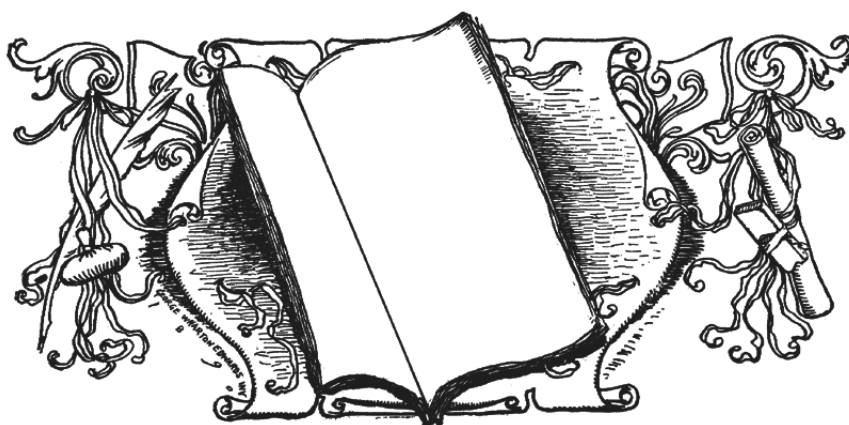


PUBLIC POLICY AND ECONOMIC DEVELOPMENT

Scientific and Practical Journal



Publisher:

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

Petro Mohyla Black Sea State University
Local NGO «Center for Economic and Politological Studies»
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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

Reviewers of the Issue:

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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:

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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.

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Section 1.

**PECULIARITIES OF THE PROCESS
OF PUBLIC ADMINISTRATION
IN SOCIAL SPHERE**

УДК 351.851(477)

No. DOI 10.14746/pped.2014.2.1

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SOME ASPECTS OF STATE REGULATION OF THE QUALITY DEVELOPMENT OF THE NATIONAL EDUCATION SYSTEM IN UKRAINE

The transition of a country to a market economy makes it necessary to reform the system of the higher education, which would fully contribute to the formation of independent thinking of an individual, strengthen an individual approach to the development of creative abilities, fundamental improvement of professional training of specialists able to work in a new environment. The results of studies of processes of reforming higher education in Ukraine are highlighted in this article. This work aims to show a number of challenges in the sphere of public administration of the higher education sector and to identify ways to improve its qualitative development. The world statistical data, the normative documents that regulate the formation of educational space and the results of indicators' growth of the higher education institutions of countries, the processes of improving the educational process and the difficulties faced by Ukrainian higher educational establishments are analyzed in this paper. It is concluded that it is necessary to understand all depth of changes needed in this area in order to improve the quality of management of the higher education establishments.

Keywords: higher education, education reform, the Bologna process, higher education institutions.

Садковий В.П. Деякі аспекти державного регулювання якісного розвитку національної системи освіти України

Перехід країни до ринкової економіки зумовлює необхідність реформування вищої освіти, яке повною мірою сприяло б формуванню самостійного мислення особистості, посиленню індивідуального підходу до розвитку творчих здібностей, докорінному поліпшенню професійної підготовки спеціалістів, здатних працювати в нових умовах. У статті висвітлено результати досліджень процесів реформування вищої освіти в Україні, проаналізовано світові статистичні дані, нормативні документи, які регламентують формування освітянського простору, та результати росту показників вищих навчальних закладів держав, процеси вдосконалення навчального процесу та труднощі, з якими зіткнулися українські вищі навчальні заклади.

Ключові слова: вища освіта, реформа освіти, Болонський процес, вищі навчальні заклади.

Садковий В.П. Некоторые аспекты государственного регулирования качественного развития национальной системы образования Украины

Переход страны к рыночной экономике предопределяет необходимость реформирования высшего образования, которое в полной мере оказывало бы содействие формированию самостоятельного мышления личности, усилению индивидуального подхода к развитию творческих способностей, коренному улучшению профессиональной подготовки специалистов, способных работать в новых условиях. В статье показаны результаты исследований процессов реформирования высшего образования в Украине, проанализированы мировые статистические данные, нормативные документы, которые регламентируют формирование образовательного пространства, и результаты роста показателей высших учебных заведений государства, процессы усовершенствования учебного процесса и трудности, с которыми столкнулись украинские высшие учебные заведения.

Ключевые слова: высшее образование, реформа образования, Болонский процесс, высшие учебные заведения.

Introduction

Nowadays optimizing the management of a higher educational institution, improving its material and technical base, the quality of teaching and the competitiveness of its graduates remain

urgent challenges in the system of the higher education. Educators, scholars and statesmen continue to work in order to solve them. The international activity of the higher educational

establishment is not the last factor in a solution of mentioned problems. The international cooperation in the sphere of the higher education is intended to address a number of such topical problems: the compliance of content and level of the higher education with the needs of economy, politics, social and cultural spheres of society; standardization of the level of specialists' training in various countries and regions; strengthening of international solidarity and partnership in the sphere of the higher education; sharing of knowledge and skills in different countries and continents.

Analysis of recent research

The development of the concept of the higher education reform is the scientific interest of such recognized Ukrainian experts as V. Andruschenko, K. Levkivsky, V. Lugoviy, V. Kazakov, K. Korsak, V. Kremen, C. Ognevyuk, S. Nikolaienko, M. Stepko, T. Finikov and others.

Statement of research objectives

The article aims to highlight a number of challenges in the sphere of public administration of the sector of the higher education and to identify ways to improve its qualitative development.

Results

As the practice of many European countries shows, strengthening the accountability of the higher education institutions for the results of their activity by expanding the democratic principles of their functioning and deepening the university autonomy is a prerequisite for improving the quality of the higher education. However, it is obvious that more autonomy of the higher educational institutions will inevitably lead to their greater dependence on public control and therefore on public support.

Today the autonomy of universities in Ukraine and their academic freedoms are regulated by the Law of Ukraine "On Higher Education", which provides a framework of autonomy and self-governance of universities in different areas of their activities. The changes taking place in society, including in the content of education, influence its motivation.

With regard to motivation of teaching it is advisable to identify the motives of cognitive nature (focus on content) and motives with a focus on the purpose of training or motives of achievement, by George Atkinson [3]. The latter can be divided into two groups. The first concerns the present of a student: evaluation of his/her knowledge by teachers and colleagues,

the importance of this for himself/herself. The educational motives closely "interact" with the achievement of ultimate goal of learning. The motives of the first group – official, situational, partly artificial – are formed by the subjects of educational process organization (grading system of an ongoing success of student learning). According to the administrative-command system these motives-incentives were, if not decisive, then at least basic ones. The value of successes in future life activities that are determined by knowledge, professional training of a graduate now increases to a greater extent than before. Let us take into account that a Soviet student did not worry about a job after graduation, because it was guaranteed to him/her. Moreover, a student received an official appointment, which gave him/her certain benefits as young professional. The quality of this appointment was largely dependent on the current successes of the student and "color" (ranking) of his/her diploma, which increased the motivation of "present" and administrative role of the organizers of the learning process. Today "red" diploma (diploma with excellence) not only does not ensure better living conditions, it generally does not guarantee an employment. In fact, knowledge behind the diploma and the form of education become important. Thus, important is the content of the knowledge gained.

The contemporary problems of education are exactly related to this content. We characterize the quality of education through the content, scope and nature of information, the compliance of the acquired knowledge with the needs of the present.

Even a cursory analysis of foreign and domestic scientific literature on the higher education of recent decades shows that most of it is devoted to the crisis of this important sector and search for ways and means to overcome it [2].

Scientists and government officials almost of all countries of the world, including the most developed ones, as well as experts of influential international organizations such as the UNESCO, the International Monetary Fund, the International Bank for Reconstruction and Development, the World Bank, etc. currently pay attention to the crisis of the higher education. For example, a report prepared in 1994 by a special group of international experts from the World Bank led by A. Hamilton and A. Verspur contained a separate section entitled "Crisis of Higher Education". In particular, it stated that "this branch is in crisis throughout the world" [6, p. 3].

It should be noted that the term “crisis” in different languages is interpreted generally in the same manner, namely: on the one hand, as a threat to the existence of a certain phenomenon, and on the other – as an opportunity to avoid it. They saw in it an existential threat to not only the existence of the higher education, but also a threat to the national security. The crisis was seen as a signal to take immediate and decisive actions to overcome it. According to Western and domestic experts, the crisis of the higher education is most notably manifested in:

- 1) some lag of scientific developments of the higher education system from the needs and demands of life;
- 2) slow reorientation to training new scarce specialists for labor market;
- 3) reducing the quality of the educational process;
- 4) the sharp drop in the level of graduates’ knowledge;
- 5) increasing inequality of chances for admission to the higher educational establishments and successful graduation from them of representatives of different social groups;
- 6) the growing dissatisfaction of students, their parents and others with the conditions of training.

The main reasons of the crisis of the higher education according to the researchers’ appropriate conclusions are the following:

- the growing inability of the higher educational establishments to quickly find effective responses to challenges of present time;
- too big state intervention (except, perhaps, the USA) in its affairs;
- reducing, and sometimes “freezing” state funding of the universities;
- imperfect management system of the higher education institutions;
- slight diversification of forms and types of the higher education institutions;
- continuous, rapid and substantial increase of tuition fees and so on [4, p. 12].

Certainly, a number of special reasons specific to a certain type of countries (e.g., post-colonial and post-totalitarian), as well as some specific reasons unique to a particular country were added to these general typical causes of the crisis of the higher education.

A careful study of relevant literature and processes of the higher education’s development in various regions of the world gives reason to make at least five important conclusions.

First, the higher education crisis has a global character. It most deeply and sharply hits developing countries and the countries of the former Soviet Union.

Second, the crisis phenomena (special attention should be paid particularly to this) occur mainly in the state sector of higher education.

Third, this crisis is general, because it touched all spheres and directions of functioning of state universities, including their financing, management, the quality of the learning process and so on.

Fourth, the crisis of the higher education is permanent, especially since it has become mass in nature.

Fifth, the exacerbation of this crisis has a cyclical nature and occurs almost every 10-15 years.

Western scientists, especially those working under the auspices of the UNESCO and the World Bank, are not limited to clarifying the causes of the crisis of the higher education and general analysis of attempts to its reform, but seek ways, methods and means to reduce and overcome this crisis. As rightly noted by one of the senior officials of the World Bank A. Chorsu, experts of this institution along with other scientists analyze the lessons of international experience in the implementation of educational reforms and “offer a choice of variety of policy decisions for countries that seek ways to increase the contribution of the higher education to economic and social development” [6, p. 3].

According to the World Bank specialists, only reforms can lead the higher education out of the crisis or significantly improve its condition. It should be provided by:

- 1) encouraging state higher educational institutions to expand the range of funding sources, that is to search and to use other sources of funding especially private ones, not only state funds;
- 2) redefining the role of state and government in the development of the higher education, including a substantial limitation of its interference in educational affairs;
- 3) implementing a deliberate policy for the provision of priorities of high quality and impartial education purposes.

Conclusions

Thus, the reforms undertaken in the 1990s became the first and very important step towards the most significant changes in the system of the higher education in Ukraine, which can be seen today. However, reforms will not lead to the expected results if they are not consistent,

systematic and understandable to participants of educational process. On the 24th of April, 2003 the Ministry of Education and Science of Ukraine decided to accept the offer of the higher education institutions to conduct, starting from the 2003/2004 academic year a pedagogical experiment on introduction of a credit-module system into the organization of an academic process in the higher educational institutions of the 3rd and 4th accreditation levels. It was done in order to develop and implement new principles of educational process's organization to expand the capabilities of students in selecting the content of education programs; to ensure flexibility in the system of specialists' training for their adaptation to the rapidly changing requirements of domestic and international labor markets; to stimulate University students, faculty and staff to achieve high quality of training specialists in the system of higher education and to increase the prestige of Ukrainian higher education on a global level. It is important to understand all depth of necessary changes in this area in order to improve the quality of management of the higher education institutions in modern conditions of life.

In this regard, it is necessary to:

First, fundamentally change the methodology for determining the quality of the higher education, as the United Europe determines the competitiveness of graduates by the level of

professionalism and not by simple reproduction of knowledge by students. National monitoring of quality, licensing and accreditation, independent testing should become the effective means of management of quality of education.

Second, get rid of technocratic tools of quality of management of the educational system, which in the field of education today works through the large-scale network computerization, and in education field – through finding the newest educational practices.

Third, implement new programs of humanization of education, to lay the foundation of multilingualism and multiculturalism, information culture, new ethics and tolerance.

Fourth, make the transition from an authoritarian to a more democratic control algorithm of quality of education, to fully ensure the rights of a young person for a separate and independent development, self-improvement.

And the last point to mention. The effective organization of scientific research of the quality of education should create appropriate conditions for the pedagogical science and the sociology of education, through which it will be possible to understand the principles and to formulate the patterns of implementing the main goal of the quality education – the development of the individual in the knowledge society.

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УДК 351.84(477)
No. DOI 10.14746/pped.2014.2.2

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CHILD ALLOWANCE IN UKRAINE AS A POLITICAL INSTRUMENT: THE IMPACT AND CONSEQUENCES

This article covers the effectiveness of child assistance in Ukraine after its considerable increase in April 2005. The analysis is based on official statistics of the Ukrainian Committee for Statistics, survey data, and focus group interviews. The main periods of child assistance increase and also monthly-paid maternity assistance for three years after a child's birth from 2001 are shown. The attention is paid to the regulatory basis of this process.

The dynamics of the total fertility rate and child allowance increase in the period of 2001-2012 is compared. On the basis of the above and other data, the conclusions about interconnection between payments and childbearing activity in Ukraine are made. The author noted that the rise of fertility in recent years can be explained to a large extent by the impact of material aid as one of the main factors in decision-making.

The positive results of child assistance tied with the rise of fertility in Ukraine. Along with that, there are some negative aspects of providing sizeable payments in the light of low standards of living and impropriety of family policy limitation only to financial aid. The author underlined that only a complex multi-factor state political strategy which takes into account not only material but also many other agents (indirect and not fiscal) can give the expected result. Affordable housing, economic stability, decent wages, simplification of combining work and childrearing, and also strengthening of traditional family values by the means of informational policy are all necessary to provide effective family policy.

Keywords: state child allowance, childbearing, total fertility rate, family policy, the family policy's effectiveness.

Дерега В.В. Допомога при народженні дитини в Україні як політичний інструмент: вплив та висновки

У статті на основі даних Державної служби статистики України співставляється динаміка зростання державної допомоги по народженню дитини, починаючи з 2001 р., і сумарного показника народжуваності, також звертається увага на зміни показників розподілу народжених за порядком народження і коефіцієнтів народжуваності за віком матері. На основі цих та інших даних робляться висновки про вплив підвищення допомоги при народженні дитини на демографічну ситуацію в Україні, аналізуються позитивні і негативні аспекти цього впливу.

Ключові слова: державна допомога при народженні дитини, народжуваність, загальний коефіцієнт народжуваності, сімейна політика, ефективність сімейної політики.

Дерега В.В. Помощь при рождении ребенка в Украине как политический инструмент: влияние и выводы

В статье на основании данных Государственной службы статистики Украины сопоставляется динамика увеличения государственной помощи по рождению ребенка, начиная с 2001 г., и суммарного показателя рождаемости, также обращается внимание на изменения показателей рождаемости по порядку рождения и по возрасту матери. На основании этих и других данных формулируются выводы о влиянии повышения помощи при рождении ребенка на демографическую ситуацию в Украине, анализируются позитивные и негативные аспекты этого влияния.

Ключевые слова: государственная помощь при рождении ребенка, рождаемость, суммарный показатель рождаемости, семейная политика, эффективность семейной политики.

Introduction

Fertility is one of the most essential indicators of demographic processes. Fertility to a great extent affects family development directly since it determines an increase in the number of families

with children, their size, and also fertility influences age distribution of population indirectly.

Low fertility has become one of the characteristic features of the demographic reality. Although Ukraine is among those European states with the lowest total fertility rate (TFR), some recent tendencies especially in 2002-2008 may be considered as positive. Thus, positive dynamics of birth-rate against depopulation processes in the sphere of mortality, life expectancy, etc., certainly attracts everyone's attention.

In these conditions, there are a number of questions that logically arise: how effective such political instrument as financial aid is, whether child allowance stimulates childbearing, to what extent, and what perspectives of such impact are. In general, political influence on fertility may be diverse. In Ukraine child allowance which mostly consists of financial aid at birth has become the most significant instrument of influence. Thus, these problems are researched in the article.

Analysis of recent research

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. Palyan.

In the context of family policy research, the problems of fertility are analyzed in the works of such scholars as M.Kats, L.Kryvachuk, G.Kryshtal, L.Kulachok, L.Melnychuk, S.Nychyporenko, I.Semenets-Orlova, L.Slyusar, I.Chekhovska.

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.Ryngach, N.Stativka, V.Steshenko, I.Klochan and others.

Statement of research objectives

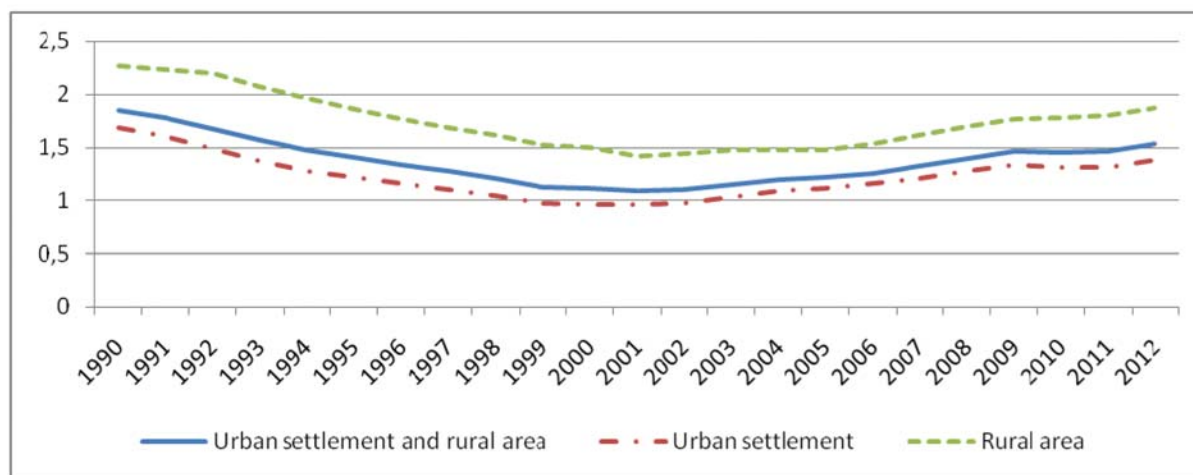
- to show the dynamics of child allowance rising and compare it with the change in total fertility rate since 2001;
- to study changes in some specific spheres of fertility change, such as fertility by birth order and age-specific fertility rates;
- to analyze the positive and negative aspects of payments impact on fertility in Ukraine.

Results

The decline of fertility in Ukraine occurred before 2001, as it is shown on Graph 1 drawing on the basis of the data from the Ukrainian Committee for Statistics. Total fertility rate (TFR) in 2001 year fell to the record low level - 1,085 [1]. This is still considered as a "lowest-low" fertility country, with a TFR under 1,3 [2, p.1148].

Graph 1.

Total Fertility Rate in Ukraine, 1990-2012



Source: [1]

Under such conditions, as a reaction to the demographic crisis, the family policy was formed in independent Ukraine. First of all, in the Constitution of Ukraine adopted in 1996 in article 51 it was stated that family, childhood, motherhood and parenthood are defended by the state [3]. This statement defined the attitude

towards family and has an important meaning in the view of appropriate state's obligation before an individual and society.

At a later time, the series of documents aimed to create a complete family policy were adopted. This is, in the first place, the Conception of Family Policy [4] adopted on 17.09.1999 «with

the aim of forming the main foundations of public family policy, providing proper conditions for comprehensive family development as a basis of society». In the Decree of Ukraine's President «On measures towards fertility stimulation in Ukraine» [5] № 5/2002 from 3 January, 2002 the priority directions of social policy are defined: improving of demographic situation, providing support to families with children and strengthening social security of motherhood and childhood.

Regardless of the declaration of shaping the family policy as a complex of actions, a purposeful strategy, child assistance at birth and allowance for three years after a child's birth have become the main instrument of fertility.

The normative base of these measures was adopted in 1992 as the Law of Ukraine "On State Aid to Families with Children" [6]. Based on the Constitution, this document established the level of material support for families with children through giving state financial aid taking into consideration the family structure, its incomes and the age of the children. According to the Law, such types of state aid for families with children are defined:

- 1) assistance at pregnancy and childbirth;
- 2) assistance at a child's birth;
- 2-1) assistance at a child's adoption;

3) assistance for three years after a child's birth;

4) assistance to children under guardianship or trusteeship;

5) assistance to single mothers.

Also in the Law it is stated that local authorities, enterprises, organizations, and association of citizens at their own expense can introduce additional sorts of aids and extra payments to the state aid for families with children.

The Law has increased the size of payments to different family categories since 2000. It is necessary to say that child assistance existed before, beginning in 1993, but the economic crisis and inflation nullified all social initiatives. Monetary benefits couldn't meet even minimum needs of families with children; in addition, the living wage in this period was fixed at the level which was lower than essential or realistic.

The combination of the demographic crisis and poverty of families with children have incited the search of solutions to the problems by increasing child birth allowance considerably.

Since 2001, when assistance at child birth was 180 hryvnias, the payments have been gradually growing. Table 1 illustrates the changing child birth allowance and aid for three years after a child's birth in 2002-2013.

Table 1.

The sizes of child allowance in 2002-2013 (some types)

Type of payments	01.01.2002	01.10.2002	01.01.2004	01.05.2004	01.01.2005	01.04.2005	01.04.2007	01.01.2008	01.01.2011	01.01.2012	01.01.2013
Monthly aid for three years after the birth of a child (hryvnia)	40	40	40	40	104	104	120	130	130	130	130
Child birth allowance (hryvnia)	200	320	684	725	1550	8497,6	8500	12240	18000	26790	29160
including the first child								12240	18000	26790	29160
including the second child								25000	37000	53580	58320
the third and each next one								50000	73500	107160	116640

Source: [23; 24, p. 125]

The first sizeable increase in the child birth allowance – ten times more than in the previous year, happened in 2005, after the Orange

Revolution and the new elite coming to power. Previously, it was broadly announced during the election campaign, and that was the first time

when the question of government child assistance became so politicized.

At that moment, the total sum of 8500 UAH was a very sizeable amount, and not only by Ukrainian standards, that was one of the most considerable child birth grants among the European countries.

In 2008 the next round of reforms in child birth allowance occurred and the most important innovation was the payments differentiation by order of a child's birth. In addition, payments were no longer made in lump sum but in fixed parts during a year or few years.

The aid was tied to the living wage instead of being a fixed sum at the end of 2009. In accordance to the Law "About Amendments in the Ukraine's Law "On State Aid to Families with Children" Concerning Child Birth Allowance" [7], which was adopted by the Verkhovna Rada on 17 November, 2009, child birth allowance would be given in the sum multiple to a certain amount of the living wage (as established on a child's birthday).

The next step was to increase these sums starting from 9 April, 2011 (the date of publication) when the amendments were made to the Law "About the State Aid to Families with Children" that child birth allowance would be in the sum multiple to 30 sizes of the living wage –

for the first child; multiple to 60 sizes of the living wage – for the second child; multiple to 120 sizes of the living wage – for the third and each next child.

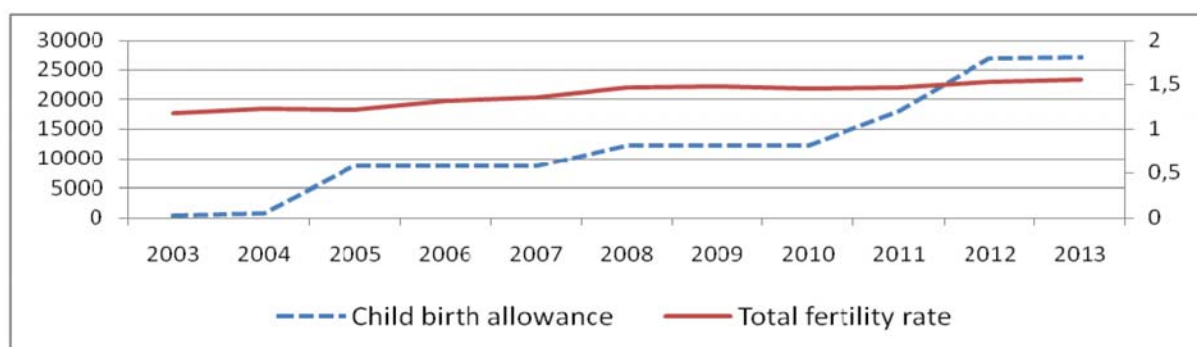
The payment was made in lump sum ten-fold as much as the living wage at a child's birth, and the rest of the assistance for the first child paid during the next 24 months, for the second child – 48 months, for the third and each next one – 72 months in equal parts. Child birth allowance calculated in the amount of the living wages for children under the age of 6, as established on the birthday of a child.

Thus, besides the regular increase in the allowance, it was extended in time, and as a result it became the average between a single child birth grant and a system of prolonged facilitation to families with children. This transformation can be considered as an important stage in child allowance development.

Now, as the living wage is permanently rising, the size of the child allowance is also growing. So, on 1 March, 2014 the payment for the first child was 30960 UAH, for the second child – 61920, for the third and each next child – 123830 [8]. Thereby, the child birth allowance is quite considerable and exceeds the minimum wage which on 1 January, 2014 amounted to 1218,00 UAH [9].

Graph 2.

Total fertility rate and child birth allowance, 2003-2013



Source: [1; 22; 23]

Graph 2 shows how the total fertility rate changed in comparison with the increase of the child birth assistance. Certain impact of aid on fertility tendency exists, of course. The most appreciable rise of the TFR occurred in the period between establishing the sizeable child birth allowance in 2005 and the economic crisis of 2008-2009. After that the trend of the TFR increase was replaced with stabilization on its previous level for some time – 2009-2011, and from the second half

of 2011 again the growth of fertility is observed. In 2012 the TFR comes to 1,531, and this is the best coefficient since 1993 [1]. At the same time the mortality rate in 2012 in Ukraine was the lowest since 1990.

To some extent, for a certain period, the fertility rise can be explained by the compensation effect after the socio-economic crisis of the 1990s. But, in any case by the mid-2000s the compensation potential had exhausted.

Thus, the continuation of the TFR increase in recent years can be accounted for more comprehensive realization of reproductive decision-making, the environment for this realization was improved by the benefits stated above.

At the same time, for the thorough analysis of the new policy effectiveness it is important to study the results of the sociological survey, that is: how the answers to the question divided: "Did the establishment of sizeable one-time child birth allowance impact your plans as for the number of children in the family?"

As a result of special investigation conducted in April, 2008 by the Institute of Demography and Social Researches [10], the answers showed that this impact is not so important: 86,7 % of the respondents gave the answer "no" and only 13,3 % replied „yes". Among those who gave the affirmative answer, 32,4 % have already given birth to a child after the benefits were introduced, 10,1 % expect the birth of a child this year, 8,5 % plan to give birth to a child the next year, 35,5 %

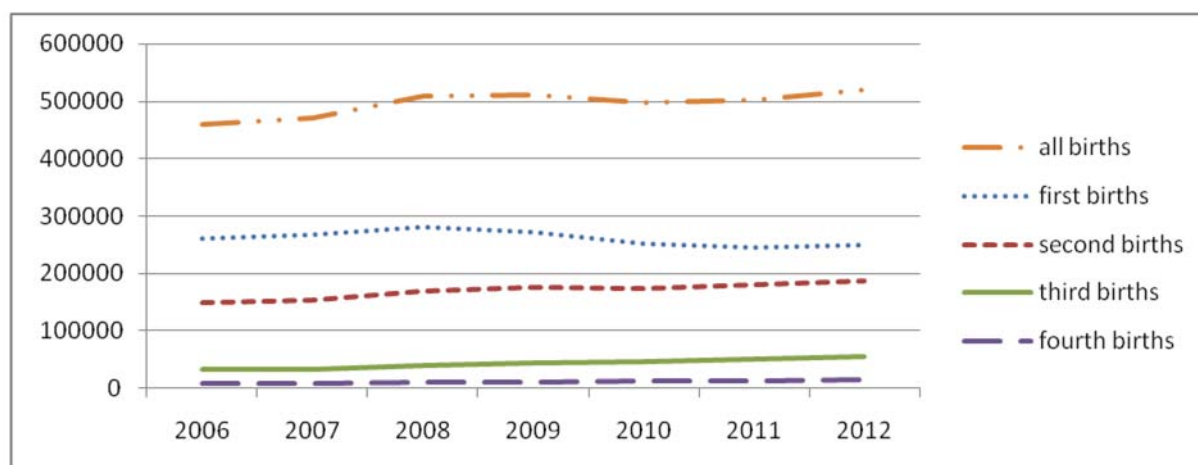
plan to give birth to a child two or three years later.

The analysis shows that the increase in the one-time aid has had an obvious effect on the second births. Among respondents with two children, who recognized the impact of this activity on their own reproductive plans, those who gave birth to a child after the introduction of the aid dominate. Among respondents with one child the majority (45 %) plan to give birth to a child 2-3 years later, one third recognized that they gave birth to a child after the increase in payments.

Graph 3 shows that the part of second and third births is increasing, and also, but to a lesser extent, of fourth births. The growth of the third and the next birth is the most noticeable after 2008, exactly in the time of the financial and economic crisis. Also this is the time after the differentiation of grant by birth order, according to which the material assistance for the following children increased considerably. This means that the child birth allowance facilitated the realization of reproductive plans.

Graph 3.

Fertility by birth order, 2006-2012



Source: [11, p. 338; 12, p. 348; 13, p. 345; 14, p. 339; 15, p. 339]

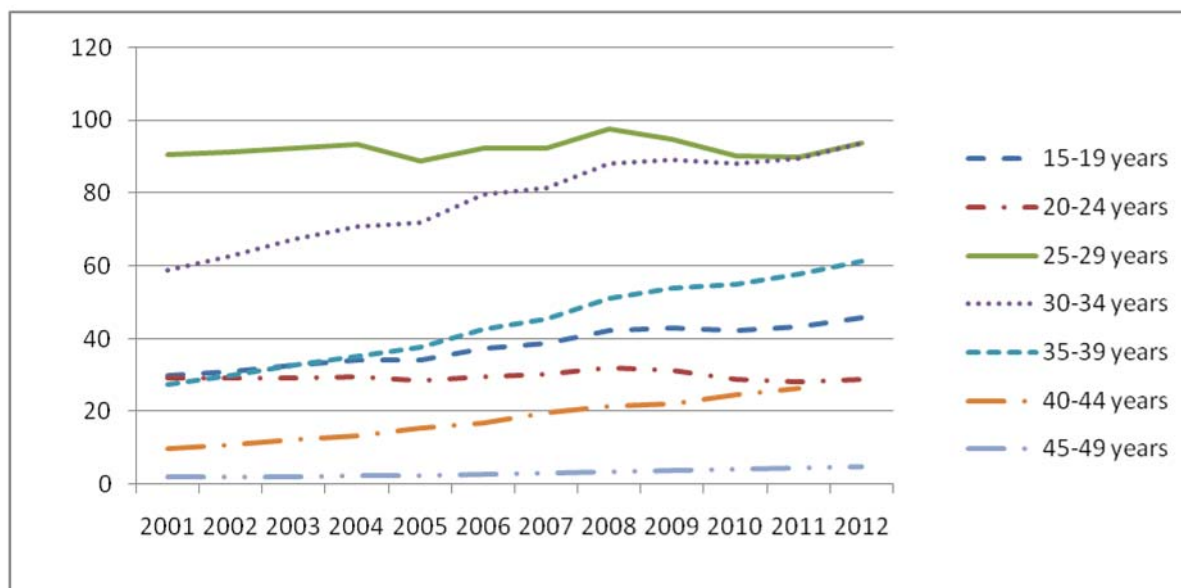
The increase in the number of the second, the third, and the fourth, etc. child births is a positive trend and corresponds to one of the most important goals of the family policy – to increase the birth number per one woman. As a result of the demographic research these children are crucial for the population reproduction – families with two children do not fulfill this function.

The reproductive activity of women from older age groups has become a peculiar feature of the total fertility rate. The TFR has changed more

significantly in the age groups of 30-34, 35-39, 40-44, as shown in Graph 4.

In the age group from 30 to 34 years, the amount of births for 1000 women increased from 27,6 in 2001 to 61,9 in 2012, in the age group of 35 - 39 years – from 9,8 in 2002 to 26,4 in 2012, in the age group 40 -44 years – from 1,9 in 2002 to 5,1 in 2012 [1]. It is essential that in these age groups, to a greater extent, the increase in fertility occurred due to the second and next births.

Age-specific fertility rates, 2001-2012



Source: [1]

In general, 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. 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 [1]. 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) [16], 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 [17]. In social security institutions (in particular, in orphanages) a new category of children has appeared recently – children from families without

means of subsistence [17]; 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 [18], 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 parasitism and factually corrupts marginal parents [16]. 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 [2, 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. For example, as the data analysis of 16 OECD countries for the twenty years period showed, it is absolutely possible to raise the fertility rate to 1,5 (in countries with the lowest-low fertility – TFR=1,3 and lower), while it is almost impossible to reach

the level of simple reproduction [19, c. 167]. The research shows 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 % [20, p.19].

Respectful attitude towards family and its values has always been one of the main features of Ukrainian mentality. Under the results of international comparative sociological research in 24 European countries in 2005, Ukrainians take the second place (average score 4,48) concerning the statement that “family must be the main priority in life of both men and women”. Among Europeans higher value of family life is only shared by Hungarians (average score 4,62) [20, p.19]. Therefore, public family policy can be oriented to preserving and intensification of traditional family values in Ukraine.

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 cohesion. People with caring responsibilities still lack adequate support and suitable arrangements for combining their different responsibilities [21, 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. 10,5 % of households has floor space less then 7,5 m² per person, the other 31,1 % - from 7,5 m² to 13,65 m² [20, p.87]. Many young couples with one child can cope with small living quarters by sharing resources with their parents; but couples may feel that sharing a one or two-bedroom apartment with their parents and two children is unfeasible [2, p.1171].

Conclusions

The analysis conducted has shown that the child birth allowance, which has been considerably increased since 2005, is stipulated by depopulation factors and has pronatalist orientation. Its positive effect consists in the clearly seen increase in fertility in this period – by 2012 the total fertility rate in Ukraine reached 1,531. There is an impact on the second and the next births (to a large extent in older age group of women). This is should be also considered as a positive trend, because of the exceptional role of high-order births for reproduction of population. Certain improvement in this sphere enables one to speak of certain mitigation of the demographical crisis. At the same time it occurs not only as a consequence of cash payments, but also as a result of other factors.

Along with the positive results there are some negative consequences associated with the significant amount of payments against low wages and other unfavorable socio-economic indicators. The problem is the current system intensifies

dependent moods, leads to fertility increase in dysfunctional families, so called “marginal” groups of society.

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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УДК 364.013 (477)
No. DOI 10.14746/pped.2014.2.3

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THE OPTIMIZATION OF STATE SOCIAL STANDARDS IN CURRENT SOCIAL AND ECONOMIC CONDITIONS IN UKRAINE: TO THE QUESTION OF THE PROBLEM

The article characterizes and analyzes the basic state social standards, approaches in establishing and developing of basic social guarantees and social standards are revealed, the impact of transformational changes on the changes of people social status. Social sphere main task is the reproduction of the human capital in the state. During the process of Ukraine's European integration the implementation and adherence to European social standards gain great importance as they provide an opportunity to implement the main purpose of the modern welfare state which is a high standard of living provision. Serious steps were taken at the legislative level in the social sphere in Ukraine, namely the Law of Ukraine "About the State Social Standards and State Social Guarantees" that has been approved in 2000, defines the priorities of the state social policy to meet people needs in material goods and services and financial resources for their implementation. In the period of social and economic transformations the existence of basic standards in the state, imposed on the development of social services and quality of life, is a necessary condition and feature of the social and welfare state. In Ukraine the process of social sphere functioning, aiming for a decent human life support, education, recreation, health, needs improvement and development, as in our state effective social policies that could provide a high standard of living and equal access to public goods and services is in the process of formation.

Keywords: social state, guarantees, pauperism, transformational changes, social standards.

Лізаковська С.В. Оптимізація державних соціальних стандартів в сучасних соціально-економічних умовах в Україні: до проблеми питання

В статті характеризуються та аналізуються основні державні соціальні стандарти, розкриваються підходи у встановленні та розробленні основних соціальних гарантій та соціальних стандартів; визначається вплив трансформаційних перетворень на зміну соціального становища громадян. Завданням соціальної сфери є відтворення людського капіталу держави. У процесі європейської інтеграції України, впровадження та дотримання європейських соціальних стандартів має велике значення, оскільки вони дають змогу реалізувати основну мету сучасної соціальної держави – забезпечити високий рівень життя населення.

Ключові слова: соціальна держава, гарантії, пауперизм, трансформаційні перетворення, соціальні стандарти.

Лизаковская С.В. Оптимизация государственных социальных стандартов в современных социально-экономических условиях в Украине: к проблеме вопроса

В статье характеризуются и анализируются основные государственные социальные стандарты, раскрываются подходы в установлении и разработке основных социальных гарантий и социальных стандартов; определяется влияние трансформационных преобразований на изменение социального положения граждан. Задачей социальной сферы является воспроизводство человеческого капитала государства. В процессе европейской интеграции Украины внедрение и соблюдение европейских социальных стандартов имеет большое значение, поскольку они позволяют реализовать основную цель современного социального государства - обеспечить высокий уровень жизни населения.

Ключевые слова: социальное государство, гарантии, пауперизм, трансформационные преобразования, социальные стандарты.

Introduction

In conditions of transitional society, determination and observance of social standards transformational changes and transformations, is one of the social state basic elements and the

leading factor in the field of social security. Article 1 of the Law of Ukraine "On state social standards and state social guarantees" determines that the state social standards – are established by laws and other normative legal acts social norms and regulations or its complex, on which the levels of basic social guarantees are determined: minimal rate of wage and age pension, other kinds of social payments and assistance. State social standards are obligatory taken into account in the cultivation of programs of economic and social development [6].

Social standard is the norms, rules, descriptions based on the coordination of significant issues of social policy between the majority of stakeholders, adopted and approved by the appropriate authority, and which are guaranteed by the state to its citizens. Social standards describe the consumption level of certain social benefits recognized by the majority of population or a group of people acceptable for themselves.

It is necessary to note that the role and significance of social standards in the system of social and legal relations are important and necessary for public authorities as a management instrument, for providers of certain services and suppliers – to increase competitiveness, for consumers – to determine the quality of services, which are provided.

Analysis of recent research

The study of problems of establishment, implementation and compliance of social standards, its analysis and functioning peculiarities of social system in Ukraine, and also compliance of standards in social field on the paternal level through European social standards are researched by such scientists as N. Baranov, I. Zverev, A. Kapska, A. Klimenko, V. Latik, O. Makarov, V. Muschynina, I. Novoselska, A. Pishchulina, N. Poliak, J. Rudkevych and other theorists and practitioners.

Statement of research objectives

Analysis of state social standards in the current social and economic conditions in Ukraine will follow the efficiency of realization of social policy in the country, determine the quality and level of various social services according to established standards.

Results

According to the State Classifier of social standards and norms approved by the Ministry of Labour and Social Policy of Ukraine on June 17, 2002 № 293, the implementation of state social

standards and norms in the following areas is prescribed:

- Household income;
- Social services;
- Housing and communal services;
- Transport services and communications;
- Health care;
- Providing schools;
- Maintenance by cultural institutions;
- Maintenance by physical culture and sports institutions;
- Household services;
- Trade and catering;
- Social work with children, youth and different categories of families [3].

The establishment of prescribed social standards involves tasks such as:

- 1) determination of the mechanism of realization of social rights and state social guarantees of citizens prescribed by the Constitution of Ukraine ;
- 2) determination of priorities of state social policy as to the ensuring of people needs in material goods and services and financial resources for its realization;
- 3) determination and substantiation of sizes of budget costs and social funds costs for social safety, providing the population and maintenance of social services.

The basic state social standard in the sphere of population incomes is a living wage. The minimal wage rate and minimal age pension, untaxed minimum of citizens' incomes, the size of state social assistance, the size of payments for compulsory state social insurance, the size of other social payments. A living wage is also applied for the general estimation of life in Ukraine , which is the basis for realization of social policy and the development of state social programs.

A living wage is determined by normative method in calculation per month per person, as well as for those who belong to the main social and demographic groups of people: children under 6 years, children aged 6 to 18 years old, able-bodied persons, persons who have lost efficiency.

It is necessary to note that the state social standards are obligatory taken into account in the cultivation of programs of economic and social development.

Scientifically substantiated social norms should be taken as a basis for the social standards. As to the Russian scientist N. Volgina, social standard is a scientifically substantiated quantitative and

qualitative characteristics of optimal status of social process, derived on the basis of the objective regularities of social development and state abilities and aimed at maximum satisfaction of material and mental needs, the comprehensive development of the individual [8]. Analysis and characteristics of social norms lie in that they reflect the capabilities and needs of social development at this stage and therefore can be changed in the future. Basically they have a clear quantitative and qualitative determination, which represents a value that describes the ideal (desired) goal of a certain process development. Unlike the social standards, social norms can be minimal.

Development and establishment of social standards and minimal social norms are an important question in European countries. Such statutory and regulatory documents as the European Social Charter (1961), European Code of Social Security (1964) can be distinguished.

In 2006, Ukraine ratified the European Social Charter, adopted on 18 October 1961, which came into effect in 1965. According to this document, the Member States of the Council of Europe arranged to secure the determined social rights for its population in order to improve quality of life and social well-being of its people. The Charter specifies that everyone has the right to use any measures enabling him to reach the best state of health which is possible; every low-income person has the right for social and medical assistance, every person has the right to use the social services, disabled people have the right for independence, social integration and participation in society life, family as a fundamental unit of society has the right for appropriate social, legal and economic protection to ensure its comprehensive development. [4]

Classification of social norms is implemented by character and level of social needs satisfaction. There are: 1) the norms of consumption – sizes of consumption in volume terms for a certain period (year, month, day) of food products, non-food products of the current consumption and certain types of services; 2) ensuring norms – a certain number available in the personal consumption of durable goods as well as providing a certain area with network of health care, education institutions, enterprises, offices, organizations of social and cultural, domestic, transport and housing services;

3) income norms – the size of personal citizen's or family's income which ensures them a sufficient level of needs satisfaction, which

is calculated by determining the cost of a set of consumption values and implementation norms.

State social standards and norms are usually formed, established and approved in accordance with the procedure established by the Cabinet of Ministers of Ukraine with the participation and agreement of other parties of social partnership.

Depending on the standardization objects, social standards can be divided into: 1) standards in the field of citizens' incomes; 2) standards in the field of receiving of state social publications on an insurance or free basis; 3) standards in the field of governmental or non-governmental organizations on fee basis of additional services and benefits. Depending on funding: 1) social security norms (total expenditures on certain statutory and regulatory acts, social standards); 2) cost norms (actually financed social standards).

In developing of social standards two aspects should be taken into account: standardization of social rights and development of social standards of living. Standards from standardization characterize minimal social norms which guarantee a decent standard of living.

The social standards of life include:

- Lifetime – 25 (minimum) and 85 (maximum) years;
- Literacy – 100%;
- The average years of schooling – 15 years;
- Real GDP per capita (in purchasing ability to dollar) from 200 (minimum) to 40 thousands (maximum) ;
- The total fertility rate (average number of children born by women in fertile age from 20 to 45 years) 2,14-2,15 ;
- Aging coefficient of population (the part of the population over 65 years in general population) – 7 %;
- The correlation of the richest 10% to poorest 10% – 10:1;
- The part of people living below the poverty line – 10%;
- The correlation of minimum and average wage – 1:3;
- Minimum hourly wage – 3\$. ;
- Unemployment rate (including hidden one) – 8-10 %;
- The number of offenses per 100 thousand of population – to 5 thousand;
- The level of depopulation (the number of births to the number of deaths) – 50:50
- The number of mental abnormalities per 100 thousand people – 284 [2 , p. 273].

At the beginning of the XXI century, in particular, during 2007 in Ukraine some positive developments in the implementation of social standards and state social guarantees happened. So, The Law of Ukraine “On State Budget of Ukraine for 2007” provided the increasing of minimum wage to 81 % from the minimal living wage, while, as in 2006 this index was only 73 %. Adopted by the Verkhovna Rada of Ukraine, Law of Ukraine “On Amendments to Certain Legislative Acts of Ukraine regarding the minimal wage at the subsistence level for able-bodied persons” prescribes the introduction since 1 January 2009 of the minimal wage at the subsistence level for workers [5].

According to the Law of Ukraine “On Amending the Law of Ukraine “On State Budget of Ukraine for 2007” from April 2007 for determining the minimal pension, a living wage for those who are unable to work is used for the first time, increased by 1%. The minimum age pension reached a subsistence level determined for persons unable to work, and since 1 April of current year was 410 UAH. In 2007, owing to the growth of the average wage rate, the coefficient of pension increasing

significantly raised (for pensions assigned in 2005-2006, the indicated coefficient is 68 % of growth rate of the average wage). However, such pension increasing did not solve the problem of the sizes backlog which have been earlier assigned from newly pensions. In similar terms of service and pension income, assigned by 2004, almost twice fall behind pension scales, appointed in 2007. [5]

Simultaneously, despite the measures taken in the field of social security, aimed at strengthening social protection of people, the size of individual payments are below the subsistence minimum, however – assistance for low-income families and assistance provided under the Law of Ukraine “On State Social Support to individuals who are not eligible for a pension, and disabled one. “Thus, for calculating the index “level of living wage providing” is used, which is not prescribed by the Law of Ukraine and underestimates this fundamentally important social standard. As to the social standards for 2014, according to the Law of Ukraine “On State Budget of Ukraine for 2014” from 01.16.2014 № 719 - VII, it is determined:

1. Living wage [6]:

Living wage, UAH	Sizes		
	since 1 January	since 1 July	since 1 October
per person per month	1176	1207	1256
children under 6 years	1032	1059	1102
children aged 6 to 18 years	1286	1320	1373
for able-bodied persons	1218	1250	1301
for incapacitated persons	949	974	1014

2. Minimum wage [6]:

Minimum wage, UAH	Sizes		
	since 1 January	since 1 July	since 1 October
monthly size	1218	1250	1301
hourly size	7,30	7,49	7,80

Level of providing of living wage (guaranteed minimum) for the assignment of assistance in accordance to the Law of Ukraine “On State Social Support for Low-Income Families” in percentage to the living wage for basic social and demographic groups of people is: for workers – 21%, for children – 85%, for incapacitated and disabled persons – 100% of the appropriate living wage [6].

The size of state social assistance for needy families cannot be more than 75 % from the level of providing of living wage for a family [6]. In the discussion of the considered problem, we should pay attention to the problem of population poverty.

The problem of poverty overcome in our country should be solved by implementing of the following strategic areas: growth of population employment and development of the labor-market, an increase of income level from employment, the implementation of appropriate insurance principles of social protection of workers, improving the living conditions of socially vulnerable groups of people, improving the system of social legislation, the effective use of budget money and special off-budget funds, the realization of programs of attracting the international investments and grants for social prospects and arrangements, to monitor

the implementation of strategic directions of poverty overcoming.

Poverty as a phenomenon of social and economic nature has a negative effect both in the short and in the long perspective on a areas of public life. Herewith a few basic consequences of increasing of scales and poverty depth which directly influence the dynamics of economic development of Ukraine, the level of its competitiveness in the global economic environment. Therefore, complex approaches are needed to solve this problem, which should be aimed at reducing the poverty depth among all social groups. In addition, the phenomenon of pauperism was inherent for the post-socialist countries, that is mass impoverishment of population, which was a result of transformational changes in the economic and social sphere, the unavailability of citizens for subsidiary approach in social policy of the country.

The domestic legislative basis in the establishment of certain social guarantees is based on the number of documents, including the laws "On state social standards and state social guarantees", "On The Living Wage", "On State Support for Families with Children," "On State Social Assistance to low-income families", "On state social assistance to persons who are not eligible for a pension, and disabled persons "and other legal acts.

Taking in consideration the above, it is advisable to draw the attention of non-compliance of established social values and of current conditions in different spheres of life. The rapid development of the economic potential and of the range of social services is not compared with established social state equivalents: Living wage does not include a number of essential costs: for the construction or purchase of housing or receiving it in the lease, for rent, education, health, maintenance of children in pre-schools, paid medical services, etc. Determining wages, pensions, social benefits, it is necessary to start from calculations aimed at establishing the real trash. Such calculations must become the basis in determining the social benefits which ensure a decent standard of life of the population and its individual groups. The existence of social standards which reflect the life quality allows to enforce an effective social policy, laying necessary conditions for the implementation to the budget. Social policy is effective only when it is based on an effective system of standards and accountability for their fulfillment, analyzing the causes of phenomena.

We should focus on the quality of social services provided to the specific objects of social infrastructure, as there is no clear mechanism for checking the actual quality of providing certain services in the social sphere. In particular, the state social norms in the field of social services are set for defining the range of social services which can be provided to the aged people, disabled people, disabled children, orphans and children deprived of parental care, homeless people, lonely and other socially defenseless citizens who are in difficult circumstances. For qualitative maintenance of lonely aged people and disabled in nursing homes, children's boarding schools, psycho neurological establishments, territorial centers of social maintenance for pensioners and lonely disabled citizens and other institutions which operate within the departments of labor and social protection of people, the set standards of nutrition and of providing medical supplies, the norms of the term of wearing clothes and shoes, use of a solid inventory and standards of cleaning and processing facilities. For social security and qualitative maintenance of homeless children in orphanages for minors, in juvenile services the norms of food, clothing, underwear, shoes and personal hygiene, use of soft tools, and equipment, cleaning and processing facilities are set. For users of social services the state standards of quality of social services should be the guarantee document which provide the equally high-quality, accessible and professional services from government, public and private providers with the maintenance of necessary norms, principles and values, taking into account all stated requirements.

Conclusions

Summarizing all of the aforesaid, it may be concluded that the post-industrial era which is characterized by the rapid development of the service sphere, particularly, in the social and humanitarian fields, requires the implementation of effective market mechanisms of socially oriented economy, which involves the introduction of qualitatively new approaches to the setting of social standards.

The main provisions, which should be the basis for the formation of the modern system of state social standards are:

- Targeted establishment of social transfers and control over its use;
- Providing of differentiated by social demographic factors approach to the definition of standards;

- Providing of transparency and public control in determining and applying of social norms;
- Taking into account the requirements of international legal acts in the social sphere.
- Mandatory compliance of the social standards in the development of social economic development programs.

In the process of establishing the conformity of social standards with realities of modern social and economic conditions to take into account international norms, and it is also advisable to bring into line with international norms and standards of national social standards, particularly, those concerning issues of wages, increasing of pensions, compulsory state social insurance, providing of social assistance to families with children and low-income families.

It is important to note, that as distinct from the social minimum, a standard – is a guarantee of high level of life of a certain quality, which the state undertakes to provide to the citizens. State social standards make it possible to determine reasonably the sizes of spending all budgets and social funds for social protection and social security of the population and maintenance of social sphere, social standards provide the establishment of the main criteria for the quality of services, the existence of specific service standards allows to estimate the financing of various fields more reasonable. Effective implementation of appropriate social standards makes it possible to determine the level of quality of social services provided by the state, outlines the conditions and guarantees of providing of social transfers to certain population categories and also ensures a worthy level of life in the country.

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THE FORMATION OF STATE POLICY IN THE SPHERE OF LIBRARIES IN THE SOVIET UNION

This paper analyzes the development of library management system in the USSR during 1917-1945. It proposes that the library sector in Ukraine at the beginning of the Soviet period did not satisfy cultural needs of the people. It mainly served to the ideological needs of the Communist Party. State regulation of library sector under the totalitarian system used command-administrative methods of governance. Moreover, public policy in this area did not exist as an objective reality, but as an ideological quest. It was implemented, first of all, according to the interests of the state, its structures and social institutions. The process of network formation of public libraries by the state administrative-territorial principle in the member states of the USSR had been finished by the Second World War. The USSR had solved the problem of the elimination of illiteracy in limited terms with the active participation of public libraries. However, a practical rejection from orientation on the local governments, the interests of a particular area was the negative feature of the public libraries in the totalitarian state. It is concluded that the process of network formation of public libraries by the state administrative-territorial principle in the member states of the USSR had been finished by the Second World War.

Keywords: state policy, state regulation of libraries, library, the Soviet Union

Картузов Костянтин. Формування державної політики в сфері бібліотекарської справи в Радянському Союзі

В даній статті аналізується розвиток бібліотечної системи управління в СРСР в період 1917-1945 рр. Зроблено висновок про те, що процес формування мережі публічних бібліотек державною відповідно до адміністративно-територіального принципу в державах-членах СРСР було закінчено до Другої світової війни.

Ключові слова: державна політика, державне регулювання бібліотек, бібліотека, Радянський Союз

Картузов Константин. Формирование государственной политики в сфере библиотечного дела в Советском Союзе

В данной статье анализируется развитие библиотечной системы управления в СССР в период 1917-1945. Сделан вывод о том, что процесс формирования сети публичных библиотек государством в соответствии с административно-территориальным принципом в государствах-членах СССР был закончен до Второй мировой войны.

Ключевые слова: государственная политика, государственное регулирование библиотек, библиотека, Советский Союз

Introduction

Nowadays there is no consensus in the sphere of periodization of library development and the establishment of state regulation system in this area, in the world in general and on the countries of former Soviet Union in particular.

The first libraries on the territory of modern Russia and Ukraine appeared in the period of Kiev Rus in the IX-XI centuries under the supervision of monasteries and churches. In 1037 Yaroslav the Wise founded the public library at St. Sophia Cathedral. Legislative regulation of librarianship occurred during the reforms of Peter

the Great. Libraries had started to participate in the implementation of the scientific, educational and cultural policy.

However, only at the beginning of the Soviet period the government agencies that were entrusted with regulatory functions of librarianship appeared. The period of 1917-1939 is interesting because at that time forms and methods of implementation of state policy in the field of library sector were transformed and the conflict with already well-established after the February Revolution libraries democratic policies.

The research of the library regulatory system formation in the Soviet Union, which took place during 1917-1939 years, is relevant when taking into account processes that happened in the library sphere of post-Soviet countries after their independence in the early 1990s.

Analysis of recent research

Challenges associated with the management of library system in the Soviet Union were researched by Soviet, Russian and Ukrainian scientists. Among others there are interesting studies of K.I. Abramov, E.I. Kuzmin, Y.M. Stolyarov and other scientists, who conducted their studies as part of the historical, political, economic, sociological and pedagogical sciences.

Without discretion the importance of the above written authors, it is necessary to say that issues of the formation of state regulation system of libraries in the USSR are not fully analyzed. Articles of the above written authors mainly focus on individual aspects of the library sector, such as library history, libraries collections organization and training of librarians.

Statement of research objectives

The purpose of this paper is to analyze the development of library management system in the USSR during 1917-1945.

Results

When analyzing the origins of the Soviet state, it is necessary to note that the October Revolution of 1917 brought big changes to the organization of library sphere in the Russian Empire. As opposed to the February Revolution of 1917 that established democratic regulations of library system, the Bolsheviks set a goal of library reform to implement principles of class, party, rejection from tenets proclaimed in February 1917 of civil and human rights and free development of public and private initiatives in librarianship.

The foundation of a fundamentally different approach to library organization, which was described as a 'socialist development of libraries, was created in 1917 – 1920. Since that time, the libraries had become one of the most ideological social institutions.

Mastermind for the transformation of the Soviet library was V. I. Lenin, who noted that the Party and the working class were interested to make libraries conductors of socialist ideology in his article "Party Organization and Party Literature" (1905). Literature had to become a part of the general proletarian purpose: "publishing houses and warehouses, shops and reading rooms,

libraries and similar books sellers should report to the Party" [9, p. 101].

In July 1918, Lenin at a meeting of the CPC paid attention of the People's Commissar to the lack of his concern for correct formulation of library work in Russia, and recommended to Commissariat to "immediately take drastic measures, firstly, for the organization of library work in Russia, secondly, for the implementation of the Swiss-American system" [2, p. 8].

Lenin initiated the centralization of library system that was progressive in general, because it was aimed at rationalization of public owned books, required the elimination of interdepartmental fragmentation and helped to strengthen the interlibrary cooperation. The implementation of Swiss-American system of library business was democratic, because it was supposed to strengthen the international ties of national libraries, mutual enrichment and exchange of experience in library work.

In June 1918 the Decree of the Council of People's Commissars "On protection of libraries and books", according to which all libraries in the country were accounted and put under protection of the People's Commissariat of Education, which was supposed to decide who used libraries after the revolution, was published. Libraries passed into state ownership, ownership of public organizations, and others [3].

Lenin proposed the idea of library politicization, complete submission of library tasks to the building of the socialist society. It was prepared by him and adopted at the VIII Congress of the CPSU (b) in 1919 to the party program. Libraries and other educational institutions were characterized as "guides of the principles of communism" in the masses of working people. The main tasks were to develop the most widespread campaign of communist ideas and to use all levers of governments influence for that purpose. The program also declared the necessity of comprehensive state aid to "self-education and self-development of workers and peasants", the creation of an extensive network of libraries and other educational institutions. After that V. Lenin repeatedly emphasized purposes of libraries: "because without habituation of more and more people to use libraries, it is impossible to rebuild half-Asian country into socialist and cultural state" [10, p. 112-114].

In May 1919 at the First Common Russian Congress on edge education the question of

foundation of an organized libraries network was discussed [11]. The main principles of the CPC Decree "On the centralization of library science in the RSFSR" were the general availability of libraries and its integration into a single library network. The issue of foundation of "truly unified library network" V. Lenin discussed in the article "On the work of the People's Commissariat" [12]. In particular, under limited financial resources, he suggested to send three copies of the newspaper "Pravda" and "Izvestia" and two copies of all required textbooks and works of the world literature classics, books on science and technology free of charge to each of the 50,000 libraries and reading rooms of the country. These measures allowed having an equal access to information for each person in the country. The selection of "Pravda" and "Izvestia" newspapers was not accidental, because they were the main party newspapers. So the Communist Party, by providing them free of charge, formed the communist view of the world.

Thus, V. Lenin regarded libraries primarily as centers of workers, political education that was subordinated to the general problem of communist society, building. Lenin's demands collided with libraries fundamental democratic principles that were established in the national library sphere after the February Revolution.

The concept of cultural politicization was reflected in the principle of leading and guiding role of the Communist Party in the library system. The party by using Lenin's guidance led the formation of Soviet library as a new library type with its objectives and content. Library sphere has always been considered an integral part of the ideological work of the Communist Party and the support base of party organizations in deployment of mass political agitation and propaganda work among the population in order to wake initiatives and involve in the socialist transformation process.

These new requirements for librarianship are reflected in the following important Party documents: Program of the CPSU (b), resolutions and decisions of party congresses and plenums of its Central Committee. New demands targeted librarians to implement active propaganda of socialism and communism among workers and to attract them to socialism construction. Thus, an important role in the indoctrination of library work had the resolution of the VIII Congress of the CPSU (b) "On the political propaganda and cultural work in rural areas" (1919) [8]. It became the policy document for all libraries in the country.

According to the resolution, the educational work among the population should include: Communist propaganda and dissemination of general and agricultural (production) knowledge. Work in this area was supposed to be well coordinated.

Exploring the emergence of legal forms of state regulation of libraries, it's necessary to note that at the end of 1920s the Glavpolitprosvet of RSFSR was created in Russia: the main task of this organization was to unite all political educational, propaganda and educational work in the country and focusing it on political and economic construction. The Glavpolitprosvet coordinated public libraries and other educational institutions. The terms of "edge education", "cultural and educational work" were replaced by the term of "political-educational work". Thereby, it was emphasized that the main tasks of libraries and other political and educational establishments from that moment were political and educational activities. The Glavpolitprosvet was controlled by the Central Committee of the CPSU (b). The work of the provincial and district Politprosvet was controlled by local Party committees.

After Ukraine's accession into the Soviet Union in 1922 the ideological developments of the Central Committee of CPSU (b) were used by the Communist Party of Ukraine.

The Communist Party restored library censorship from the first months. First, it was connected with nationalization and requisition in bookstores, libraries and private book collections. Most of books were found to be unsuitable for the reading of broad masses. First of all, monarchical, religious, reactionary literature sources, coving dormant laws, counter communist and socialism books were withdrawn.

In 1918 the first purge of public libraries funds was held under the supervision of the People's Commissar. The main aim was the withdrawal of politically harmful and counter-revolutionary literature. The organizers of purges were party and Komsomol cell, councils, departments of the Cheka.

In 1920s, after the transformation of edge education department of the People's Commissariat in to the political-educational department, the last initiated the publication of the first Soviet Instruction "On browse of directories and withdrawal of unsuitable literature". It was sent to all library sections and departments of education at the second half of 1920s. It offered to proceed with an immediate withdrawal of a whole

category of literature, as well as to separate books. These categories primarily contained propaganda books and pamphlets of non-communism content, such as: on the Constituent Assembly, universal suffrage, democratic republic, the Constitution, the rights and freedoms of citizens and others; seized all books with monarchy, spiritual, moral content, except for the Gospel, the Koran, the Talmud, and old Soviet propaganda literature, pornographic publications, etc.

Due to the fact that the libraries were considered as support institutions in the system of public education, general management of libraries was entrusted to the Commissariat. The library department was created to guide the research libraries (state, public, academic, university, etc.) in the People's Commissariat in February 1918. After government movement in Moscow in July 1918 the Department of Research Libraries was formed. Its activity involved reorganization of scientific libraries, security, nationalization and distribution of requisitioned books among libraries. It organized more than 20 provincial, regional and district committees and commissions.

In order to manage libraries at schools and for library sections or sub-sections for children under the relevant sections of the Commissariat were also established in the People's Commissariat. Thus, during the first phase of the Soviet library construction there was an inconsistency state regulation of library system in the People's Commissariat, which adversely affected the development of the general plan of the library development. Therefore, extra effort was required for coordination and coherence in the work.

The library management was established for the first time in the history of the Russian Empire after the October Revolution. These steps indicate the important role of libraries for the Soviet regime. Wide network of libraries was created. The concept of libraries, copied from the American model, was developed. It proclaimed that every town should have library; not just cities and towns, but also remote villages [4, p. 109].

The main party-state document that defined the program of library development in early 1920s became the Decree "On the centralization of library science in the RSFSR" (3rd of November, 1921). This document targeted systematic organization of libraries, elimination barriers among them and foundation of the centralized library network in the country. Legal act defined a new stage of reform of librarianship, enforced cooperation,

collaboration and coordination among public and academic libraries and influenced library policies of the Soviet republics. In Ukraine, the People's Commissariat created the Ukrainian central library interdepartmental commission for the implementation of centralization, organization and management of library science in November 1921. Libraries were treated as public cultural educational institutions; common methodological frameworks were developed; the reform of librarianship was started.

The data on "issues of librarianship, which were considered at the meetings of the CPC" [1, p. 252-255] are presented in the monograph of K.I. Abramov. In 1918, the CPC was considering librarianship 13 times in 1919 – 11 times in 1920 – 9 times. While there was no special law in the Soviet period, library activities were regulated by the huge amount of various acts passed by both state and party authorities.

Despite the fact that the library system entered into new stage of historical development, proposals on library legislation in the early years have continued to appear. In an editorial of the Glavpolitprosvet "Red librarian" journal in 1924, the article "About the library laws" was published. It says that "... the field of library work that covers more than 10 institutions (libraries of various types) with an extremely valuable asset of books, with great number of readers and inevitable misunderstandings in the work, have no documents under which it is possible to solve problems" [14].

In addition to issues of legislative regulation of libraries, the Soviet regime prepared staff for libraries due to political nature of librarianship and political orientation of all aspects of theory and practice of books. Therefore, the systematic training of highly qualified personnel for libraries has started since 1921. The Faculty of Political Education was organized at Kharkov Institute of Education. It trained personnel for libraries [5, p. 730-731].

In Ukraine public administration of librarianship was characterized by extreme contradictions: on the one hand, there was a constant search for new solutions and, on the other, totalitarian regime established strict control over all spheres of public and professional life and eliminated all forms of non-state libraries.

The beginning of library censorship in the Soviet Union of this period was the "Instruction on the revision of the Book in Libraries" (1923),

which obliged to destroy the documents that impeded the implementation of the Bolshevik regime. Readers were prohibited to give ideologically harmful literature [7]. Following the adoption of this Instruction book funds purging were held in 1923, 1926 and 1929. According to statistics, during the 1925 – 1926 586 libraries were checked (265 school libraries were checked) and 77,291 units of “harmful literature” were withdrawn from Ukraine [13].

The first Congress on librarianship in the Soviet Union was in 1924. It was stated that the Soviet library is an instrument of communist ideology in its resolutions. The First Common Ukrainian Congress of the library took place in 1926 in Kharkiv. Questions of library building in Ukraine considering the needs of the workers and peasants in the context of the tasks of socialist construction were discussed at the congress [16].

The ideological pressure on the organization of library services became stronger in the 1930s. The ideas were aggressively introduced in librarians' minds that their primary concern was the political education of population, transformation of libraries into centers of active promotion of masses on the implementation of the five-year plan for socialist construction. After the recognition of unsatisfactory state of the librarianship the Communist Party found it necessary to expand network of libraries and to improve their financial situation in a special resolution “On measures on improvement of library work” (October 1929). The focus was on opening the libraries in the work centers, state and collective farms, in all other areas where it was necessary for building the socialist society.

The editorial “Golden Fund of Soviet Culture” published in the central party newspaper “Pravda” (1935), strongly called to use library books for the purpose of communism and the party-educational work the required to infiltrate all their activity to “our socialist commitment, partisanship, erase the spirit of neutrality and culture” [6].

During this period the censorship of library system increased. Resolution of the Central Committee of the CPSU (b) proposed to make a review of the libraries book store in the 1929-1930 and purge libraries from ideologically harmful, outdated literature.

Along with the negative aspects of the state regulation of library system, there were also positive changes. There were effective measures to strengthen material and technical condition of

the libraries. The government ordered to extend the publication of popular literature and to reserve a certain number of it exclusively for acquisition of libraries. For these purposes a network of collectors, who made centralized acquisition of library collections, was developed. Libraries were forbidden to move into inhospitable areas.

In the Resolution of the CEC of the USSR “On Libraries in the USSR” (1934), the Republican People's Commissariat, central and local trade union bodies pledged to establish a “solid estimates of libraries” and to send funds constantly to the purchase new books. The State Planning Committee of the USSR and the People's Commissariat of the USSR were supposed to take into account in their financial plans a “mandatory of increase funds for the library system” [15].

Since the mid-1930s government management of librarianship had strengthened. In all Soviet Republics the library departments under supervision of Commissariats of Education were created. Departments had functions of state control upon libraries.

The management of public library organizations took a significant place in the government management of librarianship in the country. For example, the creation and association of academic and special libraries continued in the 1930s. Generally, they occurred on voluntary initiative of the library staff.

The emergence of Library Associations was an urgent need of time, which required developing and strengthening cooperation and coordination of research libraries. Libraries of various departments and organizations, whose employees at meetings solved actual problems of library construction, participated in the associations meetings offered to deploy the activities of library associations and to create regional library associations. There was also an idea to create the Common Union Library Association.

The network of libraries, reading rooms in houses and other rural clubs, in collective farms and state farms, machine and tractor stations was expanded in villages to eliminate degradation of libraries. The task of deploying a network of public libraries in the districts and village councils was solved slowly. Thus, it was planned to build an independent district library in each area in the USSR in 1936, but it was not realized due to the lack of funds.

The attention to the expansion of libraries, network on largest construction, automobile,

tractor and other heavy industries, as well as on the collective and state farms and machine-tractor stations had been significantly increased since the beginning of 1930s.

In order to quickly eliminate the libraries backlog in the country side, the libraries network expansion in reading rooms, village clubs, collective farms, state farms and machine-tractor stations (MTS) was started. There was a plan to have independent library in each area district, but it was not realized not during the first nor the second five-year plan due to the lack of funds. In the mid-1930s more than 50% of rural areas had central district library. There was one library for each 8-10 rural councils.

Since the mid 1930s the government librarianship had strengthened. The library departments under Commissariats of Education were created in all republics. They were entrusted with state control over the activities of all types and kinds of libraries, regardless of which agency or organization they belonged to. In the autonomous republics and other central trade union councils library sectors were created. In regional and city Departments of Education the position of library inspector was established.

Activities of the USSR Government in the 1930s were focused on the introduction of state control of the People's Commissariat of Education over libraries of all types. State policy in the field of library sphere was aimed at centralization and unification of libraries, unification of the librarianship management.

The provisions on the librarianship were introduced and were applied in the second half of 1930s in order to achieve this goal of the Soviet Union. The research organizational process was conducted to develop national standards of service for "usual" reader, guidance of reading and self-education. The monitoring of the literature content was provided by party organs of the Communist Party.

The library censorship increased. The party management tried to cleanse libraries from ideologically harmful literature.

The Central Russian Book Chamber, which was the follower the Common Union Book Chamber of the early 1920s, was created in 1936 in Moscow. It became the center of public bibliography and statistics in the USSR. The Book Chamber was entrusted with updating depositories of the largest libraries in the country on the basis of legal deposit by publishers. On this basis state

Book Depositories, libraries funding, registration and account of national press, bibliographic services were established. In the 1920s the system of legal deposit for libraries became widespread in other Soviet Republics, where appropriate legislation was adopted and the Republican Book Houses were created. For example, according to the Resolution of the Council of People's Commissars of the Ukrainian SSR, the Ukrainian Book Chamber in Kharkiv under the State Publishing House of the USSR was organized in June 27, 1922.

Public policy and regulations of the profile of library collections was carried out primarily through the creation of new legislation on legal deposit. In September 13th, 1933 the Resolution of the Central Executive Committee (CEC) and the Council of People's Commissars (SNK) of USSR "On the supply of major public depositories with publications appearing in the USSR" were adopted. The centralized control system of legal deposit at all levels included the creation of a new content of library collections.

The process of network formation of public libraries by the state administrative-territorial principle in the member states of the USSR had been finished by the Second World War. In the postwar period the party and state management of librarianship was significantly strengthened. In the Russian SFSR the Committee for cultural and educational institutions of the Russian Federation on the Rights of the Republican People's Commissariat was formed. Branches of cultural and educational work were organized in other republics' departments and in the rural areas. State regulation of library sector was created to manage public libraries while scientific libraries had responsibilities to provide state control of public, academic and special libraries of all departments.

Conclusions

Therefore, it can be concluded that the library sector in Ukraine at the beginning of the Soviet period did not satisfy cultural needs of the people. It mainly served to the ideological needs of the Communist Party. State regulation of library sector under the totalitarian system used command-administrative methods of governance. Moreover, public policy in this area did not exist as an objective reality, but as an ideological quest. It was implemented, first of all, according to the interests of the state, its structures and social institutions.

The USSR had solved the problem of the elimination of illiteracy in limited terms with the

active participation of public libraries. However, a practical rejection from orientation on the local governments, the interests of a particular area was the negative feature of the public libraries in the totalitarian state.

Future researches in this direction might analyze the development of librarianship in the Soviet Ukraine and its state regulation in the years 1945-1991 with the purpose to understand the state of library science, mechanisms and methods of state regulation of this sphere by the time of Ukraine's independence.

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УДК 351:005.5:796(477)
No. DOI 10.14746/pped.2014.2.5

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SPECIAL ASPECTS OF STRATEGIC MANAGEMENT OF PHYSICAL TRAINING AND SPORTS SPHERE DEVELOPMENT IN THE INDEPENDENT UKRAINE

In modern conditions of developing Ukraine, physical training and sports are becoming more significant in every life. They serve as a means of promoting health, improving physical and mental capabilities and as factors of socio-economic formation and international cooperation. Crucial changes in the economy, politics and social relations within the development of the independent state caused certain peculiarities of strategic management of physical training and sports sphere development. It should be noted that we are aware of the fact that Ukraine is not the only European country reforming its physical culture and sports management system in decentralization and democratization context.

Disadvantages of physical education and sports development among teens, children and the youth should be explained by a number of open problems, including the underdeveloped material and technical base, limited time allotted to the compulsory physical education classes, maybe some gaps in teachers' professional training, as well as in the content and forms of sport activities, particularly among the preschoolers, focus of teaching activities on quantitative indicators, absence of physical education as a family tradition, lack of internal coordination in public education, public health, physical culture and sports, etc.

Conversion of most sports federations to self-sufficiency schemes has proved to be unreasonable, which necessitated creation of administrative structures for each federation (a sort of mini sports committees), caused enlargement of managerial and operating personnel in central offices and, as a consequence, a significant increase in funding for their upkeep.

Current structure of physical training and sports management, effectiveness of its functioning, regulatory basis for its operation remain one of the major problems. Its solving could raise mass sports movement in Ukraine. Recognition of the fact that the future of every country is determined by population health has recently led to the understanding of the need to strengthen the role of physical culture and sports in government and public actions, as well as to active use of physical culture and sports in maintaining and promoting public health.

Keywords: training and sports, management, Ukraine

Нікітенко С.В. Деякі аспекти стратегічного менеджменту розвитку сфери фізичної культури та спорту в незалежній Україні

На сучасному етапі розвитку України все більшого значення в житті кожної людини набувають фізична культура і спорт. Вони виступають як засіб зміцнення здоров'я, підвищення рівня фізичних і психічних можливостей, як чинники соціально-економічного становлення і міжнародної співпраці. Значні зрушення в економіці, політиці та суспільних відносинах в процесі становлення незалежної держави обумовили певні особливості в стратегічному менеджменті розвитку сфери фізичної культури та спорту.

Ключові слова: фізична культура, менеджмент, Україна

Никитенко С.В. Некоторые аспекты стратегического менеджмента развития сферы физической культуры и спорта в независимой Украине

На современном этапе развития Украины все большее значение в жизни каждого человека занимает физическая культура и спорт. Они выступают как средство укрепления здоровья, повышения уровня физических и психических возможностей, как орудия социально-экономического становления и международного сотрудничества. Значительные сдвиги в экономике, политике и общественных отношениях в процессе становления независимого государства обусловили определенные особенности в стратегическом менеджменте развития сферы физической культуры и спорта.

Ключевые слова: физическая культура, менеджмент, Украина

In modern conditions of developing Ukraine, physical training and sports are becoming more significant in every life. They serve as a means of promoting health, improving physical and mental capabilities and as factors of socio-economic formation and international cooperation. Crucial changes in the economy, politics and social relations within the development of the independent state caused certain peculiarities of strategic management of physical training and sports sphere development. It should be noted that we are aware of the fact that Ukraine is not the only European country reforming its physical culture and sports management system in decentralization and democratization context. These processes were common in the former socialist countries in 1990s – early 2000s. Independent states of the former Soviet Union faced similar problems. Unfortunately, these problems have not yet been sufficiently studied by Ukrainian scientists. They are only taking initial steps in investigation of the problem. Thus, different aspects of improving the arrangements of management of the subjects and the objects of physical training and sports administration, are considered in research works by M. Oliynyk [1], M. Dutchak [2], O. Gorbenko and I. Kornienko [3-4], as well as works by a group of authors: I. Pryhodko, V. Mudryk, G. Putyatina, I. Khomko [5-7].

According to the basic provisions of the Law of Ukraine “On Physical Culture and Sport”, National Doctrine for development of physical culture and sports, main directions of strategic development of the sphere of physical training and sports are the following: improvement of physical education and sport for all citizens; promotion of healthy lifestyle of the nation; optimization of institutions performance management in the training system of children’s and youth sports, as well as high performance sports; activation of economic activity in the sphere of physical training and sports under market conditions; innovative development of provision of the resources for the needs of physical culture and sports; integration of the sphere of physical culture and sports to the international community.

However, the situation observed in the sphere of physical training and sports, is caused by the following factors: non-compliance between the legal framework in the field of physical culture and sports and modern requirements; non-compliance of the physical training and sports infrastructure with the needs of the citizens, with

educational and social spheres; imperfect system of national teams’ centralized training; low-level financial, material and technical support provided to children’s and youth sports as well as to reserve sports; low-level scientific support for physical training and sports development; insufficient funding for scientific research; weak promotion of a healthy lifestyle and children’s and youth sports; unsatisfactory state of material and technical base; lack of balance in the system of professional and advanced training of the specialist, low wages, insufficient number of physical education and sports trainers.

Thus, one of the problems proving urgency of the research is disintegration of the public physical culture and sports administration system, which began after the dissolution of the Soviet Union. The need of the problem study is, in many ways, generated by imperfect legislation in the field of physical training and sports. It does not resolve the existing differences and contradictions between the central part of the country and its regions, between state and public sports organizations and associations, and finally, – between man and society.

By today, the legislative and regulatory framework providing basis for management of physical training and sports development has been designed in general terms. Law of Ukraine of December 24, 1993 “On Physical Culture and Sports” [8] defines legal, social, economic and organizational aspects of physical training and sports in Ukraine, the role of state bodies and officials, as well as enterprises, institutions and organizations irrespective of their forms of ownership in strengthening health of the citizens, achieving high working ability and longevity by means of physical training, sport and tourism. A long-term state program for development of physical culture and sports, approved by Presidential Decree of June 22, 1994 has also been designed in Ukraine. The law “On Local Self-Government in Ukraine” [9] defines a system and powers of local authorities in the field of physical training, sport and tourism. The fact that the legal framework as a basis for implementation of the state policy in the field of physical culture and sports does not always correspond to the changes occurring in socio-economic sphere, is also to be considered. There are no reliable mechanisms for its implementation; and finally, the state does not fully guarantee the enforcement of the constitutional right of every Ukrainian citizen for physical culture and sports.

Investigation of physical training and sports managerial systems in several leading countries proved that mostly central and local authorities are there responsible for the development of sports movement. Austria, Great Britain, Spain, France and most post-socialist countries in Central and Eastern Europe are among them. Models of organization of the sports movement managerial structure are determined in various countries by a number of historical, cultural, socio-economic and sometimes political factors. With this in mind, none of them can serve as a pattern to be copied blindly when dealing with the problems of central and local authorities' interaction.

In Ukraine, own (self-governing) powers are within the competence of the executive bodies of village-, town- and city councils. These powers are the following: administration of physical training and sports institutions, health institutions, youth and teenage domiciliary facilities; management of their material, technical and financial provision. Local authorities are responsible to provide medical care and nutrition at physical training and sports institutions, arrangement of the conditions for physical training and sports in places of people's living and public entertainment; registration of the articles of association (regulations) for physical training and health institutions irrespective of their forms of ownership in accordance with current legislation. It is worth mentioning that the social and economic processes occurring in the independent Ukraine have no direct influence on the choice of the institutional and management structure of physical training and sports management. They mostly depend on subjective factors, and not on objective circumstances. Experience gained by the leading countries of the world and the Soviet Union is often not taken into account, which causes regular changes in the structure of the central and, respectively, local state bodies involved into management of physical education and high performance sports. Evaluation of the public policy in the sphere of physical training and sports is, as a rule, related to the question "What to do?" and "How to do it", but "Why?" question is asked rarely. Administrative orientation, aimed at increasing the efficiency of the management system itself, predominates.

According to the State Program of Development of Physical Culture, Sports and Tourism, executive committees of local councils will design regional programs of development of physical culture, sports and tourism through the

structural units of ministries and agencies.

Local councils are, in their turn, authorized to introduce a system of incentives and rewards for those companies that partially redirect their profits to the development of physical culture and sports, construction of sports facilities, organization of recreation. The coordinating role within provision of the state policy in the sphere of social development of the young belongs to the specially authorized central executive power body providing its implementation and responsible for its execution.

An important task of the state policy in the sphere of physical culture and sports is the formation of an optimal sectoral management model, stipulating legible distinction and approval of competences and powers, functions and responsibilities of all subjects of physical and sports activities. Main problem blocks of Ukrainian state policy in the sphere of physical culture and sports are, in our view, the following: lack of an explicit and scientifically grounded concept of this public policy, low efficiency of its legal regulation.

Reasonability, neutrality, systemacity and structuredness are to be defined as basic principles of formulation of the concept of physical culture and sports development in our state. Four groups of resource should be used within the state policy planning – governance resources, financial resources, socio-technical resources and resources of public support.

Currently, it is reasonable to propose a scheme for interaction between the different levels of state administration at managerial functions formation. By doing so, it is important to proceed from the territorial principle based on self-government of the local sports institutions as the priority.

On the national level:

- Design of a coherent strategy of the state policy as for development of physical culture and sports under new socio-economic conditions
- Support to implementation of the main provisions of the state program for development of physical culture and sports
- Intersectoral coordination and functional regulation in physical culture and sports
- Development of the comprehensive legal framework in order to support the sports movement, professional sports, high performance sports
- Creation of the scientifically grounded system of health promotion and physical education of the population

- Development and implementation of the special-purpose programs devoted to physical culture and sports development with due regard to the main activities

- Training and retraining of the staff

- Providing preparations and participation of the national teams in international competitions, including Olympic and Paralympic Games

- Creating conditions for sports industry development and fundraising for physical culture and sports sphere

- Interaction of the central and the local authorities with public associations and other institutions;

- Accomplishment of measures for mandatory certification of products and services in the sphere of physical culture and sports.

Explicit practical work on physical culture and sports development should become the responsibility of regional authorities and municipal formations. Their main task is to create conditions for promotion of physical training and sports in the places, where people live, study and work, among all age groups and population categories.

On the regional level authorities are to address the following issues:

- Improvement of regional powers in the sphere of physical culture and sports

- Regional budgeting with regard to the principle of physical culture and sports priority in the social policy of the local authorities

- Development and implementation of the specific regional and interregional programs and projects in the sphere of physical culture and sports; including those providing large-scale involvement of different population groups into systematic physical training and sports.

The municipal level should cover:

- Development of the effective managerial systems of the local sports efforts based on the current experience

- Creation of programs for reconstruction and construction of sports training bases under educational institutions, providing them with necessary equipment and supplies

- Arrangement of the simplest sport facilities construction (playgrounds and the like)

- Deploying domicile sport and leisure centres under youth clubs, preschools, schools, professional educational institutions, sport complexes at enterprises and businesses entities

- Mutually beneficial involvement of staff and managers of enterprises and institutions into

construction of sports facilities and complexes, as well as proper use of all available ones

- Arrangement and holding of municipal contests for the best organization of large-scale physical, sports and recreation activities in the places where people live, study and work

- Financial and moral incentives for all kinds and forms of sport activities carried out by outstanding sportsmen and labor groups on the level of city or regional district

- Supporting and promoting mentoring initiatives among sportsmen, students of higher educational institutions of physical culture, boarding schools, children and youth societies

- Accomplishment of measures for creation of domicile financial and sport basis, development of mechanisms to incent instructors and supervisors financially.

Specific functions of physical culture and sports are regulated by subordinate legislative, administrative and other legal and regulatory acts and documents, related special-purpose development programs, educational standards, curricula and programs, etc.

The increasingly rapid pace of life brings to the understanding that physical culture and sports legislation should be permanently improved. In modern conditions, it should involve creation of favourable conditions for the structures implementing programs of physical culture and sports development for children, disabled people, and orphans. It contributes to a healthy lifestyle promotion, encourages sponsors to invest into training the sports reserve and the national teams participating in Olympic and Paralympic Games.

In addition, the following urgent issues are to be considered from legal point of view:

- Fight against doping and drugs used by sportsmen; safety and security at sporting events, prevention of fan violence and cruelty at sports events, as well as other unlawful acts negatively affecting both an individual and the society

- Solving the problem of the large-scale churn of Ukrainian sportsmen and experts abroad

- Statement of the problem of children's early sports specialization and their participation in sports competitions, which stimulates boosting athletic training at the expense of health and normal development of a child

- Involvement of international experience in state support of public sport associations and unions

- Dealing with sponsors, involvement of non-budgetary financial sources into sports by amending the relevant laws

Disadvantages of physical education and sports development among teens, children and the youth should be explained by a number of open problems, including the underdeveloped material and technical base, limited time allotted to the compulsory physical education classes, maybe some gaps in teachers' professional training, as well as in the content and forms of sport activities, particularly among the preschoolers, focus of teaching activities on quantitative indicators, absence of physical education as a family tradition, lack of internal coordination in public education, public health, physical culture and sports, etc.

Conversion of most sports federations to self-sufficiency schemes has proved to be unreasonable,

which necessitated creation of administrative structures for each federation (a sort of mini sports committees), caused enlargement of managerial and operating personnel in central offices and, as a consequence, a significant increase in funding for their upkeep.

Thus, current structure of physical training and sports management, effectiveness of its functioning, regulatory basis for its operation remain one of the major problems. Its solving could raise mass sports movement in Ukraine. Recognition of the fact that the future of every country is determined by population health has recently led to the understanding of the need to strengthen the role of physical culture and sports in government and public actions, as well as to active use of physical culture and sports in maintaining and promoting public health.

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УДК 351.83-057.86(477)
No. DOI 10.14746/pped.2014.2.6

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THE CONCEPTUAL APPROACH TO THE NOTIONS YOUTH EMPLOYMENT AND UNEMPLOYMENT IN UKRAINE

The article describes main definitions and terms that clarify problems of young specialist's employment in Ukraine with the needing of reformation of existent system. Authors come to the conclusions that the state has to intrude the process of selling-buying and rational using of work resource, to control unemployment level, take care of employment, especially youth which are not able to compete. That is why the State employment control is a part of active social and economical policy of the state. The reforming of this system has to be like a creation of strategic direction in order to reorient social defence from just payment of material help to such measures as giving the real right and opportunity to choose job (creating them as much as it is necessary to have healthy competition between the youth) and realization of the potential abilities of young specialists.

Employment is a complex and global problem of the country. That very facts of unemployment lead to increasing of number of negative social factors as: criminalization of youth and committed crimes by them, youth loses its adaptive abilities, youth becomes social empathic and politically and psycho inert, their reproductive abilities are reducing too. Unemployment factor or losing a job very often leads to suicide.

The reforming of this system has to be like a creation of strategic direction in order to reorient social protection from just payment of material help to such measures as giving the real right and opportunity to choose job (creating them as much as it is necessary to have healthy competition between the youth) and realization of the potential abilities of young specialists. Moreover, extra attention should be paid to the rural youth and giving to it social and legal aid.

Keywords: unemployment, employment, State Employment Service, state control of employment, youth work center, young specialists, job market.

Глубоченко К.О., Донченко Т.О. Концептуальний підхід до визначення працевлаштування молоді та безробіття в Україні

У статті розглядаються основні поняття і терміни, які розкривають проблеми, пов'язані з працевлаштуванням молодих спеціалістів в Україні, та зроблено акцент на необхідності реформування існуючої мережі. Автори приходять до висновків, що держава має підходити більш раціонально до впливу на ринок робочої сили, контролюючи рівень безробіття, піклуючись про безробітних та, особливо, про молодь. Саме тому Державний контроль зайнятості населення має розглядатись у якості частини активної соціальної та економічної політики. Реформування цієї системи має відбуватись у напрямку створення стратегії, яка забезпечувала б соціальний захист від матеріальних виплат до таких заходів як надання реальних прав та можливостей вибору робочого місця та реалізація кадрового потенціалу молодих спеціалістів.

Ключові слова: безробіття, зайнятість, державна служба зайнятості, державне регулювання зайнятості, молодіжні центри праці, молоді спеціалісти, працевлаштування.

Глубоченко К.О., Донченко Т.О. Концептуальный подход к определению трудоустройства молодежи и безработицы в Украине

В статье рассматриваются основные понятия и термины, которые раскрывают проблемы, связанные с трудоустройством молодых специалистов в Украине, сделан акцент на необходимости реформирования существующей системы. Авторы приходят к выводу, что государство должно более рационально подходить к влиянию на рынок рабочей силы, контролируя уровень безработицы, заботясь о безработных и особенно молодежь. Именно

поэтому Государственный контроль занятости населения должен рассматриваться в качестве части активной социальной экономической политики. Реформирование этой системы должно развиваться в направлении создания стратегии, которая бы обеспечивала социальную защиту начиная от материальных выплат до таких методов как гарантия реальных прав и возможностей выбора рабочего места и реализации кадрового потенциала молодых специалистов.

Ключевые слова: безработица, занятость, государственная служба занятости, государственное регулирование занятости, молодежные центры труда, молодые специалисты, трудоустройство.

Introduction

The process of passing Ukraine to the market relations has complicated citizens' employment process including the young specialists. Nowadays crisis made this problem more burning and complicated. Such factors as production reduce and problems with product sales influenced negative on employment situation of the country. That is why now employment of the nation is taking special character and becomes very actual.

The state control system consists of 3 levels: a) macro level (the state), b) meso level (region), micro level (economical branch, enterprise, home economy) [1, p.38]. There are many establishments and organizations which differ as for with their ownership status and management which provide employment service to the young specialists on the job market. They are employment centres of state employment service, youth agencies and nongovernmental employment centres, job searching agencies, students' employment departments at the educational establishments, different public organizations and youth work centres.

Statement of research objectives

The purpose of this paper is to analyze main definitions, terms, establishments and organizations which promote help and solve problems of young specialists' employment in modern Ukraine.

Results

Before starting the research of the problem of state policy in a sphere of youth employment in Ukraine it is necessary to give scientific explanation to the main categories and definitions. Such as employment, unemployment, State employment service, youth work centre, state control of employment etc.

The Law of Ukraine "On people employment" defines employment as citizens' activity for the satisfaction of their private and social needs and also provides them with material or other remuneration [2].

According to "Social encyclopaedia" by A. Danilov definition of employment is as follows:

it is reflection of work market functioning in conditions of specific economic infrastructure. Employees are those who work at state enterprises, establishments, organizations, cooperative stores of all kinds, on private enterprises with the collective ownership pattern, at farms and also who have their own business. The encyclopaedia gives information about employees who work on the full time day and part time.

It also gives a list of no employment people as persons who study during their working age and study part time leaving their job; persons who have home enterprises; registered and unregistered unemployed people; women on maternity leave being paid social support until baby achieves 3 years old [3, p.325].

O. Grishanova describes employment in a dictionary "Work economy and social-work relations" as citizens' activity for the satisfaction of their needs according to the law and providing them with earnings (remuneration) [4].

The next explanation of the employment is as activity for the satisfaction of private and social needs and providing material or other profit [5, p. 467].

The book "Social work" by V. Kurbatov defines employment as degree of involved working aged people to the social work, activity connected with satisfaction of private and social needs according to the Ukrainian laws which normally provides profit [6].

Therefore, one can say that employment is people's activity for the satisfaction of private and social needs and which provides for material or other profit. There are different types of employment. They are second, global, effective, not legal, incomplete, not productive, not official, without standards, not regulated, productive [7, p.229].

Let's look at the determination of unemployment. "Social encyclopaedia" by A. Danilova explains it like reflection of not equivalent supply and demand of existent potential employees, their quantitative and quality disparity [3, p.15].

In his dictionary "State regulation of employment" V. Vasilchenko writes that unemployment is a lack of work for some economically active people, because of influence of some objective processes as not proportional developing of productive potential, recurrences of economy development, contradictive character of STP (Scientific Technical Progress), high rates of production modernization, etc. [7, p.223].

Unemployment is a socially-economical situation in society where some part of active workable people cannot find job because supply of employees exceeds the demand on it. Unemployed person in MOP terminology is person 15-70's years old (whether registered with the state employment service or not) who has 3 demands at the same time. They are absence of a job (profit work), looking for a job and trying to organize own business, and able to go to work in two weeks. Also people who are studying from the employment service, have found job and ready to start work, but do not work at the moment [4, p.229].

Above means that an unemployed person is a person who does not have job and profit, he/she is registered with the State Employment Service, looking for a job and ready to start work. There are 3 types of unemployment; they are Structural, Frictional and Cyclical.

To the scientists' considerations developed countries receive 40 % of profit as a result of well developed educational system [8, p.52]. For the said system to work correctly and effectively three components has to work properly and to invest in human resources, those components are the state, the employers and people. Human capital is such mix of components that lead to productiveness and can be a sort of profit to a person, his family, enterprise and society at all. And youth is that productive category of people that needs to be invested in, developed and employed.

The next determination is State Employment Service in Ukraine. It replaced employment bureau. It acts according to the Ukrainian Law "On citizens' employment" dated March 1st 1991. In addition to that very law it's activity is regulated by normative acts of the Cabinet of Ministers, Verkhovna Rada of Ukraine (the Parliament), the Ministry of Employment and Social Policy of Ukraine, decrees by President of Ukraine and local acts by State employment centre [5, p.5].

Employment centres were established in Soviet Union at 20-es in Ukraine. They were employment centres responsible for employment

and subsidies payment for the unemployed people. From that time employment centres were reorganized a lot with giving them more or less duties.

Modern State Employment Service System (SESS) is created for realization of state employment policy, professional orientation, professional training and retraining and social support of temporally unemployed people [9, p.126].

Therefore, State Employment Service System participates in economical regulation of job market; it also takes responsibility for such a special range as employment of youth and students.

State Employment Service System has some main tasks. They are: help in getting job for people who are looking for a job (for youth also); help to employer in getting appropriate qualified workers; collecting information about demand on workers and its satisfaction; registration of free existent vacancies and people who are looking for a job; professional training, retraining and improving of qualification of unemployed people; organize the system of payment for social work; promotion of creation of new jobs for people who are not able to compete equally on the employment market; providing material support to unemployed people and their families.

The next category is youth work centre. The youth work centre is an organization which acts in order to solve problems of young specialists' employment intermediately and their integration to the employment market according to the Cabinet of Ministry decision "On approval of model charter of youth employment centre" dated 24th January, 2001. The aim of centre's activity is to solve youth employment problems, to organize youth activity during the time free from studies, to promote youth initiatives in employment sphere, retraining and improving of qualification for young specialists. The centre cooperates with government, public administration, educational establishments, the medical service system, the social protection system, culture, bodies of internal affairs (police), the state employment service system, the enterprises, organizations and public unities.

The basic centre's tasks are insurance of interests and rights of young citizens on the work market; promotion of youth's employment, professional training, retraining and improving of qualification; organization of youth activity during the time free from studies; involving youth into

the private enterprises with appropriate conditions for their realization as businessmen; giving the services in professional education and adaptation for new occupation; learning the questions on new international and local development and experience in employment and professional study of youth.

According to the Law "On promotion for the social implementation and realization of youth" dated 05.02.1993 the youth work centre is a special state establishment which is created with a purpose of solving youth employment problems, organizing its activity during the time free from studies, to promote youth initiatives in work sphere, retraining and improving of qualification for young specialists.

Article 7 of that law describes that government guaranties equal right for employment of working aged youth. The specialties of juveniles work are regulated by law.

The state provides first job for the workable youth with the terms not less than 2 years after graduation from elementary schools, technical and vocational and higher educational establishments, after finishing the technical and vocational guidance and training and also after leaving from military (obligatory or alternative) duty. 2-year work period is being counted from the start of work even if it was before the start of military duty. If young citizens come to Social Employment Service to find a job they can get free information and professional advice on vacancies, activity, professions and can pass the technical and vocational guidance and training program if it is necessary.

The state promotes to creation of youth work centres and youth public organizations (bureaus, agencies etc.) in order to employ and train youth [10].

The state guaranties the safeguard for the right to employment. A State control of citizens' employment is a purposeful influence of public authorities on the jobs supply and demand correlation all over the country and at some separate territory as well with the help of economical, legal, administrative methods in order to prevent or reduce unemployment and to provide maximum productive employment of working aged citizens [7, p.226].

The State employment control is a part of active social and economical policy of the state.

The state intrudes to the process of selling-buying and rational using of work resource. It

happens because market economy system cannot provide production by the work potential with appropriate high quality, reduce unemployment and provide most of unemployed for decent living [11, p.227].

The state provides for extra guaranties of employment to those who need social protection and cannot compete on the job market, such categories as: workable youth after graduation from elementary schools, technical and vocational and higher educational establishments, after finishing the technical and vocational guidance and training programs; after leaving from military (obligatory or alternative) duty; youth who needs first job; orphans; 15-year old children who works with parent approve [2].

The youth unemployment is becoming now one of the most burning social and economical problems of Ukrainian society. If unemployment increases for 1 % it causes 4 % more in suicides, 5.75 % in murders and 4 % in mental illness according to the research of American scientists [12, p.86].

A list of vacant jobs that was given by the employers to the State Employment System in 2007 included salaries lower then decent living rate in every second vacancy. The work was with hard conditions and at the enterprises where salaries were not paid in time [13].

S. Dziuba offers to provide the State Employment System with a status of independent credit-financial non-commercial organization. He proposes to return to the system of full independence in forming and using of state budget's fund, using that money only for the direct needs, to put control on the use of the money by the public organizations [14].

The issue of employment of school and technical graduates is very urgent. The amounts of such people are always increasing. Demands on workers without professional skills and experience are less from day to day. And reducing of jobs, increasing of part-time jobs and debts on salaries do not the post graduates from technical schools to stay on some productions even if they have already their first jobs. The reasons of low index of youth employment to the quota places are bad economical situation on the enterprises, people refuse to work on that enterprises which do not pay salaries in time, send them to the vacations without payment, lack of work for long periods. All that indexes are more visible now in a time of world economy crisis.

One more negative factor of crisis is emigration of workable citizens, especially young specialists.

One more issue needs also to be reformed. It is an issue when a person graduated from educational establishment does not have any state guaranties for obligatory employment. The reason is that other experienced workers and professionals are more competitive then young specialists. Unresolved policy of state ordering the specialists in some field leads to the surplus of specialists of some occupations. State employment centres has to organize oriented on profession work in time, training and retraining programs in order to prevent theses problems. Any changes has to be set up according to the appropriate scientific search, expertise, monitoring of social-working processes, wide informing of citizens and essential professional base.

The youth employment in rural places needs extra attention, because its unemployment numbers are too huge. Young people want to leave for the big cities with purpose to get some well paid job there. State has to develop such programs which can give youth an opportunity to get loans on farming and gardening, etc. That will strengthen villages and will give work to unemployed people.

Unemployment is an indicator of danger. The number of unemployed increases always. Underestimation of unemployment leads not only to the serious economical troubles, but also to the social ones. So it is possible to say that unemployment is dangerous to the whole society.

Conclusions

Unemployed is a person who does not have job and profit; he/she is registered at the State Employment Service, looking for a job and ready to start work. And the employment is people's activity connected with satisfaction of private and social needs and which provides for material or other profit.

Thus, employment is a complex and global problem of the country. That very facts of unemployment lead to increasing of number of negative social factors as: criminalization of youth and committed crimes by them, youth loses its adaptive abilities, youth becomes social empathic and politically and psycho inert, their reproductive abilities are reducing too. Unemployment factor or losing a job very often leads to suicide. Therefore, the state has to intrude into the process of selling-buying and rational

using of work resource, to control unemployment level, take care about employment, especially youth which are not able to compete. That is why the State employment control is a part of active social and economical policy of the state. A lot of organizations are created. They are employment centres of state employment service, youth agencies and nongovernmental employment centres, job searching agencies, students' employment departments at the educational establishments, different public organizations and youth work centres. Such system takes care about all categories of citizens who need employment, but it is necessary to pay more attention to youth as most unsecured category. That is why it is possible to say that the system needs to be reformed in the spheres of work with students, postgraduates and young specialists. It is recommended to pay attention to such aspects as:

- Researching of job market and prognoses in the second-job tendencies;
- Providing payable services to the employers with taking job for the students, postgraduates and young specialists;
- Providing services for youth in searching a job and secure their rights and interests;
- Development of special programs which can give students the opportunity to realization their right to work during time free from studied according to the social interests and employment legislation;
- Providing advice and services in optimum combination of study process with secondary work to the educational establishments;
- Providing the services to the agriculture in season workers;
- Creating advertisement and information systems about job around the youth (continual and by seasons).

The reforming of this system has to be like a creation of strategic direction in order to reorient social protection from just payment of material help to such measures as giving the real right and opportunity to choose job (creating them as much as it is necessary to have healthy competition between the youth) and realization of the potential abilities of young specialists. Moreover, extra attention should be paid to the rural youth and giving to it social and legal aid.

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Section 2.
PUBLIC ADMINISTRATION
AND POLITICAL SYSTEMS

УДК 351.9(477)
No. DOI 10.14746/pped.2014.2.7

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PROBLEM-SOLVING EUROPEAN STYLE? THE CHALLENGES AND OPPORTUNITIES OF MULTI-LEVEL GOVERNANCE IN UKRAINE

This article looks at the complexity involved in combining horizontal EU policies geared towards its Eastern neighbours with the vertical governance arrangements found within a target country. Several programmes and policy instruments of the European Union (EU) have repeatedly tried to come to terms with the particular constellation of Ukrainian regionalism, but without achieving the desired modernisation goal or leading to a lasting system transformation. It is argued that the theoretical and conceptual framework of multi-level governance (MLG) is a useful tool to rethink regional reform strategies and to increase problem-solving capacity. To fully achieve its potential though a set of institutional actors on both sides need to make procedural adjustments and policy adaptations to address the continuing economic divisions at the sub-state level. The opportunities of a particular reform path are assessed in a condensed fashion with the help of a case-study from the Lviv oblast – a border region in Western Ukraine. While EU-Ukraine relations continue to evolve around overarching framework agreements such as the Eastern partnership, the biggest potential for regional development derives from a bottom-up approach to governance specifically tailored to meet local conditions and challenges.

Keywords: Ukraine, European Union, multi-level governance, problem-solving, regional policy

Гюнтер Вальценбах. Європейський стиль вирішення проблем? Виклики та можливості багаторівневого управління в Україні

У цій статті розглядаються складності об'єднання горизонтальних політик ЄС, які відповідають за східних країн-сусідів ЄС, в цільовій країні з яких виявлені механізми вертикального управління

Ключові слова: Україна, Європейський Союз, багаторівневе управління, вирішення проблеми, регіональна політика

Гюнтер Вальценбах. Европейский стиль решения проблем? Вызовы и возможности многоуровневого управления в Украине

В этой статье рассматриваются сложности объединения горизонтальных политик ЕС, которые отвечают за восточных стран-соседей ЕС, в целевой стране из которых обнаружены механизмы вертикального управления

Ключевые слова: Украина, Европейский Союз, многоуровневое управление, решение проблемы, региональная политика

Introduction

The ongoing debate as to whether a federal system of government could be a solution to the current crisis situation in Ukraine and its violent territorial contestation is not built around new arguments. Yet, within Ukraine the federalization term has become almost synonymous for a set of demands articulated by the leadership of the Russian Federation factually preparing the ground for an annexation of its Eastern regions [39]. Against the background of this highly politicised argument, this article will analyse whether multi-level governance (MLG) can offer a viable alternative to address some of the most pressing modernisation and transformation problems of

Ukrainian regionalism. It argues that for problem-solving to occur as a policy mode at the regional level substantial institutional reform is vital in the vertical dimension of the political system of a post-socialist country. Equally important, though, given Ukraine's reconfirmed European choice is the horizontal dimension, where European Union external governance needs to be expanded and reformed to make a real difference to the regional challenges facing the Eastern neighbourhood.

Analysis of recent research

In the early history of independent Ukraine political problem-solving has been almost always

associated with the centralised powers of the semi-presidential system [61]. The first President of Ukraine, Leonid Kuchma, for example, has been described by one prominent observer as a 'pragmatist' whose clear and focused behaviour did match with the image of a 'remarkably successful problem solver' [3, p. 91]. During his time in office the territorial integrity of Ukraine had become one of the major political goals for the country's difficult and protracted transition. Temporarily, at least, this goal appeared to be achieved despite Ukraine's 'borderland' position between the European Union (EU) and the Russian Federation as two ideologically different poles of attraction. In fact, in the first decade of the 21st century one contributing factor to this relative success story, EU cooperation, dialogue and association was seen as a step in the right direction offering project-based technical and financial assistance as well as prospects for lasting regulatory reform even if it met with remaining, path-dependent structural deficiencies [59, 60].

Within this context, this article proposes to take a closer look into the two sides of the regional equation. The first side refers to the vertical structural preconditions in the Ukrainian system of government and related policy responses that have emerged on the part of key political actors involved in regional politics. The second side covers the actual contribution that has evolved from the regional component in the European neighbourhood policy (ENP) and that has formed a horizontal institutional connection with the country. As the following two sections will highlight, socialist principles of centralisation still constitute the most prominent obstacles to a genuine European dimension of regional policy in Ukraine once set into a MLG framework. In other words, regional policy European style in tune with the requirements of a modernising post-socialist country will ask for more structural change and necessitate the formulation of a particular regional strategy (section three). Section four then presents the case of a localised, sector-specific problem-solving approach with evidence coming from the Lviv oblast in Western Ukraine. The conclusion reviews these arguments with the ambition to assess the feasibility of an EU driven regional strategy worth the name. It suggests the further revision of statist programmes that have underpinned the workings of regional policy in the Eastern neighbourhood for far too long.

In conceptual terms problem-solving is one of the most widely used legitimising tools in the

context of debates around MLG [28]. Problem-solving is central to the argument of this article as it proposes to use the MLG framework not just as a heuristic device but as a practical instrument to guide policy-making beyond the EU's own borders within a transition country [72, 73]. While in principle MLG can reconcile the macro-problem of system integration into European structures with simultaneous demands for state modernisation, it puts very high procedural pressures on political actors to achieve a balanced division of competencies and negotiated couplings between several arenas.

In addition, problem-solving capacity can also derive from the recognition of multiple identities and the parallel formation of a genuine European identity. In this way, MLG may offer as a side-effect of its procedural requirements the accommodation of contending forces of nationalism. Thus, different types of nationalist sentiment as found in Ukraine could peacefully coexist with an overarching idea of Europe. Or, as ERNST B. HAAS [24, p. 31] famously argued, there is the 'possibility of multiple, overlapping sources of governance at different territorial levels' and corresponding 'tiered multiple loyalties'. Consequently, even an asymmetric distribution of patriotic allegiances might substantially contribute towards a new form of governance in the Eastern neighbourhood.

Of course, for most of the 1990s, this process was reserved for West European countries and Eastern Europe did enter slowly into the equation through respective EU enlargement rounds [31, 40]. Only scholars such as HAAS [24], and later, HOOGE and MARKS [27, p. 53-55] pointed out, there is a distinctively dynamic feature when combining a number of territorial identities. Hence, due to increasing individual socio-economic exchanges and the mediating effects of political institutions attachments to additional levels of governance and communities should add a realistic development prospect for transition countries.

The existence of a significant 'regional factor' in Ukrainian politics is not in doubt, though does require some further qualification for the purpose of subsequent analysis [5, 11, 37, 58]. It is the precise nature of its impact and effect that is widely contested. Some trace the country's 27 regions back to five long-standing historical divisions, whereas others prefer to analyse the actual behavioural patterns of its electorate in their various regional

manifestations [49, p. 37, 75, p. 33-36]. In regards to the latter there is no conclusive evidence whether the observed dynamic underlines centralisation, moves in the direction of devolution, or upholds weak forms of regionalisation. Instead, only the individual concern with economic modernisation and growth rates seems to constitute a fairly robust and unifying measure for all Ukrainians over time [49, p. 3].

Statement of research objectives

For the purpose of this article, this is taken as a first hint that Ukrainian regionalism can develop in the direction of the MLG model. There are, however, a few additional reservations to consider. The EU's own internal experience, for example, revealed at times a certain risk for national government to lose degrees of control, especially when networks of communication develop horizontally and connect regional actors with supra-national actors in Brussels. More worrying for the Ukrainians must be the relationship between MLG and certain versions of federalism. Historically, already the late leader of the National Democrats in Western Ukraine, Viacheslav Chornovil, had advanced a German inspired version of cooperative federalism for the political future of the newly independent Ukraine [25, p. 103, 54, p. 59]. Yet, throughout the 1990s, up to the contending forces of the Orange revolution and further to the current conflict with Russia this debate carried with it the spectre of economic fragmentation, strong social polarisation and, ultimately, political secession.

On a more positive note, large parts of the Ukrainian population have in the meantime consistently articulated their support for EU membership including elites in the Eastern and Southern parts of the country [22, p. 170-171, 42, p. 276-277]. Thus, there is an obvious potential for the applicability of the MLG model in the post-soviet transition context as long as country-specific, conceptual adaptations can be made. This follows, as will become clear in the next section, from the legacy of diverse administrative constructions deliberately set apart from territorial affiliation [78, p. 71]. Recent events in Ukraine fit into a path of nation-building where any abstract idea of European Union is bound to become a vehicle of nationalist and regionalist sentiment. This simply depends on whether political actors in Ukraine prefer to stress pre-soviet affiliation and its European value orientation or identify more strongly with post-soviet, pan-slavic connotations

[1, p. 114, 40]. In the final analysis, as this article will stress, the resulting ambiguity should not be seen as bad news for a workable model of MLG. If institutionalised properly on both sides of the regional equation, it can deliver on its promise to accommodate multiple and overlapping motives in a 'difficult' country context for the sake of concerted political action and effective public policy.

Results

MULTI-LEVEL GOVERNANCE AND THE LIMITS TO REGIONAL INVOLVEMENT

What precisely then stands in the way of regional problem-solving in Ukraine along the MLG model? To answer this question, this section identifies the current mismatch between key features of MLG and the regional realities of the transition country. Some challenges to working regional governance arrangements are already known from their Western manifestations. For example, the model assumption of vertical network creation with increased communication flows may at times result in more pronounced differences among sub-national entities. In addition, individual regions with substantive resources of their own may mobilize more support at central level generating cleavages within countries [27, p. 90-91].

Several of Ukraine's constitutional revisions since independence have confirmed vertical centralisation to counteract such tendencies. Therefore, the power of core executive actors from Kiev in regional governance is structurally more embedded than in Western capitals. Indeed, the absence of a drive towards a vertical dispersion of power between national and regional levels invites interpretations similar to the Russian case and its experiences with a top-down version of regionalism [48, p. 88, 57, p. 269]. The Putin presidency with its preference for a strong power vertical was replicated in Yanukovich's post-Orange government. For the sake of stability a regular review mechanism of regional governance arrangements is absent having, as a consequence, the occurrence of dysfunctional disputes at sub-national level between appointed regional executives and elected regional assemblies. The lack of independent decision-making power on the part of regional councils translates into day-to-day practical policy problems, for example, as regards investment choices, the setting of local priorities and the maintenance of social standards [21, p. 12].

In Ukraine a 'dual model' of regional administration operates with two types of regional administrative structures. One, at the level of locally elected bodies, which includes regional councils that have no corresponding executive function; and another, at the level of local public administrations formally embedded in hierarchical executive powers that are kept under the direct control of the Ukrainian president. On paper this creates a double subordination of local bodies to Kiev's executive power and to respective regional councils. In practice, however, as SEDIUK and PETROV [62, p. 186] note, the 'president remained the key element in the process of formation and control over the activity of local public administration.' In the first decade of the 21 century this led to an endless downward spiral of conflicts whenever President and Prime Minister represented competing political majorities. The peculiar sub-national manifestation of political centralization undermined the credibility of structural reform efforts as 'regional' elites could not any longer be trusted as to their representational status [62, p. 184 - 186].

Inherent in political economy interpretations of MLG is an argument in favour of fiscal federalism and decentralisation [28]. Avoiding an endorsement of political federalism, these recognise that a uniform provision of public goods across divergent jurisdictions is generally inefficient. In Ukraine, as elsewhere, the various demands articulated by regional communities are bound to lead to quite diverse marginal costs and benefits connected with the delivery of any particular public service. Hence scarce resources could be saved by diversifying government policies to be more in line with regional demands. Typically, this can be achieved by giving more discretion to regional governments over their spending programmes [68, p. 257]. Specifically through the principle of subsidiarity, decentralization should be designed in a way that ties functional roles to an administrative level best qualified for problem-solving.

Yet, as it stands, poor regional governance creates policy paralysis and generates policy failure, for example, in the form of structural underfunding with only a few percent of regional resources originating from the own taxes of sub-state entities. Central allocations, by contrast, seem to be haphazard and arbitrary leading to perverse economic effects, such as supporting sunset industries. In turn, regional authorities in

search for revenues resort to new taxes or quasi-rents in the form of licensing and inspection fees for profitable businesses, not to mention other possible side effects such as bribe taking and corruption in lieu of higher wages [8, p. 206-211]. The net effect of such behaviour has been negative, i.e. such numerous artificial burdens stifle business activity and generate lower returns for all authorities combined.

As a consequence, arguments about the rationale for fiscal decentralisation have frequently entered into the public debates. However, they did not prove to be persuasive enough to change the strategic alliance between functional elites at both levels of government [7]. So far, abstract ideas connected with European style-modernisation concepts have not successfully challenged the inherited and firmly established post-socialist practices [53, p. 125-126]. As expressed in the words of WOLCZUK [76, p. 65], Ukraine still wants 'to replicate the Western trajectory of state-building' to achieve its further transformation and, for the time being at least, has no choice but to 'subordinate sub-state, regional interests to those of the centre.'

For example, already Article 143 of the Ukrainian Constitution of 1996 and the subsequent Law on Local Administration of 1997 prescribed a decentralisation of power. Yet, in practice, local and regional entities continued to lose independence in their attempt to secure adequate levels of funding. Throughout the 1990s the relative share of the central state budget as part of overall government spending increased to 70 per cent going hand in hand with a centralisation of taxes and one-directional transfer payments from regional budgets to the local 'rayon' levels. As HARAN [25, p. 122] observed, regional councils lost out in their financial and organisational independence while rubber-stamping decisions made by the state executive. Since then, reform is overdue and two key elements stand in the way of a consistent regional policy operating with a MLG system of financial equalisation: a dated administrative-territorial structure that consists of too many formal entities, and a single-chamber parliamentary system with no genuine regional counterpart in the legislative process.

Although concerns over regional disparities and uneven development nowadays rank higher in public debates, key political actors show little awareness of the potential multi-level features of regional governance. What is worse, an actual

welfare trade-off between centralisation and decentralisation has been denied for far too long, suggesting in official documentation a continuing degree of harmony in intergovernmental relations [34, p. 622, 77, p. 84]. The underlying resource dependencies continue unchallenged and leave little room for the formalised and periodical negotiation around tax revenues typical for mature multi-level systems.

As a consequence, economic inequality among Ukrainian regions has been on the rise for some time. The Department of Regional Development in the Ministry for the Economy reports a substantial difference in the per capita distribution of the Gross Domestic Product (GDP). In 2004 the GDP figures for the most developed entities contrasted by a multiplier of 3.5 from the least developed ones, leading to an excessive bias in collected taxes from well-performing regions [30]. Moreover, the geographical location of administrative 'rayons' in proximity to EU borders has a positive influence on regional economic development [13, p. 289-290, 30, p. 17]. Where opportunities for transnational economic activity exist, as for example in the case of the Lviv region, additional income is generated (see also section four). In empirical terms the rayons and oblasts neighbouring EU countries consistently outperform similar entities located next to post-soviet states such as Russia, Belarus and Moldova when it comes to indicators such as economic growth, investment and budget size [30, p. 18].

What stands behind these divergent output indicators for regional performance in the current system? Firstly, one would have to point to the resilience and persistence of traditional political elites. Even under conditions of exposure to Western influence regional actors might be able to use the vertical resource flows for their own purposes. Rather than forming and upgrading multiple loyalties, as suggested by the MLG model, local power bases remain within fairly stable patterns of vertical interaction [32, p. 297, 47, p. 139-140]. Secondly, the vertical processes are exacerbated by a system of corporate governance where formerly public enterprises and local authorities maintain close links. The privatisation process in the previous decade gave only a few regional councils ready access to assets of the socialist regime and in many cases the opportunity to adjust their own funding structures [23, p. 146]. Thirdly, most of the recognisable lobbying activities between the centre and the regions is

limited to an informal mechanism aimed at the generation of large top-down subsidies rather than at the fostering of regionally specific development [67, p. 219-220]. In the assessment of VAN ZON [69, p. 136-138] at best wealthy local clans are in a position to challenge regional governors who act as representatives of the presidential executive. Most, if not all, Ukrainian elites paradoxically seem to have accepted economic inequality as the manifestation of centralised state power at the regional level and as a guarantee for the country's cohesion and territorial integrity.

Inspired by the Polish experience, and in a further move away from the MLG model, the introduction of Special Economic Zones was seen for some time as a panacea to deal with such economic disparities. Lacking direct governmental support regional authorities themselves could attract foreign direct investment with the help of tax exemptions under the further guidance of foreign banking consortia [46, p. 136, 69, p. 142]. In parallel to the promise of a resulting independent income stream in the long run, Ukrainian regional elites would also gradually transform and align through this process more closely with European liberal standards. Yet, it became soon clear that the centralised regulatory powers in such an environment were also easily abused. Most prominently, former Prime Minister Yulia Tymoshenko cited the fate of Ukraine's special zones, their alleged control by criminal elements and their dissolution as one of the prime reasons for her departure from a reformist Orange government [23, p. 25, 44, p. 108].

Instead, a working system of MLG in tune with the principle of fiscal equivalence would demand that each level of governance holds responsibility for specific taxes and maintains a separate tax base. In simple terms this could mean that Kiev collects a value added or foreign trade tax to finance its foreign and security policy, whereas regional entities could draw on private property and private enterprises to fund infrastructure projects and education [74, p. viii]. It goes without saying that in contrast to the vertical power arrangements such newly calibrated distributive mechanisms would have to vest sub-state authorities with some real powers and to follow the MLG blueprint for effective regionalization.

THE EU DIMENSION OF UKRAINIAN REGIONAL POLICY

The EU neighbourhood policy and subsequent partnership arrangements offer a

new set of horizontal opportunity structures posing challenges to overly statist governmental structures in post-socialist transition countries. Therefore, this section examines the relevance of MLG in the transnational dimension of EU-Ukraine relations. Arguably, several European standardisation efforts have had a recognisable impact on Ukrainian political practices, not just in the context of the European Neighbourhood Policy, but also as part of bilateral relations with East European member states and through longstanding interactions with the Council of Europe [66, p. 126]. Such contacts were helpful for the drafting of the European charter on local self-government and for the further dissemination of a European style decentralization model, especially when structured around fairly stable, historically localized links as in the case of Poland and Western Ukraine. These links constituted an improvement with earlier sporadic engagements between the EU and its 'ring of friends' located in post-soviet space.

Already the first Partnership and Co-operation Agreement between the EU and Ukraine signed in 1994 emphasised in true multi-level fashion the need to develop and maintain good cross-border co-operation through the encouragement of direct contacts between local, regional and national authorities [15, p. 25]. It exemplified the conviction that macro-institutional arrangements could guide future relations, for instance, via elaborate and complex multi-level frameworks in the form of the European Regions Assembly, the Congress of Regional and Local Authorities in Europe, and the European Border Regions Assembly.

Nevertheless, country experts soon arrived at fairly pessimistic assessments with WOLC-ZUK [76, p. 262-265] lamenting about unfulfilled promises and exaggerated expectations. She qualified specifically the creation of 'Euroregions' as Western transplants serving the main purpose to provide a kind of school environment for 'institutional cooperation' rather than aiming at the development of significant problem-solving capacity. Such complaints are echoed more recently when EU-Ukraine official engagements taking place at various institutional levels are frequently seen by policy insiders as little more than annual 'rituals' with an overly restrictive, all too obvious focus on the security aspect of the EU's current borders [62, p. 188].

Later, the trans-border cooperation programmes of the EU have acknowledged previous

mistakes and offered a more concerted approach to the challenges encountered due to territorial dispersion and population size. Thus, Ukraine became eligible for joint neighbourhood policy projects between 2002 and 2006 as part of CAD-SES (Central European, Adriatic, Danubian, South-Eastern European Space) funding with a pragmatic focus on spatial integration in the form of new transport corridors, increased tourism, environmental protection and disaster prevention. Overall, the country secured 258 million Euros of ENP bilateral assistance in the last two years of this programme. From 2007 onwards, in line with the softly couched MLG demands for network creation, the horizontal practices of economic interdependence have secured specifically the Polish-Ukrainian border regions a regular stream of Commission sponsored development projects.

Furthermore, major economic benefits are expected from the horizontal policy transfer manifest in the European Neighbourhood and Partnership Instrument (ENPI) introduced by the External Relations Directorate of the Commission [17, p. 16-18]. In official terms ENPI aims to strengthen the prosperity, stability and security of the countries in the neighbourhood and explicitly states democratic transition as one of its key objectives. In absolute figures (494 million Euros, 2007-2010) Ukraine is the biggest recipient of assistance among ENP countries, though once per capita distribution is taken into consideration only Belarus receives less as a consequence of Ukraine's 45.1 million inhabitants [52, p. 6, 59, p. 191].

From a pragmatic perspective ENPI serves the purpose to implement the annual EU-Ukraine action plans agreed upon by both sides [2, p. 217-224]. In the larger scheme of the neighbourhood policy the policy instrument was designed to regulate the sub-national interactions undertaken along the Eastern borders of the Union and entails project finance for the revival of regions as well as general measures to facilitate the mobility of citizens. As put succinctly by then Commissioner DANUTA HÜBNER [29], responsible for EU regional policy between 2004 and 2009: 'the border regions are one of the key actors in the EU's regional policy'. In her thinking the operation of an effective neighbourhood policy is a direct consequence of the alleged diminishing relevance of sub-national divisions within the EU itself (but see next section). In its initial phase the programme component for cross-border cooperation alone had attracted hundreds of applications for trilateral

projects including Ukrainian regions as partners with entities in Hungary and Slovakia, Poland and Romania. Moreover, the re-launch of the network of Eastern external border regions confirmed the ambition to include joint funding recipients from Moldova and Belarus [63, p. 6-7].

In terms of transition, good governance and democratic transition, regulatory reform and infrastructure development constitute priority areas for Ukraine, leaving ample room for programmatic specifications in regards to the genuine regional component of transport, energy and environmental policy. Further in line with multi-level reasoning, ENPI could also include project funding related to regional aspects of modern border and migration management, or the fight against organised crime as long as respective actions complement those taken at national level. Last but not least, there could be more scope for horizontal linkages in terms of cooperation among small and medium-sized enterprises (SMEs), if indeed civil society actors can be shown to be among the major beneficiaries [19, p. 12].

In combination with these programmatic features of EU external policies in the neighbourhood, ultimate success in winning ENPI project contracts depends on the institutional capabilities of local authorities to manage the application process with a convincing understanding of problem-solving. As the governance approach suggests more generally, a sustained involvement of civil society organizations can contribute to detailed project specifications, overcome resource limitations, and, ultimately, tip the balance in favour of a particular region. Despite the continuation of implementation deficits and local governance gaps following from overly bureaucratic EU-Ukraine action plans, the proposition to link ENPI eligibility with formalised development plans of regions might offer the only alternative to overcome governmental inertia and to create the momentum necessary for modernisation and system transformation in the medium to long term.

As pointed out in the introduction, one of the most recent assessments of the ENP attest the horizontal version of regionalism a move in the right direction [59, p. 193]. The 'significant progress' that has been made in the promotion of economic and social development relied in no small measure on local 'people-to-people' contacts. There are positive signs for this to continue with Ukraine's signature under the Eastern Partnership Agreement. At the same time, this preferred mechanism

for EU cooperation with transition countries in Eastern Europe and the Southern Caucasus has to improve on previously identified deficiencies in the regional dimension of external governance.

First of all, and to the extent implementation measures release additional financial resources for regional development, there is an expectation on the Ukrainian side to support projects in a wider geographic distribution than before. This means going beyond the temporary focus on the once autonomous Republic of Crimea or perpetuating the locational advantage for Western Ukraine. If the upgrading of public support for the European integration project is indeed a Partnership goal, then more of the Eastern and Southern parts of the country must belong to its beneficiaries.

Secondly, a viable alternative to otherwise fragmented, partial and predominantly sectoral intervention would have serious co-ordination problems to overcome. To start with, the availability of co-funding from the state budget and the authorisation of related financial investment guarantees would have to be sorted out. Whatever answer is found, it would almost immediately generate a follow-on question about the nature and degree of involvement by centralised state institutions such as the Ministry of Finance. Already in the current system, and as described in the preceding section, citizens in the regions and their local entities have good reasons to be deeply concerned about the biased decision-making process leading to the allocation of scarce resources. Hence, what needs to be avoided is a replication of the dualism present in the internal Ukrainian administration in its horizontal engagement with EU policy makers. In other words, plans to provide a counterpart to the EU Delegation in Kiev in the form of a state-run, centralised co-ordination agency would present a fundamental break to the introduction of an MLG inspired open system of regionalization.

Finally, it is perhaps unavoidable that the regional component of EU external relations will polarise the political spectrum in Ukraine further. The political temptation to advocate a particular regional concern as that of the country as a whole and as the legitimate part of a national strategy is high. In the past, this particular constellation did not play out to the full as EU-Ukraine relations at regional level were firmly based on economic interests rather than on strong normative aspirations for democratisation and human rights [20]. Yet, this is bound to change with the signing of the Eastern Partnership Agreement. The EU's de-

termination to pursue a comprehensive agenda of locally-led political reform as articulated in its 2012 Strategic Framework on Human Rights and Democratisation will raise further the stakes on both sides of the regional equation.

IN SEARCH OF A REGIONAL STRATEGY

To what extent is MLG persuasive enough as a model for regional development to overcome the limitations of horizontal EU programmes and gradually replace the top-down interventionism of vertical power arrangements in Ukraine? This section will address this question by drawing on comparisons with the EU's own internal experiences in regional development and then tries to extract ingredients of a regional strategy suitable for the peculiar economic environment of Ukraine. While there are many ways of drawing policy lessons, a priori the oligarchic structures in the domestic economy were never conducive to the EU's preference for the targeting of SMEs [55, p. 79-89]. If anything, the most recent regional stabilisation measures of the transitional government in Kiev have further complicated the inclusive management of clan-like business interests. Thus, alternative ways for the transferability of regional policy need to be investigated and adaptations on both sides of the regional equation are necessary to match the changing opportunity structures.

In the horizontal dimension, EU institutions and their programming can be seen as having considerable leverage ranging from the soft diffusion of policy recommendations to the 'hard' instruments of negative conditionality. As in many other areas of EU external governance there only has to be a supportive internal consensus for discretionary use [4]. The advocates of the good governance agenda, revived under the principles of the Eastern partnership, would certainly welcome administrative reform and encourage a more stable, professional as well as accountable, bureaucracy [43, 70, p. 317]. For a transition country where at this point in time the EU membership perspective is questionable positive conditionality can also be exercised in a complementary fashion through international institutions. In some instances, the World Bank and the International Monetary Fund have already acted as a functional equivalent to supranational institutions and pressed core executive actors for a strategic reorientation in their conduct of a regional development policy worth the name.

Such multiple institutional arrangements may also safeguard against some of the failures and excesses of regional policy as conducted in

some of the new EU member states of Eastern Europe. Following reports of outright misallocation and misspending of substantial resources more transparency and accountability has to be ensured when several decision-making levels are involved. Specifically, the spending practices of regional development funds in Poland, Romania and Bulgaria have given reasons for serious concern. The available evidence indicates that EU regional fund allocations frequently did not reach the intended recipients, lacked a corresponding institutional infrastructure, reflected inadequate planning, and contained overambitious targets or deadlines. While it is useful to opt for policy transfer and emulation for modernisation purposes, there is more to an effective regional policy than copying policy arrangements (contract plans, regional development agencies) from elsewhere [74, p. 27-28]. The implementation measures within a regionally targeted EU policy package need to ask for comprehensive consultation practices, for agreements on monitoring and evaluation procedures as well as for a clear definition of priorities, achievable tasks and backstopping roles.

Another challenge comes from the analysis of regional policy outcomes as observed in the metropolitan areas of Eastern Europe. One of the objectives of the EU's Lisbon agenda was to strengthen the internal territorial cohesion of the Union. Yet, as KUJATH and ZILLMER [36] find, there has been a considerable increase in the disparities among the 28 member states. They can show that initial imbalances in economic performance tend to get worse through spatially concentrated investments typical for the post-enlargement scenario. Therefore, on the one hand, a modified EU driven external regional policy should spell out clearly which conditions have to be met and what kind of measures should be deployed to enhance more balanced regional growth. On the other hand, if the declared goal is to run development motors for a transition country as a whole, the 'catching-up' process will be in need of considerable re-design. As it stands, the current metropolitan regions in East European member states have not been able to come closer to the economic performance of the West European metropolitan regions, and the observed economic inequalities between metropolitan regions in Eastern Europe appear to be higher than those between respective regions in the 'old' EU member states [36].

In the current climate of EU enlargement fatigue, Ukraine's vertical reform strategy should

still employ the MLG model. Here workable solutions to the regional dilemma need to embrace more firmly the idea of public-private partnerships. As the study of governance gaps has emphasized, little can be achieved without a thorough mobilization of actors at several administrative levels; otherwise partnerships do just raise the costs of problem-solving and make outcomes highly contingent on the precise institutional context, potentially generating policy disasters [64, p. 130-133]. With an emphasis on regional entities able to develop their own problem-solving capacities an element of competitiveness is unavoidable. To the extent this includes attracting new industries and a reorientation towards the information or service sectors even higher demands are placed on the fiscal policies of the Ukrainian central government. Among the plethora of relevant actors in multi-level structures it becomes then paramount to define (and re-define) appropriate roles, individual competencies, and respected boundaries for different phases in the regional modernisation cycle [65, 74].

To learn from the experiences of other post-socialist systems would mean to look for a firmer, strategic underpinning of the changes in the public administration system rather than for the constitutional reform of intergovernmental relations *per se*. Or, as VERHEIJEN [70, p. 313] posits, 'without a strategic vision, possibly embodied by a strategic document and related implementation plan, it is unlikely that comprehensive change can be brought about'. The case of regional policy in Ukraine fits nicely with this hypothesis. While administrative reform has not produced public goods in the desired quantities, the fallback solution of priority targets and streamlined programmes is also found wanting. Looking back to years passed since the Orange revolution, Ukraine easily qualifies as a negative 'model' of missed opportunities: the general indifference of the political class, the lack of political consensus, the absence of long-term coherence among political forces, an exclusive reliance on legislative reform, and a high degree of political polarization. These points taken together do not bode well with an overly self-reliant strategic orientation in Ukrainian regional policy.

In principle, MLG offers many practical signposts of what a regional development model could look like in the Ukrainian case, yet the devil rests with the detail of public-private service provision and its fairly complex logistical, jurisdictional and

managerial requirements. If indeed Ukraine's 'European choice' falls for trans-nationally connected value chains and privatised market actors, then innovation is likely to spread fast across a large variety of regions. However, as regards any potential employment effects one would have to be very cautious. In the short run it is quite unlikely for modernised economic sectors to absorb an abundant labour force and any high-tech orientation would rather aggravate this situation. Moreover, main parts of the country's regional economy have at this point in time not the capacity to enable their firms to compete successfully for public-private recognition [50, p. 108]. Under such conditions more promising alternatives for regional development are reasonably well known. As far as a vertical regional strategy is concerned the prolonged investment in local infrastructure geared towards the formation of SMEs and with a corresponding grounding in participatory institution-building would offer a sustainable way forward.

To overcome further obstacles to modernisation does mean to focus on specific aspects of MLG. Through processes of horizontal policy diffusion in an increasingly knowledge driven global economy, regional entities have an overall easier task than centralised structures of government to come to grips with the modern information society, with knowledge-based economic activities, with speedy knowledge processing and data dissemination. In this key area, the reform of governance arrangements along the multi-level concept would expand the knowledge base of regional institutions allowing them to implement policy innovation whenever appropriate for local problem constellations. MLG in the Ukrainian transition context does not just avoid the daunting federalist vision, but has the advantage to enhance policy ownership at regional level with comparatively less challenging demands on the established political elites. For them MLG combines a range of governance modes – network formation, co-ordination and competition – with the help of which they could better manage their own transition process. In the medium to long term this transition process could then gradually phase in the benchmarking exercises and 'best practices' more familiar to EU policy makers and their problem-solving strategies.

For the time being the question asked by KOVRYGA [33, p. 174] more than a decade ago still looms large behind the problem-solving strategies of MLG outlined above: Who will be

the change agents, the policy entrepreneurs and autonomous associations pushing for the development of regional management towards customer responsiveness, citizens needs and service delivery? With such an orientation at best partially established, value change incomplete and oligarchic structures reconfirmed inter-urban competition alone will most certainly remain an unconvincing vehicle for an extended reach of EU governance in the Eastern neighbourhood.

LOCALISED PROBLEM-SOLVING: THE CASE OF THE LVIV OBLAST

Due to its geographic proximity to EU borders and its emergent status as a metropolitan area the experience of the Lviv oblast in Western Ukraine offers an ideal test case to assess the potential of MLG. To achieve modernization and system transformation, regional policy is embedded in a 'clearly defined public-private partnership' viewed as the most promising mechanism for effective implementation. Furthermore, the specific conditions of this institutional setting have generated a number of individual responses to ensure sector-specific problem-solving. Most importantly, the political leadership has tried to formulate a regional investment policy with an awareness that its prescriptions would need to become a priority task at all levels of state power and not just for the authorities of local self-government [41]. The key problems of Ukraine in developing business and attracting foreign investment along European standards are reasonably well-known [3, p. 259, 69, p. 136-148, 73, p. 50-56]. At the local level problem recognition and definition became an important step in the direction of finding practical solutions. Accordingly, policy ideas are guided by the strategic objective to modernize the region through sustainable economic and entrepreneurial development. The regional authorities, in textbook-like fashion, have been able to identify priority areas and to bundle their efforts on the creation of favourable conditions for the development of free competition and the modernisation of regional economic structures. Their activities focused on the attraction of new firms and capital investment, the building of a modern infrastructure, and general support towards the development of social capital via re-training programmes and civil society engagement.

In practice, many delays occurred in the practical implementation of the envisaged reforms. One example is the speeding-up of business registration procedures facilitated by the institutional

innovation of 'one-stop-shops' to be spread all over Ukraine. In response regional authorities focused on an alternative co-ordination process for registration trying to integrate all of the key governmental decision-makers and setting up a network of advice offices for SMEs. Then, the entire system of permissions (for the taking up of business activity approvals, licenses, certification and patenting) was found in need of further simplification. There are few amended regulatory acts in place and numerous contradictions exist as to the respective role of central, regional and local authorities. Frequently, principles and decision-making criteria are simply incomprehensible or ill-defined. As a consequence, the proposed solutions at local level have concentrated on the streamlining of regulation and the provision of financial support for independent consultants who can offer advice on legal procedures [41, p. 9].

At local level the existing taxation system was also recognised as a serious impediment to a more dynamic business environment [8]. Due to the frequent changes in legislation there is only low predictability as to the application of tax laws leading to arbitrary interpretation, excessive pressure on accounting departments and a degree of ignorance towards the competitive situation of SMEs. From the viewpoint of the LVIV OBLAST [41, p. 10] the proposed reform process in the direction of fiscal decentralization and an enforceable tax code remained an empty concept leaving local authorities without an appropriately flexible fiscal instrument to improve the business climate.

In addition, and similar to the experiences of other regions in post-socialist countries, the ongoing decay of transport infrastructure has undermined the full realization of the local investment potential. In this sector, the strategic reorientation of transport policy in response to targeted EU initiatives in the early phases of the neighbourhood policy has made some significant impact. New construction and road building projects now follow the plans for European and international transport corridors. In addition, the speeding up of the privatisation process of local transport companies has contributed to organisational change and thus facilitated their eligibility for external funding arrangements [41, p.10].

Finally, there continue to be information barriers in the way of a dynamic local business environment. The bureaucratic self-interest of regional administrations does often delay the introduction of new technologies. As different mechanisms of

political, administrative and policy co-ordination are poorly defined the development of information and communication networks between corporate entities, the authorities of local self-government and the regional (rayon) state administrations is falling behind. Due to the resulting low effectiveness in data processing and a further progression in technological change there is now a clear preference for the introduction of entirely new information systems. In contrast to earlier ambitions, this reflects an overriding interest to unify the data bases of different authorities, various institutions and diverse organisations. Thus, the original goal to build a user-friendly, open access resource in support of the local business community is increasingly difficult to achieve.

In sum, the case of the Lviv oblast can show the relevance of key governance concepts, such as network creation and problem-solving, for the practical work of regional authorities operating in a transition context. However, the problems identified above and the large challenges they constitute to a further increase in investment activity at local level are easily traced back to more nation-wide problems that sooner or later will require overarching framework agreements, if not centralised intervention. As a consequence, the precise implementation mechanisms of an emerging multi-level administrative system that connects local and state authorities in new and effective ways is bound to come under regular review.

Conclusions

FINDING A EUROPEAN SOLUTION?

European style problem-solving along the MLG model emphasizes how process over time can build trust across levels and help define the relations between multiple levels of governance, in addition to which spheres are responsible and empowered to carry out which kind of activities. Path-dependent processes, however, in Ukraine have as yet not resulted in European style structures of MLG. The need for a dispersion of the vertical distribution of power is not easily reconciled with diverse regionalist and oligarchic interests. In an ideal world a transformation should take place within communities of practice that reflect common value orientations towards mutual engagement, joint enterprise and shared repertoires [12, p. 153]. The emphasis in such normative model extensions is on due process. A repetitively negotiated order would gradually build trust among the participants at different levels and guarantee mutual accountability, precisely because it works

with routines as basic frames of reference.

In more pragmatic terms the EU's governance techniques in external relations have tried to operate with a horizontal transfer of network governance [38, p. 99]. With the apparent lack of commonly accepted and enforceable legal background variables the results of this soft mechanism have been disappointing. Despite years of trying, the difficulties in building a social fabric conducive to transnational, participatory structures and joint decision-making in Ukrainian regional policy have not been overcome [34, p. 624].

This situation has serious drawbacks for regional development in the Ukrainian context. As stated in the previous section, it is tempting to leave things to the reign of free markets and to opt for a more widespread use of neo-liberal mechanisms to provide for the desired public goods. Under such conditions though, the task is to establish the necessary private property rights in a manner impartial to individual interests and together with an incentive structure that supports a particular regional behaviour, i.e. a behaviour that does deliver good results for society as a whole. In an optimistic assessment ÅSLUND [3, p. 252-254] does foresee the emergence of a market economy and democracy in Ukraine, if major oligarchic groups will intensify their competition, and in turn, create demands for closer checks on their relative power and a more standardised system of rules.

Similarly, under the assumption that government officials and regional administrators are capable to design functioning markets, even more ambitious projects appear within reach. Some authors, for instance, explicitly draw on Swedish or German models of regional development where an active state policy operates with financial equalisation schemes, direct subsidies and joint investment projects; and all measures still combined under the heading of improved regional competitiveness [21, p. 48-49, 56]. Highlighting the differences to the Ukrainian development path, these contributions recognise decentralisation and local self-government as a precondition for the sustainable and fair development of social groups within the existing territorial division.

At the same time, the German example of a multi-level regional policy offers another qualification to concepts such as network governance and their one-to-one extension to the Eastern neighbourhood [71, p. 122]. As BENZ [9, p. 28] pointed out in his case-studies of the Länder, problem-solving in economic development depends 'much

more on the mobilization of creativity as well as the will ... to cooperate and succeed in shaping a distinctive locational profile'. Obviously, to be in a position to increase regional wealth generation regional policy has to have a genuinely regionalized policy dimension. Hence, it comes as little surprise that the European Commission in the context of its own regional policy has interpreted the 'partnership principle' as a clear endorsement of subsidiarity [6, p. 775]. Aware of the complexities in pooling resources and making consistent decisions across political arenas it opted for the re-enforcement and strengthening of the capacity to act at the lowest level of governance.

In the light of these qualifications of EU regional policy the Ukrainian case points to the crucial importance of the distinction between Type I and Type II MLG [28, p. 241]. Indeed, while both model specifications indicate departures from the centralized state, it seems logical to argue that problem-solving in the context of a post-socialist country requires a much higher degree of flexibility to deal with the challenges of transition at the regional level. With Type I MLG leaning towards traditional understandings of federalism in terms of power sharing and the relationships between central and sub-national government, the relatively short political and economic history of independent Ukraine (not to mention current challenges to statehood) works against its further endorsement

and evolutionary potential. By contrast, in the case of Type II MLG problem-solving and selective policy measures take centre stage. Not the least because of the oligarchic structures in the domestic economy and the urgent need to discipline their activities, this should be the preferred direction for a horizontal, trans-regional European policy to take. Rather than re-enforcing the existing quasi-regional structures in Ukraine from the top-down, the Eastern partnership should try hard to discover new functional and geographical spaces for the solution of complex problem constellations.

Most certainly, this type of problem-solving would constitute a move away from the old Kuchma-style approach of a mere balancing of competing regional oligarchic interests, but it would likewise ask for a reorientation of EU regional policy content in the neighbourhood. By focusing more on specific constituencies sharing similar functional spaces the chances that policy substance will reach individual citizens will become much higher. As a consequence, the bottom-up opportunities for positively influencing the socio-economic status of individuals within diverse communities can also multiply. In the long run, this might indeed generate the Haasian version of identity change that is desperately needed to enable an attachment to multiple levels of governance; and ultimately doing away with the inside-outside distinction firmly established around EU borders.

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* The author would like to express his gratitude for practical, logistical and ideational support to the Open Society Institute, Budapest, and the Institute of Public Administration at Petro Mohyla Black Sea State University, Mykolayiv. In particular he acknowledges constructive criticism and useful comments from Yuliana Palagnyuk, Barrie Hebb, Dima Say and Serhiy Ponomaryov. Earlier versions of this article were presented at the Olbian Forum in Yalta, Crimea (July 2010), and at the 44th UACES Annual Conference in Cork, Ireland (September 2014).

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УДК 332.02-027.511+339.137
No. DOI 10.14746/pped.2014.2.8

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THE FORMATION OF THE GLOBAL SPHERE OF ECONOMIC ACTIVITY IN THE CONDITIONS OF THE INCREASING ROLE OF THE GLOBALIZED REGIONS

The world economy reflects the totality of production relations, which operate at national and international levels. Under the influence of a number of objective factors the world economy becomes more and more integral one. The most important factor contributing to the formation of the whole organism of the world economy is the accelerated process of integration, which is the convergence of countries' economic structures, not only at the state level, but also at the regional level that can combine multiple countries or a certain region of one state. The basic elements and preconditions of formation and development of the global sphere of economic activity in the conditions of the increasing role of the globalized regions are defined in this article. The author of this research highlights the following features of the globalized regions: the availability of geo-economic potential; the presence of external economic infrastructure (physical and institutional support); the positioning of the region in the global business environment; the inclusion of the region in the system of international economic relations.

It is concluded that globalization transforms regions to full members of international economic relations. However, at the same time globalization actualizes the need to identify and protect the unique local competitive advantages as imperatives of raising international competitiveness under conditions of globalization for them.

Keywords: global sphere of economic activity, globalized regions, international competitiveness.

Емельянов В.М. Формування глобальної сфери господарської діяльності в умовах зростання ролі глобалізованих регіонів

Визначено основні елементи та передумови формування і розвитку глобальної сфери господарської діяльності в умовах зростання ролі глобалізованих регіонів. Виділено ознаки глобалізованого регіону: наявність геоекономічного потенціалу; присутність зовнішньоекономічної інфраструктури (фізичного та інституційного забезпечення); позиціонування регіону у світовому бізнес-середовищі; включення регіону у систему міжнародних економічних відносин.

Зроблено висновок, що глобалізація перетворює регіони на повноправних учасників міжнародних економічних відносин, але разом з тим актуалізує необхідність ідентифікації та захисту унікальних локальних конкурентних переваг як імперативів підвищення міжнародної конкурентоспроможності в умовах глобалізації.

Ключові слова: глобальна сфера господарської діяльності, глобалізовані регіони, міжнародна конкурентоспроможність.

Емельянов В.М. Формирование глобальной сферы хозяйственной деятельности в условиях возрастания роли глобализированных регионов

Определены основные элементы и предпосылки формирования и развития глобальной сферы хозяйственной деятельности в условиях возрастания роли глобализированных регионов. Выделены признаки глобализированного региона: наличие геоекономического потенциала; присутствие внешнеэкономической инфраструктуры (физического и институционального обеспечения); позиционирование региона в мировой бизнес-среде; включение региона в систему международных экономических отношений.

Сделан вывод, что глобализация превращает регионы в полноправных участников международных экономических отношений, но вместе с тем актуализирует необходимость идентификации и защиты уникальных локальных конкурентных преимуществ как императивов повышения международной конкурентоспособности в условиях глобализации.

Ключевые слова: глобальная сфера хозяйственной деятельности, глобализированные регионы, международная конкурентоспособность.

Introduction

The tendency to expand mutual cooperation of countries and individual regions and to increase their interdependence is enhanced under conditions of intensification of world globalization processes. The impact of the global component on national and regional economic development is constantly growing. In this regard, the development of individual regions as components of national economic systems should be considered in the context of not only internal, but also global economic processes.

Analysis of recent research

The works by P. Krugman, M. Porter, M. Obstfeld, V. Lomakin, J. Makogon, T. Leavitt, F. Fukuyama, J. Stiglitz, K. Omaye, S. Hlaz'yev, M. Delyagin, V. Obolensky, V. Senchahov, R. Sidenko, R. Fathutdynova, O. Bilorus, D. Luk'yanenko, V. Novytskyi, O. Sohatskoy and others are devoted to the study of problems of the development of the international economic activity and the impact of globalization on national economy. The issues of the development of the regions and the problems of rising interdependence of the national economic systems is the subject of research of V. Barns, L. Ledebur, E. Bleykli, V. Leksyn, N. Mikula, O. Shvetsov, M. Dolishniy, Z. Varnaliya, V. Stechenko, V. Tretyak, L. Yaremko and other scientists.

However, despite the large number of works of both foreign and domestic scientists on the investigated problem, it should be noted that quite poorly researched are the questions regarding the features of globalization aspects of development of the international economic activity at the regional level.

Statement of research objectives

The purpose of this paper is to analyze the development of the international economic activity at the regional level and to define the features of the globalized regions.

Results

While analyzing the role of the regional economy in the development of the international economic activity (the IEA) of a state, it should be noted that the systematization of national economies, the allocation of types of countries and regions, their grouping is necessary in order to:

- systematize countries and regions according to their peculiarities and the level of their development;
- identify the characteristics of the countries and regions;

- determine the place of countries and regions in the world economic system and international economic relations;

- identify and predict the likely prospects of development of countries and regions [1].

Basic principles of systematization of countries the following:

- regional;
- regional and economic;
- economic;
- organizational;
- social and economic [1].

The most attention should be paid to the regional principle, which is in a grouping of countries according to their geographical location, for example, countries of Eastern, Western, Southern and Northern Europe; North and Latin America; South, Southeast, East and Central Asia; Middle East etc. [2].

The regional-economic principle envisages allocation of groups of countries with common economic interests, the same level of development, and other economic characteristics within the region. For example, Western European countries – the EU Member States (Germany, France, Britain, Denmark, Ireland, Belgium, Netherlands, Luxembourg) and the countries of Southern Europe – the EU Member States (Italy, Portugal, Greece, Spain); new industrial countries of Latin America (Brazil, Argentina, Mexico) and Asia (Taiwan, Hong Kong, South Korea, Singapore, Thailand) [2].

As an economic category, the world economy reflects the totality of production relations, which operate at national and international levels. Under the influence of a number of objective factors the global economy becomes more and more integral one. The most important factor contributing to the formation of the whole organism of the world economy is the accelerated process of integration, which is the convergence of countries' economic structures, not only at the state level, but also at the regional level that can combine multiple countries or a certain region of one state.

If the integration involves a certain region of one state, this integration should be based on principles of respect for national sovereignty, independence and protection of national interests, non-interference in the internal affairs of countries, complete equality and mutual benefits. It encompasses many forms in the production sphere (the direct links between enterprises, deepening the processes of specialization and cooperation,

the establishment of international economic organizations, joint ventures, etc.), wide spectrum of directions of joint research and development of new techniques and technologies in agriculture, transport, foreign trade and environmental spheres.

The following features are inherent in the current stage of development of the world economy at the regional level:

- changes in the structure of the world economy;
- strengthening of integration processes of different regions in different directions;
- market unification of economic development of the region and the country as a whole;
- growing dynamic changes of productive forces and production relations;
- enhancing the differentiation of regions of the developing countries and changes of their economic policies.

The growing role of regional trade agreements (RTAs) is an important feature of the modern world economy development [3]. Their occurrence and development are caused by economic and political factors, as well as security concerns. The economic reasons for participation of countries in the RTAs are connected with an attempt to contribute to larger markets, to attract additional foreign investment, to deepen structural changes and to accelerate economic growth. Another argument is the ability to address issues more effectively, which so far is slowly solved at the multilateral level in the WTO. The removal of trade barriers in the framework of the RTAs, other conditions being equal, leads to a more efficient use of resources.

The political aspects of the development of the RTAs are associated with the attempts of the countries to ensure regional security, to strengthen the region's role in the international economic relations, to contribute to the development of a certain socio-economic and political model at the level of individual countries and the region as a whole, to form new geopolitical alliances and to influence the development of other countries and regions, including by regulating access to their internal markets. On the other hand, the development of the RTAs can cause internal and external tensions, because such arrangements lead to a redistribution of trade with third countries and, therefore, to a reduction of their impact.

Particularly noteworthy is the role and the significance of the RTAs of the meso level that as an organic element of the national economy

and the world economy determines trends and tendencies of international economic relations' development of the state.

We should understand the region as an integral unit, an independent organic open system, which is self-developed and self-guided, a subsystem of the system of higher rank that contains a set of elements, components (social, economic, industrial, natural resource and environmental), which are located in their respective relationships and connections with each other and operate in a particular area.

Exactly the regions play a crucial role in the international economic relations of the country, since they have unique regional competitive advantages, are defined by economic and socio-cultural characteristics of the territory, the needs and opportunities of business entities at the micro level, the opportunities for effective use of regional resources in order to realize their own international economic interests.

The trends of modern economic development of the world economy suggest that the importance of regions as key actors of the IEA of countries will continue to grow. This is justified by the fact that the conditions of formation and development of financial and industrial groups, vertically and horizontally integrated production systems, sectoral and intersectoral complexes that are directly the participants of international economic relations are created exactly at the meso level.

Particularly the regions are conductors of the state strategy of the IEA. They determine and concentrate priorities, needs and interests of the subjects of the micro level as well as implement the decisions taken at the macro level.

Also it is important to note the importance of regions for definition, coordination and implementation of national and regional economic interests, which have a complex nature and internal contradictions of development. The resolution of these conflicts enhances the status of certain regions as subjects of the IEA as their goals and interests will be implemented at the level of associated regional entities.

Noteworthy is the need for government support of the IEA of the regions in order to create an appropriate institutional framework for their development, including regional information, coordination and investment centers.

Thus, the effective development and the increased participation of regions in the IEA of the state should be based on harmonization,

coordination and implementation of regional and national economic interests. Formation and implementation of the regional development strategy of the IEA on such basis will contribute to the evolution of territorial meso-level structures that provide consolidation of resources and coordination of economic interests at all levels of management as well as implementation of government priorities in global markets.

The regions of developed countries, with which the Ukrainian regions compete in the international market, become significant independent players on the international market due to high quality and sufficient quantity of natural, industrial and human resources in combination with an effective modern management system and state support. That is why regions can be considered as subjects of international economic relations, which are independent actors in the international markets of goods, services and human capital.

Thus, the conclusions of the theory of international cooperation can be used for a theoretical explanation of the nature of regional external links (external economic links) in the national economy [3]:

1) theory of comparative advantages of D. Ricardo explains the international specialization of the region in such goods and services, in the production and provision of which it has a comparative advantage due to the relatively low cost;

2) theorem of Heckscher-Ohlin-Samuelson justifies sectoral specialization based on provision of region with specific and mobile factors of production;

3) export base theory considers the IEA of the regions as a generator of economic growth based on the export sector of the economy;

4) according to the theory of product life cycle of R. Vernon, some regions realize their competitive advantages by producing innovative, and others – traditional goods and services;

5) according to the theory of the economies of scale of P. Krugman, even with imperfect foreign market, the IEA of the region improves the structure of consumption and promotes the welfare of the population;

6) theory of Porter's competitive advantages justifies specialization and external economic links of the region competitiveness of firms and natural and artificial competitive advantages of the region.

Inter-regional economic relations of the region exist in all areas of economic activity: interregional

trade, scientific and technical cooperation, and investment and innovation activity, exchange of human capital, financial and credit relations, industrial cooperation and so on. The IEA of the region as part of a global economic space manifests itself in the flow of goods, capital and labor: sale of goods and services, the exchange of intellectual and human capital, foreign investment, and so on. Sometimes the reorientation of the region from domestic to external trade occurs, which has both positive and negative consequences. The independence of Ukraine, the liberalization of foreign trade, the spread of globalization processes on the Ukrainian economy have led to the differentiation of regions according to their orientation to export or import of goods. The conjuncture of foreign markets significantly influences the export-dependent regions, and the exchange rate of the national currency – the import-dependent regions. Moreover sometimes international economic relations (the IER) of the region begin to dominate over intra-economic ties breaking the system properties of the economy and developing economy of other countries rather than their own. If such orientation of regions is not associated with a nationwide integration strategy, it has negative effects.

The regional IER emerged first from the collapse of domestic economic ties in the Soviet Union, and then – in Ukraine, which was accompanied by a fall in domestic demand. In this case export orientation of some sectors is caused by an attempt to find alternative domestic markets for their products. First and foremost, it concerns the metallurgical, chemical, engineering products, light industrial products, transportation of products by sea. Narrowing the internal market and consumer substitution of export to other regions of the country by export allowed producers to obtain funds for the modernization of enterprises, increase of production, and improvement of its quality.

On the other hand, the easing of the crisis tendencies and the expanding of the domestic market, the orientation of the regional economy on foreign markets has a negative impact on the internal market and trade relations between the regions of the country, hindering the development of the territorial division of labor. Therefore in this case it is necessary, along with the preservation of the IER of regions, to ensure legal, infrastructure, and other factors of interregional relations.

An important feature of the national economy is the competitiveness of a country

that is determined, among other factors, by the competitiveness of regions that are part of it. The competitiveness of regions determined by the following factors:

- quality and quantity of human capital of the region;
- supply and effective use of natural resources;
- the level of development of the energy sector;
- the level of development of infrastructure serving the IER of region;
- availability and the level of development of enterprises operating in the external market;
- competitiveness of products of the region;
- the legal framework of the country;
- the effectiveness of attracting foreign and domestic investments.

Let us consider the preconditions of effective participation of the regional economy in the world division of labor. The foreign trade is a complex system of interdependent elements of the national economy, which ensures movement of goods and services between different countries in order to obtain economic benefit. The elements of foreign trade are combined both in the field and in the national systems through trade economic relations. The weakening of state regulation and liberalization of the economy, which began in the late 80s of the last century, resulted in strengthening of the role of regions in economic life, including in foreign trade. The participation of the regions in the international division of labor is conditioned by a set of internal and external factors, foremost of which is the formation of the export potential, the main elements of which are the following:

- highly competitive raw materials and mineral deposits that can be used directly for the IEA (passed to lease, concession or are exported) and indirectly – for the development of the export-oriented industries;
- production funds, whose presence makes it possible to produce products of the proper variety and quality, acceptable to the world market, and to provide foreign trade services;
- human capital, which is involved in the development of production, provision of services and expansion of infrastructure the IEA;
- scientific and educational institutions that can train professionals for the development of the IEA and create preconditions for the growth of intellectual capital and the development of innovative products;

- the IEA infrastructure: transportation, financial and credit institutions, foreign trade economic organizations, warehousing, customs and border guard services and more.

The socio-economic factors of the IEA of the region form a 'launching pad' for international and external economic relations and are determined by the process of foreign trade development in the past, the achieved level of economic development and human capital of the region. In this context, specialization of regions, which affects the level of development of the regions, is an ambiguous process. On the one hand, it contributes to the high efficiency of utilization of available resources and, by doing so, to the formation of high-yield and highly efficient productions and service provision centers. On the other hand, the regional differentiation causes also negative effects:

- an uneven territorial distribution of income of enterprises and of population;
- the dependence on the level of income derived from export for the export oriented regions;
- the dependence on the level of prices of imported goods for import dependent regions.

Thus, sustainable development of the region with developed external economic links depends on foreign economic sustainability of the IEA of the region influenced by the following factors:

- the level of regional gross domestic product;
- territorial orientation of the region;
- natural raw materials potential;
- sectoral structure of the economy;
- functional features of the region.

Conclusions

Hence, the regions with significant share of foreign trade turnover are highly dependent on the conjuncture of external markets. However, the markets in regions with insignificant development of the IER are also indirectly dependent on the external economic factors that influence domestic prices and situation in the credit and financial system.

An important component of the IEA of the region is the development of multilateral forms of economic cooperation of border regions of neighboring countries. Such work begins with the establishment of the priority directions of cooperation based on the definition of businesses' interests. The significance of the development of such relationships is explained by important infrastructure functions of the border regions in the IEA of the state: regulatory, barrier, contact and

distribution functions. The formation of the IER of the border regions is explained by the expansion of powers of local authorities in international, including foreign economic, relations. At the same time the border regions provide the infrastructure

for the movement of goods, capital and labor force in the framework of globalization. As a result, the economic situation in those regions, which are peripheral areas and lag behind in development, improves.

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УДК 35.078.3 (477)
No. DOI 10.14746/pped.2014.2.9

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DEVELOPMENT OF INFORMATION SUPPORT OF THE GOVERNMENT IN UKRAINE: PRECONDITIONS AND DIFFICULTIES

The authors considered a breakthrough in the field of information, technology, creating opportunities for a radically new use of the intellectual, organizational, technical capacity, is a revolutionary step in the development of mankind. Realization of these possibilities can occur only in an evolutionary manner. This is especially true of organic changes in the institutional sphere of the state and in the government. Otherwise there is a crisis of social and technological situation.

The article highlights the relevance of obtaining and processing information exchanges and protection, acquiring skills to use information sources. What are the priorities of society? In terms of total informatization of all areas of life one important issue is mastering the computer as a tool and instrument quality, performance of professional duties. By innovations state mechanism adjusts slowly and carefully. Responding to calls and the possibility of introducing something new and, of course, maintaining progress in all other areas of life, the state very carefully change their infrastructure and bureaucratic way of bureaucratic activity.

Keywords: governance, process management, process, information, information sources, Internet website.

Коваль Г.В. Розвиток інформаційного забезпечення державної влади в Україні: передумови і труднощі

У статті висвітлено актуальність здобуття та обробки інформації, обмін нею та її захист, набуття навичок користування джерелами інформації, що є пріоритетними напрямками розвитку суспільства. В умовах тотальної інформатизації всіх сфер життя одним з важливих питань стає оволодіння комп'ютером як засобом та інструментом якісного виконання професійних обов'язків.

Ключові слова: державне управління, управлінський процес, технологічний процес, інформатизація, джерела інформації, Інтернет, веб-сайт.

Коваль А.В. Развитие информационного обеспечения государственной власти в Украине: предпосылки и трудности

В статье освещены актуальность получения и обработки информации, обмен ею и ее защита, приобретение навыков пользования источниками информации, которые являются приоритетными направлениями развития общества. В условиях тотальной информатизации всех сфер жизни одним из важных вопросов становится овладение компьютером как средством и инструментом качественного выполнения профессиональных обязанностей.

Ключевые слова: государственное управление, управленческий процесс, технологический процесс, информатизация, источники информации, Интернет, веб-сайт.

Introduction

Primarily it is balance between important scientific and practical tasks. It is difficult to find some areas where not used computers and information technology. Their rapid development of feeding two important factors: the human desire to know more, learn more information and fast pace of technological progress, that every day improving facilities and sources of obtaining and processing information. Computing and

communications have become part of modern life, and the surprise is not their existence, but rather, the lack of or insufficient effective use.

Analysis of recent research

Research themes Information Processes paid attention to a large number of works of domestic and foreign scholars. Among the modern Ukrainian scientists work is to provide researchers such as O.H. Hnattsov, N.R. Nyzhnyk,

H.I. Lelikov, T.A. Church and others. Among the fundamental research or technical-information integration progress is the work of G. Piskorski, V. Malinowski et al.

Among modern foreign researchers the implementation progress of information processes should be made of R. Chapus, P. Delvolve, E. Toffler, J. Dror.

Statement of research objectives

The aim of the article is to analyze the creation of national information infrastructure that will provide information and analytical support interaction specialist's authorities in the study of decision-making on issues of governance.

Results

Background due to the fact those in recent years has grown considerably the amount of information exchanged between government, management and flow of documents. The relevant processes are observed in neighboring countries.

In the field of informatization there is a question: "Revolution or evolution?" which can be solved easily. Revolutionary changes in the global associated with the transformation of information resources in driving, productive force in all spheres of social reality, can be realized only in an evolutionary way.

Third Wave civilization transformations, which quite vividly written in the book E. Toffler, can't unambiguously gain strength "ninth wave". Stacking the industrial period the electronic revolution has to overcome the natural order. E-Web can create the conditions for changing the world, but you need to fill the information channels was adequate goals and objectives that are going to solve mankind. It identifies two main areas of use of modern information and communication capabilities: in the world, which means an international level, and national-state. Topic of the article - the system of public authorities (UGA) of our country that commits to restrict the scope of Ukrainian material, although not precludes the analysis of foreign experience.

State involvement in the processes associated with the formation of the information society, has several aspects. Public authorities should:

a) Define the state policy regarding the main trends of the translational motion of society because of the new opportunities in the field of information [7, p. 35];

b) To provide an adequate legal framework for regulating the accumulation and management of information resources and information technology,

to create telecommunications, corresponding to modern information delivery capabilities;

c) To organize their own activities based on the maximum use of electronic information resources;

g) To ensure that its sphere of influence, that is, in the management and regulation of the transition to the information society.

On the first two directions write and speak a lot, although there are problems. Detailed focus on the principles set out in paragraphs "c" and "d". It's about solving the most common issues in the formation of a national information resource and establishing the necessary legal framework.

Improved governance through information technology is no doubt, because the use of automated systems improves the quality and speed of processing and transmitting information, the flow of which is constantly increasing. Public authorities, taking advantage of new information technologies can create qualitatively new ways of interacting with each other and citizens, thereby increasing the efficiency of the whole. Information and communication technologies in government will provide government services to citizens and businesses through the internet, to increase access to public information, set transparency of decisions through constant dialogue with the public and as a result, the development of a democratic, open to the public information state. Solution of these problems can contribute to implementation of an Internet presence in government processes through the creation of the authorities of their official websites and on their base the development of e - government which is one of the main directions of development and transformation of the relationship between state and society [8, p.157].

Breakthrough in the field of information technology, which is the creation of fundamentally new opportunities for the use of intellectual, organizational, technical capacity, is a revolutionary step in the development of mankind. Realization of these possibilities can occur only in an evolutionary way. This is especially true organic changes in the institutional sphere of the state and in the government. Otherwise there is a crisis of social and technological situation.

Why is the path to the information society with the participation of state mechanisms and regulation of the law can only be gradual? To answer this question, focus on three main points.

First, it is important to consider that the institutions themselves "country" and "statehood"

because of its links with the community system are the most conservative mechanisms of self-organization. The failure of many administrative and economic reforms, excluding aggregate root connections with the basic characteristics of the state of society in general, confirm this [7, p. 78]. In resisting public institutions, innovations and revolutionary transformations extremely slow uptake of new management techniques are shown as negative and positive sides. It employs a genetic connection protection of society and the state. Repeatedly it was possible that historically traced to changing forms of state power and government.

Attempts to destroy the state, relying solely on political factors, economic interests, national, ethnic or religious priorities, it turns out (especially in the 20th century) in vain. To change the institutions of the state and its functional nature of forces must be accumulated in its very basis of the material - in society. Theory and methodology of systems not yet cover the whole variety of components and connections of such a complex and highly organized system of the state.

Secondly, the manifestations of government institutions, methods of implementation of its purpose, slowly but changing. There are factors that accelerate these processes. They can be seen in the change of civilizations [12, p. 147] or economic structures. Today there is a question of accelerating the transformation of state mechanisms under the influence of factors in the revolutionary technology and, above all, information technologies.

At first glance, it seems that retrograde state institutions are a hindrance to the information society. There is a temptation to provide "streamlining" of the traditional mechanisms by creating a global information flows, which could do without government involvement. Internet - a vivid example. Global Wide Web as it covers power, including bureaucratic structures and their local news channel, creating technology open, "free" communication of information. This violated the usual mechanisms of power, creates a view of the possibility to do without them.

Most likely, it is an objective process of human development, in which the transformation of government intertwined mechanisms, weakening their globalist with strengthening social mechanisms of self-regulation. Given this, it should be wary of the revolutionary tenets of rapid introduction of information technology in society self-regulatory mechanisms when disconnected

state institutions [7, p. 46]. On the passive role of government in the establishment of the information society can't be considered. Dialectic relationships and dependencies in social systems create a fairly complex and little studied organism that is an open system and requires constant mutual adaptation. Solving social problems is not yet possible without organizing and paternalistic role of the state.

Third, in search of an answer to a question about the inevitability of the evolutionary path of information in society in general and in particular, in the government, you should understand the degree of susceptibility to the structures of power innovation and restructuring of traditional methods.

Recently, Ukraine has a transition to information society, which is characterized by the growing role of information in social processes, speed of processing, the penetration of electronic computers and it is based on modern information technologies in all spheres of public life. But the transition is very slow. On many areas of our lives need to be improved sufficiently effective use of information technology? Sometimes the latter are not used at all. The level of computerization of government agencies, businesses and citizens of Ukraine is much lower than that of the leading countries in Europe and the USA. Therefore, the situation with the development of information and communication technologies by government is legitimate concern [3, p. 45].

Network computer systems, modern communication form the basis of technical authorities. Computer systems of this class significantly accelerate work on the most difficult parts of the analysis, for example, in the analysis and evaluation of the operational environment in emergency situations during processing of socio-economic information, preparing reports, the formation of operational reports and certificates.

Upgrading of public authorities not only depends on objective conditions, but also on the subjective factor in the face of public servants.

J. Dror from Germany in their research says about the three types of higher civil service in a modern state [4, p. 34]. Radical transformation of the present day, he calls "the first global revolution" for the establishment. Under this name in the eighties, a report by the Club of Rome on the nature of the post-industrial period. The author's conclusion is that the service on the main aspects outdated and unsuitable for the tasks

of the central government “of the highest order.” J. Dror believes that the expectations on methods of a market economy as a universal means of overcoming the crisis did not materialize, says the failure of governments to deal with urgent problems. The reason for this state of affairs is largely a lack of professionalism and low moral quality officials. This causes the authorities to go for decisive reconstruction methods of recruitment and overall management technologies.

Assessing the state of affairs in the UK, and P. B. Credit Keterol to celebrate the traditional British view of the ministry as a center defending vested interests, which is regarded as a sign of political influence. They also indicate that excessively increasing volume of work indicates poor management [4, p. 67].

Economics and social situation in Ukraine in today's undergoing significant changes. In these circumstances, the authorities need accurate response to these changes in order to achieve the goals identified in the country. In this context, managerial staff in their daily work must necessarily take into account the needs of an information system management. This term refers to a set of procedures and techniques, which aims to provide guidance for management information that is required to make various decisions [5, p. 6-10].

Another indicator that clearly reflects the efficiency of the implementation and use of information technology in management processes is the interaction of individuals and organizations with public authority, which provides a set of services that, allow individuals and organizations to request and receive necessary information on the Internet or permits and transfer of authorities government statutory reporting. In addition, it should be possible tracking of requests. For example, the so-called principle of «one window» implies one entry point for interaction with the authorities at all levels. This requires a system that can automatically send queries and reports to the competent authorities and thus be considered as a single state «provider» of services for citizens and businesses.

Hence, the subject of this paper aims to highlight the possibility of using information technology in modern management process, outline the problems that exist in the art at local and national levels, and suggest ways to improve it.

The situation with the introduction of information technology in modern society and

particularly in management, but has positive effects and a number of problems. Against the background of most rapid information society some segments of the population, according to a number of reasons, do not have time to adapt to new requirements and subject to the conditions present [6].

Therefore, an information system of government – it is not only the use of new technologies in management, but also the construction of a new concept of public administration.

Information and technological innovations in governance should be comprehensive in nature, to be related to the simultaneous and coordinated use of information, organizational, legal, social, psychological, human, technical, logical-semantic and many other factors.

A variety of approaches to the problems of information scientist's authorities, difficulties implementing the government, the need to improve feedback from the public, private and fragmented nature of relevant research projects prevent systemic understanding, and practical generalization of experience in the practice of public administration. Great prevalent official websites of the main authorities, political parties, political organizations and individual politicians. Unfortunately, they hardly take into account the potential of information and communication technologies in social and political organization of society. But in the Information Society Online of government as a way of information interaction between state and society is the most optimal for the modernization of public administration in the institutions of direct electronic democracy.

The effectiveness of governance depends on the level of interaction with citizens and businesses, the quality of each institution interaction of each other.

Development of appropriate technical resources will not solve all the problems in public administration, but it can significantly improve the efficiency of its work on these levels. After application of the latest technical tools accompanied optimizing organizational procedures, making them simpler and logically sustained.

Especially important is to improve cooperation between authorities. Paper circulation of documents adopted at present between the state and local authorities are too slow leading to costly resources required for postal services, office, forced

to record incoming and outgoing documents to send. If there is a certain structure of the automated system in parallel to the traditional, for him the necessary support processes attached registration document information and scans text for inclusion in the document database system. That is, the use of computers in this case only complicates the workflow instead of simplifying it [3,p.78].

Out of this situation is to create a system for exchanging electronic documents between organizations that provide accelerated delivery of documents, guarantee delivery, delivery «under painting» - alerts the sender of the receipt and registration of the document recipient, reducing costs.

It should be noted that the traditional paper-not soon lose its importance, the process is very slow computerization - in the coming years, it is still important documents will be issued, approved and delivered in paper form.

However, there are (and some organizations have operated) integrated paper- electronic technology, in which a document is sent electronically, recorded, and it is an electronic copy of the work performed and the paper copy is transmitted normally. In particular, at this time it is implemented at the Lvov regional state administration and regional administration area using electronic document "DokProf".

The introduction of legislation to provide legal significance of digital signature, opens the possibility of creating systems of electronic document exchange that does not require duplication of paper and electronic documents can thus significantly reduce the cost of government and administration [10].

To the difficulties in the way of the development of such systems can keep absence of any workflow systems in a number of organizations, a variety of systems and formats used in different organizations, the need for reliable authentication of senders / recipients, protection of information on changes in the delivery process, the need to protect confidential information.

Modern software tools allow you to successfully solve all these problems. And now the design and implementation of systems that automate exchange of electronic documents between organizations, there is absolutely real challenge.

The operation of these systems is possible and among organizations that do not have an automated workflow system. They can receive and

transmit documents by means of e-mail exchanges, supplemented by means of the forms, electronic signature and means of protection. The greatest advantage (both tangible reduce the complexity in particular) will receive the organization in which fully automated workflow.

The effectiveness of governance can be characterized by three components:

- The efficiency of interaction with citizens and businesses;

- Internal efficiency of each institution separately;

- Efficiency of interaction of each other [1, p. 45].

Information technology is not a panacea, but they can produce a significant increase in the efficiency of all three units. Implementation of information technology, in practice, leads to optimization of organizational procedures by making them more simple and logical.

Expected from the implementation of information technology results can be divided into two classes - strategic and tactical.

Tactical result is mainly due to the reduction of costs. They are fairly easy to define and measure. Estimated in monetary terms, the benefits can be calculated based on calculating how much you can pick up individual cases for storing documents as free space as possible to reduce staff (or at least prevent its growth), how much time will save organizations and citizens who interact with authorities and others.

The expected strategic results – improvement in the quality of administrative decisions, increase public confidence in government, a significant reduction in direct and indirect social costs for the maintenance of power.

Information and communication technologies can significantly broaden cooperation between the state and its citizens to improve the quality of this interaction and thereby contribute to the strengthening of civil society based on mutual understanding, taking into account the interests of each and the desire for general structural purposes [9, p. 168].

Search and obtain information. A convenient representation of the Internet complete, accurate and up to date information on all public authorities can greatly simplify the process of finding relevant information, save time officials who are forced to answer questions, as well as reduce errors.

There is a problem in ensuring the functional clarity of information systems and their compatibility with each other and with the

activities of the state administrative apparatus. Each type of information system must meet strict maximum range of management functions and lead to duplication.

Equally important is the regulation of relations on the registration information. This is the initial registration or initial information that underlies all these transformations of information. The main hub of social and legal issues around the quality of fit of the data, its validity, completeness, uniqueness, timeliness and around its future use. This is not only a problem of the validity of the document machine, the problem of completeness, validity, accuracy, urgency of information, but also the problem of getting the right information, the problem of the order, exclusivity and priority use of [2, p. 151-152].

Output information outside of individual departments, turning it into a nationwide inter-array with the principles of collective use primarily raises the question of legal status information. Requires appropriate general legal act that would establish rules for storage, processing and use information. The authorities are vulnerable to lack of information of their activities. One approach to overcome this situation is to create a public information- analytical system (IAS).

Nexus structural elements of the system are expected to perform through a common telecommunications information highway based on national communications, departmental systems of information and communications, and government communications.

So, technical and technological point of view IAS is a global computer information network of interconnected structural elements that are, in turn, information- analytical systems departments and interdepartmental systems.

Importantly, the creation of technical and technological basis of IAS is only a beginning. To further their goals should include a single coherent information environment all authorities that develop and operate according to certain concepts and rules and ensure the integrity and relevance of all information , development of analytical models, methods Problems and algorithms from the standpoint of modern science , including systems analysis, mathematical modeling, and others, improve process management in state government by maximizing the use of IAS, training of new professionals to articulate the problem in the functioning of the IAS and deliberately to use the results.

The effectiveness of the functioning of the IAS directly related to the information of the regions where funding is often appropriate regional projects implemented by local budgets , which just formed all the original information, and sometimes other ways to obtain specific data do not exist. In addition, some departments formed information that circulates only at district or regional levels (because of the heterogeneity between the center and regions in a snap means of information, application of information technology, training), but may be of interest for central government (for example, such information can serve data about the financial status of individual entrepreneurs) [10].

State policy in the field of information defined by the Law of Ukraine, which create the legal framework for implementing tasks of national programs in formatization. Basic objects of these laws and the program is not continued saturation technique , and the formation of legal, organizational, scientific, technical, economic, financial, methodological and Humanities conditions of informatization development [11]. This is important in the application and development of modern information technology in their respective spheres of public life in Ukraine , the formation of national information resources, the creation of a national network of information science, education , culture, health care, etc., creation of national systems of information-analytical support of public authorities and local governments .

Based on the above it can be concluded that Ukraine should establish a system of information of government is as interrelated and appropriately set organizational, legal, informational, methodological, programmatic, technical and technological components that provide the required level of quality of administrative decisions taken by the management of information resources and information technology.

Conclusions

Prospects for further research in this direction. The question of further purposeful introduction of scientific and technological achievements both in management and in other important activities of the state should be considered from the perspective of continuous improvement of the machinery of government and its legal regulation. In particular, important areas of work:

First, is the preparation of current regulations and standards for use of information in society.

Law as a general regulator of social relations is one of the main sets of information that must be adapted to the new conditions. Events for the preparation and use of normative legal material in need of information not only centralized, but the sole methodological basis. At the national level should also provide the state to form a functional information- search engine acts that serve all parts of the state machinery.

Secondly, training of management personnel to function in conditions of informatization. An important condition for the organization of the administrative staff is the legal status of each body, its departments, and employees. Now that the changes have affected all levels of management, provision and management departments, job descriptions should significantly update. The

formulation of the provisions of units and job descriptions should be based on common methods and classifiers functions.

Thirdly, the successful resolution of issues directly related to the creation of information systems involves establishing a complex network of organizational and managerial relations that arise in the planning, coordination and control of project development of management information systems of various degrees.

Destination information system is to provide its users with data that provide make informed and effective decisions relevant authorities and management within its competence, and preparing decisions of higher courts in compliance with the principles and proven National and international information.

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УДК 316.323.83:351(477)
No. DOI 10.14746/pped.2014.2.10

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CONSIDERING PUBLIC OPINION WHILE IMPLEMENTATION OF THE STATE POLICY

The article examines the importance of considering public opinion while implementation of the state policy. The attention is drawn to the interaction of a state and community which appears to be a key aspect of state-building. Communication of state power and community is seen as an important aspect of optimization of the system of government, state development and public stability.

The fact that public opinion plays a significant role in the present-day community is absolute, so, it is important for the functioning of the system of government. Current research of the public opinion is a key factor in the state stability ensuring and effective state policy implementation.

Public opinion researches ensure government system improvement since thanks to them the level of government organs support can be detected, consequently its functioning can be adjusted if the dissonance appears. A necessary precondition of carrying out of any reforms is not only a study of the positive experience of other countries but also a study of national positions as to the fundamental questions of the public life.

The formation of the public opinions quite a complicated process. An unlimited number of participants can be involved. Yet, there are only two of the important ones: on the one hand – a state as a set of all government authorities and officials who represent them, and on the other hand – citizens, the followers of this view. Nonpolitical or public organizations are involved. Accordingly, the interchange of information between them is really fundamental. Even if there are some of people interested in public affairs, a state itself as an executor of public demands should willfully increase a number of involved citizens. This can guarantee the formation of the positive public opinion and gives people the opportunity to distribute responsibilities for making decisions.

Speaking of reliability and unreliability of information which public opinion gives to government authorities, it should be kept in mind that it's adequacy issue is strongly connected with awareness issue of the population on particular issue. The awareness issue is much broader than the one of frankness. There might be a situation when, despite the openness of the administrative authorities' work, citizens are barely aware of it. Therefore, it is important for the initiative of state authorities to spread information about their activity and political problems to be solved by them. For citizens to form and express their competent opinion on some particular issue, they should be informed about the certain problem, variety of its solution as well as the possible consequences of choosing the alternative.

Keywords: public administration, public opinion, mass media, democracy, political culture, publicity, public relations, interaction criteria of a state power and community.

Тимофєєв С.П. Врахування громадської думки підчас реалізації державної політики

У статті розглядається питання важливості врахування громадської думки підчас впровадження державної політики. Приділяється увага взаємодії держави з громадськістю та взаємовпливу, що стає суттєвим чинником у процесі державотворення. Комунікація між державною владою та громадськістю вбачається важливим чинником оптимізації системи державного управління, розвитку держави та суспільної стабільності.

Ключові слова: державне управління, громадська думка, засоби масової інформації, демократія, політична культура, гласність, суспільні відносини, критерії взаємодії державної влади з громадськістю.

Тимофеев С.П. Учет общественного мнения во время реализации государственной политики

В статье рассматривается вопрос важности учёта общественного мнения во время внедрения государственной политики. Уделяется внимание взаимодействию государства с общественностью и взаимовлиянию, которое становится существенным фактором в

процессе государственного строительства. Коммуникация между государственной властью и общественностью усматривается важным фактором оптимизации системы государственного управления, развития государства и общественной стабильности.

Ключевые слова: государственное управление, общественное мнение, средства массовой информации, демократия, политическая культура, гласность, общественные отношения, критерии взаимодействия государственной власти с общественностью.

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Introduction

Under present-day development conditions of Ukraine based on the democratic principles there has been an increase of community involvement to the urgent questions solving. Efficient cooperation of the system of government and community, constant interchange of opinions and state policy producing considering public interests are deemed to be important. In order to ensure this dialogue the peculiarities of system of government and public opinion shall be determined as well as the research criteria of public opinion and severance of information important for the stable state functioning.

Analysis of recent research

The problem of interaction of public authority and community is the government system was researched by such scientists as O. Babinova, V. Bakumenko, N. Dragomyretska, A. Kolodii, O. Krutii, O. Lytvynenko, N. Nyzhnyk, H. Pocheptsov, M. Pukhtynskii, V. Rebkalo, Yu. Curmin, V. Tertychka, V. Tokovenko and others. Besides, the question needs constant research because community is not invariable and is in process of changes under both inner and outer factors.

Statement of research objectives

The primary goal of the article is to determine and to analyze the peculiarities of the government system and public opinion interaction. Scientific research of the peculiarities of their interaction shall help to shape efficient democratic civil society development system. In addition, this can help to avoid display of the destructive factors of influence on the state-administrative relations and state policy implementation.

Results

The fact that public opinion plays a significant role in the present-day community is absolute, so, it is important for the functioning of the system of government. Current research of the public opinion is a key factor in the state stability ensuring and effective state policy implementation. A state cannot function due to unilateral governing of a certain territory, live spheres or public relations. Developed country requires bilateral relations of authority and nation since they ensure interaction

of state organs and individuals, formal and informal associations. And Ukraine is not an exception.

Public opinion researches ensure government system improvement since thanks to them the level of government organs support can be detected, consequently its functioning can be adjusted if the dissonance appears. A necessary precondition of carrying out of any reforms is not only a study of the positive experience of other countries but also a study of national positions as to the fundamental questions of the public life.

A certain problem for the state administration is a fact that public opinion, firstly, is not stable, secondly, is subject to the different influences. These factors urge to pay attention to the public opinion in a certain period as to the certain situation, policy or circumstances as well as to the conditions of its statement and driving forces. Public opinion can be of both positive and negative character which can prevent from the free implementation of the state policy. Moreover, there are different control levels of the public opinion which can be used not only for the purpose of state and community development but also for the one's own political interests by certain organizations, associations or individual political figures. Then the question of the false public opinion in community arises which can lead to the appearance of the range of problems in government organs work.

Since community is not an outside contemplator, but a key subject in state-administrative decision-making process, everyone has to realize the following three points:

- 1) citizens influence the state policy making;
- 2) citizens can actively participate in the process of state policy implementation;
- 3) citizens have a right to get the information as to the state policy implementation and to control this process [2].

Definitely, all the above stated points are possible only under the condition of people's interest in this, their awareness about their own rights as well as the presence of the weighed and unbiased public opinion.

Many researchers consider that the public opinion is always an object of influence of powers

that can create important judgments, of elite, and of mass media. Herewith, public opinion keeps a certain level of autonomy since its bearers in their thought are guided not so much by the motives of the ideological dedication, speculative political appropriateness or logical consistency as their emotional and value loaded conceptions about the common social interests.

Due to the technologies of legitimacy policy subjects try to efficiently influence the public opinion in order to ensure and facilitate power obtaining and implementation, to quash resistance of opponents and, possibly, to gain support for broad reform program implementation [3].

Legitimacy is nothing but a process of maintaining the feedback between government management system and civil society system. They are both an indicator of legitimacy and a tool of psychological pressure on the administrative apparatus of a state. Public opinion has, therefore, a stronghold over the institutions of the state authority formation and their legitimacy.

It is quite hard and ambiguous process to consider public opinion as asocial institution and an establishment of its relations and government authorities. The assumption that public opinion will obtain institutionalized traits is primarily associated with the authorities' recognition of this institution as valuable subject of interaction, the formation of respectful attitude it in society and also accepting this phenomenon with real, but not symbolic significance [7].

The formation of the public opinions quite a complicated process. An unlimited number of participants can be involved. Yet, there are only two of the important ones: on the one hand – a state as a set of all government authorities and officials who represent them, and on the other hand – citizens, the followers of this view. Nonpolitical or public organizations are involved. Accordingly, the interchange of information between them is really fundamental. Even if there are some of people interested in public affairs, a state itself as an executor of public demands should willfully increase a number of involved citizens. This can guarantee the formation of the positive public opinion and gives people the opportunity to distribute responsibilities for making decisions.

The priority is to improve the quality of information which the society receives from the government, as well as organizing the information acquisition and analysis of the public opinion. There should be built a permanent informational

interaction which can replace the usual lack of information; it's doubtful or incomplete disclosure. To make such steps it is necessary to base the activities of all government authorities by the following principles:

1. Information must be timely, understandable, acceptable and capturing;

2. It's necessary to collect information systematically on problems, conflicts, assessments of the government activity, the development of the prospects, examples of successful work and constructive criticism.

This two-way communication should ensure the transparency and frankness of the state authority as well as should prevent from the formation of the negative public opinion which can become a destructive factor in a society and a state. The interaction between the government and the public is the foundation which acts as a basis of political, social and economic stability of the country [8, p. 92].

Typically, maturity and efficiency of the public opinion are, in many aspects, dependent on the political culture of the citizens and their ability to focus on political events. But some incompetence in public opinion should not be the reason for ignoring it. Moreover, there are cases when perfect knowledge of the public opinion is integral without any accentuation whether it is adequate or not. A striking example is the situation when there is an aim to find out citizens' attitude on different political parties, social movements, organizations or to rate political leaders. The value of information is determined by explaining the real reason of the phenomenon rather than the validity of the public opinion.

On the other hand, the fact that, the public opinion is already formed should be an important signal for administrative authorities. They should pay proper attention to the issue which became the subject of the population's reaction. At the same time they should think over why this reaction is violent and what steps should be done for improving the situation.

Speaking of reliability and unreliability of information which public opinion gives to government authorities, it should be kept in mind that it's adequacy issue is strongly connected with awareness issue of the population on particular issue. The awareness issue is much broader than the one of frankness. There might be a situation when, despite the openness of the administrative authorities' work, citizens are barely aware of it. Therefore, it is important for the initiative of

state authorities to spread information about their activity and political problems to be solved by them. For citizens to form and express their competent opinion on some particular issue, they should be informed about the certain problem, variety of its solution as well as the possible consequences of choosing the alternative.

Social mass media discussions, debates for clarification of different points of view and positions on particular issue become more and more significant. Officials speeches, opposition representatives, and researchers ultimately produce a set of variants which the public use later to form their opinion. The key point is the fact that information reaches its goal when society has a sufficient level of political competence and political culture. When citizens do not have sufficient knowledge and can't use the received information for shaping their own opinion and for expressing it later, then this information becomes an unrealizable capital. It is, therefore, important for government to provide all possible conditions for increasing the cultural and education level of its citizens [5].

The public opinion or its attitude to state authorities is a general indicator of its activity. It tells eloquently about the situation and government's status in society, the attitude and willingness of the citizens to cooperate with the state authorities on common solution of national and local issues.

The formation of the public opinion, its significance in the activities of state authorities usually depends on the properly organized work based on people's attitude. While forming public opinion about your activity, it is necessary to make it powerful. It should be competent to achieve planned goals. The grade for achieving goals is criterion of public opinion importance. The public opinion is influenced by many different social and non-social phenomena, interplay and interaction of which determine its actual level. The aim is to uncover the mechanism of this phenomenon, possibly neutralize the impact of negative factors and provide the greatest positive acceleration.

The results obtained during the study of the public opinion about activities of the state authorities, can be used for:

- persuasion of people to change the misconception regarding the state's activity;
- informational saturation and turning of the insufficiently formed public opinion into the permanent;
- strengthening of the existing public opinion.

The obtained data allow tracing separate trends that reflect the relationship of public administration with the population and the environment.

The mass media play the defining role in the formation of the public opinion according to the state activity. In comparison with the life experience mass media have some advantage because the experience of each person, each community is very limited with their social status, the content of social roles which they performed and perform according to the life circumstances of the biography. Mass media expand the public horizons of the citizens, attract to perception of the problems the content of which at first sight does not directly relate to the everyday life. Mass media can form the public opinion in the planned direction. The role of mass media in the formation of the public opinion is large due to the chosen strategy. The process efficiency of the formation of the public opinion depends on the general orientation of this strategy and the way mass media is formed as to the other equal conditions.

One of the most important problems of the reforming is development of partnership between the government and the population on the principles of trust, transparency, mutual understanding and mutual aid in the solution of urgent problems of the present. The achievement of this aim is connected with the solution of number of complex problems and is impossible without the adjustment of the constructive interaction with various social groups on the basis of coordination of the positions and mutual participation in the solution of the administrative tasks.

Among the modern system approaches in the organization of the public administration the special role is given to the information and communication technology. It is considered that for the creation of the public administration model the concept of systems with the information feedback is important. This approach shows the transformations of the information into decisions which, in its turn, turns into actions. It is necessary to pay more attention to their interrelations, instead of the separate parts. In terms of such understanding the communication is viewed as a method due to which the organizational activity turns into one single part, the behavior is modified, the changes are carried out, information gains efficiency, and the purposes are realized [1].

In this context it is necessary to pay attention to the definition of "public relations in system of

public administration". One of the most accurate is defined in this interpretation "purposeful interaction of the structures of the institutional power (authorities, organizations and institutions) with the citizens and institutional settings which can be defined as information and communicative function of the government and management, which is carried out by them and allows to evaluate the attitude of various the public sections to these or that decisions and actions; to identify the policy which is proclaimed; to correlate the programs which are carried out with the public interests; to form the public opinions on any problems for receiving public awareness, promoting the adoption and implementation of certain activities. Such administrative function is especially urgent for bodies of government because the lack of public awareness often leads to the spread of various speculations and rumors, forming a negative attitude towards government. Government bodies face the task to bring the institutional power closer to the citizens and their organizations, to make their work more open, to strengthen the relations with the public. Public relations in the system of public administration are based on the basis of the general regularities of formation of the favorable relation of the social environment towards actions. In order to maintain the public relations they suggest approved methods – from communication with a narrow circle of people to the mass media with unlimited audience" [6, p. 257].

Most often, the study of public opinion is understood as the indirect form of the consultations of public authorities with the public on formation and implementation of a state policy. The study of the public opinion is carried out by:

- sociological researches and surveys (interviews, questionnaires, content-analysis of information materials, focus-groups);
- introduction of special headings in the printed and electronic mass media;
- the express analysis of the comments, responses, interviews, other materials in the press, on radio, television for definition of a position of various social groups;
- processing and generalizations made by the citizens of remarks and suggestions;
- the analysis of the target audience coming to the special boxes.

The results of the study of the public opinion are considered by public authorities while decision-making process and their subsequent implementation.

In the modern world the amount of information which is poured out on the heads of the citizens grows rapidly. So, at first sight it may seem that information on government activity in this flow is not very necessary. The goal of the state is to achieve that every citizen could find the necessary information. Whether he/she looks for it – does not matter, it is important to give him/her a chance to have such opportunity. The more open information on government activity is the less probability of abuses and the bigger trust to the government appears.

For adjustment of the informational work in public authorities there are special information services which are considered as the conductor between government body and society. They can carry out the work either chaotically or systematically using all possible means of distribution of the information and involvement of the public. These are the following:

- press conference (ideally – an open press conference)
- open days;
- e-mailing;
- answers to often asked questions;
- public consultation.

The press conference gives the chance for mass media representatives to communicate directly with public agents, to get information from the primary source. It allows them to operate with blank data and further to distribute them among the population. An open press conference differs from a traditional one which is carried out not only for a limited number of journalists, but also for the public. Anyone can join such press conference which basically indicates openness before the citizens. Consequently it leads to the formation of a more positive public opinion.

Holding the Doors Open Day is a way to encourage citizens to visit some state bodies. Such an event needs to be carefully planned, but might bring many benefits: on the one hand officials can tell citizens what do they really do, and on the other hand citizens may share their thoughts on this question. Doors Open Day can really make people closer to the state, show the state bodies' work from inside, and familiarize people with the practical side of public policy implementation.

Electronic mailing via Internet becomes a new tool of quick information spreading among big numbers of people. Now more and more people can deal with electronic networks and especially youth that has huge potential and should

be actively involved into governmental processes since public policy development has long-term plans.

Answers on frequently asked questions should also be considered. This method means short but profound answering the questions the majority is interested in or the ones becoming urgent in a communicational process of government and people. Such information can be posted on informational stands, on Internet etc. There is always a question citizens are poorly informed of, so many ask the same questions, and when they do not get the answer, they make false conclusions and eventually form negative opinion about the state body. This can lead to increased social tension and decreased trust to the government [9, p. 55-57].

Public consultation is one of the efficient ways of realization of public constitutional right on participation in governmental activities. Public consultation practice shows that citizen involvement to the public policy discussion positively influences the decision quality and is acceptable for both government and public.

Following advantages of public consultation are obvious:

- Formation of the positive public opinion on the state bodies by identifying a desire to cooperate in managerial decision-making process;
- Public experts can be involved into solving specific problems with no additional expenses needed;
- Needs of the community are taken into account while making managerial decisions, thereby increases the effectiveness of these solutions;
- Negative consequences of managerial decisions are minimized because the community can see the projects drawbacks before they are implemented [4, p. 39].

The fact that one of the universally recognized elements of a democratic society is the existence and functioning of the sovereign public opinion is indisputable. The more authority appeals to public opinion and involves it to the processes of governance and policy-making, the more democratic these governments are considered to be.

System of relations between public administration and public opinion is one of the most important indicators of social development and a sign of democracy. It is widely recognized that the more active authority allows the masses to participate in social and political processes, the

more democratic and more effective it is.

In order to evaluate the real practice of interaction between public opinion and various authority types try imagining extreme or opposite type of the existing interaction. Consequently, one can distinguish two types of such relationship: paternalistic and based on principles of social partnership.

The first type of relationship is typical for authoritarian regimes. Here state bodies dominate over the whole public opinion; there is only one acceptable public opinion, which coincides with official state policy and ideology. The norm of practical cooperation between state institutions and public opinion is its neglect by the authority, it is “not taken into account” into the decision-making process or at best there is an imitation of its consideration and usage.

The second type of relationship is typical for social systems based on the principles of democracy. Here the authorities and public administration proclaimed ideology of social partnership, under which public opinion has the opportunity to express itself in different ways. Moreover, democratic regimes create a system of legal, political, economic and other guarantees of free and actual functioning of public opinion. Public opinion itself in such circumstances becomes pluralistic: not only public in general, but all its groups, strata, communities are given freedom to express their attitude to the events taking place in the world, their own country, and separate regions. Norm of relationship between authorities and public opinion is its inclusion on all stages of managerial processes. The inclusion of public opinion in management decisions is not random, but performed systematically and purposefully.

Conclusions

In summary, we can conclude that public opinion is not only the embodiment of public attitudes and views for certain events or changes in the state, but also an instrument of a state policy, whose main function is to ensure effective functioning of the public administration and, consequently, the sustainable existence and state development.

Public authorities have enough number of ways of public involvement in government relations. Their active usage may contribute to the strengthening of partnership relations between the public and the state, which ultimately will enable public authorities to prevent the formation

of negative public opinion on its activity. The society will be able to develop much better, faster and more effective in an atmosphere of productive cooperation in resolving of common problems.

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УДК 351.82:334.021(477)
No. DOI 10.14746/pped.2014.2.11

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PATTERNS FOR THE DEVELOPMENT OF THE INSTITUTE OF STATE AND PRIVATE PARTNERSHIP IN UKRAINE

The main features of state and private partnership along with their essence objectives and goals are being revealed in this article. The concept of regionally-private partnerships and community-private partnership are being inserted into scientific circulation. Problems for the development of the institute of state and private partnership as well as its basic features in Ukraine are being determined. Public sector is responsible for a certain number of sectors of the economy which it should not only maintain in a good stand, but also constantly re-develop. Unfortunately, this problem is common not only to our country, but also for the countries with highly developed economies, where they are not enough of financial costs to accomplish such projects. In current Ukrainian realities the problem of under funding of various sectors of the economy and the lack of "intellectual and managerial capacity" from the side of regional and municipal authorities is very actual. As international experience illustrates, one of the most effective ways is cooperation with private sector, which is characterized by its versatility in terms of solutions of the problems of material and non-material nature, and the ability to use this mechanism in virtually all areas of its responsibility.

Keywords: state and private enterprise, features, aspects, methods, characteristic, partnership, risks, conditions, reasons.

Сімак С.В. Тенденції розвитку та ознаки інституту державно-приватного партнерства в Україні

Розглянуто основні характеристики державно – приватного партнерства. Уточнено сутність, завдання, цілі розвитку державно-приватного партнерства (ДПП). Введено в науковий обіг поняття регіонально-приватного партнерства і муніципально-приватного партнерства. Визначено проблеми розвитку інституту державно-приватного партнерства в Україні. Встановлено основні характерні риси ДПП в регіоні.

Ключові слова: державно – приватне партнерство, риси, аспекти, методи, характеристика, партнерство, ризики, умови, причини.

Симак С.В. Тенденции развития и признаки института государственно-частного партнерства в Украине

Рассмотрены основные характеристики государственно - частного партнерства. Уточнены сущность, задачи, цели развития государственно-частного партнерства (ГЧП). Введено в научный оборот понятие регионально-частного партнерства и муниципально-частного партнерства. Определены проблемы развития института государственно-частного партнерства в Украине. Установлены основные характерные черты ГЧП в регионе.

Ключевые слова: государственно - частное партнерство, черты, аспекты, методы, характеристика, партнерство, риски, условия, причины

Introduction

Public sector is responsible for a certain number of sectors of the economy which it should not only maintain in a good stand, but also constantly re-develop. Unfortunately, this problem is common not only to our country, but also for the countries with highly developed economies, where they are not enough of financial costs to accomplish such projects. As the experience of other countries shows us, one of the most effective outputs of

this situation is cooperation between the state and private business. Private business is not only great financial resources, but also brand new technology, contemporary and much more effective approaches towards the management system.

The acuteness in the development of the institute of state and private partnership in Ukraine can be explained with the existence of following reasons:

Background of the Institute of PPPs in Ukraine can be explained next following reasons:

- Sectors, that attract interest in regards to the implementation of the state and private partnership projects for the bigger part are at the responsibility of the region and characterize the extent of socio-economic development of the entity;

- Having assessed international experience (for instance USA, Germany), we can constitute that state and private partnership projects are being implemented at the regional level and the public sector is represented not by the governmental agencies, but regional ones;

- The reduction of the margin of financial value of state and private partnership projects from the side of investment fund. As it has been mentioned above, investment fund nowadays focuses not on mega projects that in reality should be implemented within state and private partnership, but various regional projects in areas that are aimed at promoting social and economic development of entities in Ukraine;

- Regional focus of the problem in implementation of state and private partnership projects from the side of relevant ministries.

Analysis of recent research

Main features and characteristics of state - private partnerships are being actively discussed in the works of such scholars as A.S. Krupnik, O.D. Balyesna, N.V. Byedelyeva, Permyakova L.D., T.V. Sivak, P.I. Nadolishniy and M.S. Ohanisman

Statement of research objectives

- to determine main features of state-private partnership;

- to distinguish the most effective methods of governance;

- to study core characteristics of state-private partnership.

Results

The concept of state-private partnership is being used ambiguously in the scientific literature. In addition, a wide range of applications of this type of partnership, as well as practical examples, are creating some difficulties in interpreting this term.

Currently there is no precise and universally accepted definition of the state-private partnership both in domestic and foreign literature. There are many different definitions.

The term state-private partnership refers to a specific form of cooperation between the public and private sectors with the aim of fulfillment of socially important issues and tasks, which is being

characterized by the fact that partners are pursuing common goals [1].

Willingness to reach common goals as it is being indicated as one of the main characteristics of a state-private partnership cannot be understood literally. The purpose of the state sector lies in the field of the implementation of socially significant projects, whereas the main objective of private business is to profit and enrich through cooperation with the state in the fulfillment of socially important issues. Otherwise, private business will not participate in such projects.

The definition given by Ayhörn, does not indicate a number of other significant characteristics of state-private partnerships, such as long-term cooperation or fundraising of the resources from the private sector.

More appropriate and precise in this matter is the definition given by the International Centre for Social and Economic Research "Leontief Centre", "State – private partnership is the combination of tangible and intangible resources of the society and private sector on a long-term and mutually beneficial basis aiming to create public goods or provide public services" [2].

This definition, in our opinion, reflects the main features of state-private partnership, but in this case it should be noted, that most authors tend to use the term of state-private collaboration.

The concept of state-private partnership is being widely used in the literature, where, on one hand, the state does not stand out as a major partner of the private sector - and this, in our opinion, is correct. On the other hand, it should be borne in mind that public sector can be interpreted as a "wider public", meaning the direct beneficiary of the services provided by the state-private partnership.

The direct translation of the English term (Public Private Partnership) and German one (Öffentlich - Private Partnerschaft) gives us the ground to interpret it literally as public-private partnerships.

For the discussion of this issue, we want to concentrate at one of the core characteristics of a state-private partnership - namely, the fact that ownership of the assets remains at the disposal of the state. Although, if we turn to the term "ownership right" where no resource itself turns out to be owned, but the "beam" or some particular amount of rights towards resource use, then the ownership of the object of state-private partnership also relates to the private sector. Out of 11 elements of the "beam" a few ones can be

processed, such as the right of use, the right for income, the right for management.

On the other hand, based on economic property relations, according to which actual orders to use wealth in the interests of a particular economic subject, while the owner is not the one who administers the benefits, in order to meet the needs of the one who gives orders and uses benefits [3], the question of ownership can be eliminated. The owner appears to be the publicity, and from this point of view, it makes sense to talk about the state- private partnership.

In giving definition to such institution as a public-private partnership, we can assume that as the basis for it serves the right to manage property, not the name of the owner. Then, to our point of view, it would be appropriate to introduce the concept of regional-private partnerships and community-private partnership.

The essence of property management is reduced to four aspects [4]:

- Management of profits
- Cost management,
- Risk Management
- Expenditures management.

These 4 aspects, in our opinion, can also be applied to the management of regional and municipal property.

Among all management methods we would like to distinguish and underline above all the following ones: administrative, economic, legislative, regulatory, organizational [4]. Thus, the private sector gets the right to manage its own property (from 1 to all 4 aspects of management aforementioned above can be passed into its possession) at the process of application of economic and organizational management practices. Two other methods are not available to the private sector. Methods mentioned above are applied at 3 levels: federal, regional, municipal, meaning the application of the administrative method, as well as legislative and regulatory ones carried out by authorities at the level which allows them to manage their property according to the law.

So the right to manage property belongs equally to the state and the private sector (state-private partnership), the region and the private sector (regional-private partnership), the municipality and the private sector (municipal-private partnership).

Regardless of the differentiated approach towards determining the question of correctness of the term we are offering, the legal institute of

state-private ownership is used as a term that arose in wide political and scientific circulation.

Property rights, as we have defined above, belong to the community and the institute a state-private partnership can become the most effective institution for coordinating this type of economic activity.

Under the state-private partnership we understand the institution that brings together the necessary material and intangible resources of the private and public sectors within the predominantly long-term agreement with the aim to meet various public needs under the condition of efficient mutual risk sharing and being equal economic partners.

Let us consider the main features of state-private partnership in the region:

1. Social importance of projects being implemented with their help and assistance.

This feature reflects the fundamental idea of state-private partnership. It is the region's inability to fully meet the needs of the public sector that causes state authorities to seek the most effective solution.

Realization of state-private projects, as the international practice indicates, may be conducted in a large variety of socially important areas such as:

- Housing and communal services (operation of utilities: sewer, water, garbage, recycling, electricity);
- Transport (construction and operation of railways, highways, bridges, airports, ports, pipelines);
- Ecology and improvement (development and maintenance of city parks);
- Education (construction and equipment of schools);
- Social sector (construction and equipment of sports facilities and social clubs for children and adolescents);
- Welfare (construction and equipment of hospitals, clinics and other institutions of health care).

Of course, this is not an explicit list of branches and spheres of application of state-private partnership projects, but it illustrates which crucially important and necessary aspects of our lives are being covered by this cooperation. In addition to that, there is a need to underline the fact that all the main objects represented in the list of industries covered are at the disposal and under the responsibility of the region. Thus,

the development of these particular branches of industry by combining the potential and capabilities of both state and private sectors of economy can be considered as the main argument in support of the state-private cooperation in the region.

Especially we would like emphasize control function of regional authorities, which can be apprehended as the separate characteristic of state-private partnership, namely in the situation when the region continues to be the ultimate guarantor in the supply of public services of sufficient quantity and quality and by the "fair" price.

2.State-private partnership, is above all, collaboration

State and private sectors are closely working together, spending equally enough of time and resources for accomplishing their goals and aspirations. Typically, for more effective implementation of a specific project the project organization is established, being represented by both members of public and private sector.

3. Accomplishment of mutual partner's objectives. The state in this partnership has one goal: to meet social needs relating to its responsibility. The goal is achieved by providing a cheaper public services by private companies with results-based management, advanced planning techniques and the ability to quickly implement innovation and improve efficiency. Main advantage of the country is the ability to reduce risk through their distribution among the partners of state-private partnership as a new tool in the reorganization of administrative influence.

The second party is private sector. As mentioned above, this sector is represented by a wide range of different economic entities. The main goal of any private company is to profit which at the same time is not the essence of the idea of state-private partnership. Why then private sector is interested in being a party of the state-private partnership? Today in our country private sector shows greater interest in this type of partnership than the state. Ideas do not come from the state and that is exactly private business that offers the state to collaborate with it as part of state-private partnership.

Motivation of the private sector in participating in such projects is not explained only by the interest of gaining profit. Active position of business in this issue constitutes to the pursuit of its own financial and material goals which can be divided into two groups: direct and indirect economic profit.

4. Diversification of risks. However, here as a rule the following condition must be maintained: making the decision is the responsibility of that party of the partnership agreement, that can do it with the greatest efficiency.

5. Long-time character of the partnership

Based on the basic forms of state-private partnership, which will be discussed in the next section, it is impossible to talk about long-term partnership. For example, the duration of various types of contracts may be limited to three years. However, we believe that long-term cooperation is one of the main features of state-private partnership due to the fact that most of the projects that are being implemented under this collaboration are targeted at large infrastructure objects.

6. Reducing financial pressure of state budget

The main ways to return invested funds back to the private partner are the following ones:

- The private sector charges costs for the use of services provided on its own behalf;

- Regional authorities refinance investments into the private sector of economy in the form of the loan;

- Mixed option: direct charging of the cost of services provided from consumers and with the help of finances coming from the regional budget.

In this regard, we would like to underline the special role of another participant of regional state-private partnership projects - regional residents, service users, which in all three aforementioned options are competent payers of both direct financial compensation of used services, or in the form of tax deductions.

Also, this group is the only target audience of any state-private partnership projects as the main object of regional policy. The following advantages of this collaboration to the inhabitants of the region apply:

- receiving quality services in the required amount for a fair fee;

- possibility of reducing the service fee by more rational management of the facility by the private sector;

- the state serves as the guarantor of the provision of services to the users, and controls the private sector in the process of setting up the rates. [5]

In addition to the above mentioned project benefits that users get as the result of collaboration between state and private business, one can also distinguish the so-called regional preferences. Here we are mainly talking about the benefit to

the public in two areas: project and regional one. At the regional dimension there are, for example, benefits such as the creation of new job places or improvement of the environmental situation in the region, contributions to the preservation of public health etc.

For the successful implementation of the state-private partnership projects there are a number of conditions required:

1) Participation of the private sector provides cheaper product of a higher quality, and also shortens the duration of the project. If this condition is not met, further co-operation has no basis.

2) Focus on the final product. In state orders usually so called approach of “input” dominates, which means that the state determines how and what should be done and what tools are available for meeting this goal. In state-private partnership projects, the deciding factor should be the end result. In this case the state no longer indicates in which particular way that result should be achieved. It only defines the purpose, the basic requirements and the quality of the final product.

3) Using the life cycle of the project. The life cycle of the project is the only concept that takes into account all the phases of its development from planning to evaluation of the results. Using this concept will provide a clear picture of expenditures at an early stage of planning.

4) The optimal allocation of risk. This requirement contains the fact that each individual

risk must be overtaken by the partner who has the best ability to control and influence it.

5) Mechanism of rewards, oriented on the outcome. The public sector pays only for what he actually gets. If the private sector reaches is all goals, he gets the full amount of financial compensation specified in the contract. If the private partner on the basis of new, more efficient technologies is able to reach any savings, then this costs are its own additional income. In case there are any deficiencies in the income value remuneration is then reduced.

6) Competition among private sector enterprises. The most effective implementation of the state-private partnership projects is being achieved because of the existence of competition among implementers. The state announces the tender and chooses the most advantageous offer.

Conclusions

In current Ukrainian realities the problem of underfunding of various sectors of the economy and the lack of “intellectual and managerial capacity” from the side of regional and municipal authorities is very actual.

As international experience illustrates, one of the most effective ways is cooperation with private sector, which is characterized by its versatility in terms of solutions of the problems of material and non-material nature, and the ability to use this mechanism in virtually all areas of its responsibility.

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УДК 351.713

No. DOI 10.14746/pped.2014.2.12

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STATE CUSTOMS CONTROL IN THE CONTEXT OF ECONOMIC SAFETY OF A STATE

In the article problems of organization and methods of conducting customs control are being lighted up - as one of the instruments of defense of economic interests of a state along with the considered possibility to use analytical procedures at defining probabilities of the violation of customs regulations during realization of a state control of legality of foreign economic activity by the custom organs of Ukraine. Long-lasting economic crisis had affected all spheres of national security. Ukraine is nowadays facing the problem which is a contradiction between the need to integrate into the world economy on one hand and the protection of its domestic market, producers and own national interests on the other. It should be noted that the issues of organization and application of analytical methods of control aimed at protecting the economic security are not brand new, but always remain relevant. At the same time, scientific analysis of data sets in order to detect possible violations of customs rules had been so far studied very narrow and one-sided, excluding the factor of turnover of time. Therefore more work should be done in this area.

Keywords: customs control, violation of customs regulations, economic safety, smuggling, criterias of risk, post-audit.

Пивоваров К.В. Державний митний контроль у контексті економічної безпеки держави

У статті висвітлені проблеми організації та методів проведення митного контролю як одного із інструментів захисту економічних інтересів держави, та обґрунтована можливість використання аналітичних процедур при визначенні ймовірності порушення митних правил при здійсненні державного контролю законності зовнішньоекономічної діяльності митними органами України.

Ключові слова: митний контроль, порушення митних правил, економічна безпека, контрабанда, критерії ризику, пост-аудит.

Пивоваров К.В. Государственный таможенный контроль в контексте экономической безопасности государства

В статье рассмотрены проблемы организации и методов проведения таможенного контроля как одного из инструментов защиты экономических интересов государства, и обоснована возможность использования аналитических процедур при определении вероятности нарушения таможенных правил при осуществлении государственного контроля законности внешнеэкономической деятельности таможенными органами Украины.

Ключевые слова: таможенный контроль, нарушение таможенных правил, экономическая безопасность, контрабанда, критерии риска, пост-аудит

Introduction

Long-lasting economic crisis had affected all spheres of national security. The decline in production, the loss of scientific and technical capacity, lowering of living standards had led to the strengthening of so called "shadow economy". Social impoverishment of the big amount of the population, a significant difference in the income level of different groups of citizens, disbelief in their own abilities and the authority of state structures impede the consolidation of the nation and constitute significant threat to the national

security, including the economic one. There have been attempts undertaken from the side of some developed countries and Russia to use the economic weakness of Ukraine in their national interests.

Ukraine is nowadays facing the problem which is a contradiction between the need to integrate into the world economy and to ensure internal economic integration on one hand and the protection of its domestic market, producers and own national interests on the other. It should be

borne in mind that the global economy continues to be the scene of the clash of interests of different countries. Therefore creating its own system of economic security will be the only solution on the way of avoiding any possible damaging consequences of rapid opening of the national economy and ensuring its competitiveness along with the protection of domestic producers and interacting effectively with international financial and economic institutions.

Thus, nowadays more than ever before the acute issue of ensuring the economic security of Ukraine arises, which is one of the most important national priorities and requires enhanced attention from the side of authorities, political parties, academics the general public. Ensuring economic security is a guarantee of independence of Ukraine, prerequisite of its progressive economic development and the welfare of citizens.

The role of customs authorities, which main task is to protect the economic interests of Ukraine is extremely high. They bear the brunt of both filling the state coffer and ensuring economic security, including through improvement of the customs control. Theoretical aspects of the organization and carrying out of customs control using advanced methods of improving its performance have been studied in the works of the representatives of both domestic and foreign economic science such as: P.Pashko, S.Tereschenko, V.Shlemko, I.Binko, S.Naumenko, O.Doronin, I.Rushaylo, R.Ronin and others.

Therefore, there's a need to constantly conduct research on the development of analytical component in the direction of identifying possible violations of customs regulations, search for new forms and methods of processing information that will enable to enhance the efficiency of detection of attempts to undermine the economic security of the state.

Statement of research objectives

The purpose of this paper is to outline the prospective areas of analytical work aimed at detecting violations of customs regulations. In order to achieve this, the analysis of existing systems for the selection of risks had been undertaken with the possibility of using methods of statistical analysis whilst new directions for the analysis of information on external activities of foreign trade units had been suggested.

Results

Concealment of foreign exchange earnings by external economic entities as well as export

of domestic products at dumping prices causes considerable damage to the economic security of Ukraine. These lost funds would have become an important investment resource for the reformation and restructuring of Ukrainian economy as they could exclude the need for foreign loans, which are being currently granted at harsh conditions and enhance debt bondage of Ukraine.

The issue of ensuring economic security of Ukraine is being widely studied in scientific literature. Thus, authors V.Shlemko and I.Binko in their monographs pay enough attention to external economic security of Ukraine while they reveal the basic principles on which it is being based. According to these authors, the level of external economic security is characterized by a wide range of indicators such as: the rate of national economic openness (ratio of exports and imports to GDP); import-export ratio; the ratio of exports to GDP; and so on. [1]

Among two dozen of indicators one should, considering the specifics of the functioning of customs authorities, distinguish the following ones: commodity structure of exports and imports; energy intensity and raw materials exports; correlation between domestic production and exports to certain countries. While agreeing with the authors about the need to carry out continuous monitoring of the aforementioned basic indicators, it should be noted that, if for the evaluation of the overall level of economic security these indicators would be enough, in order to detect violations of customs regulations their quantitative and qualitative level should be much broader.

There are three types of customs controls in the world consisting of preliminary, current, and final one. Operation of the Customs Service of Ukraine is based mainly on the current control. Preliminary control is based solely on the information about the legality of the external trade entity, the origin of its goods etc. Therefore in Ukraine the product is being checked only at the state of its import into the customs territory. Unfortunately customs service is not entitled of broad powers to control the product on its traffic route on the roads of Ukraine and to conduct a full follow-up audit after the release of goods for free circulation. These functions belong to other state regulatory and law enforcement agencies.

At sufficient grade, the absence of opportunity to conduct complete preliminary and final control can be compensated by the application of analytical development, work based on the risk criteria.

Experience had shown sufficient effectiveness of such measures, but for the most part, such work is carried out haphazardly, or with the help of very narrow range of risk criteria. As a rule those criterias of risk, which are associated with the carrier, specifics of goods origin, rates of duty etc that are being checked. But illegal activities of some external economic entities is based not only on the experience gained, previously-applied “schemes”, but also on brand new developments while talking into account all changes applied towards current legislation and market conditions.

In the work of S. Tereshchenko qualified risk assessment of smuggling and detection of customs violations at the stage of customs control and customs clearance is being studied [2]. He defined the range of risk factors that are essential in the process of making decisions by customs officials, provided the classification of typical types of fraud. Unfortunately, the work contains mostly obsolete, ‘waste’ schemes of fraud. Making decision by the indicated in the aforementioned work discreet criteria of detecting risk, at the current state of the development of international economic relations will not give effective results because it does not take into account the dynamic indicators of economic development that significantly affect the margins and levels of risk.

Interesting ideas on the use of available sources of information with the aim to analyze risks at the stage of transit provides us author V. Lugovets. Unlike previous author, he proposes to analyze “information massives” and “modelate trade flows, established over certain considerable period of time” [3, p. 1-2]. Recommendations of experts from the European Customs Control Service concerning the use of the RAS system as the effective tool to detect and evaluate risks within EU countries are being considered.

State Customs Service while using the system of evaluation and selection of risks at the stage of transit and movement of goods across the customs border of Ukraine established a widely-used practice of distributing relevant information materials and sample flow sheets to customs officers with the aim of acknowledging them with the newly-introduced methods of monitoring, identification of risk factors and possible sources of information about them.

Analysis of aforementioned materials indicates that the main criteria at the process of evaluating risk factors that are being taken into consideration are as the rule single, statistical

factors. These consist of: the route of traffic of goods, the quality of the supporting documents provided, the nature of transported goods, their cost and weight, country of origin, the existence of potential previous violations of customs rules from the side of the carrier and etc. But, to our point of view, such a narrow “one-sided” estimation makes it impossible to conduct accurate assessment of the situation and can lead to making wrong decisions.

Currently, customs authorities of Ukraine are not eligible for the operational-search activity, but those forms and methods of data collection and processing with its further analysis, which are being described in the textbook of I. Rushaylo can be used in the daily work of representatives of state economic control including customs controllers. Thus, in the context of this article, we would like to note one of the methods of analytical data procession being described in the aforementioned textbook.

This technique is being called by authors as the analysis of linkages. The essence of its is in carrying out research work in the following stages:

- The first stage - the accumulation of source data. The main task of the analyst is getting the maximum amount of data that relates to the subject of analysis in order to ensure completeness, accuracy and relevance of these findings;
- The second stage - the selection of the most significant objects. After gathering all the relevant essential information basic elements of the analysis, which play key role, are being distinguished;
- Third stage - construction of a matrix of associations (links). Preliminary pre-ordering of major and minor elements is being performed, which enables to minimize the risk of information loss and to avoid unnecessary duplication;
- Fourth stage, as it is being called by the authors is “application of associative points.” It is a method of determining the coupling power between the elements of the matrix. Conclusion on the level of relevant correlation is being drawn based on previously study data;
- Fifth stage - determining the initial element. The starting point for further analysis is usually the element that has the largest number of associated links;
- Sixth stage - the creation of so called “pre-cut”;
- Seventh stage- acquiring the final picture of all correlations of the matrix.

Authors are not only describing in detail each of the aforementioned stages, but are accompanying their description with some mathematical formulas, which makes it possible to automate the analysis of large amounts of information, which is otherwise difficult to handle manually, quite easily and clearly.

The process of organization of analytical work with large data sets as well as the basics of ensuring informational security while guaranteeing the effectiveness of measures aimed at detecting violations of customs rules and regulations are being described by author A.I. Doronin. The author examines in detail possible sources of information while providing systematic list of measures for ensuring its security, assessment and practical application [5]. Those operational activities of customs agencies and bodies that are proposed by the aforementioned author and concern the implementation of customs control methods of determining risk areas are relevant in today's realities are being widely applied in practice, even when there are problems with the development and use of a common informational base by customs officials.

According to point 15 of the Art. 1 and Article 40 para 2 of the Customs Code of Ukraine (hereinafter - ICU) "customs control is a set of measures undertaken by customs authorities within their jurisdiction with the aim to ensure compliance with the national legislation of Ukraine in the field of customs regulations..." [6, p.5; 21].

It should be noted that for each decision taken by a customs officer such a category as "risk" is quite common.

In general terms "risk - is the probability of making an incorrect decision or the right decision with a package of possible alternatives at each stage." In this particular paper, under the term "risk" probability of presence of contraband goods or customs violations at customs control and customs clearance of goods at the stage of them crossing the customs border as import, export or transit is being understood.

Quantitative risk analysis involves determining risk factors (as its influential components), all stages of their appearance or elimination, as if we have to put it in other wording, the goal of it would be to identify possible areas of potential risk (for instance: goods, country of origin, duty rates, carrier, etc.) with respect to possible contraband or possible violation of customs regulations.

The purpose of risk analysis is to obtain data required by customs authorities for making a decision on the feasibility of the search of channel for smuggling or violations of customs rules with respect to a particular consignment. The presence of risk in the process of customs clearance is being determined by:

- the system of state regulation of economic activity of external trade entities;
- the state of market economy in the country;
- the presence or absence of an effective system of customs control;
- availability of competent customs officers etc.

Organization and operation of customs control consists of a system of customs authorities, customs control zones, routes of movement of goods, the availability of customs provisions and controls for compliance with the terms of customs regulations (export, import, transit).

Organization of customs control is the category that correlates executors of specific purpose (customs authorities, customs posts, checkpoints, departments of internal customs) and the current system of rules and procedures (technology of customs control, etc.) that determine the order of execution of the main objectives:

- Creating favorable conditions for the external economic activity;
- Control over the order of movement of goods and declared items across the customs border of Ukraine.

Operation of customs control should contribute to the fight against smuggling and customs violations, to ensure payment of the required customs duties and customs and provide sufficient information to relevant statistics.

Based on the scheme of the organization of customs control, we shall consider the most appropriate algorithm for risk assessment and determination of customs operations.

As input information, that will be processed by customs authorities for the risk assessment, the following data should be used: the real product that is being transmitted across the customs border of Ukraine; shipping documents; data on exporter or importer; data the carrier; information about an individual; possessions of individuals and other.

The problem that the aforementioned algorithm is designed to resolve is the dilemma of detecting smuggling of goods and violations of customs regulations.

All the input data passes through a common system of risk factors, which may include: the country of origin; type of a product (commodity code); value of the product (invoice, customs one); payments at the stage of release for free circulation (duty, VAT, AZ); possible bans (the system of tariff regulation) for these products on the basis of customs regulations (EC, IM, TR); the degree of trustworthiness (to the carrier, recipient, sender) and others.

The second block of the algorithm, taking into account input information, is the analysis and selection of risk factors for the purpose of selecting the most important of them for further evaluation.

The third block of the algorithm is designated to determine the feasibility of smuggling and customs violations based on the barrier (threshold) level of risk, which is being usual for certain factors. The next, forth block exists to assess the current technologies of customs clearance in order to obtain reliable information concerning risk factors and, if deemed necessary, identify additional measures to reduce the risk of smuggling.

Due to the fact that risk factors are closely interrelated between each other, only their aggregate consideration will allow to determine the range of protection methods that affect risk factors.

The last block is taking the decision on admission (customs clearance) of items and goods, with possible variations of the process being expressed in continuation of the clearance, evaluation of documents, admission of goods without further consideration, notification of customs posts etc. Certain actions regarding items and goods are being carried out on the basis of the decision taken on the evaluation and selection of possible risks.

The algorithm that had been evaluated and discussed by us above is quite common in the practice of customs institutions of Ukraine, but it is classified as the type of current control. In other words, this technique makes it possible to take a throughout decision at the stage when items and goods are passing through custom clearance. For the purpose of setting preliminary and final control it is necessary to use a different approach towards resolving the problem, which is the subject of further scientific research.

Conclusions

Summing up the results of this article it should be noted that the issues of organization and application of analytical methods of control aimed at protecting the economic security are not brand new, but always remain relevant. At the same time, scientific analysis of data sets in order to detect possible violations of customs rules had been so far studied very narrow and one-sided, excluding the factor of turnover of time.

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УДК: 351.82:349.41:711.1(477)
No. DOI 10.14746/pped.2014.2.13

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CONTRADICTIONS IN THE FUNCTIONING OF LEGAL MECHANISM OF STATE REGULATION IN LAND RELATIONS IN THE SPHERE OF URBAN PLANNING

In this article structural components for the functioning of legal mechanism and their interrelations between each other are being analyzed. The author also investigates the contradictions and flaws in the studied legal mechanism of public administration. The purpose for the existence of a legal, social state is the establishment of civil society, creation of conditions that ensure human rights and freedoms, settlement of conditions which are beneficial for the development of society. These conditions are directly dependent on the functioning of the national economic system. That is the reason why legal analysis of state regulation of land use in the city planning is essential, and the results of the study may provide an impetus for improving the legal mechanism of state regulation of urban processes in land area. By carrying out an analysis of the functioning of the legal mechanism of state regulation of land relations in the construction industry, we can conclude that the effective functioning of the legal mechanism is possible only under the condition of proper functioning of all its components, which include the principles of the rule of law, transparency of legislation-making system, efficient practical application of normative legal acts and state regulations, constant prosecutor's supervision along with legislative protection of legitimate rights and interests, defense of violated rights and freedoms at the court.

Keywords: legal mechanism, regulation, land relations, urban planning.

Суворов В.П. Протиріччя функціонування правового механізму державного регулювання

Аналізуються складові елементи функціонування правового механізму, їх взаємозв'язки, встановлюються протиріччя та вади досліджуваного механізму державного управління.

Ключові слова: правовий механізм, державне регулювання, земельні відносини, містобудування.

Суворов В.П. Противоречия функционирования правового механизма государственного регулирования земельных отношений в градостроительстве

Анализируются составные элементы и инструменты функционирования правового механизма, их связи, устанавливаются противоречия и недостатки исследуемого механизма государственного управления.

Ключевые слова: правовой механизм, государственное регулирование, земельные отношения, градостроительство.

Introduction

The purpose for the existence of a legal, social state is the establishment of civil society, creation of conditions that ensure human rights and freedoms, settlement of conditions which are beneficial for the development of society [13]. These conditions are directly dependent on the functioning of the national economic system. Proclamation of the land as the wealth of the Ukrainian people in the Basic Law [8], which is the basis of the economic system, demonstrates the importance of proper regulation of land relations in the state and society. No production can function without land use, land relations as a priority area of public administration. Land regulations in the area of urban development by

the means of land legislation and, accordingly, the proper functioning of the legal mechanism of state regulation of land relations in the field of urban planning is the key towards the development of human settlements. Appropriate legal relations in the land area are of great importance in the process of ensuring rights and freedoms of citizens. That is why legal analysis of state regulation of land use in the city planning is essential, and the results of the study may provide an impetus for improving the legal mechanism of state regulation of urban processes in land area.

Analysis of resent research

The study of land relations has been addressed by many scholars, particularly: A. Melnyk

analyzed the essence and nature of legal regulation of land relations [9] A. Chebotareva explored aspects of effective and sustainable land management of the city from the standpoint of the science of public governance [14] Y. Demyanchuk studied the characteristics of legal regulation of land relations [1]. A. Miroshnichenko investigated standardization as a mean of regulation of land relations [11]. A. Dorosh carried out fundamental research on management of land relations at regional level [3]. Big emphasis on the study of the administrative responsibility for violations in the sphere of land had been paid by author Milimko L. [10]. These studies cover a considerable range of scientific interests of researchers, but the legal functioning of state regulation of land relations in urban planning has not yet been studied enough.

Statement of research objectives

The aim of this research is conducting analysis of the functioning of legal mechanism of state regulation of land relations in urban planning by examining individual components of them mechanism and detecting its contradictions and flaws, that hinder its further successful development.

Results

Legal mechanism ensures the functioning of the state government, the relationship of citizens with business and government. That is exactly the reason why proper functioning of the legal mechanism is a key element for the development of the state. Thus, proper regulation of land relations in urban development is not possible without the right functioning of legal mechanism. The basis for the operation of any legal mechanism is the rule of law, justice, legal equality, social freedom, equality of citizens before the law, social freedom, social and civic duty, democracy, national equality, humanism, mutual responsibility of the state and the individual, political, ideological and economic pluralism, the inviolability of human rights [13]. The combination of these principles forms the basis of the legal mechanism. Failure of their application in the society, public administration and governmental regulation of economic processes creates significant risks for the effective development of society and the state. Rule-making mechanism plays an important role in the functioning of the legal system, with the help of which all land relations are being regulated. Improper operation tracking of all existing legislative acts, inappropriate relationships between competent state bodies in

the development, adoption, implementation and practical control over their use is the cause of the existence of a significant number of outdated legal acts in the study area.

So, now we shall analyze the functioning of the legal components of state regulation of land relations in urban planning.

The legal and normative component. The system of legal acts in the sphere of land use in urban planning includes 46 laws. Practical applicability of legislation by using a large number of sub-legal acts, including 29 presidential decrees, 114 resolutions and 134 orders of the Cabinet of Ministers of Ukraine, many orders of central authorities, registered with the Ministry of Justice of Ukraine [2]. The land legislation of Ukraine is sufficiently developed with regulatory work being carried out continuously, whilst their existing problems and shortcomings doesn't allow to work more efficiently. As the proof of this fact there serves a significant branching of land laws inconsistent with other fields of law. To the problems of legal regulation one can count in insufficient orderliness of execution of powers of local governments in land relations, procedural issues regarding the management and disposal of lands. The biggest drawback in current national land legislation in the area of city planning takes place in enforcement and litigation of the law due to the cases of its duplication, conflicts in regulation and ambiguous interpretation of the law by the authorities involved in the processes of direct land relations. In addition, local governments functioning is being effectively disrupted in the areas of planning and territorial development by the means of the lack of financial resources in land relations, due to the lack of economic development, absence of open areas of budget revenues, degradation of territories, insufficient quantity of responsibilities being laid at the parties in investment and foreign trade activities. Land legislation is imperfect also in the part of holding open auctions. Land Code of Ukraine [4] stipulates that auctions are conducted by order of the state authorities and organs of local self-government whilst the formation of the lot is carried out in the view of the existent appropriate budgets, which do not always have the financial resources available for this purpose. Financial problems contribute to the lack of planning documentation in sufficient quantity and of appropriate quality, that is the exactly reason why urban cadastre system does not operate efficiently. Financial and fiscal system

is too centralized, which holds back the execution of the effective legal function of state regulation of land relations in urban planning and impedes the development of areas because it does not have direct effect of some current legislation.

The human rights component. This element of legal mechanism is one of the most important, because it has direct impact on improving the functioning of the state regulation of land relations. Protection of legal interests, rights and freedoms is the highest priority of the operation of the state. Violations of the rights of individuals and legal entities is happening due to the ignorance of current legislation with legal entities reluctance to defend their violated rights, the existence of corruption of officials at the level of state officials and local self-government, various law enforcement and judicial authorities. Protection of rights and interests is done directly by individuals whose rights had been violated, their authorized representatives (lawyers, human rights organizations). However, an important role in the functioning of the human rights component of the legal mechanism should belong to the civil society and non-governmental organizations. To some extent the effectiveness of the human rights component influences state policy and local elites. The biggest flaw in the practical functioning of the legal mechanism is corruption in the land relations and poor law enforcement practice, political instability in the society. As the proof of this fact serve indicators of international organizations about the impact of corruption on society [12], according to which we can make a conclusion that the influence of corruption on citizens is pretty high. That is why human rights component needs to be re-developed in order to comply with the execution of the rule of law and in practice along with safeguarding

legitimate interests of citizens, organizations and associations. Instead, the operation of the component will not be effective if there is no improvement in the law enforcement procedures and judicial legal mechanism components.

Law enforcement component involves practical execution of the law and realization of power by law enforcement agencies in this area. Legal regulation of law enforcement is quite effective, but current legislative acts contain various duplications of functions of different law enforcement agencies in land relations. The protection of rights and legitimate interests of citizens currently lies within the competence of two special controlling public authorities, namely the State Agricultural Inspection of Ukraine and State Architectural and Construction Inspectorate of Ukraine. Besides that certain issues are being dealt by local state bodies of police, namely Service for Fighting Economic Crimes, the Department for Combating Organized Crime, tax police units and inspection units of the Security Service of Ukraine, State Financial Inspection etc. Direct supervision of the compliance of the activities of various state institutions and police authorizes is being carried out by Prosecutors Office, which occupy an important role in the law-enforcement mechanism.

Indicators of prosecutor's supervision and control on the topic of compliance of the activities of some specially authorized by the state authorities to current national legislation in land relations in 2012-2013. (Table. 2) allows us to suggest that resulting from three out of four checks there is an established fact of compliance of the operational activities of inspected institutions and bodies with established legislation in land relations area.

Table 1

Main margins of the operation of prosecution office according to the outcomes of the activities for the oversight of the compliance of specially authorized state bodies in the area of land relations with current national legislation in the years 2012-2013.

Indicator of efficiency	2012	2013	2013 in % in comparison to 2012
Quantity of prosecutor's office inspections	2952	6078	206
Number of criminal cases launched as the result of inspections carried	151	223	147
Number of criminal cases forwarded to the court	144	55	38
Number of state officials, which had been liable of criminal offence	1924	2640	137

Table 2

Main margins of the operation of prosecution office according to the outcomes of the activities for the oversight of the compliance of specially authorized state bodies in the area of land relations with current national legislation in the years 2012-2013.

Indicator of efficiency	2012	2013	2013 in % in comparison to 2012
Quantity of prosecutor's office inspections	1399	1959	140
Number of criminal cases launched as the result of inspections carried	83	68	82
Number of criminal cases forwarded to the court	65	13	20
Number of state officials, which had been liable of criminal offence	1235	1190	96

According to the results of each twentieth inspection criminal investigation is being launched. Flaws in the legal mechanism at the stage of direct exercise of delegated powers of the authorities in land relations is quite high. It is therefore worth of paying more attention to improving the legal mechanism with the view of increasing the liability of state officials in execution of their duties and obligations.

Driven from the results of the prosecutor's office inspections for the oversight of the compliance of specially authorized state bodies in the area of land relations with current national legislation in the years 2012-2013 allows us to suggest that the bodies authorized to execute state land policy as well as local state authorities committed a number of offenses, including criminal ones, in the area of land relations, which adversely affects the government regulation of land relations in the field of urban planning and hinders economic development accordingly.

However the lack of common definitions in the criteria for evaluating the efficiency in the execution of legal mechanism of state regulation of land relations in the field of urban planning cannot completely objectively determine the efficiency of the legal mechanism as the whole.

Conclusions

By carrying out an analysis of the functioning of the legal mechanism of state regulation of land relations in the construction industry, we can conclude that the effective functioning of the legal mechanism is possible only under the condition of proper functioning of all its components, which include the principles of the rule of law, transparency of legislation-making system, efficient practical application of normative legal acts and state regulations, constant prosecutor's supervision along with legislative protection of legitimate rights and interests, defense of violated rights and freedoms at the court.

In order to allocate proposals for solving existing problems and improving the enforcement of the legal mechanism further investigational activities of the organizational features of state regulation of land relations in the area of urban planning and construction business should be applied with aim to identify additional practical enforcement problems in the area of regulation of land relations in urban development along with the invention of the ways to improve the mechanisms its practical application.

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УДК 338.1:339

No. DOI 10.14746/pped.2014.2.14

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THE ADAPTATION OF CUSTOMS LEGISLATION TO THE INTERNATIONAL STANDARDS OF THE SIMPLIFIED CUSTOMS CONTROL OF CITIZENS WHEN CROSSING THE CUSTOMS BORDER OF UKRAINE

The customs control, which relies on customs service in accordance with the laws of Ukraine, is an important element of state regulation of foreign economic activity. The simplified customs control may be used with the agreement of specially authorized central executive authority in the field of customs. The article is devoted to combining and deepening the theoretical approaches to the organization of customs control and implementing the simplified customs control during Ukraine's integration into the world economy as well as developing the proposals to improve customs forms to ensure economic security of Ukraine. It is concluded that in order to maximize the national interest and the successful integration into the EU, we have to ensure the smooth movement of goods and people with the necessary speed and quality, to reduce customs control and customs clearance. To sum up, this is the main strategic goal of the Customs Service of Ukraine with the expected results in reforming the customs, the implementation of which depends primarily on the improvement of customs control, the decrease in customs control and customs clearance, the improvement of the international image of the state.

Keywords: integration into the global market, simplified customs control, "green" corridor, "red" corridor, customs, customs clearance, zone of the simplified customs control.

Кийда Л. Адаптація митного законодавства до міжнародних стандартів спрощеного митного контролю громадян при перетині митного кордону України

З моменту переходу до ринкової системи взаємовідносин перед Україною стоїть проблема інтеграції української економіки до світового ринку, тому виникає ряд завдань, які потребують невідкладних рішень. Головні з них – наближення митного законодавства до міжнародних норм, правил та стандартів, у тому числі й відносно впровадження спрощеного митного контролю в умовах інтеграції України до світового економічного простору. Проблеми використання процедури спрощеного митного контролю в практичній діяльності митних органів і направлення їх рішень запропоновані в даній статті.

Ключові слова: інтеграція до світового ринку, спрощений митний контроль, «зелений» коридор, «червоний» коридор, митниця, митне оформлення, зона спрощеного митного контролю

Кийда Л. Адаптация таможенного законодательства к международным стандартам упрощенного таможенного контроля граждан при пересечении таможенной границы Украины

С момента перехода к рыночной системе взаимоотношений перед Украиной стоит проблема интеграции украинской экономики в мировой рынок, поэтому возникает ряд задач, требующих неотложных решений. Главные из них – приближение таможенного законодательства к международным нормам, правилам и стандартам, в том числе и относительно внедрения упрощенного таможенного контроля в условиях интеграции Украины в мировое экономическое пространство. Проблемы использования процедуры упрощенного таможенного контроля в практической деятельности таможенных органов и направления их решения предложены в данной статье.

Ключевые слова: интеграция в мировой рынок, упрощенный таможенный контроль, «зеленый» коридор, «красный» коридор, таможня, таможенное оформление, зона упрощенного таможенного контроля.

Introduction

Ukraine, like other countries in the period of implementation of its foreign economic policy, adapts the international standards in the regulation of customs. The main subject of customs policy is

the implementation of the State Customs Service of Ukraine, activities of which significantly affect the processes of social development, economic and political independence of the state. That is why the analysis of the functioning of the Customs Service, the definition of priorities and opportunities for the effective implementation of the national customs policy are based on global trends in the field of customs and acquire contemporary character.

The customs control, which relies on customs service in accordance with the laws of Ukraine, is an important element of state regulation of foreign economic activity. The simplified customs may be used with the agreement of specially authorized central executive authority in the field of customs.

Analysis of resent research

The challenges of organization and implementation of the simplified customs control are widely debated in the special professional literature, especially in the works by V.A. Argunova, V.P. Datig, E.M. Beresnoy, J.P. Solovkova, P.V. Pashka, I.G. Berezhnyuk and other scientists and practitioners in the sphere of the customs system. However, the impact of proper customs control in terms of integration into the global economic space and modern control methods in these studies are not adequately disclosed.

Particularly noteworthy is the improvement of customs control through the introduction of the fiscal authorities of the customs post – an audit.

These problems are researched by P.V. Pashka and L.M. Ivashova. However, despite of the relatively wide coverage of the customs control topic, currently there are still many unresolved issues in scientific studies related to the unambiguous understanding of customs control's role and place in the system of public administration and the distinction between customs control and customs post – the audit.

Statement of research objectives

The main objective of this article is combining and deepening the theoretical approaches to the organization of customs control and implementing the simplified customs control during Ukraine's integration into the world economy as well as developing the proposals to improve customs forms to ensure economic security of Ukraine.

Results

The activity of the Fiscal Service of Ukraine is related to the implementation of customs control and customs clearance of goods, items, currency values, and vehicles crossing the customs border of Ukraine. The unified system of customs control,

which must meet the challenges that confront a country, is formed in every country. All products and automobiles, which go through the customs border of Ukraine, are subject of customs control.

The customs control provides minimum of customs formalities for the fiscal service necessary for the enforcement of legislation of Ukraine on customs. The volume of these procedures and their application are determined in accordance with the Code, other normative legal acts and international treaties of Ukraine signed as prescribed by the law.

The simplified customs may apply with the approval of the specially authorized central executive authority in the field of customs. The simplified customs control is used in case of movement of goods by persons through the customs border of Ukraine that are not subject to mandatory declaration and taxation and do not belong to the category of goods, which have limitations or restrictions to take for.

The simplified customs control is used by the fiscal authorities. There are the equipped areas (corridors) of the simplified customs control. People, who pass through the areas (corridors) of the simplified customs control, shall be exempted from submission of the customs declaration. However, such exemption from the customs declaration presentation does not mean the exemption from mandatory public compliance with the order of movement of goods across the customs border of Ukraine [5].

The implementation of the simplified customs control arrangement as "red" and "green" corridors were introduced in Ukraine in order to approach the application of the international standards by the Fiscal Service of Ukraine. Dual system of customs control is used both for persons entering the customs territory of Ukraine and for those leaving the country with the necessary equipment of "green" and "red" corridors.

The "green" corridor is the area of the simplified customs control, which is a part of customs control in the area (in the premises) of an airport, equipped with the appropriate technical equipment and intended for realization of the simplified customs control of goods transported through the customs border of Ukraine. It does not require written declaration and taxation of goods that are not under restrictions or limitations for carrying them through the customs border of Ukraine.

The "red" corridor is a part of the customs control on the territory (in the premises) of an airport, intended for realization of customs control

and customs clearance of goods that go through the customs border of Ukraine and are the subjects to the written declaration and also are the subjects for taxation if there are any kinds of limits or restrictions to take these goods through the custom border.

The simplified customs control is used both at entering the customs territory of Ukraine and at leaving it. The customs control zone is created and identified at the places of exercise of customs control, including the simplified one, in the territory (in the premises) of the airport. The “red” and the “green” corridors have color corresponding markings, inscriptions, pointers of motion and so on. The termination of the “green” corridor is identified by the white line [2, p. 2-5].

Information about the customs rules shall be placed before the customs control area and at this zone in order for the person to determine the possibility of passing the “green” corridor. Such information shall contain warnings about responsibility for violation of customs regulations.

The customs control zone may provide informational assistance in customs matters to clarify the order of movement of citizens’ articles through the customs border of Ukraine.

The customs articles that go with its owner may be carried out selectively according to the decision of a customs officer with unpacking the luggage accommodation and / or with the use of technical means of customs control.

The contents carry on and / or the accompanied luggage are obliged to present under the request of an officer of the Fiscal Service.

The review of articles is carried out in the especially dedicated areas for this fiscal service agency premises.

The customs control articles that were taken by people can be carried out jointly with other control agencies (border protection, control of aviation security, etc.).

Subjects of citizens are under customs control from the moment these articles come to the area of customs control. The customs control ends citizens’ articles.

The movement of these articles outside the customs control zone is in case of selection of a national “green” corridor. The exercising customs clearance of articles in full is in case of importing into the customs territory of Ukraine and after the election of the national “red” corridor. The exercising the customs clearance of articles and crossing the customs border of Ukraine in full

except customs regimes, which involve staying under customs control during the entire time of action of the customs regime, is in case of exporting the articles from the customs territory of Ukraine and choosing the national “red” corridor.

People make their choice about where to go: to the simplified customs control or customs control with customs declaration – “green” or “red” corridor.

Responsibility for violation of customs regulations occurs:

- for a person who has chosen to pass the “green” corridor – from the moment of crossing the white line that marks the end of the “green” corridor;

- for a person who has chosen to pass the “red” corridor – from the moment when the official organ of the fiscal services customs takes the declaration for registration, that means when it is stamped.

If there is a fact of violation of the national customs regulations, the customs official shall take measures envisaged by the legislation of Ukraine.

The procedure of customs control and customs clearance of items is carried out by persons travelling by air, using dual system of “green” and “red” corridors designed to align the application of fiscal agency services the simplified customs control of citizens’ articles to the international standards, in accordance with the Convention on International Civil aviation (Chicago, 1944), the International Convention on the Simplification and Harmonization of Customs Procedures (Kioto, 1973), Article 68 of the Customs Code of Ukraine and involves the use of the simplified procedure for the exercise of customs control articles that go with citizens who have arrived by the aviation transport.

The enter to “red” and “green” corridors has colored markings, provides information about customs rules for citizens and information needed to determine their needs for customs clearance through the simplified procedure (“green” corridor) or necessarily through the written declaration (“red” corridor).

Such information and directions are placed on public notice boards and panels and provide clarification on the responsibilities of citizens in accordance with applicable customs legislation.

Line of citizens to “green” and “red” corridors is defined so to avoid crossing paths of citizens traveling on “green” and “red” corridor.

The citizens use technical means of customs control on their way. The mode of access is

established at the customs control zones for prohibiting persons not involved in the customs control, creating of conditions for work and protection of personnel and property of customs authorities.

The mode rules in the areas of customs control are developed by the customs and are necessary to be done by persons who are control officers and other control services. Citizens independently decide to pass “green” or “red” corridor under the applicable legislation 3.2.

When a citizen enters “green” corridor, the customs officer may invite the citizen to present air ticket and passport or other document proving the identity. After that the customs official can ask about criteria for going through the customs control by this corridor and people may be interviewed.

If you break the customs rules, officials of fiscal services can make a protocol on violation of customs regulations.

The selective control of subjects of citizens who go through “green” corridor can be done by using technical means and unpacking luggage subjects. The citizen is obliged to submit the contents of baggage on the request of the customs official.

A thorough review of items is carried in specially designated customs facilities. If you choose “red” corridor, the customs clearance is carried out in full on general terms of customs duties.

A citizen who mistakenly chooses the “red” corridor can be allowed to enter the “green” corridor according to the criteria by the customs official, to whom he applies, provided that the moved items meet the criteria of this corridor.

The customs control items for the “red” corridor are carried out by officials of the fiscal service in general practice. In case of violation of customs regulations persons who use special customs procedures are subject to administrative or criminal liability in accordance with the current legislation on general grounds.

A “single office” at checkpoints across the state border, involving placement of representatives of all state control services that exercise their activity at the checkpoints in one of the rooms were introduced to improve the procedure of state control over the movement of goods and vehicles at checkpoints across the state border control.

Bodies, the State Border Guard provides ecological and radiological controls and the central fiscal services provide sanitary and

epidemiological, veterinary, phytosanitary control and monitoring of the movement of cultural values. This is the hardest work – to delegate the fiscal service the environmental, health, veterinary and other controls with the withdrawal of the representatives of these checkpoints of control services.

In some cases, these official bodies are entitled to involve such kinds of controls that are relevant for representatives of state control body.

It should be noticed that in case of occurrence of problem or controversial issues for a control of goods at checkpoints across the state border on the “single office” the fiscal authorities are obliged to immediately inform the Department of Customs Control of the State Customs Service of Ukraine. The implementation of these principles and technologies of customs significantly contribute to the humanization and simplification of control over the movement of people and goods through checkpoints. However, the system of border crossings requires constant and systematic improvement based on trends of customs policy and international experience of the customs authorities.

Thus, the formation of joint international markets, global division of labor, intensive tourism development etc. cause acceleration of trade and passenger traffic between the countries that primarily requires humanization of customs services of the world. Quality and speed of customs service, attention, and goodwill are the business card, whereby people from other countries want or don’t want to come to our country and to cooperate in various spheres of social activity.

The most active steps the government needs to meet are the business organization of “one stop” for all Ukrainian customs.

There is a need to note, that the “single window” was used for customs clearance, but there was no vacant procedural, technological and organizational mechanisms for implementing the principle of organizational unity of customs procedures. As a result, the practical implementation of the “single window” at customs, especially at checkpoints across the state border of Ukraine, was reduced to that of the representatives of the state control, supervision in one room, and the documents they filled for registration were literally in the “single window”.

All other procedures related to the customs clearance of goods and vehicles are carried out in the same manner and with the same problems

as before. This has led to a painful accumulation of employees and concentration of customs procedures at one point of administrative services in one room. The formal application of the principle of the “single window” has led to a drop in efficiency and quality of services of customs clearance.

The introduction of the principle of the “single window” at customs did not give opportunities to increase the efficiency of customs clearance. Moreover, it created inconvenience for employees and for economic operators. In order to implement the “single window” in more practical and effective way, it is useful primarily to implement the following measures:

- to legally define the “single window” principles, criteria and procedures for its organization, based not on the accumulation of employees in one room, but on the rapid exchange of information between data and electronic documents;

- to make changes in the customs legislation, regulations of fiscal agency services, as well as legislation regulating the procedure of state control and supervision carried out at customs checkpoints goods;

- to set an optimal and uniform set of documents that should provide economic operators of customs control and customs clearance for each of customs modes;

- to provide operational and reliable documentation circulation between different authorities during clearance;

- to increase the level of knowledge of employees of service and other fiscal control and supervision agencies.

Another step to simplify customs clearance is a customs right to make customs control at the end of the export-import operations entrepreneur. It will not detain goods at customs awaiting completion of verification and quickly pass.

There are special simplified customs procedures for bona fide competition. The Ukrainian entrepreneurs who have been operating in the market do not allow significant violations and obtain the status of the authorized economic activities operators.

Currently a limited form of a mechanism of an application procedure of using the “regime of assistance in foreign economic activity” operates. Persons, who have received this status, will be able to permit:

- simplification of customs procedures;

- simplification of customs control concerning safety and security;

- simplification of customs procedures and the customs control concerning safety and security.

New Customs Code of Ukraine allows entrepreneurs to choose customs in which they declare goods by themselves. It will allow businesses to reduce transportation costs – after crossing customs border these products can immediately be taken to the end user, “on the road”, to be driven to the nearest customs for customs clearance.

We introduce a new concept of a “compromise in customs”. This is the setting cases, when goods can be passed through the customs border of Ukraine even if there is some violation of customs regulations, before the end of the case of the violation. However, it is so if these goods are not subject to confiscation and will not need further proceedings or in the case when the declarant shall pay all taxes or represents a guarantee of payment.

The decriminalized commodity smuggling is moved from the category of the criminal misdemeanors to the category of the administrative offenses. The abbreviated list of violations of the customs regulations and the revised penalties are applicable for their commission. So there are 18 kinds of offenses for committing, 5 of which provide for penalties in the form of confiscation (compared to the old Customs Code, where there were 27 types of offenses, 11 of which were for penalties in the form of confiscation). There was a removal of vehicles due to customs violations. So there are only 3 cases now, where such vehicles can be confiscated. This can happen only if:

- they were prohibited from importing goods into Ukraine;

- these vehicles were moved between the checkpoints;

- there was a specially manufactured repository in vehicles.

In other cases, commercial vehicles are not the subject for withdrawal.

Conclusions

Thus, in order to maximize the national interest and the successful integration into the EU, we have to ensure the smooth movement of goods and people with the necessary speed and quality, to reduce customs control and customs clearance.

This is the main strategic goal of the Customs Service of Ukraine with the expected results in reforming the customs, the implementation of which depends primarily on the improvement of

customs control, the decrease in the customs control and the customs clearance, the improvement of the international image of the state.

Furthermore, the customs control, which is based on audit methodology – customs post-audit, is a special branch of the customs activity. It has specific forms and methods and, as a means of implementing customs policy, not only provides economic protection of customs borders, but also acts as an important part of ensuring the legality of the foreign economic activity as a necessary condition for the existence and the development.

The implementation of the customs post audit will increase the revenue in taxes and fees. The compliance with legislation of the economic entities engaged in the foreign economic activity will enable the use of the simplified customs

procedures for enterprises of the audit, which confirmed the compliance of the applicable law and economic analysis of the efficiency measures taken for the minimization of risks. It will also ensure the expansion of practice selectivity of the application forms of customs authorities' fiscal services.

Therefore, improving the organization of the customs control and the development of methodology for its implementation should greatly simplify the collection of the customs procedures to ensure their transparency and openness, the harmonization of customs legislation of Ukraine with the international standards and strengthen the role of the fiscal services in protecting economic interests in the implementation of the customs policy.

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Section 3.

PUBLIC ADMINISTRATION

ON THE REGIONAL LEVEL AND

CHALLENGES OF RURAL AREAS

УДК 354:330.341.1

No. DOI 10.14746/pped.2014.2.15

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ADAPTATION OF FOREIGN EXPERIENCE OF STATE POLICY OF THE DEVELOPMENT OF REGIONAL INNOVATION POTENTIAL TO THE CONDITIONS OF UKRAINE

This paper's goal is to study the experience of foreign countries regarding the formation of state policy in the sphere of the development of innovative capacity in the regions of Ukraine. It is shown that the experience of leading European countries shows that the development of scientific and technological potential depends on institutional factors. Institutional systems of developed countries had formed branched structure and mechanisms of support that provide relatively low transaction costs in the market environment. It is proposed that due to the lack of funding of innovation activities and initiatives coming from the state budget in Ukraine, low activity of domestic entrepreneurs in applying for the allocation of funds from for the EU, Poland's experience is helpful in solving financial problems of innovative enterprises. The recommendations in order to improve the state innovation policy in Ukraine are proposed given the importance of the role of the state in creating and enabling institutional environment for the activation of innovation activity in Ukraine. It is concluded that the development of robust and efficient system of infrastructure support of innovation in Ukraine will help to establish civilized relations in the area of the market of innovative products and ensure competitiveness in the global market.

Keywords: potential, innovation, innovation potential, politics, public policy, government support

Бондарчук Наталія, Васильєва Леся. Адаптація зарубіжного досвіду державної політики розвитку інноваційного потенціалу регіонів до умов України

В статті розглянуто іноземний досвід активізації інноваційного розвитку. Визначено можливості адаптації моделей інноваційного розвитку розвинених країн до умов України. Запропоновані заходи для активізації інноваційної діяльності підприємств в Україні.

Ключові слова: потенціал, інновації, інноваційний потенціал, політика, державна політика, державна підтримка

Бондарчук Наталья, Васильева Леся. Адаптация зарубежного опыта государственной политики развития инновационного потенциала регионов к условиям Украины

В статье рассмотрен иностранный опыт активизации инновационного развития. Определены возможности адаптации моделей инновационного развития развитых стран в условиях Украины. Предложены меры по активизации инновационной деятельности предприятий в Украине.

Ключевые слова: потенциал, инновации, инновационный потенциал, политика, государственная политика, государственная поддержка

Introduction

Borrowing the experience of other countries that have achieved in this area the greatest success can be useful for the development of forms and methods of state support for science and innovation. Mistakes can have long-term consequences because the state can lay the wrong direction of development that will continue further by its own laws, and only after a certain time, after spending

considerable financial and human resources, it will prove inadvisable. Even eminent scientists-pioneers were wrong many times in determining the real prospects of their achievements.

Unfortunately, not all decisions, which proved to be effective in developed countries, work in the same effective way in Ukraine.

The experience of twenty years of market restructuring in our country showed that a simple

borrowing of theoretical achievements and organizational decisions of the countries, where market economy has been working effectively for a long time, does not guarantee a success. Each country has its own unique combination of mentality of the population, natural and geographical conditions, available material and technical base and other factors that underlie its economic life. And therefore ready 'recipes' are not always applicable to these specific conditions.

Each state resorts to various forms of active development of innovative potential of the regions – from programs promoting knowledge to stimulation of new technologies' transfer. Theoretical and practical foundations in this area in developed countries include support for innovation development under different scenarios and directions.

Statement of research objectives

The objective of this research is to study the experience of foreign countries regarding the formation of state policy in the sphere of the development of innovative capacity in the regions of Ukraine.

Results

The state policy in developed countries includes direct and indirect methods of stimulating innovation and investment fields.

The direct methods include:

- budget financing or loans on favorable terms to companies and organizations engaged in scientific research and which prepare qualified personnel;
- free transfer or provision of public property and land for the organization of innovative enterprises on favorable terms;
- establishment of scientific and service infrastructure in the regions where research activities are concentrated;
- implementation of targeted programs aimed at improving business innovation activity;
- state orders mainly in the form of contracts for carrying out innovation activity, which provide the initial demand for innovation and then are widely used in a national economy;
- establishment of scientific and technological zones with special regimes for innovation and investment activities.

The indirect methods of management include mainly sphere of taxation, which are:

- preferential taxation of profits by reducing tax base and tax rates, deductions from tax payments;
- preferential taxation of operations related to the circulation of scientific and technical products (e.g. VAT rate of value added tax);

- provision of research and investment tax credit that is postponing tax payments in the part of expenses from the income on innovation objectives;

- reduction of the tax on growth of innovation expenditures;

- "tax holiday" for several years on income earned from the sale of innovative projects;

- preferential taxation of dividends of legal and physical persons received on shares of innovative enterprises;

- preferential taxation of profits earned from the use of payments, licenses, "know-how" and other intangible assets of intellectual property;

- reduction of income tax rates for ordered and joint innovative developments and research;

- reduction of taxable income by the cost of devices and equipment transferred to higher education institutions;

- deduction from taxable income the contributions to charitable foundations involved in the financing of innovation;

- transfer of profit share of innovative enterprises on special accounts with further preferential taxation if using funds for innovative purposes.

Setting the tax benefits depends on what model of scientific and innovation development is implemented in the country.

Currently, there are three models that are being used: a model of scientific and technical leadership; a model of rapid dissemination of promising innovations; a model of comprehensive innovation development.

The ratio between direct and indirect methods of state support of economic processes in general and innovative processes in particular in different countries can vary depending on the adopted paradigm of state role in the economy. Two generalized models of market regulation can be defined somewhat conditionally: Western (American) and Japanese. "The first is based on the need for state intervention if failures of the market mechanism (reactive) are detected. Second, on the contrary, is based on the historical tradition that focuses on preventive measures that compensate market imperfections even in cases of sufficient normal functioning of the market mechanism (projective). The latest model gives the state, represented by the government, a legitimate role in the development and implementation of scientific, technical and industrial policy" [5, p. 15-17].

Other studies have provided greater number of types of state influence: from liberal American

through neoliberal German, Keynesian English and social Swedish to administrative paternalistic Japanese one [4, p. 5-8; 5, p. 15-17].

1. The model of scientific and technological leadership. It is implemented in the countries with a high rate of innovation; countries oriented toward a large-scale targeted innovation projects, covering all stages of the innovation process (the USA, the UK, and France). These countries maintain a low level of taxation of corporations, believing that these structures are able to carry out a large-scale scientific and technical research. The low level of taxation enables to accumulate resources for risky and significant technological changes.

2. The model of rapid dissemination of promising innovations. Countries that use it are oriented on distributing and clustering (grouping into classes) basic innovations by creating a favorable scientific and technological environment and promoting risky projects through financial and credit instruments (Germany, Sweden, Switzerland). The generally high level of taxation of business entities and preferential taxation on innovation projects operate in such countries.

3. The model of comprehensive innovation development. It is inherent in the countries where the government coordinates the activities of various sectors in the field of science and technology and encourages the development of innovative infrastructure (technology towns, techno parks), which ensures the implementation of modern achievements of world scientific and technological progress (Japan and South Korea). The support of innovation activity here is not in providing tax privileges, but in creating conditions for active creative work of the population, especially in scientific and technical sphere. A variety of state educational programs, including initiated by local authorities, are developed and implemented to achieve this goal.

These innovative development models were formed under the influence of various factors. Peculiarities of national mentality that influenced the behavior of people in general, including in the economic sphere of activity, played an important role.

So, the high levels of individualism, the desire to succeed through their own efforts (knowledge, skills, adventure, etc.) and the ability to properly sort out the situation, with the risk of losing everything in case of a failure, but also to get a lot in case of a favorable completion of the project (this was supported by Protestantism

and was cultivated in American society), led to the formation of risk-individualistic management aimed at active search for new opportunities that lie in various innovations at the level of corporations and individual economic entities in the United States. The awareness of the majority of economically active population that thanks to innovations it is possible to obtain customer loyalty and to achieve commercial success formed the entrepreneurial economy in the US, which is based on business initiative that is supported by government support of effective innovation infrastructure and balanced innovation policy.

The American Science Foundation, which guides the directions of fundamental research, and the "American" scientific council, which represents the interests of industry and universities in science and technology policy are the main coordinators in the field of innovative research in the US. They identify promising areas of fundamental and applied scientific research that require government support. Their funding is based on the results of competitions. Grants the value of which is determined with regard to projected costs for research and expected results become the winners of the competition. Preference is given to those who have proved their ability to skillfully carry out scientific research and to demonstrate their high effectiveness. This protects investors from inefficient investment and increases work performance. Furthermore, objectivity and democratism in the process of evaluating the results of the competition and high salary level for the executors of the projects attract scientists from different countries to participate in this competition. This promotes concentration of the leading scientists from around the world in the field of scientific and technological activities in the US and provides the country with scientific and technical leadership in many fields [89, p. 15-17]. At the same time fundamental scientific researches are carried out predominantly in the higher educational establishments. Among them are the top 20 universities with large volumes of scientific research (Massachusetts Institute of Technology, Stanford, Harvard, Princeton Universities, etc.). Their scientific and research laboratories are equipped with the most modern equipment. The leading scientists who also involve students into this process work in them. The preconditions for rapid penetration of new knowledge into practical activity of those who are involved to their creation are formed in this way.

Applied research as opposed to fundamental one is carried out mainly by private business entities (both in their own research laboratories and in the specialized institutes on their order). As a rule, large corporations have their own powerful laboratories. Areas of their research are determined by the spheres of company's activities or their diversification.

Permanent and fruitful contacts between academics and representatives of businesses are an important component of innovation mechanism in the USA. This ensures a feedback between business and science, which, on the one hand, provides information on the effectiveness of scientists' research for business, and, on the other hand, determines the business needs for new knowledge. This serves as the basis for the formation of educational programs at universities, identification of new directions of training and retraining of specialists in the process postgraduate education and more.

There are effective mechanisms for the protection of intellectual property, which ensure big incomes for innovators and thus attract people to innovative activity in the US. This contributes to the realization of the intellectual potential of all members of society. The high price of intellectual work and the protection of its results created the preconditions for the development of venture business. The rapid growth of small and medium-sized companies busy looking for new ideas and their development, implementation and "launch" production became a characteristic feature of the American innovation entrepreneurship. At the same time the US state policy is aimed at creating favorable credit conditions for the activity venture companies through the formation of a national venture capital market. This allows both large and small business entities to finance innovation processes [3, p. 101-116].

So dedicated efforts of the state concerning the creation of innovation infrastructure that by protecting intellectual property facilitates the process of diffusion of innovations and their commercialization, provides coordination and state support of the priority scientific and technical researches as well as innovation activities of the entrepreneurs, who see the most effective way to increase business revenue in innovations, created favorable conditions for the accumulation and the development of intellectual potential in the United States and provided leadership of this country in many areas of scientific, technical and production activities.

Other countries with strong scientific potential, for instance, the United Kingdom, France, Germany and others also seek leadership in scientific researches. However, their innovative development models are based on integration processes, cooperation of efforts of various EU countries to hold the championship in the traditional European industries: pharmaceutical, chemical, transport engineering, communications technology, nuclear power and others. For this purpose the EU countries developed a general approach to the management of their economic activity, which focuses on the innovation component of economic growth. This ensures the unity of policy in the field of innovations and overall coordination of scientific and technical programs at regional and national levels; scientific and technical alliances and consortia are formed to solve complex scientific and technical problems that require efforts of leading EU member states; creation and development of high-tech enterprises is supported; mechanisms of transfer of new technologies are improved, which speeds up the process of commercialization of innovations and increases the return from their practical use; researches culminating in the introduction of the obtained results are supported; conditions for fruitful cooperation between researchers and businesses are improved by creating technology parks and technology valleys; open business environment is formed for interested groups and representatives of scientific organizations, enterprises, governments and the public that improves the interaction between separate members of the innovation process and increases the effectiveness of their work.

So the scale of interstate cooperation on scientific research, especially fundamental one, increases in the EU. Given the high scientific potential of European countries, it provides synergy effect and ensures not only the maintenance of leadership of the most developed European countries in scientific research, but the possibility of using the results obtained by other EU Member States through clustering and rapid spread of promising innovations. That is the innovative development of the EU Member States is a co-operative-integration one that facilitates the rapid dissemination of scientific achievements and interethnic technological parity within the EU [1, p. 182].

An important element of the European innovation system is an infrastructure that

consists of more than 1.5 thousand different innovation centers, including more than 260 scientific and technological parks. An important place in the EU innovation policy is given to the creation of innovation regions' network aimed at the development and exchange of experience on innovative strategies and local network centers on diffusion of innovation.

The study of European experience allows to distinguish Innovative coordination centers (technology transfer centers)—the Innovation Relay Centre (the IRC), among various contemporary forms of innovation structures in the EU. They provide effective communication in the field of transfer of new knowledge and technologies not only between national subjects of the innovations' market, but also outside the country, forming a network structure of a supranational character. The latter is of great importance for debugging interregional relations in the field of scientific, technological and innovation cooperation, and in the context of deepening integration into the European Research Area.

The Innovation Coordination Centre (the ICC) in England was established to coordinate the work of the regional centers (IRC North of England and Nord Manche). It uses the results of their research, provides them with direct assistance in the technology transfer. The ICC in England performs two main functions: pushes the innovative technologies and manufacturing processes established by the regional centers; makes placement of technologies exported from Europe, to the regional innovation centers [1, p. 182].

In Germany the Innovation Coordination Center (IRC South Germany Deutsch) is an independent institution that takes care of promotion of technical assistance programs and supports the technology transfers. The main activity of the center is aimed to help the industrial enterprises to participate in European research and development, assistance in processing the results of research and implementation of technology transfer abroad, stimulation of the innovative processes in industrial enterprises and their support in the management of cross-border processes. An important area in the activity of the ICC is a an innovative audit for small businesses in the region that allowed to systematize the technological needs of enterprises, carry out national and European research projects, collaborate with partners to use research results or perform a transfer of existing technologies [7].

The Innovative Coordination Center in France (IRC France Centr'EST) operates in the regional environment where local authorities actively cooperate in the dissemination of innovations among small and medium enterprises. As a basis of marketing strategy, the ICC of France has developed its own service proposal entitled "Proposal of global technologies of time", which consists of four main components: technological package of proposals; technological package of requests; short-, medium- and long-term services; research of the technologies' market. Such an approach proved to be effective in attracting customers, as evidenced by the 12 signed contracts on innovations for the period of 2000-2004, successful implementation of which has increased by 33%.

Japan was the first to implement a comprehensive model of innovation development. It was noticeably behind the US and Western Europe in the field of fundamental research before early 80-ies of the XX century. Having exhausted extensive development factors, due to the limited natural resources, Japan passed to stimulation of knowledge based industries stressing on its own researches rather than on the use of scientific and technological achievements of other countries. However, in order to achieve this it was necessary to establish own schools, to prepare high level specialists able to produce new ideas and implement them. So this country made a stress on cultivating high educational level of the entire population, which ensured the emergence of personnel capable to develop new knowledge and work in new areas. In addition, long-term programs of scientific and technological development, which defined priority directions of fundamental research for the country, began to develop in order to coordinate scientific and technical activities. This contributed to concentrating on relevant directions and gave high results in innovation activities.

A similar policy in the sphere of managing innovative development is shared by South Korea, which also takes a worthy place in world economic space, stressing on corporate and collectivist management.

The mentioned models are typical for the industrially developed countries. Countries that have now activated innovation processes, implement their own scripts of the support of innovative development. They can also be used in Ukraine taking into account peculiarities of the development of certain regions and industries.

In China, support of economic development of regions is being performed according to approximately the same scenario, but the precondition for providing support (usually in the form of initial investment of town councils) is the ability to efficiently use natural resources. In small rural enterprises of China industrial output growth in the 90-ies of the XX century was 3-3.5 times higher than in large state enterprises. Therefore, it's the innovative development model, which is based on the use of the resource potential of particular area. In Ukraine it can be applied in the areas with specific natural resources, such as recreational, climatic or mining.

For agricultural regions of Ukraine Chilean model of innovation development is very attractive. The Fund of Chile was established in this country in the end of the 1970s. Its main task was to encourage the formation of new chains of agro-processing chains of "surplus" directed at "bottom up", meaning from the agricultural producer to its end processor. At the same time the Fund supported project activities (identifying promising areas in the world market) and contributed to the development of technologies (adapted advanced technology and agribusiness firms to create their piloting).

In this model chains of "surplus" are created due to the initiative of the agro-processing plants. However, the formation of agro-industrial groups only on the basis of technological relationship is not the end goal on its own. The reasons for this association shall be to improve the ability of its members to attract modern agricultural technologies that would ensure the competitiveness of the final product. If one extends these chains of "surplus" on other industries, including engineering complex, one can create a base for technological push, involving high-tech technology in this chain. With the support (also in the form of investment) of such cooperation regional authorities can get competitive businesses, capable of equal struggle for markets not only in Ukraine, but also abroad.

Thus, international experience of innovative development shows that state efforts are targeted at comprehensive coordinated use of direct and indirect methods of innovation management with a predominance of financial and tax instruments to stimulate it. While doing this they chose the areas of the development of innovative models and take into account the scientific, technical and resource potential.

For Ukraine, given its prospect of EU integration and participation in the European

research area it is advisable to study and adapt the experience of European countries, including those where the development of innovative entrepreneurship is done with limited financial resources and the presence of significant scientific and technical potential. In particular, the Polish infrastructure of the support of innovation business is extensive and varied, allowing solving actual problems of science and technology activities and coordinating interests of the parties in the development of innovative activity.

The authorities of the city of Poznań and the Poznań Science and Technology Park launched the project "Development of a model for entrepreneurship support in the academic sector" as of on the 1st of January, 2006. The project aims at improving the use of innovative potential to enhance the economic competitiveness of the region through the implementation of programs of support of entrepreneurship in the academic environment in order to ensure technology transfer from academic sector to entrepreneurs [8].

In order to strengthen cooperation between the scientific sector and the small business, a project "nationwide network of technology transfer and support of innovations to small and medium-scale enterprises" is being currently implemented, which involves the creation of a network of information about companies and institutions that offer or require new technological solutions. This network has become a platform for the exchange of information and ensuring technology transfer in the country. All services are provided free of charge (due to co-financing from the European Regional Development Fund).

In 2005 the Polish Agency for Enterprise Development (the PAED) introduced online training in the sphere of entrepreneurship (particularly in the following areas a creation of private business, business plan development, market research, fundraising EU structural funds for entrepreneurs, safety in the sector of small enterprises). The Polish Agency for Enterprise Development implements a program of support for industrial property and allocates funds to pay for an application to obtain protection of the intellectual property (quota support in one application – not less than 4 thousands Złoty). The PAED provides loans to finance innovation (up to 2 million zlotys in 75% of the necessary funds) for a period of 10 years [8].

In 2007 a program of the Ministry of Science and Higher Education of Poland "The developer

of innovation” was introduced in order to support innovative entrepreneurship in the academic sector; “Patent Plus” – to support the patenting of inventions developed by research institutions. Thus, in conditions of underdevelopment of innovation infrastructure in Ukraine it is important to promote innovative entrepreneurship at the regional level through structures whose functions shall include: support of innovative entrepreneurship in higher education and research institutions, legal support and partial funding in the process of applying for protection for intellectual property rights; promotion of the fund-raising from the European Regional Development Fund targeted at national innovative enterprises [6, p. 103].

Given the lack of funding of innovation activities and initiatives coming from the state budget in Ukraine, low activity of domestic entrepreneurs in applying for the allocation of funds from for the EU, Poland’s experience is helpful in solving financial problems of innovative enterprises. For example, the Lubelski Development Fund was established according to the initiative of institutions interested in the economic growth of the region, among which there were co-founders, local governments, banks and the Chamber of Commerce. This organizational form has enabled the Foundation to unite the efforts of local authorities, businesses and the financial sector in the promotion of innovative activities of the province. In Lubelski province the Regional Development Fund serves as a regional financial institution for small and medium-size businesses. The Foundation’s mission is to provide social and economic development, in particular support of small business sector by financing investment and innovation activities of enterprises.

Given the importance of the role of the state in creating and enabling institutional environment for the activation of innovation activity in Ukraine we consider it appropriate to implement the following measures:

1. Monitoring compliance of the legal support of innovation and scientific and technological activities.

2. The National Institute for Strategic Studies and its regional representations should monitor as of today the efficiency of existing innovation of infrastructure and develop measures to increase the role of complementary elements in ensuring the commercialization process of technological innovation and market, that will enable to establish linkages between innovation active enterprises

and research institutions and to intensify the implementation of scientific and technological developments in the business.

3. The Ministry of Finance of Ukraine should make an assessment of financial support of scientific and research area and submit practical recommendations with the aim to increase the share in financing the costs of research and development work.

4. Improve the system of intellectual property protection through harmonization of the national legal framework in the field of innovation with international standards; develop clear and binding rules in order to ensure compliance with the legal framework in this area; establish a mechanism to resolve disputes concerning violation of rights in using intellectual property and institutionalized procedures for their solution, which are still not yet fully developed.

5. Develop national and regional innovation infrastructure through the creation of regional innovation centres of so-called the “first stage”. The “first stage” is seen as a large-scale, nationwide project that should provide a demonstration effect by year 2011; after reviewing the annual monitoring data – to develop recommendations for the “second stage” by creating a national network of regional innovation centres as organizational foundations of regional sub-national innovation system. The goal of innovation centres in the region is to build support structures of entrepreneurial innovation that will provide high efficiency activities of local authorities, the NGOs and other institutions in planning the regional innovation development and using the scientific and technological potential.

6. Delegate the Cabinet of Ministers of Ukraine to accelerate the adoption of the Concept of the national innovation system with the aim of forming a network of regional innovation centres across the country; foresee the system of measures in order to build regional innovation systems.

7. Create the Regional Development Fund as a financial institution to ensure management of regional and national programs supporting innovative entrepreneurship, for the practical operation of which grants and financial loans from the EU funds and the state budget are to be allocated.

8. The Ministry of Ecology and Natural Resources of Ukraine along with the Ministry of Education and Science of Ukraine is ought to conduct joint research on monitoring the negative impact of new technologies on the environmental

situation in the country and the development of a number of well-defined criterion limits of this influence in order to prevent the introduction of scientific and technical ecologically safe inventions.

Conclusions

The experience of leading European countries shows that the development of scientific and technological potential depends on institutional

factors. Institutional systems of developed countries had formed branched structure and mechanisms of support that provide relatively low transaction costs in the market environment. Therefore, the development of robust and efficient system of infrastructure support of innovation in Ukraine will help to establish civilized relations in the area of the market of innovative products and ensure competitiveness in the global market.

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PLANNING OF AGRICULTURAL LAND UTILIZATION

The theoretical and methodological foundations of agricultural land utilization planning were discovered in the article. The scientific works, which are dedicated to this term, were analyzed. Planning of agricultural land utilization must take into account the impact of external and internal components of the macro environment and features land resources. The main goals of state land policy were identified. Objective necessity of agro formations land management projects was defined. It is ascertained that during agricultural land utilization planning one should consider the influence of external and internal components of surrounding environment, peculiarities of land resources and their utilization on particular territory. To reach effectiveness in land utilization one should have objective information on the basis of reliable planning-cartographical materials.

The information model of land utilization should consider faithful data concerning determination of priority directions of activity provided rational land resources utilization and land resources conservation.

Targets of state policy in the sphere of land relations regulation should consider efforts in the economic, ecological and social spheres that are directed at land utilization and land conservation of high effectiveness. One revealed the principles of agricultural land utilization planning. One learned international experience of agricultural land utilization planning to increase effectiveness and efficiency of land policy on the basis of considered realities. Conceptual basis, which actions of land utilization and land conservation planning should be grounded on, is ascertained.

Keywords: *land utilization planning, national policy of land relations, planning and mapping along, state of the external and internal components of the environment, the strategy of land utilization development, targets of state policy in the sphere of land relation regulation*

Лазарева О.В. Планування сільськогосподарського землекористування

В статті розкрито теоретичні та методологічні основи організації планування сільськогосподарського землекористування. Проаналізовані праці дослідників стосовно визначення даного терміну. Встановлено, що при плануванні сільськогосподарського землекористування потрібно враховувати вплив зовнішніх та внутрішніх компонентів макрооточення, безпосередньо властивості земельних ресурсів. Визначено головні цілі державної земельної політики. Визначена об'єктивна необхідність розробки проектів землеустрою агроформувань.

Ключові слова: *планування землекористування, національна політика розвитку земельних відносин, планово-картографічний матеріал, зовнішні і внутрішні компоненти оточуючого середовища, стратегія раціонального землекористування, цілі державної політики в галузі регулювання земельних відносин.*

Лазарева Е.В. Планирование сельскохозяйственного землепользования

В статье раскрыты теоретические и методологические основы организации планирования сельскохозяйственного землепользования. Проанализированы труды научных работников по поводу определения данного термина. Установлено, что при планировании сельскохозяйственного землепользования нужно учитывать влияние внешних и внутренних компонентов макросреды, особенности земельных ресурсов. Определены главные цели государственной земельной политики. Определена объективная необходимость разработки проектов землепользования агроформирований.

Ключевые слова: *планирование землепользования, национальная политика развития земельных отношений, планово-картографический материал, внешние и внутренние компоненты окружающей среды, стратегий рационального землепользования, цели государственной политики в сфере регулирования земельных отношений.*

Introduction

Ukraine is an independent almost 25 years, but our country has not solved the fundamental problems of the agricultural sector development strategy also the problem of efficient agricultural land utilization development has not resolved. Obviously, the real economic breakthrough is impossible without a proper strategy, expertise and resources, improvement of public institutions.

Without exaggeration we can say that Ukraine was defeated in the context of the formation and development of competitive agricultural land utilization that largely became a reason of the Ukrainian economy bankruptcy. That's why it is not accidentally that interest to the problems of land relations development is increasing, scientists and practitioners are focused on scientific and methodological support of this process.

Analysis of recent research

The basic foundation of the national policy of land relations development is reflected in the works of such scholars as Babmindra D.I., Bagheera, M.S., [1] V. Gorlachuk [2], Dobryak D.S., A.S. Dorosh [3], Kazmir P. G., Martin A., Sabluk P.T., Sokhnych A.J., Stupen' M.G. [4], A. Tretiak [5], M.M. Fedorov, Hvesyk M.A., V.V. Yurchishin and others, that have made a significant contribution to the development and improvement of the methodological tools of rational ways of significantly improvement of the agricultural land utilization efficiency.

The theoretical basis of improvement of territorial agricultural land utilization planning contain in some scientific studies [6].

The questions of integrated approach to agricultural land utilization planning are the subjects of scientific field of O.P. Botezata [7]. At the same time, the methodology of rational land utilization based on forecasts, plans and prospects of ecological and economic development is debatable.

Statement of research objectives

However, the exact idea about understanding the objectives and tasks of agricultural land utilization planning is not traced in the scientific literature. After all, the plans of agricultural land utilization in European countries are an integral part of sustainable territorial development and land utilization should be cost-effective, environmentally acceptable and ethical in the interest of not only the present but also for future generations [8].

Results

The researcher O.S. Dorosh [3] proves that the system of land management actions covers forecasting, planning and implementation of land management activities. Scientist said that the main task of forecasting is the necessity to offer and predict different ways of agricultural land utilization planning and management of rational land utilization and protection of land. As pointed scientist forecasted achievements should serve as the main and guide base while elaborating national and regional programs of rational land utilization and protection of land.

In addition, measures of agricultural land utilization planning should be generally available to all stake holders and foresee reduction of administrative pressure on business in the process of land utilization. [4] In addition, the planning of land resources, carried out by local authorities, should be aimed at increasing the efficiency of land resources utilization.

Planning and cartographic material should provide the obtain of information about the spatial position of objects, the natural land economic status, legal status of the land.

The famous scientist Gorlachuk V. argues [2] that planning and mapping along with other land cadaster information allows to make strategic and operational management of land resources. However the production of true planning and cartographic material requires the development of such a regulatory and technical framework that takes into account all requirements for modern cartographic materials intended for working the marketplace.

Efficient land utilization and protection of land requires reliable information about the quantitative composition of the land and their qualitative characteristics, information about land that is not used, or information about land that is used efficiently.

The key point here is the information about inventory of land that is the starting point for the development of land management to play land utilization and zoning of land.

Planning agricultural land utilization, we must take into account scientific principles of strategic management, and also it is necessary to take into account the state of the external and internal components of the environment [9].

The external components include:

1. State of the environment in which land utilization is located and functions.

2. Study of competitors' position which will determinetendencies of market formation and their impact on the development of land utilization.

3. The process of public administration of land utilization which based on the methodology of economic, social, political progress of society.

4. The state of the market infrastructure (cadaster and registration centers, mortgage institutions, commodity exchanges and information centers, etc.) designed to ensure rational land utilization and protection of land.

5. Financial and credit policy aimed at sustainable economic regulation of land utilization.

The internal components of the environment include:

1. The process of land utilization which includes extensive way of farming.

2. Availability of means of production, which would allow using an existing production capacity with a maximum fullness.

3. Availability of own sources of funding that provides project development of territory organization.

4. The research and development aimedat developing of competitive land utilization.

A comprehensive consideration of these components will provide a coherent management system of land utilization.

In general, the strategy of land utilizationdevelopment in involvesbuilding of information model [9], in which target sare consideredas a set of characteristics with priority of activity directions (volume of agricultural production, social security manufacturers, product quality parameters, the greening process,land utilization, etc.).

At the some time, such policy of land utilization must match the selected land

markstaking into account the econditions of recovery and environmental protection, including land resources.

The development of schedule ofthe implementation accepted strategy is basedon a functional-time basis. At the same time for a particular target corresponds land own erortenant and onperformance of objectivesgivena certainamount of time.

During the implementation of the strategy it is envisaged the allocation of resources and tasks according to their goals.

Monitoring of the strategy implementation is the control of execution the strategic goals and, if it is necessary,takes adequate measures to eliminate the negative processes in land utilization or adjustment strategy.

At the same timeaims and objectives ofthe development strategy of land utilization are the following: increase in production and on this basis the effective utilization of available production capacity, the production of organic foods, which involves the development of environmental and land protection measures, to insure a balanced balance of humusin the soil-based optimal system crotation.

From the for egoing it follows that the strategy of land utilization development is a system of conceptual regulations about the definitionpriority directions of activity based on consideration of macrocomponents and internal environment of a particular land utilization, setting objectives and targets that stemming from the condition of rational land utilization and protectionof land resources.

It should be noted that the land policy should take into account the efforts in economic and social spheres, as shown in figure 1.

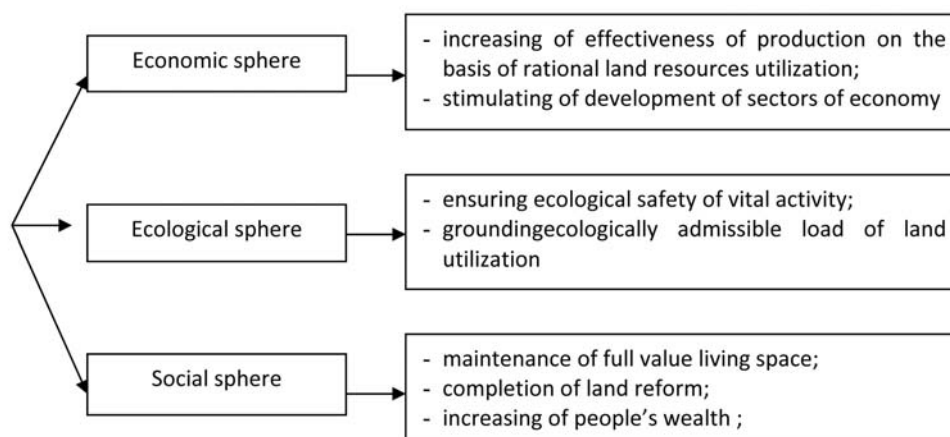


Figure 1. Targets of state policy in the sphere of land relation regulation

Enumerated targets should be directed at ensuring of highly efficient land utilization and conservation of environment provided support of targets on all the levels by bodies of executive power and land policy should stimulate rational land utilization and process of effective land resources management.

In the economic sphere one should increase the effectiveness of production on the basis of rational land resources utilization and stimulate development of economic sectors.

In the ecological sphere one should guarantee an ecological safety of the society's vital activity and ground ecologically admissible load of land utilization. Taking ecological targets into account ensure conservation of land utilization, production, labor and other resources systems.

In the social sphere necessity of maintenance of full value living space, completion of land reform and increasing of people's wealth are needed.

According to planned targets, main actions and tasks concerning application of effective land policy should be the following: grounding market priorities of land reform over the anticipated term, that needs plan development of expected state of organization of utilization of lands of different types and property categories; development of principles, methods and mechanisms of land utilization management taking into consideration the peculiarities of mixed economy and using levers of influence on economic agents in the sphere of ensuring rational land utilization and land conservation; development of national and regional programs of land utilization and land conservation, designing of schemes and projects of land-utilization system, that will favor ensuring of optimal structure of agrolandscapes, land ownership and land utilization; consolidation of efforts, aimed at development and realization of rational land utilization development strategy and according to it formation of national land policy priorities.

Realization of described land policy priorities should be considered as to scientific explanation of areas of governmental regulation of rational land utilization.

In addition, a system of planning agricultural land utilization should take such ecological components as air environment, water, land and other natural resources into account. One need likewise realize the procedure of evaluation of ecological, social and economic results efficient on a systematic basis, that will also ensure rational

land resources utilization and land resources conservation.

Planning of agricultural land utilization, besides balancing of ecological, economic and social components, as it was mentioned above, should take features of land resources and peculiarities of their utilization on the particular area into account. Moreover reference points of land utilization planning are adherence of standards of environment protection and rational land utilization, maintenance of nature protection activity during land resources management, ensuring of proper system of land tenure education and afterwards scientifically grounded realization of actions regarding area planning, involving of the society into the process of land utilization planning.

The process of land utilization planning should be based on such principles as equity, access to information, continuity of the procedure of planning, solving the problems of planning, complex evaluation of ecological, social and economic state of areas.

During agricultural land utilization planning one should consider elements as preparatory stage, which means initiation of plan development; collection and analysis of data on the basis of veritable and reliable information; direct plan development considering key elements, which should be reached; approval of land utilization plan, which should include a detailed complex analysis considering strong and weak sides, threats and opportunities of the researched object (SWOT analysis), direct realization of land utilization plan including determination of economic, ecological and social priorities of the researched object and phenomena.

Also during agricultural land utilization planning one should consider optimization of land fund distribution between sectors of national economy and its effective utilization in each sector. Moreover, optimization of lands' structure should be realized pursuant to natural economic areas. Rational system of agriculture should include soil-protective cover and the system of fertilization and the system of crop rotation should consider development and realization of rational agriculture system. One should ensure the process of liming and gypsuming of soil, scientifically grounded technology of crop cultivation, accurate system of crop rotation.

Learning of international experiences of agricultural land utilization planning is likewise worthwhile.

For instance, in Germany legislative entrenched three-level system of land utilization planning and land conservation planning: national, federal, municipal. Moreover, federal lands have wide authorities concerning creating own systems of planning and regulation of land utilization. However, all the landowners and land users should develop a general land program and general plan of the development of their areas' land utilization.

In France the process of land utilization planning is the mechanism for redistribution of lands according to social interests, for defend of agricultural lands from irrational utilization and from unreasonable removal for industry and transport system needs. Planning actions in this country let develop recreation areas, protect lands from erosion and other negative consequences. Regulated for the distribution of land plans only after public disclosure are ratified and are obligatory for execution. These plans are general (for country or region), district (for several communes) and municipal (for one commune).

In the UK during land sales, one cannot change their proper use without arrangement with the cities', districts', municipalities' councils of planning. The issue of area's development, land utilization planning, and improvement of landownership and land utilization are considered on the basis of Comprehensive and municipal plans.

In contrast to mentioned facts, one should mention that in Ukraine approved programs of land relations development almost don't exist on the levels of rural and settlement councils. This, the issues of increasing of the quality of proper land utilization and its proper control require creating of effective program purpose-oriented management methods, and land should be considered as entire territorial object, which determine development of country according to results of execution of industrial, scientific technical, ecological, social political functions. Moreover complex approach to agricultural land utilization planning should ensure economic and environmentally benign utilization, which will include all the ecological components.

One should emphasize that process of agricultural land utilization planning should consider the peculiarities of the process of agricultural production on the basis of created strategy. One should notice that strategy is the way of reaching results, formulated as intention, and the formulating of strategy is the process, during which

managers define mission, formulate the system of targets and likewise determine the components of the process of strategic management [9].

The strategy of agricultural land utilization should base on the principles of integration (combination of natural, economic and ecological factors); systemacy (which includes interconnections and relationships between all the components of surrounded environment); interconnection (all the components are closely connected); management (purpose-oriented management of the process of the land utilization development should be scientifically grounded); gradual execution (which includes realization of program basis of land relations development).

One should mention that realization of actions of land utilization planning and land conservation planning are one of the optimal solutions to increase the effectiveness and efficiency of land policy, which should be grounded on the following conceptual basis:

- Ensuring of social-political and social functions of land as the area of the country
- Involving lands to market turnover, considering social fairness during land redistribution
- Preferring ecological requirement concerning land conservation, ensuring of adherence of soil fertility and rational land utilization
- Abidance of current legislation in the sphere of land relations by landowners and land user.

Considering that the process of faithful agricultural land utilization planning should rely on projects of land-use system, which have such tasks as grounding, development and realization of organization and engineering actions concerning rational land utilization and land conservation [12].

The issue of effective land utilization and land conservation, reproduction of soil fertility needs constant attention of the bodies of state power and local government, because with the help of land-use system one can solve the problem of land relations regulation, creating territorial conditions for organization of land utilization. Organization of working position in agriculture is as important and necessary as in any industrial production. Only all-round and complete considering of terrain relief, quality of soil, conditions of moistening during allocation of the system of rotation of crops and its fields, necessary favorable conditions for utilization of technical means, labor resources, protection of soils from degradation processes and finally, increasing of land productivity are created.

Nevertheless, massive parceling of land plots with following granting of land ownership act of state and creating of agroformations on the basis of private land property caused breach of the systematic management of the land utilization areas' organization. Because of this processes of topsoil degradation intensified, which led to 0,6 ton/hectare losses of humus due to its mineralization and soil erosion [13, p. 6].

All the above-mentioned facts determine the necessity of realization of effective state policy, which is directed at formation of scientifically grounded system of landownership and land utilization with removal of defects in the organization of agroformation territories and creating of ecologically stable agrolandscapes and agroecological systems.

Solution of these issues is possible only provided realization of complex of land-use system actions, which are directed at improvement of land relations and rational organization of the territory of administrative-territorial formations and newly-created economic units. There is no doubt that overcoming negative process, which is spread in land utilizations, requires development of projects of agroformation land-use system, which, unfortunately, during all the period of land reform were not developed.

One agrees with researchers, that "... land-use system includes the system of actions, directed at realization of statements of land legislation concerning rational and effective utilization of areas, creating of proper conditions to satisfy people's needs and conservation of the environment at most [15, c. 31]"

The reason of non-development of land-use system projects in Ukraine is an absent of legislative support, which obliged one to create them, however, article 20 of the Ukrainian Law "About land-use system" regulates, that only realization of actions, envisaged with approved in a proper way documentation, are obliged [16]. That is why it is necessary to introduce additions into abovementioned law concerning obligatory of the development of land-use system projects, which will ensure the rationalization of lands, increase the investment attraction of land utilization in the countries etc.

One considers, that one of the reasons of ignoring of development of land-use system projects is short term lease of land plots, that does not let fully realize actions of rational land utilization and land conservation by land user on

leased land plot. Considering this it is reasonable to innovate the term of lease of less than period of rotation of crops on the national level to establish actions of area organization.

Considering that the issues of solving ecological problems are in the forefront, and economic one are in the background [1, c. 26], it is necessary to consider that land-use system projects represent the component of agroformation business-plans, which the issues of perspective development of sectors and organization of land utilization are reflected in.

Land-use system projects should consider the system of protective forest plantation, antierosivehydrotechnical buildings, conservation (alkalization, afforestation) of degraded and low productive, polluted lands.

During development of land-use systems specialization of households, level of technical equipment, presence of labor resources and their allocation on the territory, zone peculiarities etc. are taken into account.

Thus, land-use system projects should become the obliged clause of conducting agricultural production, and likewise the ecological and economic basis for realization of actions of rational land utilization and land conservation, actions of dimensional organization of areas.

Conclusions

Grounding the essence of agricultural land utilization planning let create the following conclusions.

It is ascertained that during agricultural land utilization planning one should consider the influence of external and internal components of surrounding environment, peculiarities of land resources and their utilization on particular territory.

To reach effectiveness in land utilization one should have objective information on the basis of reliable planning-cartographical materials.

The information model of land utilization should consider faithful data concerning determination of priority directions of activity provided rational land resources utilization and land resources conservation.

Targets of state policy in the sphere of land relations regulation should consider efforts in the economic, ecological and social spheres that are directed at land utilization and land conservation of high effectiveness. One revealed the principles of agricultural land utilization planning. One learned international experience of agricultural

land utilization planning to increase effectiveness and efficiency of land policy on the basis of considered realities.

Conceptual basis, which actions of land utilization and land conservation planning should be grounded on, is ascertained.

One proved that land-use system projects, which are obliged clause for conducting production

on the land, play a great role in the agricultural land utilization planning.

At a later date, one considers that one should pay heed to researching of tools with help of which the process of agricultural land utilization planning is realized. This will become a powerful motive to reach effectiveness and efficiency of land policy.

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УДК 354:631.1

No. DOI 10.14746/pped.2014.2.17

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CONCEPTUAL BASIS OF STATE REGULATION OF SUSTAINABLE DEVELOPMENT IN RURAL AREAS

The analysis of science-based approaches of solving the problems of the development of rural areas is being reflected upon. The main reasons for the deterioration of the territorial organization of the agricultural branch of economy are revealed. Basis for the organization of regulation as a factor in the development of rural territory, which requires an assessment of all elements of the rural area as a subdivision of agricultural areas is studied. Principles of formation of the modern mechanism of state regulation of socio - economic development of rural areas are justified. Agricultural complex of the economy forefronts in addressing economic, social and environmental problems of any state. From the grade of its development to a greater extend depends the level of wellbeing and health of the population. Verified existing problems of social, environmental and economic development of rural areas require finding a comprehensive solution through the application of a systematic scientific approach by using objective assessments of the dynamics and processes of social reproduction of the productive forces of nature and society, based on national interests.

Keywords: government regulation, sustainable development, mechanism, optimality, rural areas.

Плекханов Д.О. Концептуальні положення державного регулювання збалансованого розвитку сільських територій

Здійснено аналіз підходів щодо науково обґрунтованого вирішення проблем розвитку сільських територій. Розглянуто основні причини погіршення територіальної організації сільського господарства. Досліджено засади організації управління як фактора розвитку території, що вимагає оцінки всіх елементів сільської території як територіальної одиниці аграрної сфери. Обґрунтовано принципи формування сучасного механізму державного регулювання соціально-економічного розвитку сільських територій.

Ключові слова: державне регулювання, збалансований розвиток, механізм, оптимальність, сільські території.

Плекханов Д.О. Концептуальные положения государственного регулирования сбалансированного развития сельских территорий

Осуществлен анализ подходов к научно обоснованному решению проблем развития сельских территорий. Рассмотрены основные причины ухудшения территориальной организации сельского хозяйства. Исследованы основы организации управления как фактора развития территории, которые требуют оценки всех элементов сельской территории как территориальной единицы аграрной сферы. Обоснованы принципы формирования современного механизма государственного регулирования социально-экономического развития сельских территорий.

Ключевые слова: государственное регулирование, сбалансированное развитие, механизм, оптимальность, сельские территории.

Introduction

Agricultural complex of the economy forefronts in addressing economic, social and environmental problems of any state. From the grade of its development to a greater extend depends the level of wellbeing and health of the population. But, in reality, the functioning of the agricultural sector of Ukraine had been negatively

affected back in the early establishment of reforms due to the destruction of large-scale agricultural production along with the absence of adequate government regulation. The result of these reforms became significant adverse changes in the socio-economic sphere with the manufacturing sector experiencing the greatest losses. This situation

had an impact on other areas of social life, namely the following ones: already traditional for domestic reality remain problems of insufficient consumption of staple foods by the population, diet imbalance, significant differentiation of food consumption by individual social groups, the extremely low level of quality and food safety. These factors caused the poor economic accessibility of food, imperfect system to ensure their quality and safety, irrational use of natural resources and poor management at the state level.

Manufacturing sector had been experiencing the greatest loss. This could have had an impact on other areas of public life: traditional for the reality of our country are problems of insufficient consumption of staple foods, unbalanced diet, significant differentiation of food consumption by individual groups, the extremely low level of quality and food safety. These factors caused the poor economic accessibility of food, imperfect system to ensure their quality and safety, irrational use of natural resources potential and poor management at the state level.

Analysis of recent research

Ukrainian science studies and determines the state of being of agricultural production along with providing suggestions how to improve the situation as well as justifies future directions of its development. Proven track of record of solving these problems is being provided in works of such scholars as V.G. Andreychuk, M.V. Haman, O.I. Datsiy, V.V. Zinovchuk, S.M. Kvassha, M.I. Kisil, M.H. Koretsky, M.F. Kropyvko, I.I. Lukinov, M.I. Malik, V.J. Mesel-Veselyak, B.I. Pashaver, G.M. Pidlisetsky, I.V. Prokopa, P.T. Sabluk, V.V. Ushkarenko, I.I. Khomenko, A.M. Shevchenko, O. M. Shpychak, V.V. Yurchushun and others.

Statement of research objectives is justifying conceptual basis of public administration in balanced development of rural areas.

Results

Destructive socio-economic, natural and economic trends in the economic relations of agricultural complex in terms of financial and economic instability are increasing and therefore limit their own development, which needs further scientific study and finding new ways of making effective management decisions and the formation of theoretical-empirical tool for the regulation of social and economic development of rural areas in order to address the crisis and further sustainable development [1; 3; 4].

Agricultural complex of Ukraine is currently being developed under the influence of new exogenous and endogenous factors. To exogenous factors we shall relate those resulting from the globalization of economic space. Ukraine's accession to the WTO succeeded, which also meant the recognition of the Uruguay Round Agreement on Agriculture, adopted in 1994. This event has certain advantages as it reveals the possibilities for exporting agricultural products and gaining foreign currency funds for innovative development. In addition, it is the matter of question of competition between agricultural complex of Ukraine and other countries of the world market. We shall consider as endogenous those factors that shape the competitiveness of the agricultural complex in the context of threats or percolation or latifundism, which impending with liberal land market in the post-reform period.

In addition, the question of competition between agricultural complex of Ukraine and other countries in the world market is actual. As endogenous we determine the factors that shape the competitiveness of agricultural complex in the context of threats of parts elation or latifundism impending with liberal land market in the post-reform period.

The driving force and motivation for socio-economic development of the agricultural complex of Ukraine at the state level is the public interest, including: national food security and food safety, which are being defined by stability factors of production, the existence of inventory availability and accessibility of the market; scientific organization of state regulation of the competitiveness of agricultural enterprises and the whole agricultural sector of Ukraine should be based on the unity of political, economic, legal, organizational, technological measures which, in turn, are stationed on a coherent unified system corresponding to the philosophy of governance of economy and developing according to the laws of nature. Any private sector has a social character, whilst private land resources are also the national wealth of Ukrainian state. But private interests will never match the public one, therefore their combination on the terms of the compromise is an essential and objective necessity. The market always destroys the economic balance of the system, and therefore cannot be the regulator of social and economic development of the area. The state should by all means counteract negative processes of partselation and land destruction, degradation of a village, rural depopulation etc.

Analysis of exogenous economic factors indicates that along with the global challenges related to Ukraine's accession to the WTO, prerequisites to motivate entrepreneurship in agriculture are being arisen. Thus, the demand for food and feed grains, meat and milk is increasing, and therefore there will be further increase of prices for agricultural products and foodstuffs. The factor for long term development will become the increase in the production of biofuels, which redistribute agricultural resources in the world. Agricultural production has its own threats. This applies in particular towards climate change, increase in the number of extreme weather situations, including droughts, floods, etc.

By rejecting the forecasting and programming of the future and having taken primitive model of petty commodity business in rural areas as the course of development, reformers violated not only the tradition, but also the scientific foundations of agriculture and livestock, accompanied by the failure of production efficiency, capital-labour ratio of labour, energy consumption, fertilizer quantity, quality of seeds and soil fertility. In the agricultural sector of Ukraine suddenly appeared a monopoly of private ownership of the means of production, which contradicts market principles of fair competitive development.

The main reason for the deterioration of the territorial organization of agriculture in this particular economic sector is the loss levers of land management, impact of local communities to an increasing monopoly of private property, which had replaced state monopoly. Chaotic processes in the industry, which are not supported by the programs of socio-economic development of rural areas cannot be effective.

Rural area is complex, systemic, geographically-formed, multi-purpose space that should harmonically unite society and combine its cultural and spiritual heritage, inventory capabilities of specific rural areas, relationships and connections that arise between them and the factors that influence the formation and development of Ukrainian village. Rural areas should be considered as poly multifunctional unit and geographical area with signs of public system, including population and settlement as a formative factor [3].

Rural areas include agricultural land and rural development, therefore it is reasonable to consider village, which consists of adjoining parcels of agricultural land use as well as economic and

territories around it, as agricultural land being targeted at commercial production.

We shall now refine the definition of the terms "village" and "rural settlement". First of all, rural town is the place of human habitation in rural areas, which has facilities of housing, social and industrial infrastructure. Village as part of the territory is characterized by historical and national cultural characteristics that meet specific living conditions of peasants who are operating farms, livestock and poultry units using the product and adjoining land.

The economic territory of rural settlement is part of the territory of the relevant council, which includes the territory of the settlement alone, agricultural and other distributed closer to the settlement lands and areas occupied by forests, reservoirs, roads, utilities and other facilities that are being operated primarily by its own residents.

Only integrated and systematic approach applied towards rural areas and their components - village and village territory - on the basis of decision-making, guided by social priorities, is able to ensure harmonious socio-economic development.

Solving problems of rural development and, in particular, their combination is possible only on the basis of a systematic approach. It involves the study of rural territories as a system that integrates all the components in which they are located and operated.

Organization management is an important factor in the development of the territory, which requires an assessment of all elements of the rural area as a unit of agricultural areas. Economically and socially coordinated actions of all agents of the territorial market system are subject to the achievement of positive economic end result.

Criteria for the effectiveness of integrated rural development is the efficiency of regional clusters, including: food security, welfare and living standards of the rural population (social component). The condition for achieving this goal is to provide employment and increase revenue, including the one in agricultural sector; optimal development of economic activities based on natural resource potential (economic component); sustainable land use and improvement of the environment of the population inhabitancy (environmental component).

For the purpose of scientifically-based problem solving in the area of rural development there is a need for understanding of the nature

and mechanisms of conditions and factors to ensure the development of the system. The complexity of rural development is achieved according to such important conditions as: clearly-firmed state agricultural policy in general and in the area of rural development in particular; scientific, organizational and personnel support of their operation; development of an appropriate legislative and regulatory framework; drafting of projects aiming at recovery and further development of rural territories, improving their accomplishment; implementation of measures targeted at strengthening of demographic and reproductive potential; ensuring an adequate level of life and well-being, satisfaction of essential life needs of the population of each individual in rural areas; achieving the level of multifunctional rural development.

Modelling of a spatial cluster is a function of public administration to develop rural areas and also an important principle of sustainable development. The development model enables a holistic view of the territory on the basis of which it is easy to form a qualitatively new, effective management decisions that serves the function of the essence of sustainable development. This principle lies in the basis of formation of a new ideology and practice of managing rural development, aimed to overcome the negative effects of branch centralized approach, the solution of problems of socio-economic development and environmental arrangement of rural areas.

The study of experience of European countries shows that the development of rural areas is a priority of agricultural policies, which are being funded from state programs aimed at environmental protection [2]. However, there is a fundamental mechanism of such assistance that deserves our attention and possible transposition to our country. The funds are not provided to maintain production but to promote the formation of self-sufficient spatial and regional economic clusters with wide inter-industry self-regulation problems. Optimal combination of market mechanisms with state support and increaseament of the financial and organizational capacity of local governments and local communities are fully compatible with European practice. Thus, market regulation determines the de-agriculturalization of the rural economy, meaning the development of non-farm activities. State funding through targeted development programs stimulate the agricultural sector and enhance its efficiency through the

implementation of already existing mechanisms in the sphere of price, credit and tax policies. Local communities and local administrations are ought to concentrate on the comprehensive development of social infrastructure, support of the rural individual housing construction, regional planning, regulation of land and property relations, rational use of natural resources and maintaining ecological condition of rural landscapes.

The current mechanism of state regulation of social and economic development of rural areas can include a number of principles, among which are the following. Firstly, economic and legal responsibility for the results of the land use. The principle of economic and legal responsibility declares equality of all concerned land and property relations by the law on the one hand, and their responsibility in the economic environment that is subject to the impact of state and local governing bodies on the other.

Secondly, the principle of social and economic priority. On the basis of the process of economic regulation and management of rural areas social priorities are being laid, allowing to synthesize public interests with the needs of individuals related to the attractiveness of life in rural areas, such as reconstruction of social infrastructure, creation of new work places, increased income of farmers etc.

Thirdly, the principle of remuneration of land use. Imperfection of national legislation and insufficiency of administrative decisions in land relations lead to further decline and impoverishment of certain rural areas. Taxes being paid by enterprises and entrepreneurs for land use don't poses the capacity to fill local budgets on a sufficient level, thus cannot serve the purpose of developing industrial and social infrastructure. Therefore, improvement of land-use tax and the mechanism for renting land will form a stable basis for land property relations in rural areas with regard to further sustainable development.

Fourthly, the principle of socioeconomic optimal land use. Land and property relations should provide symbiosis between social needs of the rural area, district, region and state as a whole, interests of potential investors and natural and economic possibilities of exploitation of land resources in the context of a single national economic and legal system.

Fifth principle would be scientific economic justification. Regulation of the land and property relations within rural areas provides comprehen-

sive theoretical and methodological analysis of trends, patterns of socio-ecological-economic and territorial and historical development with further creation on the basis of retrieved outcomes authentic scientific concepts of development, combining our own and foreign experience of regulation and management of the modern village territories.

Sixth principle would be the unity of institutional market and legal and administrative levers of regulation of the economy in rural areas. In the context of this principle there is the existence of the organic combination of market practices and administrative management of economic sanctions in economic relations of rural areas.

The above principles governing economic relations in rural areas form the conceptual background for the state regulation of rural development and reflect the ability of the main functions

of management to closely, organically intertwined and harmonically supplement each other.

Conclusions

Verified existing problems of social, environmental and economic development of rural areas require finding a comprehensive solution through the application of a systematic scientific approach by using objective assessments of the dynamics and processes of social reproduction of the productive forces of nature and society, based on national interests. Scientifically grounded assessments and administrative decisions should be based on systems of public accounting and analysis, and therefore can be considered as the priority in management system. Any governmental program should be based on scientific analysis of the previous versions of the models (economic, logistical, informational, mathematic etc).

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УДК 352.075

No. DOI 10.14746/pped.2014.2.18

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INTERACTION ELEMENTS OF LOCAL GOVERNMENT AT THE MUNICIPAL LEVEL: INTERNATIONAL EXPERIENCE AND NATIONAL CHARACTERISTICS

This paper examines the current state of the elements of interaction SMS in Ukraine at the level of villages, towns and cities: municipalities; village, town or city council; executive bodies of the Council; The village mayor; district councils; NGOs; the typical problems of interaction of these elements by analyzing acts of local government and selfpractice in many communities. BSP specific work as a form of citizen participation in local government and elements of the SMS and got the following results: BSP certain activities as subject to influence agencies and officials of local government decision-making, identifying the most important life support functions of local residents; formulated seven key areas of impact on BSP MLA in the context of the BSP to promote in society; Conceptual scheme of interaction with other elements of the local community BSP SMS.

Present models of interaction elements SMS-level territorial communities formed in Ukraine. Was emphasized that the concentration of a significant amount of power in the executive council, has a significant dependence of the management of local affairs on the personal qualities a principal officer of the local government. An important tool is on the one hand, providing leverage of checks and balances that will balance the role and weight of each item in the SMS, the other - of giving the public the real levers of influence on the activity of OMS. The article stated that in Europe and in Ukraine it is representative bodies - councils are the main carriers of self-governing powers, the main form of self-organization of local communities and their associations. It is emphasized that the implementation of national self feature is that the districts and regions, there are no executive bodies of local councils.

Keywords: local government, territorial communities, decentralization, territorial organization of power, municipal level.

Штирков О.М. Взаємодія елементів системи місцевого самоврядування на муніципальному рівні: зарубіжний та вітчизняний досвід

У статті проаналізовано зарубіжний досвід та вітчизняні особливості щодо функціонування та взаємодії елементів самоврядування на муніципальному рівні, вказано на необхідність запровадження існуючих зарубіжних напрацювань у вітчизняну практику.

Ключові слова: місцеве самоврядування, територіальна громада, децентралізація, територіальна організація влади, муніципальний рівень.

Штирков О.Н. Взаимодействие элементов системы местного самоуправления на муниципальном уровне: зарубежный и отечественный опыт

В статье проанализирован зарубежный опыт и отечественные особенности, касающиеся функционирования и взаимодействия элементов самоуправления на муниципальном уровне, указано на необходимость введения существующих зарубежных наработок в отечественную практику.

Ключевые слова: местное самоуправление, территориальная община, децентрализация, территориальная организация власти, муниципальный уровень.

Introduction

For modern European country imprescriptibly is availability of the institute of local government.

That is such system of the organization of power on places, in which the local communities (the association of the habitants of territorial unit) through the structures made by themselves, have real opportunity to solve the local problems

and questions concerning of life activity of any territorial unit regardless of the state and its institutions

Analysis of recent research

The interaction of elements of SLG dedicated to the works of Ukrainian, Russian and foreign scientists such as Arnstein, Sherry R., M. Bay-

muratov, P. Bilenchuk, V. Bordenuk, V. Vakulenko, O. Vasylyev, D. Vulkoks, M. Gremberger, Y. Dehtyarenko, V. Kampo, V. Knyazev, V. Kujbida, O. Lazor, M. Orlatov, M. Pitcika, V. Pogorilko, N. Postovij, M. Pukhtynskiy, V. Udovichenko, A. Chemeris. Despite the large amount of developments there are the need to analyze the interaction of local governments on the basis of international experience especially in context decentralization of power and administrative reform.

Statement of research objectives

The aim of this article is the definition and analysis of the characteristics of international experience and national peculiarities of the interaction of elements of local government at the municipal level.

Results

In international practice of the territorial organization of the power were such types of the system of local government: Anglo-Saxon or Anglo-American typical for the UK, the USA, Canada, India, Australia; continental, Romano-Germanic or European which entered distribution in Francophone Africa, much of Latin America, the Middle East, Belgium, Spain, Italy and France; iberian implemented in Brazil, Mexico, Portugal; soviet, which continues to operate in the Democratic Republic of Korea, China, Cuba, Vietnam; combined or hybrid system with was formed in Ukraine, Russia, Germany, Japan, Austria [1, p. 45-48; 3, p. 13-21]. Despite the verity of national traditions of self-government in these countries and also regardless of the specific administrative-territorial structure in these countries, the institute of local government is being explained as solution of local affairs on the basis of a combination of representative and direct democracy, as election of local government. Under the local control means the organization and opera-

tion of local authorities, who are appointed by the central government. At the level of municipalities (urban and farmer settlements) in many countries has been spreading these basic models of organization of interaction of elements of SLG: "strong mayor - weak council" (big cities in Canada and Japan); "strong council - weak mayor" (Austria, the UK, Denmark, Spain, France, Czech Republic; "council - manager" (Ireland, Norway); "commission" (Belgium, Holland); "combined". The criteria for the designation of a particular model is the scope of authority of local governments; the method of inauguration and functions of the head of the municipal administration where the name of the position vary depending on the country (e.g. prefect, the mayor, alkald, rehidor, prymator, head of the municipality ect.); order of interaction between the mayor, council and the community. The features of organization of interaction of elements of SLG, inherent to a particular model, are shown in the list 1.4, table are based on modifying the approach of authors [10, p.194-206.] and summarize the results of individual studies on the international experience of local government [3,5,6,11]. Note that the U.S., Germany, Finland, Sweden refused to unify local government and at the level of municipalities operate different models of local government (hereinafter – SLG). Municipal constitutions of German states differ in content and each land independently select one of the organizational models. Municipal charter in the United States reflects the practice of self-governing local communities and has different requirements for candidates for mayor. In Sweden and Finland introduced "commission" model and "council-manager" as well. Advisable to implement this approach in Ukraine, as discussed below.

Organization of interaction elements of local government based on the model of «council – manager»

Name of item	The main functions of the element features and interact with other elements of the system local Government.
Mayor	Performs representative functions and role of political arbiter.
Council	Selects the mayor from among its members appoint and dismiss the manager who takes on a contractual basis administrative functions: makes appointments; supervises and coordinates the activities of the municipal administration, reports on its activities to the Board; prepares a draft budget recommendations for Council decisions and ensure their implementation.
Community	Elects Board and has little effect on the administration

This model reflects a pragmatic approach to the management and organization at the professionalism and productivity of the local administration. According to the changes made in 2010 to the Law of Ukraine “On capital of Ukraine Kyiv Hero City” [7] the mayor is elected by the community and the head of the Kyiv City State Administration appointed by the President of Ukraine. This model is actually implemented within the metropolitan local government and probably will become development. Today most of the functions entrusted to professional

managers loyal to the central government and the Mayor performs mainly representative functions, due to the special status of the city. Similar model, in our view, would be appropriate to imply in another city with special status - Sevastopol, which ensures effective control of the state as local affairs. Strengthened the role of territorial community in this system of relations can occur due to the development of BSP and ensuring effective public control over the city council and its executive branches.

**Organization of interaction elements of local government on a «commission» model
(«Council - Presidency of the Council»)**

Name of item	Main functions and features of the element of interaction with other elements of local government
Council	Play a role and representation, and an executive body of local self-government, which is formed from members of the board Selects and re-elected head of the commission from among the members of the Board who presides over its meetings, performs representative functions. Each commissioner is responsible for a particular direction of the community, that is headed by a structural unit of the municipality.
Community	Elect and recall members of the board of commissioners.

Due to the fact that according to the Law of Ukraine “On Local Self-Government in Ukraine” [8, 11, p. 3] in villages with a population of 500 inhabitants The Executive bodies of the Council cannot be created, and their functions are performed by the village head alone, consider it appropriate to provide for the organization of rural governance in a «commission» model. First

of all it will increase the influence by community members on the activities of each deputy, as it is personified as responsible for the preparation and implementation of solutions in a particular area of the community. Second, this model meets the historical traditions of self-government in Ukraine and is a natural for large rural communities.

**Organization of interaction elements of local government based
on the model of «weak mayor - strong council»**

Name of item	The main functions of the element features and interact with other elements of the system local Government
Mayor	Performs most representative and some organizational features Approves the appointment of municipal officials with the council organizes the activities of the municipal administration. Accountable and controlled council, preside at its meetings. Entitled to a partial «veto» on the decisions of the council or deprived of such rights has the standard-setting initiative.
Community	Selects the main municipal officials (Secretary, Treasurer, Controller, Attorney, tax officials) that causes their administrative and political responsibility to the community.

Implementation of this model of organization of interaction of elements of local government in the domestic practice of rural self-government would provide effective representation of the interests of the inhabitants of large rural communities that merged to form joint local governments (here-

inafter- LG). Increase the powers of the village council while the level of exposure of local residents to the activities of executive branches meets self-governing Ukrainian traditions that have long been actively involved in addressing public affairs and contributes to community cohesion.

**Organization of interaction elements of local government based
on the model of «strong mayor - weak rada»**

Name of item	The main functions of the element features and interact with other elements of the system local Government
Mayor	Interaction with the executive council – the administration takes place on the basis of unity of command and subordination. Categorizes powers of local self-government between the structural units of the municipal administration, directs, coordinates and supervises their activities. Alone appoints and dismisses administration officials. Prepares recommendations for rulemaking board, which declares in his letter to the Board determines the principles and local policy Requests for approval to the Council a draft local budget and reports on budget execution. With the power to «veto» (sometimes completely) on the decisions of council. Responsible for the coordination of various stakeholders in the community
Rada	Can be used to overcome the Mayor's «veto» to the decisions of the Council by a qualified majority. Approve or reject the draft budget proposed by the mayor
Community	Elects Board. Selects the mayor and may terminate his powers by local referendum. Interacts with other elements of SMS, mainly due to the appeal.

Similar model of organization of interaction of elements at the level of territorial communities formed in Ukraine. Village, town and city mayor in the public eye represents the local government that is personally politically responsible for solving local problems, for the consistent implementation of the chosen strategy of local development. Concentration of a significant amount of power in the executive council, significant dependence of the management of local affairs on the personal qualities of a principal officer of the local government, high likelihood of conflicts with opposition MPs demand: on the one hand, providing leverage of checks and balances that will balance the role and meaning of each element of SLG; on other hand - empowering the community with the real levers of influence on the activity of the LG. Note that the active participation of people in decision-making on local development is a defining feature of local government in foreign countries with a strong exponent of autonomy of SLG – that is such countries as Norway, Denmark, Iceland, Finland, Switzerland, the Great Britain,

Canada, Netherlands, the USA, Sweden. Citizens of these countries are endowed with substantial volume of rights and freedom. Consideration of appeals (proposals, claims, complaints, initiatives) is mandatory and extremely important part of the administrative activities of local governments. There is a high level of public control over the authorities and elected local government officials. One of the most effective forms of such control is the Institute of Local and Regional Ombudsman. The experience of formation of the ombudsman is expedient to adopt and implement more widely in domestic practice of local government (today ombudsman conducts activities only in Skadovs'k Kherson region, the possibility of such proceedings positions provided by the charter of the territorial community of Vinnitsa). Ukraine is the member of Council of Europe since 1995. According to the recommendations of the Congress of Local and Regional Authorities of Europe 61 (1999) [186], the activity of ombudsmen activity increases the level of protection of citizens' rights and in many cases prevents lawsuits to the Administrative

Court, the procedure of consideration which is usually a long and expensive. A number of other recommendations of the Council of Europe in particular, Rec 19 (2001) "The participation of citizens in local public life", Rec. 113 (2002) "About the relationship between the public, the local council and the executive in local democracy (the institutional framework of local democracy)", Rec. 182 (2005) «public participation in matters of local importance and elections» [2] highlights the basic principles of European "democracy participation": 1) encouraging citizen participation in local public life, raising public awareness - clarification of responsibility that is vested on each individual in a democratic society, promote awareness of the possibilities and forms of participation by developing educational and school educational programs; consolidation of ethical standards in their respective codes enforcement and local government officials; establishment of centers of public activity; support volunteering and charity; grants to solve local problems; 2) high level of public control over the provision of local government, ensuring transparency of activities, including public decision-making, the publication of the agenda of the Council meetings, publication of the minutes of sessions, ect.; the sessions devoted question - answer, improve access to public information; 3) development of so-called "forms of association neighbors" - of which delegated advisory and information functions of local governments; 4) practice of citizens participation, and their associations in the process of making decisions in local development - conducting public debates, public hearings, advisory referenda; involvement of citizens into governance through representative structures - Committee Members, Affiliate Board, advisory committees and councils of the "lower chamber"; 5) public review of draft legal acts, policies, programs and other documents of local development; 6) individual and collective appeals to the local authorities with complaints and suggestions on solutions to problems; 7) public opinion research on local development as during meetings with representatives of municipalities, and through surveys; 8) development of e-government. Summary results of the author [3; 4, p. 83 – 106; 9, p. 193; 11, p. 51-70] and own observations make it possible to allocate the following trends in the interaction of elements of SLG in democratic Europe (such as France, Germany, Poland, Bulgaria, Switzerland):

1) leading role in resolving the local issues play elected representative braches - councils.

However, the shortcomings of representative democracy led to the search for new conceptual foundations of SLG that reflected in the principles of «participatory democracy» and the principle of "good governance", outlined in the European Strategy for Innovation and Good Governance at Local Level; 2) expanding the scope of functions and powers of the executive bodies of local councils, which increases the impact of local government officials and increase the level of professionalism of municipal government; 3) impact of sustainable development has led to the appearance of new local government functions - strategic planning, environmental, which in turn led to the need for broad public involvement in the process of making important decisions to allocate responsibility; 4) a significant amount of life support functions of local residents transferred to NGOs and local self-organizations; 5) industrial and social infrastructure are being moved to the suburbs, occurs the relocation of the middle class to the suburbs, and the poor to the city, and there are agglomerations that require new approaches of interaction between elements of the local government; 6) actively developing inter-municipal cooperation, the basic forms of which is the creation of joint management, joint services, joint investments, exchange of experience, technical and information support; 7) municipal cooperation at the regional level due to the need to strengthen the resource bases of local government leads to consolidation of grassroots administrative units and the growing influence of associations of LG; 8) developments in IT-technology and e-governance, opportunity to participate in interactive surveys that are available at the web site of local authorities will allow more actively engage citizens in governance. For example, the average citizen of Switzerland during the year is involved in 6 elections and 30 referendums [12], numerous surveys. Implementation of such electronic voting system in Ukraine will save funds that re allocated from local budgets to ensure the holding of local referendums and significantly simplify the surveys. World experience shows that local government today is an important factor in the democratization of public life, decentralized management and a prerequisite of becoming civil society, the approach to its power source - the people.

World experience shows that it is representative branch are the main carriers of self-governing

powers, the main form of self-organization of local communities and their associations. Feature of committed national governments is that the districts and regions have no executive branch of local councils. All executive authority at the indicated levels performed by local public administration which in addition to its own responsibilities perform the powers delegated by the councils of the respective levels. Senior official in the region - the head of the local administration, subordinate to the Government and the President of Ukraine. A special place in the local government takes a village, town, city mayor, who is a chief executive of the respective territorial communities of villages, settlements, towns. He is elected by local communities and carries out their authority on a regular basis, led by the executive committee of the village, town or city council, preside over its meetings. Addressing the sole representative of the territorial community village, town, city mayor publicly called to balance the appropriate council. The Chairman is personally responsible for carrying out statutory powers granted to him, be accountable, controlled and accountable to local communities and council. For the implementation of the enforcement proceedings shall be responsible to the appropriate executive council. Doing it up, it should be emphasized that Ukraine is characterized by a system of local councils - the representative council and their executive committees, the emergence and operation of which is due to the low level of participation of territorial communities in solving local problems, and expressed as total amount of delegation of powers of territorial communities by local governments. This condition is so-called bifurcation point for local government.

Analysis of the Ukrainian experience of local authorities allows to state that for Ukraine at this stage of social and political development of the most appropriate is this model of local government, which is characteristic for implementation of general (universal) functions by local government; combination of direct state control in place, and local government; The presence of a unicameral grassroots and intermediate representative councils, "collegial" of local executive councils formed by the Mayor, who, as chairman of the executive committee, combines peer function with some administration duties. The state should retain political functions, transferring control to the field of economy, social and cultural spheres.

Also note that the barriers to cohesion of local communities and establishing them as a

major economic interaction in SLG are a number of common reasons set back the implementation in 2001-2003 UN «thanks to the development of society», and the factors we identified for the survey of the actual state of interaction with OLG population: the crisis of the Institute of collective action, misunderstanding the importance and necessity of social mobilization; lack of faith in their own abilities, distrust of OLG, passivity and indifference; wont shift responsibility for the quality of life on the other, low initiative and unwillingness to take responsibility; lack of knowledge and experience, lack of qualified specialists community activists with vibrant leadership skills and organizational skills; alienation of the population from the government and significant dependence of local authorities on the instructions of government agencies and officials; insufficient to popularize the ideas of self-organization as the OLG and the media; consumer self-interest, not the public perception of the active position as ideological values; poor democratic culture inability to agree on the principles of mutual concessions and compromises, tolerance for different mindset, lifestyle, personality traits, which eventually hinder cooperation and understanding; concerns of local government officials that a broad public involvement will slow down the decision making process, and sometimes deliberate elimination of local people from the process, denial of effective leverage over the local government (as evidenced by the low level of legal support interaction with public – no statute of community provisions on forms of local democracy and other relevant local authorities which determine the order of realization of the right to participate in the management of local affairs). These factors should be considered when developing a strategic plan for development of the local community effective tool unite all local development actors around common interests.

Conclusions

Thus, the system of local government - a collection of local governments, local communities, community organizations and their executive bodies formed by democratic means based on the principles of legality and publicity to address local issues.

Recently in Ukraine at the level of the highest legislative body being heated debate on the reform of local government. Politicians calculate the various options and how such reforms. In modern conditions require priority reform consti-

tution Ukraine, which will open the possibility to update the legal framework of local government. The consequence of this reform should be to solve existing problems of local communities and closer to optimal for Ukraine model of local government. Territorial communities should receive independence, which will consist of five types of sovereignty carried out within the legislation of Ukraine

It should be emphasized that further development of Ukraine aimed at decentralization and the development of democratic, legal state

and civil society; should lead to a gradual release of the fore most of local governments level, enhancing the role of the latter in the formation of regional and local policy on the basis of foreign developments in this area. Therefore, the provision of public (community) to independently, or through their representatives, to resolve as many issues of local concern, should be the main result of initiated reforms that will ensure meeting the needs of the population and the nation in general.

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УДК 349.417:336.226.4

No. DOI 10.14746/pped.2014.2.19

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LEGAL REGULATION OF TERRITORIES BELONGING TO THE COMMUNITY: FINANCIAL AND ECONOMIC ASPECTS

The article deals with general issues of regulating the separation of state and municipal property in the legal way, paying special attention to the procedure of distributing the land, and to the definition of the main drawbacks at this stage. The procedures of distributing the land before and after the adoption of the Law of Ukraine «On Amendments to Certain Legislative Acts of Ukraine regarding the separation of state and municipal property» are compared. Statistics on the number and value of work on demarcation of municipal and state-owned from the date of independence of the Ukrainian state and to the present day is given. Certain provisions of the valid legal acts in the sphere of distributing land are analyzed.

The questions of management and disposal of municipal property directly by local communities are raised.

The article examines the valuation of land, which is a key and critical component of effective community usage of the territory. The legal principles of valuating the land are identified and two types of it are characterized – normative and expert. The main points, reasons and consequences of the normative and expert valuation in accordance with the applicable national legislation are identified.

The fact that the normative monetary valuation of land and non-valuated land areas are the basis of land taxation in Ukraine, is emphasized. The size of land tax is given. The rate difference depending on whether normative monetary valuation of land was made or not is identified.

It is also noted that monetary valuation of land after 2000 is adjusted to the specified rate of indexation every year. Statistical data of the State Agency of Land Resources of Ukraine regarding the indexation rate of normative monetary valuation of land from 1996 to 2014 are given.

At the end of the article conclusions on the legal regulation of land owned by local communities from financial and economic side are made. A number of proposals on the issue of underfunding local budgets are given, taking into account that the land tax in communal ownership is a source of local revenues, and considering the imperfection of legislation in land valuation, violation of the procedure of land valuation and its understatement which is not justified economically.

Keywords: *the demarcation of land, the valuation of land, the land tax, the indexation rate of normative monetary valuation of land.*

Ібрагімова А.А. Правове регулювання земель, які належать територіальним громадам: фінансово-економічний аспект

У статті досліджуються загальні питання правового регулювання розмежування земель державної і комунальної власності, де особлива увага приділяється процедурі розподілу земель із визначенням її основних недоліків на сучасному етапі. Також розглядається питання оцінки землі, яка є ключовою і вирішальною складовою ефективного використання земельних ресурсів територіальних громад. Наприкінці статті робляться висновки щодо правового регулювання земель, які належать територіальним громадам з фінансово-економічної сторони. Наводиться ряд пропозицій для вирішення питання недофінансування місцевих бюджетів.

Ключові слова: *розмежування земельних ділянок, оцінка землі, ставка земельного податку, коефіцієнт індексації нормативної грошової оцінки земель.*

Ибрагимова А.А. Правовое регулирование земель, которые принадлежат территориальной громаде: финансово-экономический аспект

В статье исследуются общие вопросы правового регулирования разграничения земель государственной и коммунальной собственности, где особое внимание уделяется процедуре распределения земель с определением ее основных недостатков на современном этапе. Также рассматривается вопрос оценки земли, которая является ключевой и решающей

составляющей эффективного использования земельных ресурсов территориальных громад. В конце статьи делаются выводы относительно правового регулирования земель, принадлежащих территориальным громадам с финансово-экономической стороны. Перечисляется ряд предложений для решения вопроса недофинансирования местных бюджетов.

Ключевые слова: разграничение земельных участков, оценка земли, ставка земельного налога, коэффициент индексации нормативной денежной оценки земель.

Introduction

The Constitution of Ukraine, taking into account that the land is extremely important in all social and economic sectors of the country, declares it the fundamental national wealth that is under state protection [1].

Today the land is one of the most valuable resources, which local community may possess, the presence of which provides social, economic and cultural development of each community. Land is the foundation and the basis for building financially and economically independent, as well as strong local government in Ukraine.

Law of Ukraine «On Local Self-Government in Ukraine» dated 21 May 1997 p. № 280/97-VR provides satisfying land interests of local communities by means of acquisition and exercise of communal land ownership [2]. This right is not fully implemented in our country now, as a number of issues regarding the status of land management and other aspects evolve. This hinders the development of local government in Ukraine economically and as a result, construction of capable and competent communities.

Analysis of recent research

The works of such authors as A.M. Miroshnichenko, A.I. Ripenko, V.I. Borisova, L.A. Musica are devoted to the issue of separating state and municipal property. Some questions on the monetary value of land and payment for it were studied by K.B. Hryvnak, V.M. Pegs, G.M. Biletska and other scientists.

Statement of research objectives

The purpose of this study is to analyze the statutory regulation of land owned by local communities in the context of their separation and evaluation, as well as clarification of financial and economic assessment of the land tax in Ukraine today.

Results

General provisions of the right to the communal land ownership are set out in the Land Code of Ukraine (hereinafter – LC of Ukraine) dated 25 October 2001, № 2768-III. Under Part 2, Art. 83 all the land within settlements, except land of private and public property, and the land on which

are buildings, structures and other immovable property of the community, regardless of their location, is municipally owned [3].

Moreover, the state owned land plots that will be used to house facilities for servicing the needs of local communities (public enterprises, institutions, organizations, community pastures, cemeteries, places of disposal and recycling wastes, recreational facilities, etc.) and territories, which according to the approved planning documentation are intended to be included into populated localities by the decisions of the executive power, are transferred to municipal ownership [3].

Earlier in the legal doctrine prevailed the view, according to which communal lands appear in Ukrainian state only after the separation of state and municipal property according to a complex land ordered procedure stipulated by the Law of Ukraine «On the separation of state and municipal property» dated February 5, 2004 № 1457-IV (hereinafter – the Law «On demarcation of lands»). However, since the adoption of the Land Code of Ukraine and this Law, the separation of state and municipal property has not been conducted yet. This is because such a procedure was too complicated and expensive, as it provided development and coordination of land documents for demarcation. Demarcation was based on the need for simultaneous distributing vast areas of land in kind (on the ground) between the state and local communities and preparing complex and expensive land documents, approval, transfer of plot boundaries in kind, the issuance of the state act for the right to communal property [4, p. 7].

According to the State Agency of Land Resources of Ukraine, the cost of demarcation as of 2011 was about 600 million hrn. Considering such a large sum of money, the procedure of demarcation was barely held and amounted to nothing. Thus, according to the Centre of Commercial Law, 0.57% of lands were demarcated as of 2012 for seven years [5].

The solution to this problem is proposed in the Law of Ukraine «On Amendments to Certain Legislative Acts of Ukraine on the demarcation of

state and municipal property» dated September 6, 2012 № 5245-VI, under which the Law «On demarcation of land» became invalid. In Ukraine, after January 1, 2013 territories, in accordance with Articles 83 and 84 of the Land Code of Ukraine, managed by the village, town and city councils, and lands that are jointly owned by several local communities – regional or provincial councils, are considered demarcated [6].

Though the adoption of this law has resolved the existing problem on the distribution of land in Ukraine, but at the same time, greatly has complicated the procedure of obtaining land from state and municipal property in the possession or use. For example, the form of communal ownership act of land has not been approved legally yet, after the receipt and registration of which, in accordance with the applicable law, comes the «final» distinction and the time when the property rights of local communities on land come into force.

In our view, it will be possible to talk clearly about the consequences of state and municipal property demarcation that will be carried out according to the Law of Ukraine «On Amendments to Certain Legislative Acts of Ukraine on the demarcation of state and municipal property» only after the practical application of the provisions of this Law and the development of clear and effective mechanisms for their implementation.

According to Article 80 of the Land Code of Ukraine, municipalities implement communal ownership of land directly or through local authorities. S.I. Borisova noted correctly about the inadmissibility of ignoring the important fact that the will of communities to commit a transaction on the land can be made at the general meeting of members of the local community, through a referendum, by interviewing community members, etc. This statement applies primarily to not numerous communities, that facilitates the meeting of residents to address issues related to alienation or leasing state-owned land [7, p. 58].

However, L.A. Musica recognizing local communities as subjects of public law, denies them direct involvement in the management and disposal of municipal property and proposes to give these powers only to local governments [8, p. 9]. It is hard to accept this statement, because according to part 1, Article 143 of the Constitution of Ukraine, territorial communities of villages, towns and cities manage the property in communal ownership either directly or through

their local governments [1]. Therefore, depriving local communities of the right on disposal of land in municipal property is contradicts the Basic Law of Ukraine.

Considering that the land tax is one of the main sources of local revenues, today this opportunity for their content is used insufficiently, as the existing amount of rent payment for land plots and selling brings little income. The estimate of rural land is usually 2-5 times lower than urban land [9, p. 272].

Land valuation is a key and critical component of effective communities land-use accordingly, high-quality and cost-calculated valuation of land provides fixing well-grounded payments for land and causes a number of consequences in the financial and legal aspects.

Legal basis of land evaluation, professional appraisal activity in land valuation in Ukraine is determined by the Law of Ukraine «On Land Assessment» dated December 11, 2003 № 1378-IV, which aims at regulating relations connected with the process of land evaluation, information provision of taxation and land market.

According to Article 3 of this Law, land valuation objects are: territory of administrative units or parts, territories of valuation areas and zones, land or the total of land and rights thereto, including land shares (units) within the territory of Ukraine [10].

One of the types of land valuation, depending on the purpose and methods is monetary valuation of land. It may be, depending on the purpose and the order of fulfilling, regulatory and expert [10].

Regulatory monetary valuation of land is capitalized rental income from land, determined in accordance with the laws of the central executive authority on land issues [11]. Such assessment of land is used to determine the amount of land tax, state duty in barter transactions, inheritance and donation of land by law, the rent for the land of state and municipal property, loss of agricultural and forestry production, the value of land area over 50 hectares to accommodate outdoor sports and fitness facilities as well as the development of indicators and mechanisms of economic incentives for rational land use and protection. The reason for it is the decision of executive authority or local authority. It is performed by legal entities that are the developers of documents on land use, according to the Law of Ukraine «On Land Management» dated 22 May 2003 № 858-IV [10].

In turn, the expert valuation of land is the

result of determining the value of land and associated rights by the appraiser using the set of approaches, methods and evaluation procedures that provide data collection and analysis, calculation and presentation of results in a report. Assessment of land plots and rights to them is carried out to determine the value of the evaluation object. Such assessment of land is used in the exercise of civil agreements regarding land and rights thereto, except the ones permitted under applicable laws of Ukraine. The reason for its holding is a contract concluded by stakeholders in the manner prescribed by law, and also court decisions. It is carried out by the subjects of land valuation in the given sphere in accordance with the Law «On Land Assessment», Law of Ukraine «On the assessment of property, property rights and professional valuation activities in Ukraine» dated 12 July 2001 № 2658-III, and other legal acts and state standards, rules and regulations [10].

In accordance with Articles 20, 23 of the Law of Ukraine «On Land Assessment» by the results of regulatory monetary value of land of the settlement, technical documentation is made which is approved by the village, town, city councils. The data on individual regulatory monetary value of land are documented as an extract from the technical documentation for regulatory monetary value of land, which is given by the relevant executive authority on land issues. On their basis, parties – landowners and land users, calculate the amount of tax liability of payment for land and reflect it in tax reporting. In turn, as a result of expert money estimation of land a report is drawn up [10].

Regulatory monetary valuation of land, with a coefficient of indexation, and area of land, the regulatory monetary value of which has not been calculated [11], according to item 271.1 Article 271 of the Tax Code of Ukraine (hereinafter – TC of Ukraine) dated December 2, 2010 № 2755-VI, is the basis of taxation of land in Ukraine.

Item 274.1 Article 274 TC of Ukraine established the land tax for the plots of land the normative monetary valuation of which has been conducted regardless of the location (within or outside of the place) – the amount of 1% of the normative assessment [11]. The exception are land plots referred to in Articles 272, 273, 276 of this Code.

Due to the amended Law of Ukraine «On Amendments to the Tax Code of Ukraine regarding the improvement of certain tax provisions» dated

24 May 2012 № 4834-VI after July 1, 2012, the taxation of land outside settlements given to industrial enterprises, transport (except for land railways, except railway land plots, on which folk cultural buildings and other structures are detached), communications, energy, businesses and organizations engaged in operation of transmission lines (except agricultural land and land for forestry purposes) is carried out at a rate of 1% of the normative monetary value of the land, if such an assessment has been carried out (issue 274.1 Article 274 of the Tax Code), and if not assessed – at 5% of the normative monetary value per unit of area of arable land in the Crimea and region (issue 278.1 Art. 278 of the Code) [11].

The monetary valuation of land, since 2000, every year as of January 1, specifies the indexing coefficient according to the procedure approved by the Cabinet of Ministers of Ukraine. Under this procedure the central executive power body on land issues annually calculates the coefficient index of normative monetary value of land according to the consumer price index for the previous year and not later than January 15 of this year, informs the central authority of the State Fiscal Service of Ukraine and land owners and users about this assessment annual indexation [12].

According to the State Agency of Land Resources of Ukraine as of January 1, 2014 indexation rate of normative land assessment for 2013 is 1.0, which is in accordance with paragraph 289.2 of Article 289 TC of Ukraine calculated on the consumer price index basis for 2013 – 100.5% [13].

In 2014 normative monetary valuation of land settlements, agricultural land and non-agricultural land (except land within settlements), which is held by the original data of the previous years must be indexed as of January 1, 2014 by a factor of 3.2, which is determined based on the product of the rate of indexation for 1996 – 1.703, 1997 – 1.059, 1998 – 1.006, 1999 – 1.127, 2000 – 1.182, 2001 – 1.02, in 2005 – 1.035, 2007 – 1.028, 2008 – 1.152, 2009 – 1.059, 2010 – 1.0 2011 – 1.0 2012 – 1.0 2013 – 1.0. Regulatory monetary valuation of land in 2002, 2003, 2004 and 2006 was not indexed [13].

Finally, attention should be drawn to the fact that the issue 14.1.147 Article 14 TC of Ukraine stipulates that the land tax as a generalization of the concept is a federal tax levied in the form of land tax and rent for land plots of state and municipal property. This tax is included in the

budgets of local governments and belongs to the general fund revenues of local budgets, but is not taken into account in determining the amount of intergovernmental transfers [14].

In view of the current state and local budgets under the financial inability of local communities to decide for themselves the full local issues, there is an urgent need and feasibility of introducing such a tax, as payment for the land to the list of local taxes and fees, income from the payment of which remain fully in local budgets. This change will help to improve the overall financial capacity of each territorial community in Ukraine.

Conclusions

So, considering all the above mentioned, we can conclude that the land in communal ownership is a key component of the resource base of communities. The question of demarcating state and municipal property is still not fully resolved, and in practice causes a number of problems, especially in the consolidation (state registration) of community rights to land. Therefore, to solve this problem, in our opinion, it is necessary to determine the form of legislative act of communal land ownership and amend the legislation regarding the procedure of state registration of rights to land in state and municipal property. Although today, this procedure is too complicated and expensive.

In addition, considering that the fee for the land in communal ownership is a source of local revenues, respectively imperfect legislation in land valuation, violation of the procedure for assessing land, its economically unjustified underestimation leads to reduced tax base and, consequently, underfunding local budgets. Therefore, in our opinion, it is necessary:

- amend the Law of Ukraine «On the evaluation of land» in the definition of real value and the value of land;

- amend the TC of Ukraine in terms of percentage between the tax rate (increase the size of the tax rate) and normative monetary value of land and annual indexation normative assessment of the land. Supplement the provisions of section 14.1.147 Article 14 with the definition: «The land fee is a local tax levied in the form of land tax and rent for land plots of state and municipal property, payable to the local budget of the territorial communities»;

- strictly comply with legal provisions regarding land valuation, monitor this procedure and increase the responsibility for its violation.

Moreover, we believe that the village and town councils, with the aim of filling up local budgets should actively implement modern projects on their lands that can bring income to local communities and have a positive impact on their social and economic development. For example, projects such as ecotourism; «Urban village» – pockets of urban residents in rural areas, which consist of modern buildings, the necessary infrastructure and so on.

It is also necessary to form a competitive basis in the area of the territorial community land ownership and use by organizing and conducting land auction (competition). Thus for sales or for delivering possession the value of the land, which is determined by its expert money estimation is used. By the way, the experience of other countries (Poland, Hungary) shows that competitive sales may significantly increase the size of local budgets revenue.

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