# *ECONOMIC AND LEGAL PRINCIPLES OF ECONOMIC GROWTH IN THE POST-CRISIS PERIOD*

**Monograph**

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# INTRODUCTION

In the complex realities of the Postmodern era or the Fourth Industrial Revolution, Ukraine is paving the way for a prosperous and prosperous society. This is quite a difficult task and for its implementation the economic system needs significant reform with vector expansion of its own potential. On this difficult path there are significant obstacles of political, mental, military, medical, etc. content, which significantly hamper the efforts of society to form a developed state. To solve this nationally significant task, scientists, including the humanities, must play an important role. In this context, the main purpose of submitting materials to the monograph was the patriotic desire of domestic scientists, many of whom are full members of the Academy of Economic Sciences of Ukraine, to contribute to solving certain problems of economic development of Ukraine.

This monograph highlights the views of scientists of the National Academy of Sciences, the National Academy of Agrarian Sciences, national educational institutions of economic, agricultural, military profiles on the strategic and current foundations of further socio-economic development. The scientific achievements of scientists are presented in the form of paradigmatic and conceptual principles, mechanisms, schemes, models, etc., which are substantiated in the process of research of the selected object. The special scientific value of this work is the analytical substantiation which convinces in reliability of the made conclusions and offers.

Considerable attention in the structure of the monograph is paid to the problems and means of their solution in the fields of agro-industrial complex, state management and insurance, which in the current conditions of Ukraine's development is especially relevant. Proper legal justification of the proposed measures forms a realistic perception of the views expressed and reflects the personal scientific positions of scientists. Separate sections of the monograph are presented as components of scientific topics, which are commissioned by the central government and are carried out at the expense of budget funding, which is evidence of the scientific significance of the national level.

The scientific achievements of scientists on the economic and legal foundations of economic growth presented in the monograph will undoubtedly contribute to the search for effective ways of further social development of Ukraine.

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# *SECTION IV*
# *FINANCIAL MECHANISM IN THE SYSTEM OF ECONOMIC VECTORS OF DEVELOPMENT OF UKRAINE*

## *4.1 Theoretical and methodological principles of financial regulation in the system of economic vectors of development of Ukraine*

The deepening of European integration processes in Ukraine against the background of economic reforms necessitates the transformation of socio-economic systems and phenomena, especially their financial component at all levels of government, which, in turn, should contribute to the formation of a modern model of financial regulation. Given the above, it is advisable to increase the efficiency of the public administration system, minimize economic and institutional risks. It is important to form a long-term financial strategy that will promote balance and coherence of long-term macroeconomic goals.

A number of domestic and foreign scholars have dealt with the issue of financial regulation of economic development, and their ideas have been reflected in their scientific works. At the same time, the economic literature does not sufficiently study the possibilities of transforming the financial mechanism of state regional policy in accordance with the conditions of development of the financial system of Ukraine, defined by the Budget Code and other regulations. Legal, organizational, functional aspects of management of formation and use of financial base need improvement.

Scientific monographs and publications of many domestic and foreign researchers have been devoted to defining the essence of the "financial mechanism" since the mid-1970s, but scientists' interpretation of its economic essence is ambiguous. In this regard, we consider the approaches of individual authors to the definition of the term "financial mechanism", taking into account scientific requirements, in particular: objectivity, clarity of definition, completeness of the explanation.

In his work "Public Finance" V.M. Fedosov, L.D. Buryak, D.D. Butakov among the elements of the economic mechanism identified the "financial mechanism" as a set of economic, organizational and legal forms and methods of managing the financial activities of the state, which operate in the formation, distribution and use of targeted centralized and decentralized funds to meet needs society [1].

O.D. Vasylyk interprets the "financial mechanism" as a set of specially developed and legally established forms and methods to ensure economic development and social needs of citizens. He notes that the "financial mechanism" is, in essence, methodological, organizational and legal provisions and measures that determine the functioning of finance in the economy, their practical use to

[1] Федосов В. М., Буряк Л. Д., Бутаков Д. Д. Государственные финансы. К. : Лыбидь, 1991. 276 с.

achieve the goals and objectives set by the relevant programs[1].

V.D. Bazylevych, KS Bazylevych and LO Balastryk offer the following definition: «Financial mechanism is a set of economic-organizational and legal forms and methods of managing the financial activities of the state in the process of creating and using funds of financial resources to ensure various needs of state structures, economic entities and the population»[2].

O.P. Kyrylenko considers the concept of "financial mechanism" as a set of specific forms and methods of providing distributive and redistributive relations, income generation, cash funds[3].

S.V. Kovalchuk and IV Forkun 5 define the "financial mechanism" as a set of specific financial forms, methods and levers by means of which the process of social reproduction is provided. At the same time, they note that distribution and redistributive relations are carried out, incomes of business entities and cash funds are formed. At the same time, they emphasize that in a narrow sense, the financial mechanism is a system of financial levers, which is expressed in the organization, planning and promotion of financial resources. That is, the authors do not have a single approach to the interpretation of the term "financial mechanism".

Under the "financial mechanism" VM Oparin understands a set of financial methods and forms, tools and levers of state influence on economic and social development of society[4].

The financial mechanism of state regulation of the economy is an integral part of the economic mechanism in the state, which in turn determines the nature of the economic system as a whole. The use of the financial mechanism (financial instruments) in the modern economic system is the main form of regulation of economic processes in market conditions.

We believe that the structure of the financial mechanism as a financial category is successfully considered by S. Yuri, who in his research identifies the following components: financial methods (financial operational management, financial planning, financial support, financial regulation and financial control); financial leverage, incentives and sanctions (taxes, mandatory fees, interest on loans, financing rates, etc.); regulatory support (the system of regulatory and administrative documents developed by the authorities).

O.D. Vasylyk details the structure of the financial mechanism in the areas of formation, distribution and use of funds of financial resources and present it in the form of interconnected elements, which are a set of forms and methods that are part of the financial management system. He notes that “according to the structure of the financial system, the financial mechanism is divided into the following

[1] Економічна енциклопедія : у 3 т. / Т. 3 (П–Я). К. : Академія, 2000. 952 с.

[2] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

[3] Кириленко О. П. Фінанси (теорія та вітчизняна практика): навч. посібник. Тернопіль : ТОВ ЦМДС, 1998. С. 34.

[4] Опарін В. М. Фінанси (загальна теорія) : навч. посібник. 2-ге вид., допов. і переробл. К. : КНЕУ, 2005. 240 с.

components: the financial mechanism of enterprises, organizations, institutions; budgetary mechanism; insurance mechanism, etc."[1].

O.M. Kovalyuk supplemented the structure of the financial mechanism with information support and, in our opinion, most successfully reflected its structure schematically, purely as a component of the financial system, without reflecting the regulatory levers[2].

Bazilyuk identifies the formation of a system of innovative financial mechanisms for attracting long-term funds to targeted state investment programs, as well as the creation of regional financial mechanisms to ensure stability[3].

At the same time, in the foreign literature, the financial mechanism is not singled out as a separate object of study, but is dominated by the financial system and mechanisms for financing socio-economic development on a credit basis from the standpoint of interpreting the role of the financial market as a mechanism. Thus, R. Glenn Hubbard defines the main function of the financial system as "providing ways to transfer funds from individuals and groups with savings, individuals and groups who want to borrow money." Thus, the interaction between savers and borrowers occurs through financial markets and financial intermediaries, whose main functions are: risk reduction, liquidity and information services. Along with ensuring the movement of funds, resource opportunities are provided for the growth of business activity and economic growth in general.

In our opinion, synthesizing all the above views, we can give the most complete definition of the financial mechanism of state regulation, which, in essence, is a set of methodological, organizational, regulatory and legal forms, methods, tools, levers and provisions on which measures are developed. that under the condition of appropriate normative-legal and information support determine the functioning of financial and economic relations in the state, the practical application of which is directed to achieve certain goals and objectives, in the process of formation, distribution and use of target centralized and decentralized funds of monetary resources. However, taking into account the object of our study, we propose our own definition of the financial mechanism of state regulation of the region's economy, which will be considered as a set of financial instruments that create financial prerequisites and incentives for socio-economic development, in accordance with regional economic policy goals and objectives.

Under conditions of economic instability, the importance of public financial policy as a basis for the resumption of economic growth and development of social production is growing. An integrated approach to the formation of the system of state financial regulation of economic development involves strengthening the coherence of the use of instruments of tax, budget, monetary regulation, increasing the effectiveness of the relevant state financial institutions responsible for the

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[1] Василик О. Д. Теорія фінансів. К. : НІОС, 2000. 416 с.

[2] Ковалюк О. М. Фінансовий механізм організації економіки України (проблеми теорії і практики) : монографія. Львів : Вид. центр Львів. нац. ун-ту ім. Івана Франка, 2002. 396 с.

[3] Базилюк Я. Б. Пріоритетні напрями підвищення результативності співробітництва України з міжнародними фінансовими організаціями. *Фінанси України*. 2014. № 1. С. 54–66.

formation and implementation of economic policy.

Today it is possible to use the following methods of public financial policy, which can help eliminate social disparities in society and the necessary tools and levers:

- tax regulation of income of individuals (tax benefits for certain categories of citizens and various tax deductions under certain conditions, the introduction of a moderately progressive tax scale);
- financing of cash payments to citizens guaranteed by the state (assistance, scholarships, pensions, material assistance, etc.);
- financing benefits when paying for or receiving goods and services (including utilities) for such categories of citizens as persons with disabilities; families with children with disabilities; large families; families who have lost a breadwinner, low-income pensioners, etc.;
- financial regulation of the housing market by the state (provision by the authorities of state guarantees for bank mortgages, construction of social housing on the basis of public-private partnership, etc.);
– financial incentives for enterprises / organizations to social partnership, creation of new jobs in order to reduce unemployment;
- budget financing of targeted social programs, in particular in the field of education, health care, culture, etc.;
- financial incentives for population reproduction;
- financial support and regulation of state social guarantees (minimum wages, incomes, pensions, social assistance, etc.);
- targeted provision of social services.

The implementation of these methods requires the application of agreed components of the mechanism of budgetary regulation of social development in the areas of: budget revenues, budget expenditures, intergovernmental transfers, lending and the mechanism of monetary regulation. Budget policy instruments, as financial instruments, influence the process of mobilization of funds to the budget and the directions and forms of budget expenditures, which are either created to regulate certain processes, or contain appropriate regulatory action.

The financial mechanism can be characterized in qualitative and quantitative terms. Quantitative characteristics of the financial mechanism of state regulation are determined by the amount of financial resources that are concentrated and distributed at the appropriate management levels, as well as the technology of their concentration and use. Qualitative characteristics of the financial mechanism of state regulation are characterized by a set of techniques, methods and forms of resource mobilization and their use.

It is important to improve the methodological foundations of financial policy, increase its efficiency in the regulatory process in accordance with economic cyclicality, increase the effectiveness of mechanisms to support the competitiveness of the domestic economy. Improving the soundness of economic decisions in the field of financial system management requires improving the tools using a set of stochastic methods. It is advisable to determine the interdependencies between macroeconomic indicators, including gross domestic product, exports, imports, the national currency exchange rate, the consumer price index, components of the revenue side of the consolidated budget. Institutional and macroeconomic factors that reduce the quality of forecasting the main indicators of budget relations, in particular the level of the shadow economy, the dependence of gross domestic product growth on exports of raw materials, a significant number of changes in taxation. The institution of ownership is an effective tool for long-term economic development, the ownership structure affects the volume of investment and efficiency of the financial system in the medium and long term. It is necessary to increase the level of financial control for state-owned enterprises, the efficiency of the state as an owner of assets and management entity, which will positively affect the competitiveness of the country's economy.

**Table 1 – The main macroeconomic indicators of Ukraine for 2014-2020**

| Indexes | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|---|
| **National accounts, UAH billion** | | | | | | | |
| Nominal GDP | 1586.9 | 1988.5 | 2385.4 | 2983.9 | 3560.6 | 3978.4 | 4194.1 |
| Consumption | 1430.0 | 1723.6 | 2032.3 | 2618.1 | 3209.3 | 3704.9 | 3923.2 |
| Gross accumulation | 212.6 | 316.8 | 518.2 | 595.2 | 661.8 | 592.2 | 315.0 |
| Net exports of goods and non-factor services | -55.6 | -51.9 | -165.2 | -229.4 | -310.5 | -318.7 | -44.1 |
| **Index,%, annual change** | | | | | | | |
| Real GDP | -6.6 | -9.8 | 2.4 | 2.5 | 3.4 | 3.2 | -4.0 |
| Consumption | -6.2 | -15.2 | 2.0 | 8.4 | 7.1 | 5.3 | 0.5 |
| Gross fixed capital formation | -24.0 | -9.2 | 20.4 | 16.1 | 16.6 | 11.7 | -24.4 |
| Export of goods and services | -14.2 | -14.2 | -1.8 | 3.8 | -1.3 | 7.3 | -5.6 |
| Import of goods and services | -22.1 | -16.7 | 9.3 | 12.6 | 3.0 | 5.7 | -9.6 |
| **Output of individual sectors of the economy,%, annual change** | | | | | | | |
| Agriculture | 2.2 | -4.8 | 6.3 | -2.2 | 8.2 | 1.4 | -11.5 |
| Industrial production | -10.1 | -12.3 | 4.0 | 1.1 | 3.0 | -0.5 | -4.5 |
| **Inflation, index (%)** | | | | | | | |
| Consumer price index (average for the year) | 112.1 | 148.7 | 113.9 | 114.4 | 110.9 | 107.9 | 102.7 |
| Industrial producer price index (average for the year) | 117.1 | 136.0 | 120.5 | 126.4 | 117.4 | 104.1 | 98.4 |

*Source: built by the author* [1]

In order to strengthen the efficiency of state-owned enterprises, it is important to establish indicative target performance indicators of enterprises in the public sector of the economy, to improve the mechanism of competitive selection of heads of enterprises. To eliminate the oligopoly in certain sectors of the economy, it is necessary to increase the effectiveness of antitrust regulation. It is expedient to direct customs, tax, budget regulation measures in the period of post-stabilization recovery to reduce the tax burden on innovation and high-tech

[1] Вплив COVID-19 на економіку і суспільство країни: Підсумки 2020 року та виклики і загрози постпандемічного розвитку. Квітень 2021 №53. URL : https://www.me.gov.ua/?lang=uk-UA

activities, allocate budget allocations to support important areas of social development, including science, education, defense, health, infrastructure, science-intensive industries [1].

In modern conditions, public financial regulation in countries with developed and transformational economies plays an important role in ensuring economic development, including by maintaining the level of aggregate demand. Priority measures of economic policy of developed countries are the implementation of adaptive monetary regulation, the implementation of structural changes in the financial system, balancing the budget within the economic cycle.

The possibility of budget stimulation of the economy, to a large extent, depends on the dynamics of debt sustainability and the duration of the economic recession. To enhance budget effectiveness, it is important to ensure further development of the program-target method in the budget process, which should be based on the introduction of strategic and medium-term budget planning, based on a careful analysis of the optimal expenditures to finance the budget program, monitoring the achievement of this program. The development of financial policy measures depends on the tasks that need to be addressed at a certain stage of social development. It is necessary to strengthen the level of the relationship between forecasting budget indicators and priority areas of socio-economic development of the country, expanding the use of monetary, budgetary, tax, customs, tariff regulatory instruments to achieve certain goals of public financial policy.

Financial policy as a macroeconomic regulator of reproduction processes, aimed at implementing the strategic priorities of socio-economic development of the state. Through the use of a set of budgetary instruments to influence the process of budget formation and execution, the regulation of budget expenditures allows to achieve the necessary macroeconomic proportions and indicators of economic growth, to promote economic development and social transformation.

It is important to implement appropriate uniform rules, norms, standards in the field of finance, in the organization of financial relations in society, because it is a necessary condition for effective and responsible public financial policy, coordinated functioning of its financial mechanism. Compliance with the established rules by economic entities is embodied in financial discipline and allows for a unified policy in the field of finance, to neutralize or mitigate social risks, to protect the interests of those members of society who need it most. The implementation of effective public financial policy of social development depends on the establishment of financial relations, the purposefulness of the financial mechanism, its effectiveness, adaptability, functionality, adequacy of time, place and state of social and economic processes. From these positions, the methods, tools and levers of public financial policy are important to use as an interconnected adaptive-dynamic system that will contribute to: optimizing the structure of public financial resources, solving a set of macroeconomic problems, economic growth

[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

on an innovative basis and social development. Today's conditions require adequate mechanisms to respond to dynamic changes in the external and internal environment, the creation of mechanisms for preventive action against social risks. The process of transformation of the mechanism of implementation of the state financial policy of social development should be carried out in compliance with the following requirements: transparency, adequacy and timeliness; ensuring quantitative and qualitative assessment of the costs of change; taking into account the influence of internal and external factors, social risks.

Given the foreign experience, the mechanism of financing social innovations should play an increasingly important role in the mechanism of implementation of public financial policy. Given the peculiarities of the mentality and psychology of citizens accustomed to the paternalistic behavior of the state, in a high level of distrust in the actions of public authorities and local government, it is important not only to improve financial regulation of social processes, but also to create conditions for increasing public responsibility. . The role of the state is to create conditions and mechanisms for the realization of the population's aspirations for self-sufficiency, in particular the formation of a favorable institutional environment, the development of entrepreneurship, law, institute of property protection, efficient use of resources. Effective ensuring the functioning of the financial mechanism and its components also involves the proper organization of the system of financial planning, forecasting and control.

The financial and economic crisis and its consequences have been important reasons for rethinking the place and role of budgetary and monetary instruments of public financial policy in the social and economic development of society. The strategic task of public financial policy is to achieve a high quality of life. It is important to use the instruments of public financial policy adequate to economic and social tasks in the system of state regulation, based on the assessment of their role in economic and social development.

An important direction in the development of the instrumental influence of public financial policy on social processes is overcoming excessive inequality through the growth of qualitative characteristics of the mechanism of its implementation, which includes: fair taxation, transition from financing institutions to financing social services, reorientation of financial instruments. The latter is directly related to the improvement of the system of accounting for all household incomes to determine the right to such support. However, the likelihood of significant transaction costs should be considered in this regard. State support should apply only to those who are unable to provide for themselves, for other members of society should be clear and understandable rules for the realization of self-sufficiency. An important place in overcoming social problems based on the modernization of Ukraine's economy belongs to state incentives for economic entities to implement social innovations and indirect regulation of activation / dissemination of public-private partnership (PPP) in corporate social responsibility, in particular by developing clear organizational conditions, implementation rules. and effective financial mechanisms.

The main directions of state financial regulation of the economy in the medium term are part of the implementation of strategic goals of socio-economic development of the country. The priority measures of monetary regulation are the development of a mechanism for refinancing banks, promoting the balancing of the foreign exchange market in order to intensify lending processes in the real sector of the economy, creating appropriate incentives for economic growth. Budget and tax regulation should be aimed at strengthening the efficiency of the expenditure side of the budget, the development of institutional sectors of the economy, increasing the level of financial stability of the public finance system

Currently, public financial regulation of the country is formed in terms of socio-economic policy, which is based on the need for equal participation of the state in world economic and financial relations, improving the quality of public services, which requires economic growth strategy at a qualitatively new institutional level. It is necessary to take measures aimed at increasing the level of balance and transparency of the budget, efficient use of budget funds, improving inter-budgetary relations, ensuring quality budget execution at all levels, effective state financial control to strengthen the budget system's impact on socio-economic development. Budget policy in the field of expenditures, in accordance with the tasks and objectives is inert in terms of social budget expenditures and expenditures for public debt service. The level of the institutional environment characterizes the quality of interaction and coordination of fiscal and monetary policy of the country, regulatory opportunities and the degree of influence of financial instruments and levers on the processes of economic development and social stability. A necessary precondition for the implementation of effective fiscal policy is to ensure the convergence of models of financial incentives and restrictions. The institutional aspect of coordinating the components of financial policy is related to the interaction of public authorities. Transformational transformations necessitate the formation of a system of public financial regulation with the definition of indicative values of expected results, which will help ensure balance and coherence of social development priorities.

Analyzing and synthesizing scientific approaches to determining the essence of the financial mechanism, we can say that this is a complex multifactorial category, because, depending on the characteristics of financial relations, forms of financing, financial methods, financial instruments and levers, legal, regulatory and information support in each case sphere of public life or economy, there are various financial mechanisms [1].

[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

### *4.2 Analysis of the financial mechanism of Ukraine*

Revealing the essence of the multifactorial category of "financial mechanism", we note that most practicing economists and financiers and scientists in research and publications use slightly different features of the term. And in the scientific interpretation of the essence of the financial mechanism in domestic and foreign sources there are also differences. After all, in Western literature, the financial mechanism is considered primarily from the standpoint of its resource and fundraising functions, which are realized through the market mechanism through the interaction on a credit basis of savers and borrowers in the financial market. At the same time, the insufficient development in our country of market institutions and market mechanisms for managing socio-economic processes, including financial regulation as a "method of state management of economic and social processes in the use of finance" defines "financial mechanism as part of economic mechanism in the state»[1].

Thus, there is no single approach among scientists to determine the content of the definition of "financial mechanism". Most domestic scholars define the financial mechanism as a set of economic, organizational and legal forms and methods of managing the financial activities of the state, others – as a set of financial forms, methods, tools, levers of state influence on economic and social development.

The financial mechanism of regulation is characterized by its inherent features that allow in some way to distinguish it from other management mechanisms:

1. Characterizing the scope of use of objectively existing distributive relations, it is an integral part of the overall system of economic management, occupying a leading place in it.
2. The financial mechanism of regulation on the one hand is conditioned by the really existing financial relations, and on the other – it actively influences them.
3. As market financial and economic relations develop, the financial mechanism changes and improves.
4. Depending on the directions and purposes of state regulation, the financial mechanism provides for the use of various, internally determined tools for influencing socio-economic processes.
5. The instruments of influence of the financial mechanism of state regulation are combined and mutually agreed depending on the tasks of the financial policy of the state.
6. Quantitative characteristics of the financial mechanism of state regulation depend on the limits of state intervention in economic processes.

The purpose of the financial mechanism in the state regulation of the region's economy is reduced to:

- financial support of levers of state regulation of development of administrative-territorial formation;

[1] Василик О. Д. Теорія фінансів. К. : НІОС, 2000. 416 с.

- financial regulation of economic and social processes at the regional level.

The definition of "financial mechanism" is interpreted as a system of financial methods, financial instruments and financial levers, as well as legal, regulatory and information support, which allows the state to perform the functions of providing, regulating, managing economic and social development at central, regional and local level (Fig. 1)

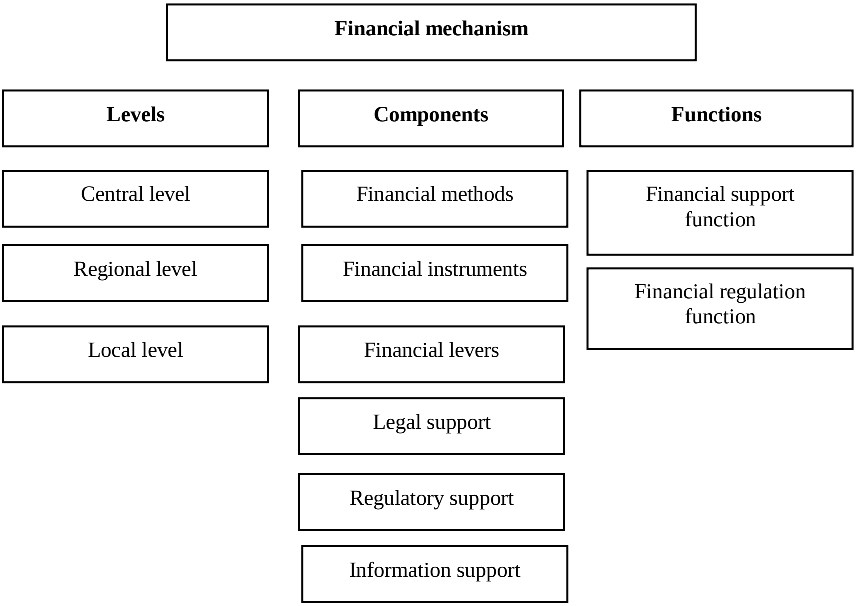


**Figure 1** – Components of the financial mechanism
*Source: built by the author*

Thus, we consider each of the six structural elements of the financial mechanism in theoretical terms in more detail (Fig. 2). Thus, financial methods cover the methods and techniques of the impact of finance on the economy of the state, region, community. Financial methods are the basis of the financial mechanism. Financial levers operate within the appropriate instruments. They are used to stimulate or restrict activities. After analyzing the above, we can conclude that each financial method corresponds to certain financial instruments and financial levers. Depending on the application of the financial mechanism in practice, we determine its methods, tools and levers.

The following three structural elements of the financial mechanism are the sources of its legal, regulatory and information support. In particular, legal support is the existence of legislative and other legal acts regulating financial activities. These include laws, decrees, orders and other legal documents of government. Regulatory support is the presence of norms and standards of financial activities:

instructions, norms, standards, tariff rates, guidelines, instructions and explanations. Information support includes statistical, economic, financial, commercial, scientific and other information, the source of which can be statistical reporting, official websites of enterprises, organizations, institutions and other institutions, media reports, as well as the results of various surveys.

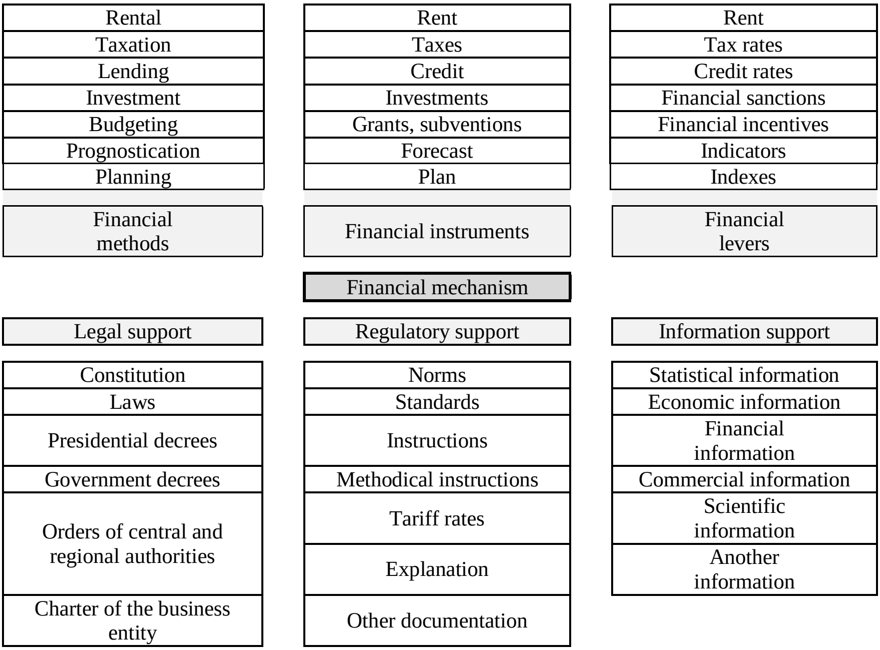


**Figure 2 – The main elements of the financial mechanism**
*Source: built by the author*

It should be noted that each of these elements of the financial mechanism operates relatively independently, while being part of the whole. All elements are interconnected, and therefore there is a need for constant coordination of their activities.

The mechanism of state regulation is quite complex, it combines a system of measures, state institutions, which through the use of certain levers ensure the functioning of the economy in line with the adopted state concept and development strategy.

To stabilize the national economy and the optimal redistribution of financial resources to public authorities, first of all, should take into account the peculiarities of the crisis, namely:

— identification of objective causes and possible consequences of their manifestation in the domestic economy;

— forecasting the criteria for assessing the safety of crisis phenomena;

— study of crisis management methods and their use depending on the area of occurrence and the amount of damage.[1]

Practice has confirmed that financial policy, as well as national economic policy in general, depends on the existing legal field and government and administration in the implementation of state functions and ensuring the legitimacy of financial relations. It is no coincidence that financial policy is the result of both objective and subjective factors influencing its formation, implementation and development in the system of market relations. The main problems of financial policy are to ensure the dynamics of growth, the competitiveness of Ukraine's economy, the adoption of an updated model of financial development. This is the way that will allow Ukraine to preserve and most effectively use the existing scientific and technical potential for structural change and take its rightful place in the world. Deepening the course of market reforms on an innovative basis and their acceleration, radicalization of systemic transformations can ensure the progressive development of the state.

An important factor in economic development is the creation of an effective financial mechanism. Today, managing the financial process is, first of all, managing financial resources and stimulating financial development through the means and tools of the financial mechanism. The effective functioning of the financial system of the state depends on the establishment of financial relations in society, as well as on the effectiveness of the financial mechanism through which the financial policy of the state is implemented.

One of the main problems in the implementation of financial policy is the failure to ensure high efficiency in the use of budget funds to achieve the best indicators of socio-economic development. An imperfect budgetary mechanism has a negative impact on financial policy and, consequently, constrains the economic policy of the state as a whole. The solution to this problem is seen in the definition of clear priorities for economic development, social sphere and strengthening the responsibility of fund managers for their targeted and effective use.

Analysis of the economic situation in Ukraine and the practice of state regulation in countries with developed market economies show that the main elements of state regulation as a method of management include: legal and administrative regulation; budgetary-financial, monetary-credit, price regulation; indicative planning, forecasting, programming of socio-economic development; structural and market regulation; investment, countercyclical, regional, sectoral, structural, depreciation, anti-inflation, currency, customs, price, social, scientific and technical, environmental, foreign economic policy or various options for combining them; state entrepreneurship and more.

In the conditions of modern economic transformations, it is important to

[1] Базюк В.Р., Лагдан А.В. Фінансова політика України: сутність та проблеми розвитку. URL: http://ukrlogos.in.ua/documents/18_04_2018_ 169.pdf.

deepen the disclosure of the essence of state financial regulation as a tool of economic development, to improve the institutional foundations of the country's financial policy, to intensify the processes of attracting investments.

Mechanisms of state influence on economic processes, taking into account the periods of validity of financial instruments and levers, need to increase efficiency. It is expedient to further develop the provisions of medium-term financial and budgetary forecasting, which is aimed at ensuring the stability and balance of the financial system. The appropriate level of substantiation of priority areas of financial regulation of economic development and coordination between state financial institutions will contribute to the effectiveness of transformational transformations in the economy and social sphere.

Taking into account the objectives of the study, we determine the most important methods, tools, levers and regulatory, legal and information support of the financial mechanism. The most important methods of the financial mechanism include: planning, forecasting, budgeting, investing, lending, taxation, insurance and more. Financial planning is a scientifically sound process of determining the sources of creation and directions of use of financial resources in the economy. [1]

We highlight the following main functions of financial planning:

– establishing the main directions of financial policy in the state;

– approval of quantitative and qualitative financial indicators for the planning period;

– determining the necessary level of redistribution of financial resources to achieve the planned pace and proportions of socio-economic development of the state, regions, communities;

– establishment of rational forms of mobilization of financial resources at the local, regional and state levels and determination of their optimal structure accordingly.

Financial planning should be based on the basic principles: on the scientific validity of financial plans and the program-target principle, which requires the definition of a specific purpose of financing, ensures the purpose of financial resources. Financial forecasting is a complex financial method that requires a combination of knowledge of economic laws, scientific orientation and intuition.

Financial forecasting is a strategy for the development of state finances (region, community) for the long term. Budgeting is defined as the budget process regulated by budget legislation, preparation, consideration, approval, implementation of budgets, monitoring and reporting on their implementation, as well as control over compliance with budget legislation. These financial methods correspond to different sets of financial instruments, which include financial plans, financial forecasts and budget plans (budgets) – the formation and use of financial resources to ensure the tasks and functions performed by the relevant public authorities during the budget period. Planned indicators and indicators of forecast calculations are the basis for the introduction of appropriate financial levers,

[1] Економічна енциклопедія : у 3 т. / Т. 3 (П–Я). К. : Академія, 2000. 952 с.

incentives and sanctions in the form of benefits or restrictions that ensure the development of the state in a certain direction. Such levers include tax benefits, concessional lending or subsidies to cover losses. The levers that limit one or another type of activity include fines, additional taxation, abolition of benefits, and so on. Investment as a financial method, implemented primarily through a financial instrument – capital investment, is very important in ensuring the financing of social and economic development of the state, the region [1].

According to the methodological approaches to capital investments are investments in the acquisition or manufacture of own forces for their own use of tangible and intangible assets. Investments in tangible assets include investments in land, existing buildings and structures, new buildings, structures, machinery, equipment and inventory, vehicles, long-term biological assets of livestock and crop production, major repairs and other non-current tangible assets. Investments in intangible assets include investments in the acquisition or creation of software, databases, rights to use natural resources, property, rights to commercial purposes, industrial property, copyright and related rights. Equally important in market conditions is the financial method of lending, which corresponds to the financial instrument – credit, a universal instrument of distribution and redistribution of national income of financial resources, and therefore material and labor capital, which contributes to progressive changes in socio-economic development. Summing up the above definitions, we see that the financial mechanism performs primarily two main functions, ie its role in the financial system is to provide financial support and financial regulation of economic and social development at the local, regional and central levels. It should be noted that O. Vasylyk defines financial support and financial regulation as the task of the financial mechanism[2], which are different only in theoretical terms. In fact, financial security also performs the function of financial regulation. In turn, financial regulation can perform the function of financial security.

Financial regulation in scientific circles is interpreted as a method of state implementation of management functions of economic and social processes in the use of finance. The state, establishing forms and methods of accumulation of financial resources and their use, stimulates or localizes certain processes and phenomena. It should be noted that the effectiveness of financial mechanisms depends on their construction, taking into account the basic principles, namely:

- systematization – determines the consideration of the financial mechanism in the context of economic (economic) mechanism as a system, the unity of its components. The principle of systematization makes it possible to structure financial mechanisms by sources of formation and use of resources; make a choice of priorities for the use of financial resources to solve the most acute problems of the state, regional and local levels;

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[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

[2] . Василик О. Д. Теорія фінансів. К. : НІОС, 2000. 416 с.

- complexity – takes into account the multifaceted financial mechanisms that arise in the implementation of financial relations, directs the necessary amounts of financial resources to achieve strategic goals and address the priorities of regional and state development in general;
- adequacy – substantiation of the financial mechanism from the standpoint of the structure of methods, tools, levers;
- regulatory and legal and information support – provides for compliance with the relevant requirements in the implementation of financial activities;
- diversification – provides for the possibility of using different sources of funding, financial forms, methods, levers and tools in the implementation of agreed goals, measures, tools and actions of public authorities to ensure a high level and quality of life throughout Ukraine;
- planning – the introduction of program-target method, methods of planning, forecasting, programming, promotes the development of financial relations;
- efficiency – involves ensuring an effective result for both economic entities and for the appropriate level of territories: local, regional, state in transactions with financial resources.

The financial mechanism is characterized by generalizing and individual indicators that determine its effectiveness in terms of impact on economic processes. Generalizing are the total amount of financial resources created in the region, which is the financial base of the region to which the regulatory action of the instruments of the financial mechanism of state regulation of the region's economy; the amount of budget revenues and expenditures, which characterizes the level of ensuring the regulatory functions of local authorities, etc. Individual indicators are the amount of budget expenditures per capita, the amount of taxes paid by one employee, and so on. [1]

Important elements of the financial mechanism are financial standards, limits and reserves. Standards characterize the full level of expenditures, different levels of expenditure of financial resources. Limits are restrictions on expenditures in the interests of the state or other subjects of economic relations. Reserves serve to cover unforeseen expenses that may arise in the future.

Regulation, as a function of public administration, is one of the tools of its system, which includes a set of forms and methods of targeted influence of government agencies and organizations on the development of social production (including productive forces, technical, economic, organizational and socio-economic relations) for its stabilization and adaptation to changing conditions

Among the main functions of public administration of the national economy it is advisable to highlight:

1. Defining the strategy of economic growth, goals and priorities of economic development;
2. Implementation of new technical, structural, investment policy,

[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

development and improvement of legislation.

3. Ensuring the functioning of the market mechanism, state support of the general balance of the economy, elimination of the monopoly position of certain economic entities, stimulating competition, providing preconditions for effective, independent and responsible work of the country's regions[1].

4. Regulation of problems of socio-economic development, which the market mechanism can not solve independently and effectively.

This is, first of all, ensuring social protection, fair distribution of income, smoothing structural and regional disparities, ensuring the effective development of international economic relations, promoting scientific and technological progress in the right direction, ensuring environmental security.

The financial mechanism of state regulation of the economy is an integral part of the economic mechanism in the state, which in turn determines the nature of the economic system as a whole. The use of financial mechanism (financial tools) in the modern economic system is the main form of regulation of economic processes in market conditions

Thus, the financial mechanism provides a comprehensive interaction of financial methods, tools and levers, which provide optimal parameters for the formation and effective use of financial resources, regardless of their sources, to achieve the goals and objectives of socio-economic development at state, regional and local (local) levels. The above gives grounds to assert that the financial mechanism is formed for the implementation of specific concepts, strategies, programs of socio-economic development, plans and relevant measures and from the standpoint of providing them with the necessary budget, investment, credit resources, ie it must have a clear security character and function at all levels of the management system.

Thus, the proposed mechanism of state regulation of financial and economic processes, which consists of separate segments, is aimed at achieving the strategic goal of state regulation, which coincides with the state policy in the context of globalization and European vector orientation of the national economy. An important aspect in the formation and operation of this mechanism is not only strict adherence to the structure of all levels, but also the possibility of using individual components (levers, methods) under the influence of changing relevant factors. The coherence between the strategic goal of state regulation, tasks, principles and functions, on the one hand, and a set of measures, on the other, allows the use of rational methods and tools of influence of entities in the form of state and non-state institutions and relevant facilities, namely: financial and economic processes, as well as their structural components, which have a problematic or crisis situation and require immediate intervention by the subjects. The indisputable efficiency and effectiveness of the developed mechanism of state regulation of financial and economic processes is confirmed by increasing the rational use of resource

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[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

potential, increasing indicators of economic development, improving priority social indicators in the country in the context of globalization of the national economy.

### *4.3 Improving the financial mechanism of state regulation of the economy in the context of Ukraine's accession to the EU*

Ukraine's economy at the present stage is in the process of reforming market relations. The most important factors in ensuring high production efficiency are scientific and technological progress and innovation processes in enterprises.

In order to accelerate changes in economic strategy focused on the sustainability of socio-economic development, the financial sector needs to take the following steps:

1. to form a perfect framework policy for financing innovative development by internal reserves;
2. ensure the efficiency of production costs through the introduction of innovative financial instruments at the national and international levels;
3. to create accumulative funds for reconstruction and development in order to build research and production facilities and implement innovations;
4. Strengthen interbank relations to adapt best practices for investing in technology and scientific achievements, as well as to protect national interests and spread new opportunities in international financial markets.

In the context of globalization of the world economy, the fiscal mechanism of Ukraine should become a real tool for solving problems of innovation and technological development and increase the competitive position of the national economy.

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Sustainable development involves a radical change in the assessment of the current structure of national wealth, which should be considered through the valuation of its components. Therefore, the institution of ownership of natural resources, which provides for their value circulation, automatically turns on the circulation of such financial instruments as checks, promissory notes and collateral. The possibility of additional issuance by the state of a mass of virtual money due to the involvement in financial circulation of new instruments in the field of nature management, not provided with real savings, on the one hand, carries a real threat of inflation, on the other – allows to materialize the economic power of financial monopolies and financial and industrial groups.

The change of the relevant elements of the financial mechanism depending on the conditions of economic and social development of society determines the possibility of its quantitative and qualitative impact on the economy and social sphere.

The quantitative impact of the financial mechanism is expressed through the volume and proportions of mobilization of financial resources by economic entities and authorities and their distribution between areas and parts of the financial system of the state. Depending on changes in the ratio of financial resources at the centralized and decentralized levels, the amount of tax revenues to the budget of the appropriate level, the size of public procurement, funding of organizations and industries is governed by economic development and its subjects, the impact on social production, social cultural development of society, its scientific and technical potential.

Qualitative impact of the financial mechanism is associated with the use of such methods of formation and use of financial resources, forms of organization of financial relations, which allow them to be considered as incentives for development of both the individual entity and the economy as a whole. Such elements of the financial mechanism include reduction of tax rates, conditions for granting tax benefits, setting the maximum size of the budget deficit, the maximum amount of public debt, RF subjects and municipal debt, the conditions for granting budget loans to organizations of various legal forms, the application of various financial sanctions and other forms and methods of organizing financial relations of an incentive nature.

The efficiency of the used financial mechanism is determined by the interdependent, coordinated, complex functioning of all its elements. The main conditions for the effective functioning of the financial mechanism are: [1]

- objective validity of the financial mechanism, which must be formed taking into account the objective laws of economic development of the state. Only under this condition the use of elements of the financial mechanism can ensure economic stability, balanced budgets of all levels, effective financial and economic activities of economic entities, social protection and welfare of the population;

- compliance with the conditions of economic development and management methods. In a centralized planned economy, only the directive financial mechanism was used, which ensures the organization of financial relations, distribution and use of financial resources in the interests of the state. Currently, another mechanism is used to organize financial relations, which provides for the widespread use of various instruments of financial regulation and stimulation of economic development: the tax mechanism is based not only on its fiscal function, but also helps regulate and stimulate certain activities and industries; the social insurance mechanism helps to mitigate the negative impact of the elements of a market economy by financially ensuring the implementation of state social guarantees for the disabled and low-income groups; the budgetary mechanism is characterized by the use of fundamentally new methods of mobilization and forms of use of budget funds, the principles of budget planning and financing, methods of

[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

financial control[1];

- the relationship of the financial mechanism with the factors of production and economic interests of the subjects of financial relations. The use of elements of the financial mechanism should contribute to meeting the needs of all participants in social reproduction in financial resources, achieving their sustainable development and the real economic effect of financial transactions;
- the relationship of the constituent elements of the financial mechanism, their mutual regulation, which ultimately determines the sequence of financial transactions, the composition of the subjects of financial relations, the order of their organization in practice.

Compliance with these requirements and approaches to the organization and functioning of the financial mechanism is the key to its successful use in financial management at the centralized and decentralized levels[1].

In modern conditions of reforming the economy of Ukraine there is an improvement of the financial mechanism. The most important problems that are solved are:

- creating conditions for market development;
- ensuring rational proportions of distribution and redistribution of gross national product and national income – overcoming the financial crisis and ensuring the necessary rates of economic growth;
- science-based financial planning and forecasting of centralized and decentralized financial resources, their distribution and use;
- increasing the effectiveness of financial control;
- improving the mechanism of financial levers, incentives and sanctions;
- adequate legal and regulatory support for the functioning of the entire financial mechanism[2].

In today's globalized world, Ukraine's future largely depends on the place that the national economy can claim in the global distribution of labor and resources, which, in turn, is due to the competitiveness and sustainability of the national economy, ie its focus on sustainable development. The world community perceives sustainable development as the simultaneous creation of the well-being of citizens, the maintenance of social justice and the quality of the environment. The concept of sustainable development is widely supported by national governments of developed countries, post-Soviet countries and third world countries, but differs in the means of its implementation in practice. Coordinating strategic development priorities and implementing them requires significant financial resources, as environmental and social programs to combat poverty, although of great social benefit, are economically unprofitable (non-profit) and, in most cases, costly.

For Ukraine, maintaining high rates of economic growth is the most

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[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

[2] Бречко О. В. Державний механізм фінансового регулювання економіки регіону : автореф. дис. к. е. н. за спец. 08.02.03. К., 2004. 20 с

important prerequisite for the consistent implementation of common priorities for sustainable development. Strategies aimed at providing basic social services, food security, expanding the scope of social support for the poor, increasing the welfare of every citizen who is careful about the consumption of natural resources are becoming important. Among the indicators for assessing Ukraine's success on this path, in addition to those introduced by the EU, we have proposed indicators of demographic dynamics and infant mortality. Poverty eradication index (Gini) should be included in the indicators of overcoming poverty, and suitable living space per capita should be added to the assessment of improving living conditions. Ensuring economic growth and employment requires increasing the competitiveness of the economy and reducing external public debt to GDP. Long-term growth of material, human and natural capital should be ensured by the following elements of the state fiscal policy: avoidance of such direct and indirect subsidies as monopoly powers, cancellation of debts on unpaid credit and other debt obligations; the exclusion of special benefits that fuel corruption and hidden guarantees of profitability; investment in human capital [1].

Thus, the financial mechanism of the organization of the economy as a concept and phenomenon arises under the influence and at the junction of two applied disciplines – financial management and financial policy. An important basis for the effective organization of any economy is the availability of financial resources necessary for the production and commercial activities of economic entities. Without financial resources it is impossible to carry out neither optimization, nor restructuring, nor reorganization of economy as a whole and separate enterprises in particular.

It is the financial mechanism of the organization of the economy provides the necessary value-money and in-kind proportions in the national economy and their reproduction. In this regard, the use of foreign experience is important. However, not all methods and forms of financial mechanism of economic organization (for example, tax benefits), borrowed from the Western economy, work properly in Ukraine. According to the analysis, the financial mechanism of the transition economy is "launched" in the presence of three main conditions: clear strategic and tactical goals, the necessary financial resources and the necessary financial forms, methods, levers and tools of influence.

The financial mechanism in historical development has undergone significant changes. Some financial methods and levers are dying out and new ones are emerging instead. Such as leasing, factoring, franchising, forfeiting, etc. are especially important – they contribute to the formation of market conditions[1].

Theoretical understanding of the essence of the financial mechanism of economic organization, a clear understanding of its structure, place and purpose of individual elements is of paramount practical importance, as it can help identify weaknesses in this mechanism and, consequently, ways to strengthen them,

[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

strengthen their positive effects. And ultimately – to ensure sustainable growth of Ukraine's economy.

Important areas for improving the institutional environment of financial regulation are strengthening the mechanisms of protection of property rights, reducing the share of public expenditures in gross domestic product, simplifying mechanisms for tax administration and expanding cooperation in combating tax offenses, restoring confidence in the business reputation of banks, increasing corporate culture.

Given the current transformation processes in the state, among the strategic determinants of improving the state regional policy are identified: further budget decentralization and decentralization of power, taking into account the optimal level and balance; creation of a constitutional and legislative basis for reforming the system of administrative-territorial organization of the state, the principles of management of united territorial communities and their material and financial support; implementation of progressive steps for economic growth in Ukraine in the context of the implementation of the new State Strategy for Regional Development until 2027, developed taking into account smart specialization and the main objectives of the concept of inclusive development; ensuring systemicity and increasing the efficiency of strategic forecasting and planning in the state, as well as improving the institutional and organizational support for the formation and implementation of state regional policy

An important component of European integration, including, in particular, macroeconomic policy, is to determine the mechanism, or rather – the mechanisms of its implementation, which are a set of tools, methods, resources to ensure the implementation of measures planned in accordance with the objectives. Such measures are: organizational and managerial, regulatory and legal, financial and economic, information and analytical, etc. [1]

Mechanisms for policy implementation are specific measures and actions used by public authorities to implement a public policy, in particular, in developing a strategic course, the main directions of state development, ways to achieve goals and objectives. Ukraine's Euro-integration macroeconomic policy is implemented through mechanisms that constitute a set of specific measures used by public authorities and society for its successful implementation. Such mechanisms are different in form and efficiency. The mechanisms for implementing European integration policy include: political, legal, institutional and organizational, economic and information mechanisms. In particular, the economic mechanism, and in fact, the mechanism of implementation of the European integration macroeconomic policy of Ukraine, first of all, solves the problem of its financial provision [2].

The economic mechanism is a system of measures, methods, forms,

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[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

[2] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

techniques aimed at ensuring financial stability, balance of interests of society and the state, and is responsible for effective planning, timeliness and completeness of funding in the implementation of European integration policy and financial control over this process.

One of the main prerequisites for the successful implementation of Ukraine's European integration policy is adequate financial support, which should include the development of a program to finance measures for Ukraine's integration into the EU, which would include direct costs of integration measures of purely institutional nature: training and language training; creation of new or reorganization of existing divisions; translation and comparative analysis of legal documents of Ukraine and the EU; implementation of plans of bill works; organizational, informational and scientific support of the integration process. These measures should be financed both from the budget and from individuals and European Union assistance programs to the Ukrainian state.

Using the economic mechanism of Ukraine's European integration policy, special attention should be paid to financial planning: drawing up appropriate financial plans for the medium and long term, which will link the priorities for the urgency of achieving the goals with economic opportunities. It should also be noted that there are a number of factors that have a negative impact on the mechanism of implementation of Ukraine's European integration macroeconomic policy and are a significant obstacle on Ukraine's path to the EU.

In particular, today the financial and economic situation in Ukraine is complex and contradictory. First, it was due to the lack of funds in previous years in the state budget for the relevant purposes. Secondly, the practice of implementing projects in the format of public-private partnership and with the involvement of sponsorship funds was not used. Thirdly, it is conditioned by the foreign armed invasion of the territory of the sovereign state of Ukraine, the loss of Crimea and Donbass, and, consequently, the lack of proper independent financial support for the implementation of European integration policy.

The implementation of Ukraine's European integration macroeconomic policy must be considered through the prism of its stages, of which there are three:

Stage I – preparation for signing and signing the agreement;

Stage II – implementation of the provisions of the agreement;

Stage III – preparation for integration into the European political, economic and legal space.

Each stage envisages the implementation of the necessary measures for the successful implementation of both the European integration policy of Ukraine in general and the European integration macroeconomic policy of Ukraine in particular. The first stage of economic reform was to create a competitive economy on a global scale, to create a system of public financial management aimed at ensuring sustainable economic growth and guaranteed fulfillment of its social obligations, and ultimately to improve the welfare of Ukrainian citizens.

It is the economic mechanism that becomes relevant at the second stage – the stage of implementation of the agreement, as effective planning, timeliness and completeness of financing, organization of financial control and financial stability will contribute to the successful implementation of European integration policy. At the third stage – the stage of preparation of Ukraine for integration into the European political, economic and legal space – the economic mechanism provides not only financial support related to the purely implementation of European integration policy, but also provides ongoing financial support to initiatives that address challenges. related to the European integration policy of the state. It is assumed that Ukraine's full integration into the EU will take place only when Ukraine, as an associate member, will be able to meet the required economic and political conditions, namely:

1) the existence of stable institutions;
2) the rule of law;
3) respect for human rights, citizens and minorities and their protection[1];
4) the existence of a functioning market economy;
5) the ability to take on the responsibilities of membership.

Thus, it should be noted that in recent years there has been an awareness of the role and importance of the economic mechanism that strengthens and forms the financial and economic foundations of the European macroeconomic policy of Ukraine and ensures its effective implementation[1].

To ensure the improvement of public policy, the main strategic determinant is the provision of sustainable development and inclusive growth of the national economy and the well-being of society as a whole. An inclusive approach to the development of the state has a long-term perspective, as the main focus is on productive employment as a means of reducing the stratification of society in terms of income and improving the living standards of the poor. In terms of sustainable development, among the most important for achieving results, we consider, sharing the position of experts, the definition of state macroeconomic priority – intensive development of high-tech industry, modern science, including technical and technological developments, their introduction into production and entry into domestic and foreign markets. Also on a priority basis, various sectors of the economy should be involved in the process of inclusive development with an emphasis on infrastructure, as a necessary condition for sustainability and inclusive growth, namely the development of agro-industrial production, transport; development of small and medium business, services; formation of business clusters on the principles of stimulating scientific and technological developments and their commercialization, which will increase the efficiency of interaction between the state, business and private sector, financial and banking institutions, professional associations, research and educational institutions in the investment and innovation process. employment and income, improving the level and quality of life, maintaining ecological balance and preserving the environment, balanced and integrated development of the regions.

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[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

This approach extends traditional models of economic growth and includes a focus on the main priorities identified in the 2020 Development Strategy for Europe[1],, namely: knowledge-based and innovative economic development – "smart" growth; greater promotion of resource-saving, environmentally friendly production, competitive economy – sustainable development; promoting a high level of employment that ensures economic, social and territorial cohesion – inclusive development.

Based on the research, we note that inclusive growth as a new model of socio-economic development, which aims to: ensure sustainable and comprehensive economic progress; comprehensive development of human capital, which in particular the high level of employment and investment in education, etc .; improving the quality of life of citizens, reducing inequality and poverty, the social protection system and promoting social inclusion; intensification of citizen participation in economic life for the benefit of the general population; economical use of natural resources and environmental protection, the transition of the economy to "green principles".

The benefits of inclusive growth should extend to all regions of the country, ensuring territorial cohesion and reducing regional disparities. Thus, it is very important to note that the strategic determinant of improving state regional policy is the formation of a new paradigm of economic development, which is implemented in a combination of sustainable, inclusive and innovative development aimed at solving domestic problems of the country and its regions. and social justice.

In August 2018, a draft Strategy for Sustainable Development of Ukraine until 2030 was submitted to the Verkhovna Rada of Ukraine for consideration and adoption. It should be noted that this is the first strategic document submitted to the Verkhovna Rada of Ukraine during the years of independence. The need to adopt a new strategic document was due to the inefficient management structure of the state; non-compliance of the level of economic development and welfare of the population with the natural, scientific and technical, agro-industrial potential and qualification and educational level of the population; the need to implement innovative transformations in the direction of sustainable and inclusive development, which are not fully reflected in the strategic national, sectoral and regional documents, as well as the need to update the content and change the implementation of the Sustainable Development Strategy "Ukraine 2020" adopted in January 2015 President of Ukraine (№ 5/2015). The draft "Strategy for Sustainable Development of Ukraine until 2030"[2] defines the national goals of sustainable development, which determine the focus of the strategy on the common good and protection of national interests of Ukraine, namely:

- promoting inclusive balanced low-carbon economic growth and sustainable

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[1] Стратегія розвитку Європи до 2020 року. URL: http://aei.pitt.edu/42633/1/com 2010_2020en01_straetry.pdf.

[2] Стратегія сталого розвитку України до 2030 року (проєкт). URL : http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?id=&pf3511=64508.

infrastructure;

- ensuring sustainable sectoral and regional development;
- overcoming poverty and reducing inequality, including gender inequality;
- ensuring public health, well-being and quality education in safe and sustainable settlements;
- ensuring the transition to models of balanced consumption and production, balanced management of natural resources and strengthening measures to respond to climate change;
- conservation of terrestrial and marine ecosystems and promotion of the balanced use of their resources;
- ensuring security and access to justice, establishing accountable and inclusive institutions [1].

It should be noted that the issue of inclusive development is widely present in the draft strategic vision of sustainable development of Ukraine. According to AA Gritsenko, inclusive development means the development of states in world economic relations, which makes it possible to include in it and reveal the internal potential of all elements, all actors of the socio-economic system of the country and ensure its balance. It is this systemic inclusiveness that Ukraine needs, which makes it possible to identify all its natural, social and cultural advantages, ensure sustainable balanced development, improve the welfare and quality of life of citizens throughout the country[1].

[1] Базилевич В. Д., Баластрик Л. О. Макроекономіка : підручник / за ред. В. Д. Базилевича. К.: Знання, 2004. 851 с.

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***Богуш Лариса Григорівна***, кандидат економічних наук, старший науковий співробітник, провідний науковий співробітник відділу досліджень ризиків у сфері зайнятості населення Інституту демографії та соціальних досліджень ім. М.В. Птухи НАН України *(підрозділ 5.6).*

***Брояка Антоніна Анатоліївна***, кандидат економічних наук, доцент, декан факультету економіки та підприємництва Вінницького національного аграрного університету *(підрозділ 3.2).*

***Ванькович Юлія Михайлівна***, здобувач ступеня доктора філософії з економіки Національного університету «Львівська політехніка», директор ПП НВФ «ГЕОНАФТОГАЗПРОЕКТ» *(підрозділ 7.3).*

***Гнилянська Леся Йосифівна***, кандидат економічних наук, доцент, доцент кафедри менеджменту і міжнародного підприємництва Національного університету «Львівська політехніка» *(підрозділ ).*

***Грималюк Андрій Вікторович***, кандидат економічних наук, доцент кафедри загальної економічної теорії та економічної політики Одеського національного економічного університету *(підрозділ 5.5).*

***Задворних Сергій Сергійович***, кандидат економічних наук, доцент кафедри маркетингу, фінансів, банківської справи та страхування Східноєвропейського університету імені Рауфа Аблязова, Україна *(підрозділ 5.1).*

***Кліпкова Оксана Ігорівна,*** кандидат економічних наук, доцент кафедри менеджменту та соціального забезпечення Університету банківської справи *(підрозділ 5.4).*

***Коваленко Надія Олегівна***, кандидат педагогічних наук, доцент, доцент кафедри менеджменту та економіки Льотної академії Національного авіаційного університету *(підрозділ 6.2).*

***Коваль Віталій Володимирович,*** кандидат технічних наук, доцент, проректор з адміністративних питань Східноєвропейського університету імені Рауфа Аблязова *(підрозділ 7.4).*

***Козьмук Наталя Ігорівна***, кандидат економічних наук, доцент, директор навчально-наукового інституту економічних та соціальних відносин Університету банківської справи *(підрозділ 5.4).*

***Коломієць Тетяна Вікторівна***, кандидат економічних наук, старший викладач кафедри економіки та підприємницької діяльності Вінницького національного аграрного університету *(підрозділ 3.2).*

***Леонтович Сергій Петрович***, кандидат економічних наук, Національний університет оборони України імені Івана Черняховського, м. Київ, Україна *(підрозділ 7.2).*

***Ляшенко Вячеслав Іванович***, доктор економічних наук, професор, академік Академії економічних наук України, завідувач відділу проблем регуляторної політики і розвитку підприємництва Інституту економіки промисловості НАН України (м. Київ) *(підрозділ 5.2).*

***Марценюк Олена Василівна,*** кандидат економічних наук, доцент кафедри фінансів, банківської справи та страхування Вінницького національного аграрного університету *(розділ 4).*

***Несененко Павло Петрович***, кандидат економічних наук, доцент кафедри загальної економічної теорії та економічної політики Одеського національного економічного університету *(підрозділ 5.5).*

***Пасічник Юрій Васильович,*** доктор економічних наук, професор, головний науковий співробітник відділу фінансово-кредитної та податкової політики Національного наукового центру «Інститут аграрної економіки» Національна академія аграрних наук України *(розділи 1,2).*

***Польова Олена Леонідівна***, доктор економічних наук, доцент, завідувач кафедри аналізу та аудиту Вінницького національного аграрного університету *(підрозділ 3.3).*

***Радченко Оксана Дмитрівна***, кандидат економічних наук, доцент, провідний науковий співробітник відділу фінансово-кредитної та податкової політики Національного наукового центру «Інститут аграрної економіки», м. Київ, Україна Національна академія аграрних наук України *(підрозділ 7.2).*

***Руда Оксана Леонтіївна,*** кандидат економічних наук, доцент кафедри фінансів, банківської справи та страхування Вінницького національного аграрного університету *(розділ 4).*

***Сай Леся Петрівна***, кандидат економічних наук, доцент, доцент кафедри менеджменту і міжнародного підприємництва Національного університету «Львівська політехніка» *(підрозділ 6.1).*

***Сарана Леся Анатоліївна,*** кандидат економічних наук, доцент кафедри маркетингу, фінансів, банківської справи та страхування Східноєвропейського університету імені Рауфа Аблязова *(підрозділ 7ю4).*

***Сиволап Юлія Юріївна,*** викладач кафедри маркетингу, фінансів, банківської справи та страхування Східноєвропейського університету імені Рауфа Аблязова *(підрозділ 6.5).*

***Ставська Юлія Вацлавівна,*** кандидат економічних наук, доцент, завідувач кафедри менеджменту зовнішньоекономічної діяльності, готельно-ресторанної справи та туризму Вінницького національного аграрного університету *(підрозділ 5.7).*

***Столярук Наталія Віталіївна***, старший викладач кафедри менеджменту та економіки Льотної академії Національного авіаційного університету *(підрозділ 6.2).*

***Сукач Олена Миколаївна***, кандидат економічних наук, доцент, декан факультету економіки і менеджменту Східноєвропейського університету імені Рауфа Аблязова, Україна *(підрозділ 7.4).*

***Сухова Тетяна Леонідівна***, старший викладач кафедри загальної економічної теорії та економічної політики Одеського національного економічного університету *(підрозділ 5.5).*

***Томашук Інна Вікторівна***, доктор філософії з економіки, старший викладач кафедри економіки та підприємницької діяльності Вінницького національного аграрного університету *(підрозділ 5.3).*

***Трушкіна Наталія Валеріївна***, кандидат економічних наук, член-кореспондент Академії економічних наук України, дійсний член Центру українськоєвропейського наукового співробітництва, старший науковий співробітник відділу проблем регуляторної політики і розвитку підприємництва Інституту економіки промисловості НАН України (м. Київ) *(підрозділ 5.2).*

***Феняк Лариса Анатоліївна***, заступник директора навчально-наукового центру, асистент кафедри економіки та підприємницької діяльності Вінницького національного аграрного університету *(підрозділ 3.1).*

***Хаєцька Ольга Петрівна,*** кандидат економічних наук, доцент, завідувач кафедри економіки та підприємницької діяльності Вінницького національного аграрного університету *(підрозділ 7.1).*

***Чиркова Юлія Леонідівна***, кандидат економічних наук, доцент, доцент кафедри зовнішньоекономічної та митної діяльності Національного університету «Львівська політехніка» *(підрозділ 7.3).*

***Чудаєва Ія Борисівна,*** доктор економічних наук, професор, ректор Східноєвропейського університету імені Рауфа Аблязова *(підрозділ 6.4).*

# ЗМІСТ

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