of participation of different social groups in the distribution of these funds. Then it is possible to satisfy both role and function as the consumer and client, and the structure of alienated labor and alienated political participation does not reveal their explosive force [1, p. 289].

It is much harder to implement a similar strategy to reconcile social conflicts in the transitional society. The process of modernization, which involves the growth of inequality in the distribution of income, wealth, property and human capital controls, provokes antagonism of social and class relations, growing distrust of government that makes such policies. But even more dangerous for social stability is the inability of the state to the strategic management process of modernization, long-term neglect of social functions, tasks and programs. Meanwhile, blocking unfavorable political trends such as poverty and a total of strategic, social policy provides timely fulfillment of three main features: support for social stability, stimulate economic activity and the preservation of human development, including the formation of the middle class. To prevent destructive conflict in such societies it is essential to stabilize economic structures, because of their rational basis, interest groups and pressure groups capable of constructive negotiations and compromise. But the main thing - strengthening democratic institutions must generate pluralistic society where political processes are organized, is an expression of institutionalized interaction organized and perceived group interests [1, p. 290].

Also equally important is the communication links between the state and civil society. In the area of public policy communication (or public) and state government (or administrative authority) can collide. Any political system aims to ensure the loyalty to the masses. In the first case - proposing projects of social programs at the state level, the second - excluding from public discussion certain themes and messages. This is achieved through social structural filter access to public opinion, or deformation structures of public communication using bureau-

cratic methods or manipulating the flow of information. Hence the forefront of political struggle put forward the issue of alternative sources of information. Free association designed to serve to articulate the important topics for society, promote the development of proposals for solving various problems, interpret values expose some arguments and offer others. Organized formation of opinion must remain open to him in the circle of political communication received free themes, thoughts and arguments that promote rational political will formation [1, p. 291].

For the occurrence and impact on different kinds of associations, unions and political parties should have a prerequisite - political culture. Within a culture organically linked required for common life values and consensus as essential civil dialogue. Thus, the historical experience of «taming» of political conflicts in the Western democracies shows that this task is achieved by the combined efforts of both the state and society requires consideration of specific socio-historical, political and cultural conditions.

Thus, certain principles developed management and mitigation of conflicts. These include: legal, state-controlled application of coercion; transformation of the political conflicts in regulated competition within the party and parliamentary party representation; continuity in policy; expansion of political participation as a way to transform discontent legal political action; growth redistribution of public goods for the benefit of disadvantaged populations and groups; world-view tolerance guaranteed basic human rights [1, p. 292].

Cross-section of interests and the inability to implement them one by unilateral action does negotiators interdependent. This is an important feature of the negotiations. The more parties depend on each other, the more they are limited to their unilateral steps and, therefore, the more compelled to seek solutions together, through negotiation. It is important to note that the parties must understand their interdependence, and if not, the dominant will attempt to resolve the conflict by unilateral action. Then, when the unilateral actions of the parties are beginning to prevail, especially those aimed at developing alternatives to solving negotiation, negotiations are terminated. This apparently they are continuing, the parties will pretend to negotiate, conduct meetings to discuss issues on the agenda, but in fact they do not solve. Sooner or later, these «negotiations» will be interrupted. Fearing that the other side did not go this route, negotiators sometimes specifically enhance interdependence by previous agreements, framework agreements, etc, to be able to influence through them, then the behavior of a partner.

Another important feature of negotiations, without which they can not happen, is the presence of communicating parties. It is an integral part of the negotiation process. Negotiations must involve discussion of the problem. In terms of communication with conflict negotiation is much more complicated

negative stereotypes of the parties, and other phenomena of perception and lack of communication channels. However, there is the opposite effect. With proper organization of the negotiation process communication contributes to a more adequate perception of the participants and the object that caused the conflict and each other.

Representation of signals participants about possible actions and intentions does not mean negotiations. The nature of these characters can be different. Thus, one of the parties to the conflict may reduce the confrontational rhetoric in official speeches or media. This can be understood as a signal that means an invitation to negotiations, but it is not a negotiation. Thus no matter whether participants are in direct or indirect communication channels.

It is important to bear in mind that negotiations always have a problem to be solved jointly. If not, then communication is reduced to the discussions, consultations and discussions. The last major characteristic negotiations it is that the negotiations can be called only those aimed at the joint solution.

The focus on the joint solution to the problem at the same time there is the main function of negotiations. This is the reason why negotiations are conducted. The implementation of this function depends on the interest of participants in Searching for a solution that would suit everyone. There are three types of negotiations based on the interest of the parties.

The first kind is such negotiations, in which participants (or one of the participants) have little interest in solving their positive or indifferent to it. The second type of negotiations - a negotiation in which the parties although showing interest in achieving result, but rather moderate, mainly relate to general perspective. The third kind of negotiation will present talks at which participants really interested in joint problem solving. Accordingly, if all participants are focused on the third kind, the negotiations likely will end well, that problem will be solved. It is possible to reach agreements, in the event that either party finds the weighted interest on them, and the other - strong. For small interest parties consent, likely will not be achieved.

Implementation tool «common solution to the problem» through negotiations does not necessarily mean its final decision. There are different possible options. For example, the parties are aware of the danger that contains unilateral steps and begin negotiations. But at this stage the participants see no possible solution to negotiations and realize they are not ready for joint actions and decisions, or consider them unprofitable and premature. The purpose of these negotiations is to «freeze» the further development of relationship conflicts.

The negotiation process may help curb unilateral action because there is interdependence of the conflict due to the fact of their conduct. The temporary

solution only stops the conflict, and if the parties do not adopt further steps to resolve it, it may flare up again. In such circumstances usually requires renewal and continuation of the negotiations. However, temporary and long-term negotiated solution should be perceived as a better party than unilateral action. If not, then the negotiations will only tactical move respite from the conflict.

Almost all the negotiations to resolve the conflict, along with the main function and other functions are available. Use of negotiations with various functional objectives is possible that negotiations are always attached to the wider political context and serve as a tool for solving the whole range of domestic and foreign policy objectives. Accordingly, they can perform different functions. Some function quite well with the main purpose of the talks - together with the opposing party to solve the problem, others - contrary to their basic function.

The most important functions of the negotiations except the main are: informative-communicative function; regulatory; function solve their own domestic and foreign policy objectives; propaganda.

Informative-communicative function is available in almost all negotiations. Exceptions can be negotiated conducting for «misleading», but they have a communication aspect, albeit minimal. The essence of the informative-communicative function is to find out the views of the opposing party to provide information about their interests, concerns, solutions to the problem, before the parties begin to negotiate. The most intense this process is at the beginning of the negotiations.

Clarification between parties approaches to solving problems can more accurately determine the final solution and fully realize the basic function negotiations - a joint solution. However, keep in mind that using informative-communicative function and possible submission of false information, putting the opposite side misleading. In this case, to solve the problem with negotiations will be blocked.

Sometimes it happens that the parties to the conflict, resorting to negotiations only interested in exchanging views and opinions. Such negotiations are considered by the parties as preliminary, and their function - is purely informational. Preliminary talks are not negotiations in substantive sense. But when their conduct can be defined a certain approach to the problem. If such negotiations see in the context of general settlement process, we should recognize their positive role in the search party solution that pleased everyone.

Related informative is communicative function which related to the establishment and maintenance of connections and relationships the conflict. The main tasks - establishing regular channels of communication, exchange opin-

ions and discuss approaches to solving problems. Both functions - informative and communicative usually implemented simultaneously not only talks, but also in other areas of communication that can not distinguish between them and isolate a single informative-communicative function of negotiations.

Another important feature of negotiations is regulatory. With it implemented the regulation, control and coordination of the participants. This feature is similar to informative-communicative, although it is different. First, it is often implemented in cases when there are agreements and negotiations are conducted on the implementation of previously adopted decisions. Second, the regulatory function is used for control. If installed a truce and peace negotiations just began, the content control is to ensure that, for example, discuss controversial violations of truce agreements. And if the parties to the conflict have reached agreements on peace talks then the following can be used to determine issues of compliance with these agreements.

The regulatory function also provides details of the more common solutions to their specific implementation. Negotiations, which implemented this feature, serve as a kind of adjustment relations between the parties. If we have multilateral negotiations with «collective management of interdependence», then we have the regulation of relations participants. Finally, the regulatory function is used to prevent the exit of the situation out of control parties to the conflict, especially in the most critical moments of relations. In such cases it is closely intertwined with the informative-communicative: participants regulate their relationship is by providing information about each other's intentions.

However, the regulatory function can be used to control the actions by the other side to try to impose her decision. In addition, negotiations may use certain participants to solve their own domestic and foreign policy objectives. Participation in negotiations can be beneficial to any of the participants in the election campaign, for example, a demonstration of the desire for peace. In other cases, resorted to negotiations in order to affect the position of third parties, for example, encourage them to lifting sanctions. Finally, the party may consider itself part in the negotiations as useful in terms of enhancing its international prestige, giving particular political status.

Sometimes negotiations are required to serve as a kind of «masking» («misrepresentation»), when in fact the agreement is not necessary, as resolved completely different task. «Masking» negotiations are conducted only for creating visibility. In this case, their functionality is far from the main - joint problem solving and negotiation talks are no longer inherently.

«Masking» function is used to start negotiations armed to attack. The contents of these negotiations is to hold them and even to conclude agreements to

buy time, «outsmart» the enemy, and at the beginning of military action - to be in a better position. Also, negotiations can start only in order to then blame the opposite side and to start the right military action. Such behavior is not necessarily totally destructive. Everything depends on the specific situation, and most importantly, on whether a possible solution to the problem with negotiations.

The propaganda function is in active negotiations to influence public opinion in order to clarify its position wide circles, justify their actions, the opposite side of claims, accusations opponent in unlawful activities, to attract to its side new allies, etc. In this sense it may be considered a derivative of or in addition to such features as addressing their domestic or foreign policy issues.

Now, with the significant involvement of the media in conflict resolution issues almost any negotiations using propaganda function. Particularly intense propaganda function is used at major international conferences on the relationship conflicts that occurs widely involving the press. When conducting extensive negotiations, the special bodies created to work with the press. Speech at such conferences sometimes becomes a kind of using them as a platform. As a result, their positions are «constrained» the expectations of the masses. In order to avoid the pressure of the press and all outside influence, the negotiations are often conducted «behind closed doors» and even secretly. In the latter case, no information is submitted on their implementation.

### **Conclusions**

Thus, any negotiations are multifunctional and involve the simultaneous implementation of several features that typically form a hierarchy in which one function is more important for a particular party of negotiations, the other - less important. Moreover, this hierarchical structure can be altered during negotiations. It is important, however, that the primary function still remains a common solution.

Only those negotiations in situations of conflict or cooperation, in which the main place in the hierarchy occupy function together with partners to solve the problem is indeed negotiations. If not, the negotiations turned into «kvasi-negotiations», recalling the talks only in form.

Summarizing the meaning of conflict management, we can say that the process of conflict monitoring by the participants or external forces (public institutions, authorities, businesses, special parties). This understanding of conflict management extend to the various levels of its origin - from the interstate to the interpersonal, as in all cases, parties to the conflict, faced with disagreement on any matter capable of localized conflict, limit its defined borders that will not allow the escalation and thereby control it. Effective communication is a crucial tool for constructive conflict management.

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DOI : 10.14746/pped.2016.9.22

УДК 351.77:[343.85 :613.83]=111

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### **PREVENTIVE ACTIVITY AS AN INTEGRAL PART OF IMPLEMENTING PUBLIC POLICY OF COUNTERACTION AND PREVENTION OF DRUG ADDICTION**

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Theoretical substantiation of substantive components of prevention is conducted in the article. The levels of carrying prevention activities as an integral part of implementing public policy of counteraction and prevention of drug addiction are determined. Proposals for its improvement are grounded and problematic issues for further research are outlined.

Keywords: drug addiction, prevention, preventive activities, public policy to prevent and counter drug addiction, rehabilitation, subjects of public policy implementation, public institutions

Lużeczka N. DZIAŁANIA PROFILAKTYCZNE JAKO INTEGRALNA CZĘŚĆ REALIZACJI POLITYKI PAŃSTWA PODEJMOWANE W CELU ZAPOBIEGANIA I ZWALCZANIA NARKOMANII

Opisano istotne elementy działań profilaktycznych. Określono poziomy działań prewencyjnych jako integralnej części realizacji polityki państwa w celu zapobiegania i zwalczania narkomanii. Przedstawiono propozycje do jej poprawy i opisano problemy i obszary do dalszych badań.

Słowa kluczowe: narkomania, profilaktyka, polityka państwa w kontekście działań prewencyjnych, rehabilitacja, podmioty polityki publicznej, instytucje obywatelskie.

Лужецька Н.А. ПРОФІЛАКТИЧНА ДІЯЛЬНІСТЬ ЯК НЕВІД'ЄМНА СКЛАДОВА РЕАЛІЗАЦІЇ ДЕРЖАВНОЇ ПОЛІТИКИ ЩОДО ЗАПОБІГАННЯ ТА ПРОТИДІЇ НАРКОМАНІЇ

У статті здійснено теоретичне обґрунтування змістовних складових профілактики. Визначено рівні проведення профілактичної діяльності як невід'ємної складової реалізації державної політики щодо запобігання і протидії наркоманії. Обґрунтовано пропозиції щодо її удосконалення та окреслено проблеми й питання подальших наукових досліджень.

Ключові слова: наркоманія, профілактика, профілактична діяльність, державна політика щодо запобігання та протидії наркоманії, реабілітація, суб'єкти реалізації державної політики, громадські інституції

**Лужецкая Н. А. ПРОФИЛАКТИЧЕСКАЯ ДЕЯТЕЛЬНОСТЬ КАК НЕ-
ОТЪЕМЛЕМАЯ СОСТАВЛЯЮЩАЯ РЕАЛИЗАЦИИ ГОСУДАРСТВЕННОЙ
ПОЛИТИКИ ПО ПРЕДОТВРАЩЕНИЮ И ПРОТИВОДЕЙСТВИЮ
НАРКОМАНИИ**

В статье осуществлено теоретическое обоснование содержательных составляющих профилактики. Определены уровни проведения профилактической деятельности как неотъемлемой составляющей реализации государственной политики по предотвращению и противодействию наркомании. Обоснованы предложения по ее совершенствованию и обозначены проблемы и вопросы дальнейших научных исследований.

Ключевые слова: наркомания, профилактика, профилактическая деятельность, государственная политика по предотвращению и противодействию наркомании, реабилитация, субъекты реализации государственной политики, общественные институты

Introduction

Dissemination of drug addiction and illicit trafficking of narcotic and psychotropic substances becomes threatening, becomes a tragedy for the whole society, and poses a threat to national security. Production and drug trade is actually a developed commercial industry, an integral part of the criminal economy of modern society. Drug addiction as a social problem is associated with the fall of morality and the rise of crime, the loss of working population and the high mortality rate. Spread of drug addiction is due to both objective and subjective factors: the pace of spread of the epidemic, the complexity of social and political situation (economic instability, poverty level and unemployment, social stratification etc.), corruption of government structures, lack of funding for measures for prevention, imperfection of the system of informing the public. At the same time, specialists determine shortage of basic knowledge about drugs and the consequences of their use, a destructive impact they have on the human body (physical development, intellect, and offspring), labor activity as one of the causes of the spread of drug addiction.

Analysis of recent research

Significant changes that have occurred in the social and psychological portrait of a contemporary drug addict (egocentricity, infantilism, antagonism against the society, manipulation of people), the inadequacy of ideas about the subculture of drug users and their relationship with society determine the urgen-

cy of further scientific research in this sphere. Studying the issues of countering and preventing drug addiction is interdisciplinary in nature, resulting in a detailed study of various aspects of this issue by different sciences: law, medicine, psychology, education, and sociology. In particular, we can name works of Y. M. Antonyan, O. M. Bakariyev, V. V. Bezpalko, E. G. Hasanov, G. V. Zazulin, A. Y. Kovalchuk, Pohoretskiy, H. M. Pushkar, N. F. Romanov, L. V. Soroka, T. V. Somyk, I. V. Hozhylo, E. V. Fesenko, V. I. Shakun, H. Y. Schneider, L. Hay, R. Fischer, H. Danesh etc. However, the complexity and multidimensional nature of the problem outlined requires consideration of problematic issues of the implementation of preventive activities from the perspective of public-management approach as a systematic and comprehensive concept at different levels.

Statement of research objectives

Many years of international practice convincingly suggests that it is more economical for the state to deal with prevention of drug addiction than overcoming the consequences of drug use, psychotropic substances and precursors, allocating significant resources and focusing efforts on combating illicit trafficking of drugs, developing scientific methods of treatment and rehabilitation of drug addicts. That is, it requires the creation of the united integrated system of prevention, carried out at different levels of society, involving not only the subjects of the implementation of public policy of counteraction and prevention of drug addiction, but also various institutions, all segments of the population. Therefore, the goal of this article is the theoretical substantiation of meaningful components of prevention and levels of implementation of preventive activities as an integral part of the implementation of public policy of counteraction and prevention of drug addiction, and justification of proposals for its improvement.

Results

Prevention of drug addiction is a real mechanism for combating its spread. Accordingly, it is a challenge for each state, the solution of which requires solving a number of measures in close coordination of subjects of the implementation of public policy of counteraction and prevention of drug addiction. This is connected with the very content of the concept. Prevention (from the Greek. *prophylaktikos*), as a set of medical, sanitary and technical, hygienic and pedagogical and socio-economic measures, is a diversified, multifaceted activity aimed both at obstructing the spread of negative phenomena in society by changing social conditions and at preventing disease and eliminating risk factors. In fact, it is an opportunity to remain healthy due to the application of preventive measures, the impact of society, institutions of social control in order to create such conditions that prevent harmful effects, provides a moral formation of human identity.

Prevention activities to combat and prevent drug addiction as a special kind of social management are carried in two levels:

- general to address causes and conditions of both population's drug addiction and its consequences by forming stable negative attitude towards narcotic drugs and control of their illicit trafficking;
- individual that provides both working with specific individuals and directly the activity of the person to comply with the rules of healthy living.

In particular, general preventive measures, according to the specific nature of certain tasks and subjects of the implementation of public policy of counteraction and prevention of drug addiction should be divided into organizational, managerial, legal, economic, medical, social, explanatory, educational etc. It is a system of measures of medical and non-medical nature, so let us briefly describe them. Organizational and management measures include mainly coordination of activities of all public authorities, public sector in interagency cooperation on conducting joint activities, research developments, and exchange of experience. They also include:

- continuous monitoring of narcotic situation and the data received, the analysis and correction of state and regional programs on combating drug abuse;
- creation of inter-agency information-analytical center of research of drug addiction problems, common information network based on the inter-agency automated data bank "Drug Business" in the Ministry of Internal Affairs;
- functioning of off-budget state fund combating illicit traffic of narcotic drugs, psychotropic substances and precursors, their abuse;
- research and systematization of data on narcotic drugs and substances in the interdepartmental laboratory and so on.

General preventive means of legal character envisage resolving legal and regulatory issues related to violation of existing legislation regarding illicit traffic of narcotic drugs, psychotropic substances and precursors.

Economic measures relate to the prevention of combating drug trafficking, the destruction of corruption schemes and acts in this area, employment after rehabilitation of drug addicts, execution of documents and so on.

Social measures aimed at monitoring the behavior and lifestyle of people who use drugs and tend to commit offenses. Generally, social measures aimed at optimizing social situation in the society as prevention allows reducing levels of morbidity and mortality and preventing loss of workforce. The implementation of these measures leads to the need for a special kind of prevention – social prevention. It is defined as "a kind of social work aimed at preventing complicated life circumstances of families, children and youth, immoral, illegal behavior in families, among children and youth, identifying any negative impact on the

lives and health of children and young people, preventing such influence and the spread of socially dangerous diseases among children and youth" [5, Art. 1].

Explanatory educational activities aimed at upbringing the population. They include both the promotion of healthy lifestyles and the rejection of the use of narcotic drugs and substances, the justification of danger to the health and lives of those who uses them, targeted prevention of people in "risk zone". This refers to meetings and conversations, large-scale and systematic campaign in the media, preparation and distribution of campaign materials.

Medical measures for drug addicts are designed to provide free treatment (detoxification - elimination of drugs remnants from the body) and rehabilitation of drug addicts (restoration of various functions of the body with medicines). That is, they are intended to help to relieve physical dependence from drugs, psychologically restore the patient; prevent infections resulting from failure to comply with hygiene during infections (blood poisoning, hepatitis, AIDS).

Preventive measures taken at the individual level for the prevention and counteraction of the spread of drug abuse have legal, educational, medical (including rehabilitation) nature regarding each person. They deal with the elimination of causes and conditions for the exercise of individual antisocial or illegal behavior. Overall, it is the process of creating own "moral immunity" that requires serious work on the formation of volitional qualities, deep introspection and more.

Prevention activities to prevent the spread of drug addiction are usually divided into primary, secondary and tertiary according to the WHO terminology (1990). In particular, primary prevention is conducted in a healthy environment, includes measures to prevent non-medical drug use by anyone. It is held in order to prevent drug use in general. It envisages anti-drug education and uprising, formation of anti-drug public opinion. Therefore, detailed and constructive information is the most important mean. Its spread occurs in the following areas:

- active educational work among youth and teenagers (lectures, discussions, debates, special programs - not only in schools and educational institutions, but also with the involvement of the media, the formation of life skills);
- sanitary and hygiene upbringing of the population (health education, which also includes the creation of appropriate conditions of work and leisure, housing and welfare, to enhance health and labor activity);
- countering the spread and use of drugs, carried out by public institutions (providing psychological and social support, training about healthy lifestyle, holding various actions);
- measures of administrative and legislative nature that lie in the competence of bodies of public authority (interaction of narcological service, the youth

office and relevant departments of the Ministry of Internal Affairs). This requires the formation of a coherent information strategy, which aims to fill the information vacuum, directing teenagers and young people to a healthy lifestyle, which is a guarantee of maintaining health, labor activity, and ultimately - the personal well-being. Therefore, the requirements for information are appropriate:

- clarity and motivational influence, positivity and readiness for the better future;
- negativity only in covering tragic consequences of drug use;
- involvement of specialists in the preparation of materials (drug treatment specialists, psychologists, teachers, social workers, law enforcement officers) and their approval by special expert council.

Secondary prevention is the level at which consecutive measures concerning early detection of persons using psychoactive substances are done. It provides for further steps to curb drug use (treatment, relapse prevention, supportive therapy). Therefore, it is the work with a contingent of increased risk by creating barriers for drug users and their environment. Swedish experience completely proves the effectiveness of such activities [4]. Thus, according to data from the European Monitoring Centre for Drugs and Drug Addiction (the EMCDDA) at the European Union in 2011, only one percent of the population have tried cannabis in Sweden. Let us note that 10 years earlier there was an increase in the number of drug addicts in 10 times in the youngest age group of 15 to 18 years [2]. Citizens support not only the prohibition of drugs, but also they perform functions of social control. The level of support of a restrictive policy in Sweden amounted to 94 percent of the adult population.

Regarding tertiary prevention, it includes labor, social, and medical rehabilitation. An immediate treatment of patients takes place that requires not only significant financial costs, but also a high level of professionalism of doctors. Moreover, primarily, it requires the desire of the drug addict. It is about preventing relapse, recovery of body functions, social and professional status. Rehabilitation activities occur through physical and psychological deliverance from drugs. They include recovery of capabilities of drug addict to learning, solving life's problems. That is it comes to correcting personal, social and behavioral qualities.

For example, in Russia, in public, private, and community rehabilitation centers activities are based on the principle "from equal to equal". This implies the involvement as employees of that category of people who have personal experience of drug addiction. Patients trust them more. Drug addicts are taught to cope with stressful situations and build relationships with others in new ways, to enjoy the simple pleasures of life [1].

Horizontal and vertical prevention programs are used to address problematic issues of prevention and combating drug addiction in foreign and domestic practice. Horizontal orientation of such programs is designed to cover all sectors of society involved in the implementation of public policy. It is not just about authorities, public institutions, but also education, culture, medicine, science, industry (including school facilities and medical facilities, network of pharmacies, etc.). Concerning vertical orientation of preventive measures, their implementation is at the level of individual, family, group, community, society and the state as a whole. Of course, the best option is a combination of vertical and horizontal orientation, all of which provide focus and consistency, complexity of implementation of adopted programs. This approach will serve as a strong basis for integral cross-sectoral and inter-sectoral interaction of subjects of realization of public policy at all levels with the involvement of public institutions and all those involved in combating the spread of drug addiction. In fact, a combination of vertical and horizontal orientation is the basis of modern strategy of prevention activities to combat and prevent drug addiction. It causes the transition to global medical and social prevention, which should be carried out “always and everywhere”: totally and permanently, and most importantly - from government positions.

Experts say that drug addict engages in his addiction from 16 to 19 persons. Taking into account trends in spread of drug addiction in Ukraine, we should talk about the epidemic, during which easier access and growth of supply occurs, when curiosity overcomes fear. In practice, this determines the necessity of informing the public about the risk of addiction, thus destroying the myth of the safety of drug use. It also determines creating models of good behavior and healthy lifestyle and shaping public opinion “Tell drugs - no!” by promoting positive examples from the lives of famous people.

Attitudes in society to drugs can significantly change per decade of purposeful and active explanatory educational and prevention activities. The experience of countries such as the USA, the UK, Germany, France, and Sweden convinces in this. For example, the program of life skills training (the USA) aimed at forming three abilities: the ability to resist proposals to use psychoactive substances, the ability to organize own lives and general social skills. The results of its implementation show that this preventive activity can reduce the level of alcohol and marijuana use to 59 - 75 percent compared with control groups. [3]

In addition, the experience of the preventive measures in Odessa and Kher-son regions shows that after carrying out actions of information and educational work and distribution of printed materials on the subject, the number of volun-

tarily tested people for HIV increases. This is one of the compelling arguments in favor of that the effective implementation of preventive, treatment and organizational measures seems possible if close cooperation of both public and private organizations. At the same time, the analysis shows that there is an urgent need for the regular distribution of data on monitoring and evaluation by using the website of the regional AIDS center in order to take appropriate decisions. This is because such information is not available to external use of interested organizations.

Conclusions

Thus, prevention activities to prevent and combat drug addiction are associated with educational influence, overcoming social and negative consequences of drug use, state support for treatment and rehabilitation of drug addicts. In general, they are designed to protect the interests of citizens, society and the state from narcotization and its consequences, to prevent deterioration of the gene pool of the nation, to help stabilize and improve the socio-demographic situation in the country. This requires the creation of a single integrated system in society, which includes prevention of interrelated components: prevention for all population groups, particularly young people, treatment of those already ill and rehabilitation of drug addicts.

Large-scale activities are the result of organic combination of vertical and horizontal orientation of prevention programs, allowing:

- learning the real extent of drug use among adolescents and young people and conducting a coordinated, systematic anti-drug work among them;
- involving physical, financial, human and information resources (media) and combining them to influence “risk groups”, people with social deviations, criminal groups, etc.;
- determining the level of preparedness of public authorities, government agencies and public institutions to interact and cooperate to implement measures outlined.

Since there are no scientific data on the biochemical mechanism of formation of drug dependence, indicators of evaluation of the effectiveness of carrying prevention measures, they are problematic issues that require further scientific research to develop an effective strategy for the prevention of combating and preventing drug addiction.

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THE CONCEPTUAL FOUNDATIONS OF PUBLIC FAMILY POLICY

The author of the article analyzes the conceptual foundations of the public family policy and their impact on practical measures in this field. The essence, content, correlation of family policy with other directions of public policy, features of modern development are analyzed. Attention is drawn to the problem of the effectiveness of socio-economic and financial methods of influence in this sphere.

The author emphasized that the financial methods are not and should not be the only method of influence on the fertility and demographic situation in general. It is necessary to provide a complex public policy which should include informational policy aimed at strengthening traditional family values; the solving problem of unaffordable housing for families with children; living standards improvement; special employment and fiscal strategies for parents with children; simplification of combining work and childrearing, and other additional indirect non-financial methods.

Keywords: public family policy, conceptual foundations of public family policy, state child allowance, fertility, the family policy's effectiveness.

Derega W. PODSTAWOWE KONCEPCJE POLITYKI RODZINNEJ PAŃSTWA

W artykule autor analizuje koncepcje polityki rodzinnej państwa i ich wpływ na działania praktyczne w tym obszarze; analizuje pojęcie, treść, cele, współzależność polityki rodzinnej z innymi obszarami polityki publicznej. Zwrócono uwagę na problem efektywności metod społeczno-ekonomicznych i finansowych wpływów w badanym obszarze.

Słowa kluczowe: polityka rodzinna państwa, koncepcje polityki rodzinnej państwa, pomoc państwa przy urodzeniu dziecka, współczynnik urodzeń, skuteczności polityki rodzinnej.

Дерега В.В. КОНЦЕПТУАЛЬНІ ЗАСАДИ ДЕРЖАВНОЇ СІМЕЙНОЇ ПОЛІТИКИ

У статті досліджуються концептуальні засади державної сімейної політики та їх вплив на практичні заходи в цій сфері. Аналізується поняття, зміст, завдання, співвідношення сімейної політики з іншими напрямками державної політики, особливості сучасного розвитку. Звернена увага на проблему ефективності соціально-економічних і фінансових методів впливу у досліджуваній сфері.

В статье исследуются концептуальные основы государственной семейной политики и их влияние на практические мероприятия в этой сфере. Анализируется сущность, содержание, соотношение семейной политики с другими направлениями государственной политики, особенности современного развития. Обращено внимание на проблему эффективности социально-экономических и финансовых методов влияния в исследуемой сфере.

Ключевые слова: государственная семейная политика, концептуальные основы государственной семейной политики, государственная помощь при рождении ребенка, рождаемость, эффективность семейной политики.

The specifics of implementing any direction of public policy are determined by its conceptual basis. The conceptual framework is understood as a set of guiding ideas, fundamental principles, a way of understanding in general, a holistic system of views. The concept defines an action strategy. This can be seen particularly clearly in the sphere of political processes, one of the components of which is the public family policy, which plays an important role for the welfare of the people and the state. This determines the importance and relevance of the topic under study.

The theoretical aspects of public family policy examined in the works of researchers G.Kryshtal, L.Culachok, L.Melnichuk, A.Mishin, S.Nychiporenko, Y.Pidlisnyi, I.Semenets-Orlova, L.Slyusar, I.Chehovska, A.Antonov, I.Beloborodov, A.Bogaevska, V.Vishnevskiy, S.Darmodehin, V.Medcov, A.Pyanov; western researchers N.Botev, B.Perelli-Harris, D.E.Bloom, C.Brian, D.Canning, A.J.Kahn, A.Kalwij, S.Kammerman, D.Popenoe, W.Lutz, P.McDonald, S.Scherbov, H.-W.Sinn.

The results of the policy aimed to increase fertility in Ukraine were studied by the following scientists: S.Aksyonova, G.Gerasymenko, I.Gudzelyak, O.Kolomiets, B.Krimer, I.Kurylo, E.Libanova, Z. Palvan.

Fertility as an important factor of demographic processes and of socio-political situation is studied by the following scientists O.Kachan, Y.Turchyn, N.Prytsyuk, N.Stativka, V.Steshenko, I.Klochan and others.

Statement of research objectives

The purpose of this article is to analyze the conceptual foundations of public family policy, and their influence on practical aspects in this sphere.

Results

Conceptual foundations define the contents of public family policy, its trends, tasks, principles, appropriate normative acts, program documents and other components.

In the Public Administration Encyclopedia family policy is defined as purposeful activity directed to development of marriage and family relation, making conditions for full and successful realization family's main functions, satisfaction of family needs and interests [1, p.514]. Similar definition is in demographic notional dictionary: family policy is defined as aimed activity of state bodies and other social institutes in the sphere of family strengthening, optimization of fulfillment family functions and improvement of the living conditions; strategic trends of family policy are determined by its tasks, causes and results negative tendencies in family functioning. Concrete actions of family policy are defined in frameworks of strategic trends taking into account economic, organizational, and other possibilities of realization [2, p.271]. Thus, here is underlined determination of family policy by its conceptual, ideological, outlook bases generally accepted in a state and society.

Family policy intersects and has many common features with other public policies. In the first place this refers to social policy, which can be defined as system of actions of social and political institutes, oriented on ensuring optimum development of social sphere, welfare and satisfaction of needs of a society in general as well as single citizen. Social and political institutes are set of subjects which take part in realization of social policy. Thus, social policy has more wide directivity on development all social sphere as compared with family policy. In this connection very often, family policy is considered as independent course of social policy.

Common sphere in family and demographic policy tied with process of reproduction of population and especially fertility which is regulated demographic policy, is one of the most important family function. However, reproductive function is not only the single, but also one of principal family functions, and there are other – educational, upbringing, communication etc.

Through one of the most important task – upbringing and child birth – family policy also closely connected with maternity and child welfare service, which is defined as system of actions of providing interests of a mother and a child through medical, material, and other kinds of state support.

In Conception of Public Family Policy accepted 17 September 1999 [3] one of the direction of family policy was defined assisting to families in child

rearing and their all-round development by force of guaranteeing rights and liberties in all spheres; forming in outlook of children high humane beliefs about a family and its history, traditions, social directivity in the concrete historical conditions of state development; creation and support children's home of family type and foster homes for orphans and children without parental care etc.

One of the first research on family policy was "Family Policy: Government and Families in Fourteen Countries" of Sheila B. Kamerman and Alfred J. Kahn. In this work were separated states with "explicit" family policy and "implicit" family policy [4]. Explicit policy means that in state exists approved, legitimate, institutionalized conception; family is an object of political debates and tasks concerning family are established. Implicit policies haven't such features, although these states can have advanced policies aimed to a family. The difference is not always clear as conceptions change depending on political actors and with time.

All the same time public family policy is essential component of public policy of any state and is considered as a powerful instrument on the development of family institute. In scientific discussion concerning conceptual bases of public family policy thoughts are stipulated two paradigms, crisis and transform.

The transform paradigm, which sometimes called "modernization of family" lie acceptance of priority individualistic interests on interests of a family and a society. Such effects as change attitude to marriage, family, childbirth, common devaluation of traditional family values etc. are estimated as positive and tied with transformation of family relations in frameworks of this concept.

The same phenomenon in crisis concept is estimated as negative. As stated A. Antonov, family policy is activity of a state, political parties, non-government organizations, interest groups etc, aimed to revival of family, family way of life, lost on a long historical familistic social culture, return to family social functions organically peculiar to it, aimed to strengthening family as a social institute ... family policy is a policy oriented to change of modern civilization design, which is hostile to a family indeed and unreceptive to its problems and diseases [5, p.246]. This approach based on rebuilding state and all social institutes for the sake of traditional complete family with children, strengthening and development of family mode of life, providing of family interests.

Attitude to process of family institute development, its estimating determines practical content of compliant public family policy: or supporting egalitarian relations, or providing priority of family as integrity, consolidation of family living, advance of role and meaning of traditional family values. As researcher A. Pyanov stated public family policy is independent direction of social policy, and is system of complex activity of state, aimed to family social institute with

task of its consolidation and development, security of institutional rights and interests of family, providing its independence, relational autonomy and well-being; activation its subject role in social space, in which state and family are equal in rights subjects-partners [6, p.124-125]. Such understanding of family policy differentiates from other approaches such methodological features: orientation family policy on family as an integrated object, obligation of independence and relative autonomy from the direction of a state; the researcher attributes to the problematic of family policy not common social but only specific problems of a family. All of that logically leads to aiming of family policy on system solution of strengthening family and family values.

Public family policy is one of directions socio-economic policy, aim of which is supporting family mode of life, strengthening of family institute, making favorable conditions for creation, functioning, development of family, first of all family with children [7, p.58]. The aim of public family policy can be defined as development of family relations, creation favorable conditions for achievement of family's functions.

It is necessary to say that in Ukraine accepted series of normative and program a document which straight or marginally refers to forming of family policy. But in this sphere terminological non-coordination exists. In particular the notion "public family policy" stays uncertain, and this is evidence of incomplete elucidating of conceptual bases connected with understanding modern family, peculiarities of families' formation and appropriate public strategy.

Thus, top-priority state task is providing of national security and prosperity of a society. Preservation of traditional family values is a part and precondition of social development.

Family traditional values mean classical historical beliefs about a family. These are expressed in importance of official entering into a marriage, of integrity complete family with both parents – man and woman, traditional roles of a man and a woman, birth of children, faithfulness, the priority of marriage comparing divorce, and strong connection between generations.

Now, in situation of family institute crisis, a state can and should impact on this sphere. In the first place a state has real mechanisms and possibilities to decide challenges facing family. This is stipulated of the negative results of the family crisis in many countries.

At the present time the trends of demographic processes are the components of demographic crisis and depopulation as turn into the threat to the very existence of European nations.

One of the greatly social dangerous after-effects of low fertility rates, along with population reduction in whole, is decrease of children and youth quantity.

This leads to extension of comparative part of aged persons, in other words, total ageing of population. This process is intensified by a decline in the number of birth or, in more positive terms, a general increase in overall life expectancy.

An “ageing” population structure determines whole series problems for societies, first of all social and economic. From economic point of view, increase the number of retirees lead to growth of pensioner payments, social service and health protection expenditures, necessity of enlargement gerontological institutions, care services network and other ageing-related expenditures.

All of that stipulates pressure on capable people from whose directly depend contribution to pension funds and at the expense of that, in fact, will supplied aged persons employment. The quantity of laboring reduces: each next generation less than previous. In contrary, the quantity of older people will increase considerably, since the post-war baby-boom generation reaches retirement.

Diminution on household size also makes deeper this problem. Part of aged persons who live with their own families, constantly lessens. This means that aged members of family as a rule do not live with their children or grandchildren, and young family members less and less ready to take upon themselves care responsibilities of relatives. Thus, family as social institute parted by generations and doesn't able to providing care of own aged members.

All of that, along with rash increase of extramarital births, change in ratio marriages and divorces in favor of the last attest about crisis of family institute in whole.

As for causes of demographic crisis, today even in official documents noted that are value. Thus in Demography Report of European Commission noted: “changing value systems contributed to lower fertility rates and an increase in the number of childless couples” [8, p.73]; “changing social perceptions of the role of marriage and greater fragility of relationships have resulted in more extramarital births, including to lone parents, or in childlessness” [8, p.2]. These changes mean alteration in attitude of society towards to marriage, family, child bearing, general devaluation of family values. Family traditional values replaced by inverse values – individualism, emancipation of personality from family, idealization of comfort and consumerism, rejection of altruism.

This stipulate crisis of family which characterized separation of ages, nuclearization of family, the increasing childlessness, single life, monoparenting and other tendencies.

Value causes of crisis stipulate low effectiveness of socio-economic actions in this sphere, and also that which straight directed at fertility.

These actions are very diverse and include financial support for families through benefits, allowances, grants or benefit supplements, service provision,

maternity and parental leaves, protection of mothers in the work place and others.

In spite of methodological variety there are doubts about their effectiveness, and this is confirmed by the results of many researches. Researches show that positive effect is achieved but only in minor degree so that very often can not achieve even the level of simple reproduction of population.

The consciousness of family value occurs and this is reflected in documents. A Parliamentary Assembly Recommendation calls for member States to “support regional and local policies to strengthen public services in order to bring about a truly family-friendly society and to develop intergenerational relationships within families,” [9] thus recognizing the fundamental value of the family unit.

Ukraine is one of the most demographically unsuccessful states. At the present time the trends of demographic processes are the components of demographic crisis and depopulation as turn into the threat to the very existence of Ukrainian nation.

Depopulation is a steady tendency of Ukrainian demographic situation. Total fertility rate (TFR) in 2001 year fell to the record low level - 1,085 [10]. This is still considered as a “lowest-low” fertility country, with a TFR under 1,3 [11, p.1148]. The largest quantity of population 52,2 million persons was fixed in 1993 after what begin process of its unceasing cutting down. According to Ukrainian Statistics State Service on 1 February 2013 in Ukraine live 45539,1 thousand persons [10]. This means that population size decreased by more than 6,6 million persons.

The fertility structure is unfavorable. As the results of Ukrainian households survey, in 2012 76.0 % of families, which have children were families only with one child and only every fourth (21.2 %) have two children. Families with three and more children are rare, their unit weight doesn't exceed 3 % [10, p.10].

Negative trends in birth rate results to a lot of consequences for state and a society, such as lack of manpower resources, shortening of population, its ageing and deformation of structure, absence of generation replacement, threat to territorial wholeness and so on.

One of the greatly social dangerous after-effects of low fertility rates, along with population reduction in whole, is decrease of children and youth quantity. This leads to extension of comparative part of aged persons, in other words, total ageing of population.

Consciousness of negative trends in birth rates as a threat to national safety and as a problem that needs to be solved is impetus for undertaking adequate measures of family policy.

Forming the most favorable conditions for creation a family, child-bearing and upbringing, is one of the most important goals of family policy and basic instrument of overcoming negative trends.

On the practical level the impact of demographic factors on family policy forming and realization appears in the raise of expenses on social sphere in a whole, and particularly in enlargement service for families with children, different kinds of payments, and guarantees of employment to parents etc. However, the results of series of researches show that effectiveness of such methods stay insufficient. This means that only socio-economic actions can't decide all problems in this sphere.

As for financial aids in this sphere, we can state that shortly after the child birth allowance introduction and its increase, positive changes in the dynamics and structure of fertility took place in Ukraine. The rise in payments fostered the support and growth of fertility in 2004-2012: in 2004 the TFR amounted to 1,211, but in 2012 – 1,531 [12]. The fertility intensity increased, the part of high-order births has also raised in the general structure of fertility. These trends have softened the population decline in Ukraine at present.

To be more precise about changes in birth calendars of the current generation will only be possible after the reproductive activity of the generation is complete entirely.

To fully evaluate the impact of policy it is necessary to analyze its results from different points of view, including negative ones.

Attention should be paid to the trend of increasing fertility in marginal families, since 2005 (from the moment of the considerable increase in payments) [13], who spend the money on their own needs as parents don't work and the allowance is very often the only source of income for such families. This situation to a greater extent appears in the poorest regions of Ukraine, in the first place - Zakarpattya (characterized by population growth but high unemployment), in addition the part of first births is decreasing there [14]. In social security institutions (in particular, in orphanages) a new category of children has appeared recently – children from families without means of subsistence [14]; parents have sent their children to orphanage system and have denied any responsibility. The increase in the number of adopted children and children sent to foster homes is accompanied by the rise of orphans and children without parental custody in the total size of children population [15], and what is more, the dominant part of refusals refers to children over three years old.

Some Ukrainian researchers speculate that the current system marginalizes families with children, strengthening parasitical attitudes; this way is not only hopeless but also socially irresponsible and dangerous as it causes parasit-

ism and factually corrupts marginal parents [13]. B.Perelli-Harris pointed that some Ukrainians also worry that this assistance will only be used by people with lesser means, thus stimulating fertility only among the lesser educated population [11, p. 1169].

Although the state assistance is an important part of fertility stimulation, it is unfair to narrow the family policy down only to this direction.

Fertility researchers speculate that the mere increase in the financial aid cannot reverse the population decline, and this opinion is confirmed by the results of many investigations. The researches show that the positive effect is achieved but only to a minor extent so the level of simple reproduction of population cannot be achieved in many cases.

The Ukrainian experience also confirms these conclusions. That's why it is so important to develop a family policy as a complex strategy, which includes different trends.

It is important to bear in mind that changing values and belief systems is one of the most significant factors of fertility increase and demographic crisis. Value causes of crisis stipulate low effectiveness of socio-economic actions in this sphere, as well as those aimed at fertility.

Thus, special attention should be paid to strengthening of family values largely extent by the means of informational policy. It is essential to create awareness of the need of family, marriage, motherhood and fatherhood, child bearing in social and individual consciousness, it is also essential to provide opportunity for a sufficient income and decent upbringing of children. Family values should be understood as historically formed social ideas about a family, the necessity of marriage registration and necessity of stable marriage relationships; the value of child birth and upbringing in the family with both parents; faithfulness and respect for each member of family; priority of marriage as opposed to divorce.

There are foundations for development of this sphere. In Ukrainian society the value of family and trust in it stay high. According to the data of Sociology Institute of the National Science Academy, family wins the most trust among all social institutes. Trust index to it in the survey of 2008 amounted to 4,6 %, at the same time the index of trust to church – 3,5 %, to colleagues – 3,5 %, to mass media – 2,9 %, militia – 2,4 %, government – 2,4 % [16, p.19].

One of the problems, which should be solved, is combining family and work responsibilities. This is a common issue even for the European countries with the demographic crisis. As it is stated in the Demography Report of European Commission, the reconciliation of paid work and family commitments is crucial policy area to boost economic growth and achieve greater social cohe-

sion. People with caring responsibilities still lack adequate support and suitable arrangements for combining their different responsibilities [8, p.6]. Thus, it is necessary to develop such trends of family policy, as introduction of flexible working hours, a possibility of part-time employment for parents with small children; the satisfaction of needs in childcare facilities; favouring the employers who establish family-oriented management, and in general, family policy should be formed in unity with employment policy.

Also, the crucial role is played by housing policies. In spite of the fact that the majority of households own a property, its size does not always comply with the current legislation.

Conclusions

Public family policy can be defined as actions of state and other political subjects aimed to statement or change family relations, family as social phenomenon and which determined by political ideology concerning family values. In the given work public family policy understanding as such that aimed to strengthening family and family relations.

Important methodological significance has distinguishing of notions, specificity and object of influence family, social, demographic policy, and on the other hand interrelation of different spheres of public policy.

In this theme it is necessary to say that the state child birth allowance is not and should not be the only method of influence on the fertility and demographic situation in general. Childcare after the government assistance, and appropriate upbringing, are not less important than the one-time aid, even a significant one.

It is necessary to provide a complex public policy which should include informational policy aimed at strengthening traditional family values; the solving problem of unaffordable housing for families with children; living standards improvement; special employment and fiscal strategies for parents with children; simplification of combining work and childrearing, and other additional indirect non-financial methods.

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MAIN DIRECTIONS OF IMPROVEMENT OF THE INSTITUTIONAL MECHANISM OF STATE RECREATIONAL AND TOURISM POLICY OF UKRAINE

The necessity of high-quality institutional reforms in public administration of the recreational and tourism sector by restructuring the Ministry of Economic Development and Trade of Ukraine in order to create an independent Ministry of Tourism of Ukraine is proved in the article. This will enable to create an effective system of institutional support of state regulation mechanisms of the recreational and tourism sphere of Ukraine. The draft of the organizational structure of the Ministry of Tourism of Ukraine is proposed in the article. The draft reveals the main directions of functional activity of its structural units (departments).

It is found that important areas of improving the institutional mechanism of state regulation of the recreational and tourist sphere of Ukraine on regional level are, firstly, the improvement of relations of local government bodies with business entities involved in the provision of recreational and tourism services. Secondly, important is the development of regional programming of the recreational and tourism sphere, which will include not only the complex of investment planning, tax management and other economic levers of influence, but a number of measures for the marketing of recreational and tourism services.

The necessity of creation of the “Regional Investment and Marketing Center of Recreational and Tourism Sphere” is substantiated. The main goal of the “Center” should be the creation of a system of effective measures to promote a competitive product on the market of the recreational and tourism services in the region and the creation of favorable conditions for investments attraction and their efficient implementation in the recreation and tourism sector in the regions of our country. The author of the article develops the organizational structure of the “Regional Investment and Marketing Center of the Recreational and Tourist Sphere” and states the aim, goals and main directions of activity of its structural units (departments).

Particular attention is paid in the article to the process of further systematization and generalization of recreational legislation of Ukraine. The author also proposes the

development of the Law of Ukraine "On the Recreational Sphere of Ukraine", which includes the overall structure of sections and brief contents of the new bill.

Keywords: recreational and tourism sphere, institutional mechanism, state recreational and tourism policy, the Ministry of Tourism, bill of the Law of Ukraine "On the Recreational Sphere of Ukraine", the "Regional Investment and Marketing Center of the Recreational and Tourist Sphere".

Gurbyk J. GŁÓWNE KIERUNKI DOSKONALENIA MECHANIZMU INSTYTUCJONALNEGO PUBLICZNEJ POLITYKI REKREACJI I TURYSTYKI NA UKRAINIE

W artykule przedstawiono podstawowe kierunki doskonalenia mechanizmu instytucjonalnego publicznej polityki rekreacji i turystyki na Ukrainie na szczeblu krajowym i regionalnym, uzasadniono celowość ich zastosowania w praktyce zarządzania tym obszarem.

Słowa kluczowe: sfera rekreacji i turystyki, mechanizm instytucjonalny, publiczna polityka rekreacji i turystyki, Ministerstwo Turystyki, projekt ustawy Ukrainy „o sektorze rekreacyjnym Ukrainy”, „Regionalny centrum inwestycji i marketingu w sferze rekreacji oraz turystyki”.

Гурбик Ю.Ю. ОСНОВНІ НАПРЯМИ ВДОСКОНАЛЕННЯ ІНСТИТУЦІОНАЛЬНОГО МЕХАНІЗМУ ДЕРЖАВНОЇ РЕКРЕАЦІЙНО-ТУРИСТИЧНОЇ ПОЛІТИКИ УКРАЇНИ

У статті розкрито основні напрями удосконалення інституціонального механізму державної рекреаційно-туристичної політики України на національному та регіональному рівнях, обґрунтовано доцільність їх впровадження в практику державного регулювання цієї сфери.

Ключові слова: рекреаційно-туристична сфера, інституціональний механізм, державна рекреаційно-туристична політика, Міністерство туризму, проект Закону України «Про рекреаційну сферу України», «Регіональний інвестиційно-маркетинговий центр рекреаційно-туристичної сфери»

Гурбик Ю.Ю. ОСНОВНЫЕ НАПРАВЛЕНИЯ СОВЕРШЕНСТВОВАНИЯ ИНСТИТУЦИОНАЛЬНОГО МЕХАНИЗМА ГОСУДАРСТВЕННОЙ РЕКРЕАЦИОННО-ТУРИСТИЧЕСКОЙ ПОЛИТИКИ УКРАИНЫ

В статье раскрыты основные направления совершенствования институционального механизма государственной рекреационно-туристической политики Украины на национальном и региональном уровнях, обоснована целесообразность их внедрения в практику государственного регулирования этой сферы.

Ключевые слова: рекреационно-туристическая сфера, институциональный механизм, государственная рекреационно-туристическая политика, Министерство туризма, проект Закона Украины «О рекреационной сфере Украины», «Региональный инвестиционно-маркетинговый центр рекреационно-туристической сферы»

Introduction

The current state and development of Ukrainian society involve a high level of implementation of state policy in different spheres of public life, including recreation and tourism. Therefore, problems of increasing its efficiency are urgent in the XXI century and require further reconsideration and improvement. This is especially important for Ukraine, which has just started building an independent Ukrainian state and is situated in the turn of formation of new modern social systems that are inherent to the civilized world.

The geopolitical location, natural and human resources, historical and cultural heritage and traditions of Ukraine promote the development of domestic tourism and recreation. However, the formation of a viable recreational and tourism sphere envisages significant impact of state regulation of this process. A proof of this is that many states have declared tourism and recreational activities as one of priority directions of development of national economy and culture. Effective state influence on the development of the recreational and tourism sphere is possible if there is scientific and theoretical justification of mechanisms of state recreational and tourism policy based on a synthesis of global trends and their specific scientific understanding. Institutional mechanism of state recreational and tourism policy of Ukraine occupies an important place in the system of mechanisms of state recreational and tourism policy of Ukraine. It includes regulatory support and combination of objects and subjects of public administration in this area, provides development and implementation of their functions, goals, objectives and management practices. It also determines results of functioning of organizational structures of the recreation and tourism sphere. This, in turn, helps to overcome some problems that exist in the recreational and tourism sector of Ukraine based on the application of effective measures of the institutional mechanism of state regulation of the recreational and tourism industry.

Analysis of recent research

Various aspects of state policy on development of recreation and tourism at national and regional levels were highlighted in the works of local scientists such as P.I. Haman [2], O.S. Shaptal [4], A.V. Merzlyak [3], M.M. Bil' [1], A.O.Chechel [5] and others.

Despite the profound achievements of Ukrainian scientists on improving the mechanisms of formation and development of public policy in the recreation and tourism sector, the essence of mechanisms of state recreational and tourism policy and peculiarities of their development in the conditions of the institutional environment are not fully disclosed. The role and influence of the institutional mechanism of state policy on the development of recreational and tourism sphere were not practically investigated.

Statement of research objectives

The purpose of the article is to determine main directions of improvement of the institutional mechanism of state recreational and tourism policy of Ukraine.

Results

The analysis of the current state of the institutional support of the system of state recreational and tourism policy of Ukraine gives reasons to believe that the institutional mechanism of its public policy needs to be improved at the national and regional levels in modern conditions of the development of this sphere.

At the state level it is necessary:

- to improve the system of agencies of public administration of the studied area by restructuring the Ministry of Economic Development and Trade in order to create an independent Ministry of Tourism of Ukraine;

- to create a department that is directly engaged in questions of recreation in Ukraine in general and in the regions in the structural units of the newly created Ministry;

- to establish a clear system of coordination between various state authorities that have certain aspects of the recreational and tourism sphere of Ukraine at the level of departments and services as subjects of their regulation. Above all, these relations must take place in the system of such modern Ukraine ministries as the Ministry of Health Protection, Ministry of Social Policy, Ministry of Culture, Ministry of Youth and Sports, Ministry of Infrastructure, etc. It will enable to promptly and effectively respond to the achievement of the objectives and urgent problems in this area. The forms of realization of this task can be:

- creation of consultative and advisory bodies, information centers for recreation and tourism, etc.;

- separation of powers of the central and regional executive authorities in the recreation and tourism sector;

- improvement of the educational system and retraining of civil servants, who carry out their functions in the management system of recreation and tourism;

- change of approaches to planning and programming the recreational and tourist sphere at the national level. For example, the process of development and implementation of state programs of recreation and tourism development should be based on the principles of priority, objectivity, comprehensiveness, consistency, etc. and be strategic in nature. Currently there are no existing state programs for the development of the recreational and tourist sphere. It is, therefore, necessary to create work and expert groups within the Ministry of Infrastructure for their immediate development.

At the regional level it is needed:

- to create structural divisions on issues of recreation and tourism at all levels of management and coordinative advisory and information services;
- to improve the relations between local governments and business entities involved in the provision of recreational and tourism services;
- to ensure the conditions for the creation of recreational and tourist information centers;
- to improve the system of education and retraining of local government officials entrusted with the duties of development of recreation and tourism.

We have developed the scheme of the organizational structure of the Ministry of Tourism of Ukraine (Fig. 1) to improve the issues noted above.

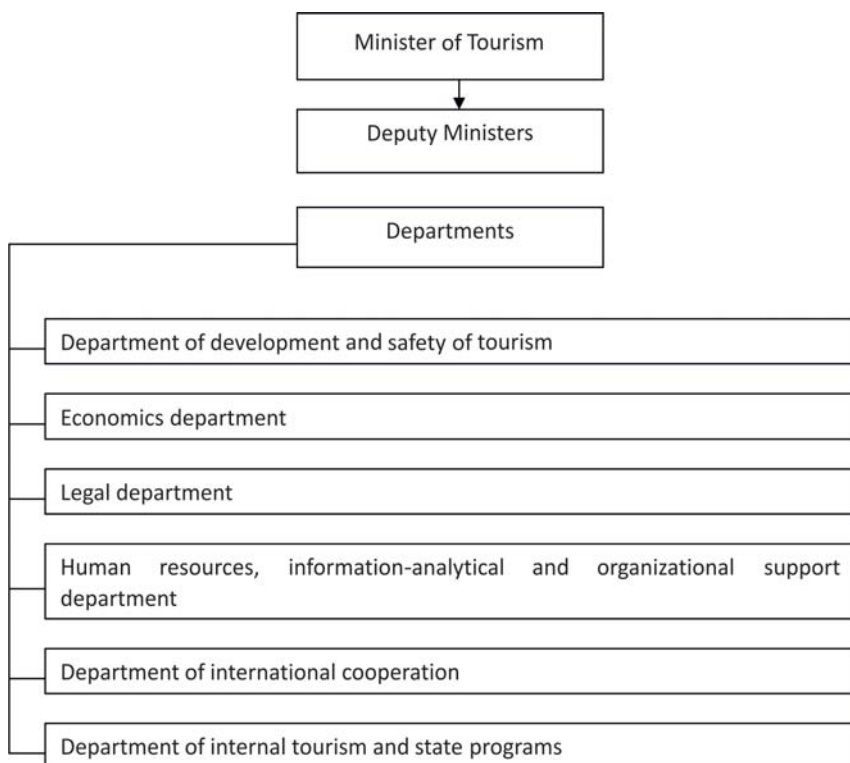


Figure 1. The draft figure of the organizational structure of the Ministry of Tourism of Ukraine (developed by the author)

The Head (Minister of Tourism) and his three Deputy Ministers are the highest level of management in the newly created Ministry. Departments, offices and agencies form the next level of the organizational structure.

In the process of our research we propose the following list of them:

1) The Department of Development and Safety of Tourism:

- The Office of Regulatory Policy, Standardization and Licensing;
- The Office of Marketing and Quality of Tourist Services;
- The Office of Tourism Information Resources and Security;
- The Department of Planning and Organization of Tourism Activities;
- The Department of Development of Recreational Areas;
- The Department of Resort Business;

2) The Economics Department:

- The Office of Finance, Accounting and Reporting;
- The Department of Monitoring and Evaluation of Budget Expenditures.

3) The Legal Department:

- The Office of Legal support of the Ministry's Activities;
- The Department of Forming and Maintaining the Register of Tour Operators;

4) The Human Resources, Information-analytical and Organizational Support Department:

- The Office of Information and Analytical and Organizational Support;
- The HR and Record Keeping Department;

5) Department of International Cooperation:

- The Office of International Relations and Protocol;
- The Department of International Organizations and Activities;

6) The Department of Internal Tourism and State Programs:

- The Office of State Target Programs and Capital Investments;
- The Office of Innovative Development and Investment Projects;
- the Department of Government Orders;
- The Department of Regional Coordination and Interaction.

An important issue for creating new ministry is a source of its funding. We consider it necessary to emphasize that the creation of the new ministry will be through a process of partial restructuring of the Ministry of Economic Development and Trade of Ukraine. Also it will be done by eliminating the structural unit within the Ministry, which implements state policy in the sphere of tourism and resorts – the Department of Tourism and Resorts. That is the Ministry of Tourism of Ukraine will be built not as an appendage to the existing institutional system of central executive bodies, but basically as the replacement of the “old” institution. Therefore, budget expenditures that were previously assumed to fi-

nance the Department of Tourism and Resorts, should be transferred to finance the newly established Ministry.

It should also be noted that with the loss of powers of state regulation of tourism in Ukraine by the Ministry of Economic Development and Trade after specified institutional changes, state budget funds previously allocated directly to it for the development of tourism in Ukraine may also be transferred to the financial sphere of the Ministry of Tourism and generally to the recreational and tourist sphere of Ukraine.

Regarding the legal provision of the recreational and tourist sphere of Ukraine, there are still many unresolved problems concerning its legal functioning. Particularly urgent issue is the legal regulation of norms of recreational law, which is an important sub-sector of economic and environmental law of Ukraine.

The question on the need for a special legal regulation of existing recreational relations has been constantly raised in national academic circles during the independence of the Ukrainian state. However, it must be noted that some regulations were adopted so that they solved separately questions of recreational area, not the whole problem in general. As a result, today there are a number normative legal acts that regulate recreational relations. Therefore, we believe it is imperative to systematize and generalize recreational legislation of Ukraine. The development of the draft Law of Ukraine "On the Recreational Sphere of Ukraine" should become one of such steps. We offer general structure of its sections and brief contents of the new bill.

Section I. "General Provisions" shall include:

- definition of basic terms and concepts of recreational sphere (recreation, recreational area, recreational fund, recreants, recreational activity, recreational areas, recreational products, etc.);
- characterization of legislation of Ukraine on recreational fund of Ukraine;
- classification of territories and objects of recreational fund of Ukraine;
- organizational forms and types of recreation;
- legal bases of functioning of territories and objects of recreational fund;
- characterization of lands of recreational fund;
- rights of citizens on the use of land and objects of recreational fund.

Section II. "State Policy and State Regulation of Recreational Sphere of Ukraine"

- principles and purposes of state regulation of recreational sphere;
- main priority directions of state policy towards recreational sphere in Ukraine;
- authorities, which regulate the recreational sphere of Ukraine;

- regulation of territories and objects of the recreational sphere;
- participation of associations of citizens in the management of territories and objects of the recreational sphere.

Section III. "Safety of the Recreational Sphere of Ukraine"

- ensuring rights and freedoms of citizens of Ukraine, legal entities and state in areas of recreation and tourism;
- protection of the interests of Ukrainian recreants outside of Ukraine.

Section IV. "Regulation of the Recreational Fund of Ukraine"

- mode of territories and objects of the recreational fund;
- monitoring, cadaster of territories of the recreational fund;
- economic and financial support for the organization and operation of the recreational fund;
- research work in the areas and objects of the recreational fund;
- order of creation and ads of territories and objects of the recreational fund;
- protection of territories and objects of the recreational fund, monitoring compliance with their regime.

Section V. «Responsibility for Violation of Law on Recreational Sphere»

- types of responsibility for violation of legislation on recreational sector;
- peculiarities of application of civil liability.

Section VI. «International Cooperation in the Recreational Sphere»

- main forms of international cooperation in the recreational sphere;
- international agreements in the sphere of recreation.

Based on the conceptual provisions of our study, we consider it appropriate to make the improvement of mechanisms of regional policy of Ukraine's recreation and tourist sphere.

Within this task we will focus on the development and improvement of mechanisms that are primarily related to changes in approaches to state regulation of recreational and tourism enterprises in the region. We will also focus on the development and improvement of the system of public planning in the regions and on the creation of conditions for the functioning of the "Regional Investment and Marketing Center of the Recreation and Tourist Sphere."

In our view, today it is necessary to improve the system of planning of recreational and tourism activities as one of the most important components of the institutional support mechanism for recreation and tourist sphere in the regions of Ukraine.

Primarily this is predefined by that the effective development of the studied sphere is based on the action of "investment multiplier". It promotes the development of related sectors of the economy that provide productive consumption of recreational and tourism products.

Related industries of recreational and tourist sphere in the regions (transport, communications, construction, catering, etc.) now have some positive trends of economic development. Nevertheless, recreational and tourism potential of the region is not used in full. In our view, one of the main reasons of this situation is the lack of purposeful public comprehensive approach to the formation of mechanism of institutional and economic support of the recreational and tourism sphere at regional level.

Therefore, the improvement of the mechanism should be based on positions of the introduction of diversified action program based on the application of integrated strategic planning of recreational and tourism activities in the region.

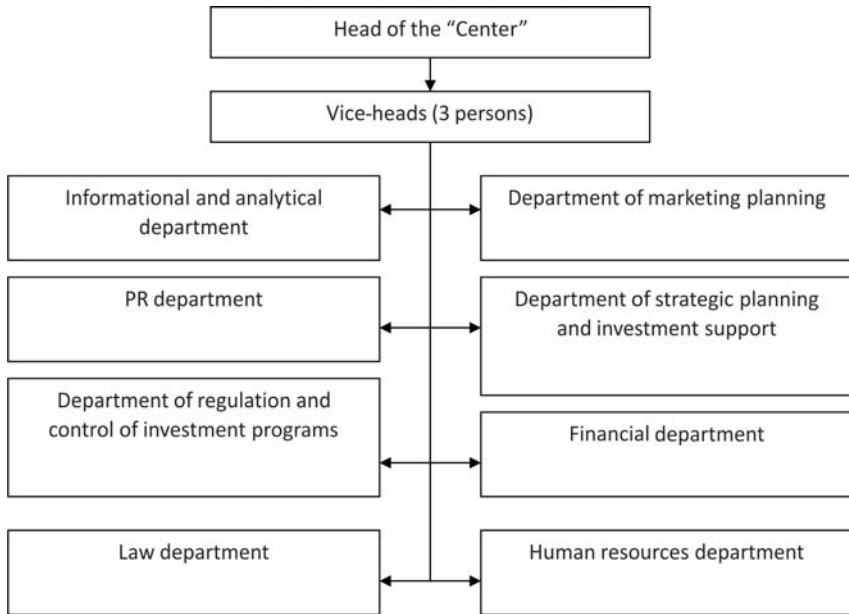
One of the stages of the solution of existing problem is to develop regional programming of recreational and tourism sphere, which will include not only the complex of investment planning, tax management and other economic levers of influence, but a number of measures for the marketing of recreational and tourism services.

On the basis of these aspects of research, we propose the following directions of regional programming of the recreational and tourist sphere:

- holistic study and assessment of recreational and tourism opportunities in the region;
- marketing research and monitoring to identify and study the properties of the demand in the region;
- to develop targeted problem orientation of the region;
- expert analysis of compliance of market opportunities with recreational and tourist resources;
- formation of target programs and specific projects within the strategic planning of development of recreation and tourism;
- creation of programs to ensure information and advertising market promotion of recreational and tourism product;
- carrying out commercial transactions in the market of recreational and tourism services;
- implementation of programs and projects, taking into account the socio-economic impact.

The proposed scheme creates prerequisites for the development of regional relations regarding recreational and tourism sphere within the new institution – the “Regional Investment and Marketing Center of the Recreational and Tourist Sphere” (hereafter – the RIMC-RTS). The main goal of the “Center” should be the creation of a system of effective measures to promote a competitive product on the market of recreational and tourism services in the region and the creation

of favorable conditions for investments attraction and their efficient implementation in the recreation and tourism sector in the regions of our country. The organizational structure of the RIMC-RTS can be schematically depicted as follows (Fig. 3):



Pic. 3. The organizational structure of the “Regional Investment and Marketing Center of the Recreational and Tourist Sphere” (made by author)

Main responsibilities of the RIMC-RTS are:

- provision and actualization of the information base of recreational and tourism sphere in the region;
 - strategic planning of recreational and tourist investment projects and activities, support of implementation of developed programs and projects;
 - conducting market research through the implementation of operational as well as strategic marketing;
 - analysis of legal support of the recreational and tourism sphere and development of recommendations for its use at the regional level;
 - promotion of competent human resource capacity of Zaporizhzhya region.
- Let us analyze the main areas of activities of the “Center’s” structural units.
- I. The Information and Analytical Department.

It is responsible for the implementation of investment marketing research, analysis and assessment of recreational and tourism resources and investment attractiveness of the region. It studies and monitors the status of recreational and tourism market in Zaporizhzhya region. Also it conducts formation of a database in the following areas:

- data on recreational and tourism offer and potential of the region;
- data on the state of recreational and tourist demand and a list of the main consumers of recreational and tourism services;
- information on market subjects of recreational and tourism services;
- data on existing investors of the recreational and tourism sphere as well as on potential investors.

The regional planning will be based on the analysis and preparation of documents due to created and promptly actualized database.

II. The Department of Marketing Planning.

It conducts the development of marketing strategies and programs for the operation and development of the recreational and tourism sphere in the region. It also implements measures to promote recreational and tourism services in the region and conducts consulting services.

The department also can engage in the implementation of integrated marketing programs, projects for recreational and tourism enterprises.

III. The PR department.

The main functions of this department are:

- creation of a positive image of the recreational and tourist sphere in the region;
- development and implementation of advertising and PR campaigns in the region;
- creation of the recreational and tourist information bureau and relevant Internet resources, which should include a website that will provide information on the proposed recreational and tourism services, objects of recreational and tourist attractiveness, weather conditions, etc.;
- provision of information and communication support of programs and projects in recreational and tourism sector of the region;
- development of advertising and agitation projects and PR campaigns for recreation and tourist businesses, based on their orders;
- organization of recreational and tourist exhibitions of regional scale, and also participation in international and national exhibitions.

IV. The Department of Strategic Planning and Investment Support:

- provides the development of principles, programs and plans for recreation and tourism development in the region;

- carries out work for the development of methodological guidelines for the preparation of plans and projects;
- develops strategic directions of investment projects;
- provides methodical and organizational support for investment projects and their expertise;
- provides advice and develops business plans for recreational and tourism companies based on their request.

V. Department of Regulation and Control of Investment Programs.

It provides coordination and implementation of investment projects, supervises their implementation and promotes regional coordination of investment projects.

VI. Financial Department.

The main objectives of financial department should be:

- formation of cost estimate of the “Center”;
- regulation and control of financial provision of programs, projects, plans, developed in other departments of the “Center”;
- conduction of financial advisory services to businesses of recreational and tourism sphere.

VII. Law Department:

- explores international law in the field of recreation and tourism;
- conducts a comprehensive analysis of the legal provision of the recreational and tourism sphere of Ukraine and prepares recommendations for its use and application;
- provides legal registration of recreational and tourism programs and projects, coordinates them with national and regional programs of socio-economic development, as well as with Ukrainian legislation.

VIII. Human Resources Department.

In its functional activity it hires employees of the “Center”. It is involved in the classification of recreational and of tourist objects. It collects and summarizes information about the main institutions of the region that are engaged in production of specialists in the field of recreation and tourism.

Therefore, the activity of the RIMC-RTS will enhance the development of recreational and tourist relations and will ensure the coordination of recreational and tourism enterprises in the region. It will also contribute to regional integrated use of existing recreational and tourism potential of the region, expansion of infrastructure and material-technical base of recreation and tourism. It will strengthen the positions of the recreational and tourism sphere in the region in relation to competition at national and inter-regional recreation and tourist markets.

Finding mechanisms of financial provision of interregional and regional institutional structures offered by us is an important aspect of their creation. We believe that the main activities of finding sources of funding should be provided with funds and within expenditures of state, regional, district and city budgets. These costs are to be allocated for the development of recreation and tourism, for business entities of all forms of ownership, public and non-profit organizations, international technical assistance and grants, investment funds and other sources not prohibited by law. A significant proportion of funding should be given to, in our opinion, regional and nationwide public sector organizations of recreation and tourism.

Conclusions

Thus, the institutional mechanism of state recreational and tourism policy of Ukraine is a system of measures of state authority, the public and subjects of recreational and tourist activities that take place within a certain institutional environment and are presented by special institutional forms, institutional structure, organizational and legal culture and require further improvement at state and regional levels of development of Ukrainian society.

In our opinion, one of the ways to solve the problems identified is the improvement of the institutional mechanism of state recreational and tourism policy by creating the Ministry of Tourism at state-level. In our view, it will create an effective system of institutional support of the recreational and tourist sphere. The adoption of the Law of Ukraine "On the Recreational Sphere of Ukraine" should become another important step for its further development.

The development of regional programming of recreational and tourism sphere is the important measure to improve the institutional mechanism of state recreational and tourism policy at the regional level. It will include not only the complex of investment planning, tax management and other economic levers of influence, but a number of measures for the marketing of recreational and tourism services, and it will provide opportunities for the creation of regional investment and marketing centers of the recreational and tourism sphere of Ukraine.

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PERSPECTIVES OF ANTICORRUPTION POLICY REALIZATION IN UKRAINE UNDER CONDITIONS OF AUTHORITY-PUBLIC RELATIONS TRANSFORMATION

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*This article is dedicated to the problems of anticorruption policy fulfillment in Ukraine nowadays and to the perspectives of their realization considering the development of authority-public relations. It is emphasized, that practical realization of effective mechanisms of corruption prevention and counteraction is closely connected with development of administrative procedures and active use of public control. Bodies of public power should intensify public involvement in the process of the development, adoption and realization of administrative acts. This article is focused on the fact that social relations building is possible only under the conditions of independent settlement of questions connected with the reaction to acts of corruption by certain public authority representative. Morality can be as important as legal part and sometimes can be even more effective in corruption combating.*

**Keywords:** anticorruption policy, corruption prevention and contraction, conditions for existence of corruption, abuse of authority, borrowing of foreign experience of corruption overcoming.

### **Beglyca W. PERSPEKTYWY REALIZACJI POLITYKI ANTYKORUPCYJNEJ NA UKRAINIE W WARUNKACH TRANSFORMACJI STOSUNKÓW WŁADZY I SPOŁECZEŃSTWA**

*Artykuł został poświęcony problemom implementacji polityki antykorupcyjnej na Ukrainie na obecnym etapie i możliwym perspektywom jego realizacji z uwzględnieniem tendencji rozwoju stosunków pomiędzy władzą a społecznością. Zwrócono uwagę na to, jak praktyczne wdrożenie skutecznych mechanizmów zapobiegających i zwalczających korupcję związane z opracowaniem procedur administracyjnych oraz wykorzystaniem aktywnego czynnika kontroli społecznej. Organom władzy publicznej warto wykorzystywać zaangażowanie obywateli w proces rozwoju, przyjęcia i realizacji decyzji w zakresie zarządzania. W tekście zwrócono uwagę na to, że konfiguracja stosunków społecznych jest możliwa tylko w warunkach podjęcia samodzielnych decyzji przez społeczeństwo w kontekście form reakcji na korupcję poszczególnych urzędników. Składnik moralny może być równie istotny, jak i prawny, a czasami nawet bardziej skuteczny w walce z korupcją.*

**Słowa kluczowe:** polityka antykorupcyjna, zapobieganie i zwalczanie korupcji, warunki pojawiania korupcji, nadużywania stanowiska służbowego, doświadczenia zagraniczne w walce ze zjawiskiem korupcji.

### **Беглиця В.П. ПЕРСПЕКТИВИ РЕАЛІЗАЦІЇ АНТИКОРУПЦІЙНОЇ ПОЛІТИКИ В УКРАЇНІ В УМОВАХ ТРАНСФОРМАЦІЇ ВЛАДНО-ГРОМАДСЬКИХ ВІДНОСИН**

Статтю присвячено проблемам впровадження антикорупційної політики в Україні на сучасному етапі та можливим перспективам її реалізації з урахуванням тенденцій розвитку владно-громадських відносин. Робиться акцент на тому, що практична реалізація дієвих механізмів запобігання та протидії корупції тісно пов'язується з опрацюванням адміністративних процедур та активного вживання фактору громадського контролю. Отже, органам публічної влади бажано активізувати залучення громадськості до процесу розробки, прийняття та реалізації управлінських рішень. У статті акцентується увага на тому, що налаштування суспільних відносин можливе лише за умов самостійного вирішення суспільством питань щодо форми реагування на факт прояву корупції з боку окремих представників публічної влади. При цьому моральна складова може бути не менш значною за правову, іноді навіть більш ефективною у протидії корупції.

**Ключові слова:** антикорупційна політика, запобігання та протидія корупції, умови виникнення корупції, зловживання посадовим становищем, запозичення іноземного досвіду подолання явища корупції.

### **Беглиця В.П. ПЕРСПЕКТИВЫ РЕАЛИЗАЦИИ АНТИКОРРУПЦИОННОЙ ПОЛИТИКИ В УКРАИНЕ В УСЛОВИЯХ ТРАНСФОРМАЦИИ ВЛАДНО-ОБЩЕСТВЕННЫХ ОТНОШЕНИЙ**

Статья посвящена проблемам осуществления антикоррупционной политики в Украине на современном этапе и возможным перспективам ее реализации с учетом тенденций развития властно-общественных отношений. Делается акцент на том, что практическая реализация действенных механизмов предупреждения и противодействия коррупции тесно связана с административными процедурами и активным использованием фактора общественного контроля. Таким образом, органам публичной власти желательно активизировать привлечение общественности к процессу разработки, принятия и реализации управленческих решений. В статье акцентируется внимание на том, что налаживание общественных отношений возможно только при условии самостоятельного решения обществом вопросов о форме реагирования на факт проявления коррупции со стороны отдельных представителей публичной власти. При этом моральная составляющая может быть не менее значительной чем правовая, иногда даже более эффективной в противодействии коррупции.

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Introduction

In order to reduce risks of Ukrainian national interests in implementation of complex and effective anticorruption policy is needed. Such policy should be among the most important tasks for the government and society because all the parties are interested in its implementation. Our state is undoubtedly unable to create safe environment for its citizens, stable and productive economy, defend its sovereignty and stand on the one level with developed countries of the world building on the outdated management model. Combating with the consequences is inconclusive because it creates false representation of the problem and indirectly facilitates the creation of new corruption schemes. As a result threats to the mechanisms of free competition are created, obstacles to the entrepreneurship arise, budget resources are spent ineffectively and, unfortunately, country's defensive capacity is undermined and citizens' safety comes under threat. That is why it is very important to actualize preventive and preventative actions.

Analysis of recent research

The prerequisites of corruption in Ukraine and recent trends in state anticorruption policy realization were studied by huge amount of scientists, Babenko K.A., Gvosdetsky V.D., Dmitruk B.P., Lazarenko S.G., Pobereznii V.V. can be distinguished between them.

It would be useful to consider the results of Transparency International studies, which contain practical recommendations on corruption problem settlement.

Results

Negative effect of corruption particularly emerges in catastrophic decrease of state and governmental authority, destruction of social moral principles, interpenetration of dirty officials and criminal circles, creation of false public relations and citizens removal from the participation in the decision creation, adoption and implementation process. Huge impact of the corruption on the officials as state representatives, administrative environment, corporate culture, moral and ethic components of their activity can be seen.

Today practical realization of effective mechanisms prevention and counteraction of corruption are closely connected with the development of administrative procedures and active public control factor use. That should provide a possibility of public and business monitoring of local public entities, institutionalization of interactive mechanisms between the authorities and citizens.

The phenomenon of corruption weakens democracy and leads to moral and cultural decline. Corruption occurs under condition of two parties presence, the briber and bribe taker, and inertness of greater part of society to this it. Corruption makes normal operation of government institutions impossible, keeps the media under control, forcing them to give out only "beneficial for them

information “without the presumption of innocence of people that were unfairly convicted. Generally, societies in transition are characterized by a large number of so-called “yellow press” which exists only because of the loud sensations [9].

Undoubtedly, the problem of corruption emerges and develops under the influence of large amount of factors also named the conditions of corruption that lead to the development of such phenomenon. Conditions of corruption emergence can be divided into these groups:

- economic;
- political;
- social and cultural;
- organizational and managerial (Table. 1) [12].

Table 1.
Conditions of the emergence and development of corruption in Ukraine

Economic conditions	Political conditions
<ul style="list-style-type: none"> • unorganized economic relations, the lack of a developed market economy and economic competitiveness; • too big inflation rates, which increase the imbalance in economic relations at all levels, causes crisis trends in public finances and reduces greatly the standard of living; • the lack of a balanced, economically reasoned fiscal system and redistribution of taxes funds; • existence of the shadow economy which according to experts reaches as high rates as official economy ones; • a small salary in most of the public authorities representatives, especially those who contact with citizens and business representatives and have the opportunity to use their position for personal gain; 	<ul style="list-style-type: none"> • lack of political stability creates uncertainty among government officials at various levels and in the business sector; • extraordinary politicization of society in general, and especially among the officials, whose provisions often depends on the political situation and quick changes; • low level of political culture of citizens, which is especially evident during the elections, when voters are purchased or unrealistic slogans are used to achieve the goal – to be elected to public bodies; • slightly big power bureaucratism and alienation of grater part of citizens to the process of development, adoption and implementation of managerial decisions that depend on the willingness of the authorities in the upper levels; • actual absence of civil society, which is on its formative stages and according to its social orientation should monitor the functioning of public authorities and officials; • lack of political will and sustained state policy on preventing and combating with corruption.

Social and cultural conditions	Organizational and managerial terms
<ul style="list-style-type: none"> • peculiarity of historical development of Ukrainian society, long practice of gratuities from citizens for the performance of official duties; • peculiarity of Ukrainian mentality, the spread of opinion in the public consciousness about the admissibility of corruption, efficiency of problems settlement with the use of special connections; • social crisis in morality and displacement of values in public conscious, which leads to the change of perceptions of standards and pathology in social behavior; • too small amount of legal public knowledge, poor knowledge of civil rights and their legal guarantees, greater part of society, for whom legal nihilism is characteristic, together provide the framework for abuse of authority among public officials. 	<ul style="list-style-type: none"> • ill-considered and even overcomplicated structure of the administrative apparatus, characterized by the fall of authority of various officials / authorities, in other cases too many officials at one place, shortage of productive system of public – authority interplay; • absence of effective public control over the activities of officials and the openness and transparency of governmental institutions; • frequent threat of a conflict of interests during the time of their official duties; • low professional level of a large number of officials and poor law enforcing bodies logistical support, the complexity of interaction and regulation of regulatory and law enforcement bodies activity in order to prevent corruption.

Transparency International and civil organizations aimed to prevent corruption urge the authorities not to allow the deterioration of the situation in Ukraine regarding the existence of such illegal phenomenon. They made the following recommendations[13]:

- To ensure observance of current laws and regulations and the immutability of the principles of good business conducting of all participants of economic relations regardless of the field they are involved;
- Opposition to the union of political and business circles representatives, the use of state-powerful vehicle for private business projects;
- To resume publication of results of current purchasing power of state enterprises, institutions and organizations, as these funds form great part of the budget;
- To create an open list in the form of registry participants of citizens and public structures noticed in corruption actions such as taking part in invirtuous tenders in order to prohibit their participation in the future;
- Complicate participation in tenders for people in close ties with officials on whom their results depend on;
- Ensure real implementation of penalties for acts of corruption.

Because of systemic nature of corruption in the country and difficulties in the practical implementation of anti-corruption policy it is needed to notice

that the real strategies of combating with antisocial phenomenon of corruption should focus on relatively persistent deadlines.

As practice shows, it is virtually impossible to completely eliminate corruption in any country, but this situation can not justify the low level of efficiency in actions against corruption. The actual purpose of preventing and combating corruption should be its reducing to a level that will not prevent the development of a modern democratic state, social development, economic and political spheres, the system of public authorities at last.

The important part of state strategy for reform of the public service should be the actualization of a professional, politically unbiased and prestigious services in the government at all levels, which will be based on personal professional achievements of the authorities [11].

In general, Ukrainian legislation especially during last two years largely big amount of regulatory framework for the implementation of anti-corruption policy was created:

- Law of Ukraine "On Amendments to Some Laws of Ukraine on public procurement to bring them into line with international standards and measures to combat corruption" of 15.09.2015 number 679-VIII [1].

- Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on preventing and combating with political corruption" of 08.10.2015 number 731-VIII [2].

- Resolution of the Cabinet of Ministers of Ukraine "On establishment of the National Agency of Ukraine for detection, investigation and management of assets derived from corruption and other crimes" of 24.02.2016 number 104 [3].

- The decision of the National Agency for the Prevention of Corruption "On approving the list of jobs with high levels of corruption and high risk" of 17.06.2016 number 2 [4].

- The decision of the National Agency for the Prevention of Corruption "On the implementation of the National Agency for the Prevention of Corruption powers to conduct anti-corruption expertise" of 28.07.2016 number 1 [5].

- The decision of the National Agency for the Prevention of Corruption "On approval inspections by the National Agency for Prevention of Corruption" from 11.08.2016 number 2 [6].

They provide a large set of measures of bringing to responsibility (disciplinary, civil, administrative and criminal) for almost any representative of the public authorities, in case of recognition of the fact of abuse at official position. The problem is that in today's conditions there is still a lot of means to counter corruption that are not fully used or are used inconsistently, without taking in account the complexity of the problem.

It is needed to provide the environment to organize social relations, to form needed moral and legal norms among citizens, and sense of justice, create new productive areas of social regulation by removing contradictions between norms of law and morality regarding prevention of corruption in Ukraine [7]

At present Ukrainian realities the issue of borrowing foreign experience to overcome the phenomenon of corruption becomes more actual. In addition to standard procedures provided by the European integration (the European model of corruption), it is would not be out of place to use practical experience of Eastern countries. This can help create a comprehensive package of recommendations because Ukrainian model of corruption at some point echoes with Oriental model. It is important to pay special attention to Singapore. This state for quite a little time managed to occupy a prominent position among the leading states of the international community. In addition to this, Singapore is considered one of the safest countries which little corruption.

For example, in this eastern country exists the norm according to which in the trial in cases of bribery it is normal to use facts that indicate the extra costs of the accused official, disproportionate to his salary or the value of movable and immovable property too high in relation to revenues. Courts were entitled to confiscate property and income, received as a result of involvement in corruption. It is also important to use harsh penalties for providing false information. All episodes of corruption are exposed to public through the media. This makes possible to ensure the existence of open government and helps to find respectable business partners.

Based on the Singapore experience the following suggestions are made:

- Develop measures to prevent corruption of both sides of these relations, whoever is guilty;
- Appoint officials to posts on the basis of merit, competence, professionalism, as opposition to cases where the decision of hiring is done on the basis of family or other connections;
- Establish appropriate wages for representatives of public authorities correspondent to the average wage of employer in the private sector;
- Form the main authority entrusted to prevent corruption, based on moral and ethical standards, and protect plaintiffs who reported about corruption on the governmental level;
- Minimize the number of permits needed to get provision to these documents, since it reduces the threat of corruption to the state and society. [10]

In fact, it is the classic version of state governance: combination of strict system of controls and penalties and encouragement of cooperation, financial support and social protection. Hong Kong experience is also quite interesting, because for a long time there dominated a Chinese tradition to repay for receiving

services from the government. This is also true for Ukrainian historical tradition.

Of course, it is impossible to get rid of such negative phenomena as corruption only with a help of punitive methods. It is also important to make opportunity to commit illegal acts of giving bribes impossible. For example, it is useful to optimize the licensing system. For some time in order to open a private company in Hong Kong it was needed to get about twenty permissions. That might take a yearlong time. After optimization the number of documents was significantly reduced. Now it is needed to get only one permission. So it allows minimizing the time needed for administrative services and the creation of corruption situations.

According to the Hong Kong chief specialists the most important thing in combating with corruption is the help of citizens. Like in Ukraine, for many years citizens of Hong Kong feared to complain on illegal actions made by officials or government in general. Among the first steps of the main corruption fighting was widespread distribution among citizens phone trust numbers and calls for disclosure of cases of extortion. To this slogans like "Do not be blind to corruption!" with the numbers of "hot line" available at any time for report of the facts of corruption were added. Citizens constantly got such explanation, "if you do not like the system in which without bribe nothing can be done, first of all you need to do something on your own: do not pay, complain, ask!" Of course, some calls could be made in order to slander, but in such cases a man who did defamation was prosecuted. So, in Hong Kong in order to overcome the phenomenon of corruption main emphasis was made on the change of ideology. For the Ukrainian reality it is also important that unlike Singapore experience salaries of officials here has not become very large [9].

It is quite important to mention that the configuration of social relations is possible only if society makes independent decisions about the form of reaction to the fact of corruption made by individual representatives of public authorities. This moral component can be as significant as the legal one, and sometimes even more effective in fight with corruption.

As a result of reliable research, almost one third of the population does not see corruption as a display of antisocial behavior, which helps to destruct public administration, and find it as a part of normal life. So some ways to eliminate the negative consequences of this attitude can be proposed.

At first, the researchers propose to attract the so-called change of administrative opinions, according to such mean with the help of public management public opinion is created. It is formed not only by means of the media, but also by public servants, especially managers, who potential for corruption.

Secondly, the popularization of anti-corruption policy should be implemented through public organizations, educational institutions of all levels and govern-

mental institutions. In addition to it, the anti-corruption activities should be supported by coherent information policy. It is believed that the more the public gets information about corrupt acts, the more it will take part in minimizing its level. Law enforcement agencies play not least role in raising public anti-corruption culture. But they first must get rid of such negative phenomena as corruption [8].

Among the strategic areas of combating corruption the prevention of corruption should be in the first place. Preventive measures should be made in accordance with social prerequisites for corruption and general terms of corruption. In this regard, one of the priorities is to create a situation in a society in which corruption becomes unprofitable and even risky business. Social status of the employee, who has temptation to use authority in their own interests, should be encouraged to conduct according to the law. The fear of being exposed as bribe taker should be replaced by the understanding of corruption consequences. This should become the basis for employee lawful behavior at any level [7].

Conclusions

The formation of anti-corruption policy and practical implementation largely depends on consistent ascertainment of the conditions of corruption, their isolation. It is important to take comprehensive review of the problem in order to determine all the factors, the main focus should be concentrated on secondary factors, and the central subject of corruption should be left outside the scope of consideration. Improvement of economy and the system of power, public relations and optimization of administrative-territorial structure should be among significant measures of implementing anti-corruption policy, but without systematic approach to the shortcomings of the legal framework and overcoming the strain in public awareness all these actions are not able to resolve substantially the situation with the spread of the phenomenon of corruption in Ukrainian society.

The new Ukrainian anti-corruption legislation that came into effect during the last two years must change stereotypes in society in order to form a new vision of corruption. It is important to attract the general public, conduct educational and information campaigns. Activities of non-governmental organizations in anti-corruption activities, especially in the political sphere, can become the real hinder to illegal or harmful actions, influence on public opinion over the problem.

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FORMING OF THE BASIS OF EFFECTIVE SOCIAL PUBLIC POLICY: THEORETICAL PERSPECTIVE

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The article defines the basis of effectual social public policy; determines the priorities of public management in social processes; clarifies the functional direction of social policy; comprehensively presents the elements of modern social policy.

It is determined, that the processes of economic transformation, which are taking place in Ukraine during the Independence period, are accompanied by the significant shifts: forming of new elite; deep stratification of population by incomes level; inadmissible part of the poor inhabitants. Such situation not only causes considerable social tension, but retards further social and economic development of the state in general, intensifies the problems of social security and social stability.

The definition of social policy is justified as the activity of the state, political and social institutions and it is directed on the progressive development of the social area of society's life, on the improvements of the conditions, ways and quality of human's life, on the satisfaction of the people's vital needs and living standards, granting them a necessary social support, assistance and protection using for these purposes the available financial resources and other social potential of the suitable formation.

The structure of social policy is presented comprehensively and it is directed on the connection of the employment policy, policy of incomes' regulation, policy of social guarantees, policy of social protection, policy of health protection and ecological safety of population.

It is proved that social policy correlates with the economic policy and it requires a conciliation of social and economic targets, tasks and priorities from the government in the frames of the only social-economic policy. As a result of lack coordinated conception of social-economic national development, nowadays social policy is reduced to the neutralization of social tension's displays. So it is extremely exacerbated a necessity of harmonization of all system components of the social relations and implementation of mechanisms that provide a real progress and social dynamics.

Keywords: social policy, public management, social processes, social affairs, social development, social protection, social safety, social security, human potential.

Valenkov W. TWORZENIE PODSTAW SKUTECZNEJ POLITYKI SPOŁECZNEJ PAŃSTWA. PODEJŚCIE TEORETYCZNE

It gives perspectives of cooperation between social groups and other elements of social structure, favors the enhancement of social situation of the citizens.

The problems of social oriented state's forming are explored by national and foreign scientists. Theoretical and practical aspects of forming and investigating of social policy are showed in the researches and articles of A.Averin, O.Amosha, V.Baumol, L.Beztelesna, G.Yurchik, O.Grishnova, M.Dolishniy, V.Zhukov, T.Zajac, L.Kachan, A.Kolot, E.Libanova, O.Makarova, V.Nygnick, V.Skurativskiy, O.Paliy, A.Yagodka and etc.

But modern exacerbate of crisis at all public affairs makes actual the necessity of improvement of exiting theoretical and methodological, methodical and applied principles of implementation of social policy, which are represent social, economic, demographic, socio-cultural today's realities.

Statement of research objectives

The purpose of this article is to systematize the theoretical principles of forming of the basis for effective social policy.

Results

The social policy is the activity of the state, political and social institutions and it is directed on the progressive development of the social area of society's life, on the improvements of the conditions, ways and quality of human's life, on the satisfaction of the people's vital needs and living standards, granting them a necessary social support, assistance and protection using for these purposes the available financial resources and other social potential of the suitable formation.

The definition of "social policy" is one of the most widespread both in public administration as in everyday life of all social strata and social groups.

The economy which is oriented on the satisfaction of vital needs of man and his family will become social oriented.

Social policy is activity which is directed on overcomes of latent, non legitimate conflict between demand and proposals.

From the hand of society, there are subconscious wishes (demand) of the laws and freedoms, namely wish of being in such civic society in which everyone can choose necessary professional activity and can organize individual life according to internal needs of different people.

Of course, different societies and individuums have the opposite wishes (society is ruled by external political variation of needs, but individuum is ruled by internal physiological and psychological needs), but they can balance due the only need in secure existence [4, p. 54].

There are different points of view on the definition of "social policy". Experts consider that this definition has appeared in English language literature in XIX-XX centuries. As a category which means kind of policy.

This word combination has been widespread in 30-40 years of XX century, when the conceptions of “the state of universal well-being”, “social state” were forming.

Scientist and experts give various interpretations of definition of “social policy”.

In the context of modern social researches it can be highlighted some main approaches to the definition of “social policy”, among them: activity; cooperation; combination of ideas (regulations and approaches); complex (system, summation) of measures and programs. The subjects of social policy are the state, civic and political formations, employers and citizens. The objects of social policy are a social affair. According to the main elements of social affair the goals of social policy aren’t conflict in social relations, coordination of social processes and satisfaction of social needs. In wide context the final goal of social policy is a social (human) development [1, p. 142].

So N.Volgyn consider that the social policy is understood as a combination (system) of measures and measures, which are directed on the livelihood of population [7, p. 23]. According this point of view he divides different kind of social policy by the level of administration: state (national); regional; corporate and etc.

Such point of view O.Voronyn [2, p. 317] shares and determines the social policy as the system of measures, principles, decisions and activities of the state and other social institutes that has formed in a society during some historical period of its development and is directed on the satisfaction of positive changes in social affairs and social field.

Also A.Yagodka provides a definition of social policy as a combination of different measures, forms of activities of subjects of socio-political life which are directed on the forming and implementation of social needs and reflect the vital interests of human and society concerning social and financial conditions [8, p.27].

The main functions of social policy are:

- Approximation of sustainability of social relations and social situation of all groups of inhabitants, social security of society;
- Support and stimulation of the economy and social activities of people;
- Securement of political stability;
- Providing by authorities such distribution of the property which would be recognized by the majority as equal and it wouldn’t entail the struggle for the redistribution;
- Adjustment the system of distribution of the economic resources and economic effects, which will be suitable for the majority of the population;

- Providing by the society and the state enough level of social safety both population as everyone individuum from his social group;
- Providing an implementation of security function which is considered as help for citizens in the conditions of social risks and crisis;
- Providing enough level of ecological safety by the society and the state.

But these functions of social policy don't include all abilities of human capital's development especially in modern Ukraine.

The social policy which executes such wide range of functions is very difficult in its structure. The structure can be presented as a complex of five main elements: the employment policy, policy of incomes' regulation, policy of social guarantees, policy of social protection, policy of health protection and ecological safety of population.

The social policy is built on some principles:

1. The principle of social equality of all members of the society means equality under the law, including national relations, persuasion etc.;

2. The principle of social solidarity means some socio-economic symmetry and equivalence in social life and social groups. It means general united support which based on common vital interests of the society. The state must create conditions of solidarity support for everyone member of the society and must guarantee a prosperity which depends on their work only, intelligence, attitude to their own freedom and responsibility.

3. The flexibility of the social guarantees. Protection and support of population should be built according the dynamic of socio-economic processes in the market's conditions and should prevent the reasons of social tension, social negative phenomena and trends.

4. The combination of generality and differentiated approach to different groups of the population. It means that the social guarantees apply to all people regardless of employment, gender, nationality, incomes. The system expands on the full life cycle, protects the rights and interests of children, youth, working peoples, old-aged peoples. But the forms of social protection should differ for some strata or social groups and that is the essence of differentiated approach. For example, for working and able-bodied people the policy of social protection lies in the software of the main rights in the field of labor – right for employment, rest, conditions of work, salary which depends on the complexity of work. The main advantage for socially vulnerable segments of the population is ability to use the state funds of recourses. Financial assistance should be provided only to disabled people.

5. The functional integration of management's levels – the integration of guarantees in the full system of social protection at the all levels: national and regional, the level of a collective with proper circle of rights, functions and li-

abilities of every level. On the national level the minimal amounts must be set. It is the conditions of protection for all citizens and socially vulnerable groups of the state. The local authorities ensure the implementation of national social guarantees and national programs of the social protection on the some territory, form and put into practice the regional programs of social protection and assistance on the assumption of socio-demographic, national and cultural and others features and the financial recourses.

6. Using scientifically substantiated social norms as the basis during the elaboration of national and regional program of social development. According these norms the state provides guaranteed access of all citizens to education, health protection, habitation. This access is limited by the well-defined size and areas. Services which are provided over the appointed minimum the able-bodied citizens should pay from their own or collective expense. This approach gives an ability to revive the importance of incentives to work, to enlist actively own incomes of the inhabitants for solve the social problems and to elaborate the mechanism which gives the priority to the socially vulnerable segments of the population during the use of public funds.

7. Existence of resource's support of social policy.

The main task of social policy – as V.Zhukov writes – is the harmonization of civic relations, support of political stability and social agreement. In his opinion the most priority trends of the social policy are [3, p. 45]:

- to prevent the reduction of the real cash incomes of the population;
- to support a balance of economic interests between workers, employers and disabled people;
- to provide a health security, social maintenance, education, culture at the appropriate level;
- to solve the problems of the employment and activation of the personnel's retraining.

V. Zhukov highlights two main problems of the social policy [3, p. 51]: protection of the social rights and education.

We think that the social policy is an instrument which makes possible to optimize the social relations, to create suitable conditions for disclosure of creative individuum potential in the different field of social and employment activities and to assist the poor people.

It means that the modern social policy – it is policy which is appeal to the society and has an assortment of measures for adaptation of population to the socio-economic processes.

That is why the social policy is one of the most important directions of the public policy and it is a system of measures for implementation of national

social program. It should satisfy an appropriate standard of living of the population, its reproduction, employment, harmonization of social relations and should support social affairs, state political stability and prevent social conflicts.

The main goals, tasks and selections of social policy's management should be directed on the understanding the human as a main object of the social policy, as social being which is motivated to be an exponent of such Ukrainian features as good sense, facility of self-analysis and self-criticism, hopefulness and optimism, inward, mental, ethical and cultural potential, education, energy and vitality, adventurousness, freedom and etc.

Without their revival it is impossible to activate the nation's energy, patriotism and others, so it is impossible to develop powerful national economy and state.

Implementation of the social policy is associated by the majority of the population with social protection which is targeted.

There is no doubt, the implementation of the functions of the population's social protection is one of the basic elements of the state activity and is characterized by [6, p. 88]:

- the economic opportunity of the society;
- maturity of social development of the subjects of employment;
- political priorities.

Flexible social policy has become a priority instrument for the social protection of the population from subjective risks and also a way of return of the vulnerable, but able-bodied persons to a working activity. The main tasks of the state are:

- a decision of the priorities and main social norms at all public administration's level;
- a software of the legislative base of state guarantees in the field of employment, social protection;
- an improving the mechanisms of implementation of redistribution budget's policy between the different social groups;
- a stimulation of participation of the business and non-governmental organizations in the development of the national potential and providing an economic supporting for poor stratum of society.

The modern social policy is such system of measures which is directed on the implementation of the social programs at all part of the social life.

Social policy made different functions in different times. If we remember our history during the staying at the USSR, we'll see that the social policy has penetrated the whole country, starting from the birth of human and finishing of his death. Every step of human, every his activity has been prescribed. And there

were guarantees, but there weren't private and personal initiatives. This unlimited load has led to collapse of the whole system.

Multiplicity of the modern social policy is explained that our country is leaving the social relations of the former USSR, where the main motivation and stimulating factor were state paternalism. It has oriented man for the comprehensive social state protection at all areas of the social life. Such approach has built the conditions of the negative social phenomenon which has known as the "social dependents". It has restrained an individual human's development and his moral, intellectual, physical abilities. Without such development it couldn't create a high-quality human capital.

Because of the direction of the Ukraine modern social policy on the human and on the increasing of his prosperity, the main task of the social policy isn't only a support of the vulnerable segments of the society but also is forming and development of the human capital.

Nowadays in the Ukrainian public policy can be seen a displacing of the traditional functions of the social protection and providing of favorable conditions for the development of the human potential, increase of the labor motivation.

At the expense of the human capital's development and human potential some social system spreads, the efficiency increases, the national competitiveness strengthens.

The social guarantees with the stimulation of the labor motivation and increase of the quality of the professional personal potential can be very powerful instrument of the national suitable.

It can be note that at the beginning of the XXI century in the public policy of the leading countries and some developing countries the theory of social responsibility of the state and business has been developed. Simultaneously the strengthening of the social policy's legislation and increase of its implementation has been done.

At the international level the role of the social function of the state has been recognized and fixed by the regulations and manuals of the UN, Council of Europe, conventions and recommendations of The International Labor Organization. In such countries as Sweden, Belgium, Denmark, France, the USA, Japan and etc. the Governments always were creating the system of the social protection.

It can be note that the social program of the development of the national, labor and intellectual potential and supporting for poor stratum of society have been financed both from the state budget as from the activity of non-government organization, private sector and even some private persons.

At the end of the XX century the human potential has been transformed into the integral moving and main factor of the economic development, so the role of the social affairs at the economy has been changed significantly and it has influenced on the economic transformations of the state. At the beginning of the XXI century Ukraine was building self social policy according the national traditions of the public living arrangement and the postmodernism's realities that has been appeared all over the word.

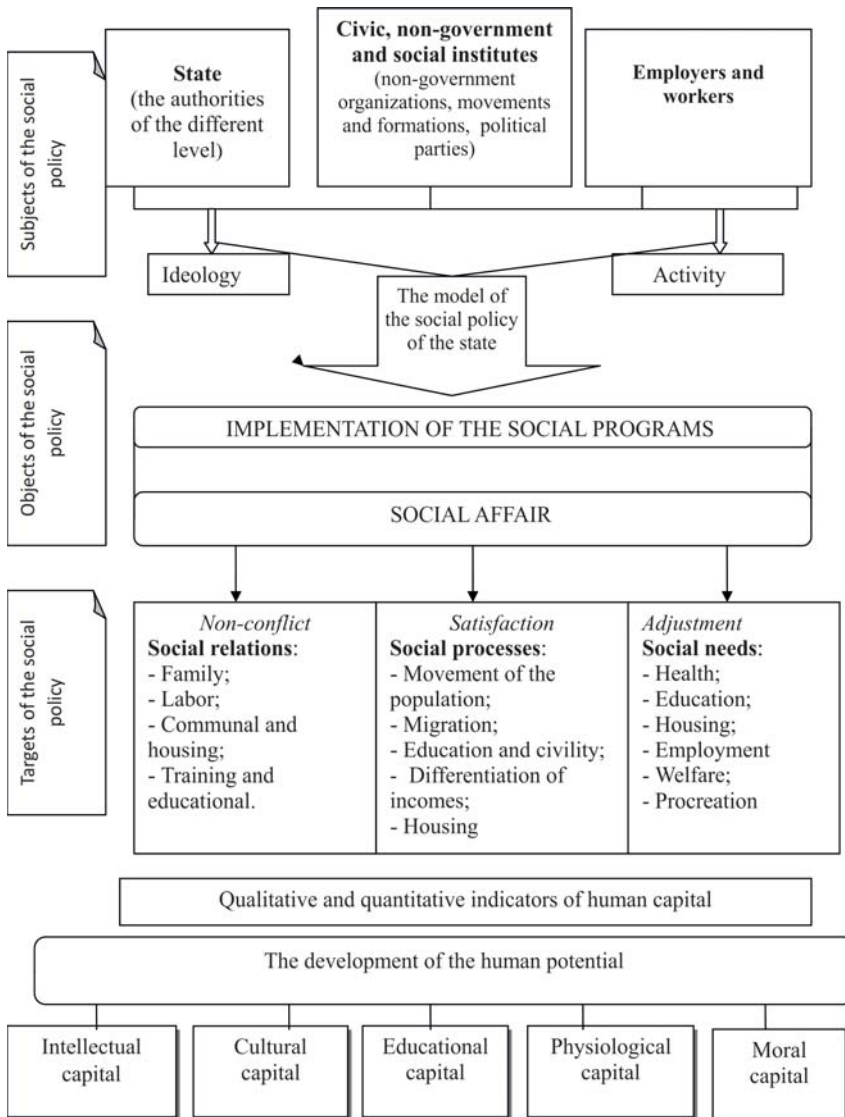
The effective social policy should be directed on the creation of the proper living conditions for everyone. They related to physiological and social living components. Physiological component indicates a material security at the level of the European Union's norms, an access to cultural values, a guarantee of the rights of the personal and family security for employers and those who can't work. Integral element of the modern understanding of the proper living conditions is the social activity of human which is need for the living providing as a part of the society. Effective social policy is directed on the achievement of the proper living conditions of the inhabitants and it can be implemented under such circumstances when the complex of socio-economic factors will be recognized as the main parts of the Ukraine's integration into the EU [5, p. 186].

Drawing a general conclusion of the main points of view, we can determine the definition of the "effective social policy" as the ability of the government and society to provide an increase of the living social quality and standards, conditions for human's reproduction of full value, quality employment, harmonization of the social relations, political stability and to develop a human potential using various measures and instruments (picture 1).

Regulation of the conditions of the social life is one of the priorities of the public social policy, it means the coordination of relations between different social strata, providing the necessary conditions for increasing welfare, quality level of the social life.

The basic tasks of the social policy are:

- dispensation of the incomes, goods and services, material and social conditions of the human reproduction;
- limitation of the absolute poverty and inequality;
- guarantee of the material and financial sources for those, who can't possess them depending on the different reasons;
- security of medical and educational services;
- improve of the environment.



Picture1. The elements of the modern social policy

The modern social policy is multifaceted and is focused on the human. It provides cooperation of all spheres of the life's support both as a society and as individuals in solve of the social problems.

Social policy correlates with economic policy and it requires a conciliation of social and economic targets, tasks and priorities from the government in the frames of the only social-economic policy. Unfortunately the transformational changes in Ukraine during the Independence period were characterized as spontaneous and unsystematic. As a result of lack coordinated conception of social-economic national development, nowadays a social policy is reduced to the neutralization of social tension's displays. So it is extremely exacerbated a necessity of harmonization of all system components of the social relations and implementation of the mechanisms that provide a real progress and social dynamics.

Conclusions

Development of the effective social policy is one of the primary tasks of any state. Its successful solution determines not only the living conditions of population, but future socio-economic prospects and national security. The mechanisms of the social adaptation and social support of the population, reducing of social inequality should be developed more actively. It causes the modernization and development of the social services segment, the program of targeted support of the vulnerable and privileged categories of population.

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Signed to print 15.11.2016
Format 60/84 1/8 Offset paper.
Headset «Times New Roman». Print ryzohraf.
Conventional printed pages 17,55.
Circulation 300 copies. Order № 5/05.
Publisher and manufacturer: Yemelyanova T. V.
54001, Mykolayiv, prov. Sudnobudivniy, 7
Tel.: (0512) 47-74-48, e-mail: printex_nik@rambler.ru
Certificate of publishing subject MK № 24 from 25.05.2011