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CHAPTER 1

MODERN TRENDS IN PUBLIC ADMINISTRATION

STATE POLICY AND ADMINISTRATION CHALLENGES IN THE GENERAL EDUCATION SYSTEM OF GEORGIA

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Abstract. *Issues of state policy and administration of general education nowadays are becoming quite relevant, both for political-administrative science and political agenda. Academic rhetoric and existing research provide important messages that prevent the seemingly "liberal-democratic" Georgian educational system from functioning effectively and efficiently. The purpose of the research is to study, identify and analyze the problems and challenges related to the education policy and administration in the general education system of Georgia. The objectives of the research are the study of the design of the state policy of general education of Georgia, and the analysis and evaluation of the policy of administration and implementation. Qualitative and quantitative methods of social science research are used in the research. The analysis of documents and the interpretation of quantitative data made the reality of the Georgian general education system more visible, and the expert interviews showed us additional problems that could not be obtained as quantitative data. The research reveals that the institutional design of the general education system of Georgia is full of ambitious values and goals, the implementation and administration process of which is actually unattainable, which causes its facade. The results of the study indicate that the legal and unequal status of students, problems related to minorities, religion, and discrimination, challenges linked to the safety of students and their bio-psycho-social development, low learning results, the outflow of students from the general education system, teachers' competencies and professional Ethical issues whose review, evaluation, analysis, and data interpretation are the main findings of this article.*

Keywords: *education policy, education administration, general education system, policy design, policy implementation, education problems, education law*

JEL Classification: H83, I21, I24, I28

Formulas: 0; **fig.:** 1; **table.:** 2; **bibl.:** 23

Introduction. Article 27 of the Constitution of Georgia begins with the provision that everyone has the right to receive education and to choose its form, however, naturally, when we talk about the right to education, the latter cannot be limited only to the right to study in a general educational institution, so the questions that can be asked in this direction are whether What form and quality of education does the state itself offer? How is the environment? With what capabilities and principles? with whom? how fair And with what mechanisms?

In Georgia, the state declares many ambitious values, the implementation and administration process of which requires appropriate efforts. So, for example, the goals of the state policy of general education are: creating the necessary conditions for raising the student as a free person, forming civic awareness based on liberal-democratic values, providing students with the necessary knowledge and skills, raising awareness about rights and duties, etc. (Law on General Education, Article 3, 2005). There are separate obligations of the school, which must create all the necessary conditions for the educational process and respond to modern requirements of education (Law on

General Education, Article 33, 2005). At the same time, according to the legislation in force in the school, any kind of discrimination, religious indoctrination, the politicization of the educational process, violence, and the imposition of such obligations on the student, parent, or teacher that contradicts their faith, confession or conscience is not allowed (Articles 13, 18 and 20 of the same law).

Considering this, the institutional design of general education and the declared policy priorities can be evaluated positively, although the problems and challenges begin when we talk about the process of implementation and administration of the latter. The fact that the problems in the general education system of Georgia are a significant challenge is evidenced by the fact that recently the issues of education policy and administration have become particularly relevant in the research field (Tabatadze, 2015; Tchincharauli & Javakhishvili, 2017; Momtselidze, 2020; Khuroshvili, 2020; Paresashvili & Okruashvili, 2021; Khuroshvili & Khutsurauli, 2021; Tabatadze & Dundua, 2022; Tabatadze, 2022; Kharaishvili & Lobzhanidze, 2022).

Thus, this article has further enriched the existing academic literature and research field in the field of education policy and administration.

Literature Review. One of the most important constituent principles of a democratic state is the supremacy of the just law, its enforcement, and correctness, which in the discourse of education is one of the possibilities for the successful future of young people (Mason, 2009). The general education policy and administration process is a difficult and complex field, where indoctrinating and wrong, ideological approaches have serious consequences (Hornet, 2019). We recognize that the education sector often directly reflects public policy (Dee & Dizon-Ross, 2019). Thus, the state political course and education system are related issues.

In education policy and administration, it is important to ensure justice (Flores-Crespo & Nebel, 2005), where the student is the core and most important component of the system, and the idea of justice in this sense goes beyond the idea of equality of rights and opportunities. In this regard, the intergenerational transmission of these values forms the culture of education (Schütz & Ursprung, 2008). The general education policy has a very broad objective, which is to equip the generation with knowledge on the one hand and to educate them on the other. In this view, education policy can respond on the one hand, and the other hand lead to social, cultural, economic, and political changes (Henry & Lingard, 2013). Finally, the education system and its effective administration process are based on participation, where all policy actors are committed to ensuring that every citizen receives this education - an approach that allows the system to function better (Cox, 2018).

When we talk about the education system, we have declared such principles as the values of tolerance, mutual respect and acceptance, freedom of choice, speech, and expression both in international legal acts and in the Georgian perspective (Universal Declaration of Human Rights Introduction, 1948) (Law on General Education, Article 13, 2005). The United Nations Universal Declaration of Human Rights makes it clear that the purpose of education is the full development of a person, strengthening respect for his rights and fundamental freedoms, and in this regard, education policy is based

on the development of tolerance and friendly relations between different nations, ethnic or religious groups (Universal Declaration of Human Rights, Article 26.2, 1948).

From this point of view, the Law of Georgia "On General Education" is based on liberal-democratic values, which is evidenced by Article 3 of the same law, according to which the main goal of the education policy is the development of mental and physical skills of the student, providing the necessary knowledge, the establishment of a healthy way of life, liberal - Formation of civic awareness based on democratic values, student's respect for cultural values, assistance in understanding rights and duties towards family, society, state, and environment (Law on General Education, Article 3, 2005)

According to the current legislation of Georgia, religious indoctrination and politicization of the educational process are not allowed in a general educational institution. The aforementioned law for the elimination of inequality declares that any action that may be considered direct or indirect discrimination on the part of teachers, students, and parents is not allowed. In this regard, discrimination can be considered any action that puts another in an advantageous position (Law on General Education Article 13, 2005).

Finally, in terms of minorities, the mentioned law indicates that the school protects the rights and freedoms of minority members based on equality, which is expressed in the right to freely use their native language and cultural identity (Law on General Education, Article 13).

It is clear that there are various challenges in the general education system of Georgia, and from this point of view, it is important to highlight the trends highlighted by the researchers. For example, minority problems and inclusion of education (Momtselidze, 2020; Tchincharauli & Javakhishvili, 2017; Tabatadze, 2015) are important challenges for the general education system. Also, should be emphasized the systemic problems in the same field and the ambition of the declared goals, which cannot be implemented in practice (Kharaishvili & Lobzhanidze, 2022; Paresashvili & Okruashvili, 2021; Khuroshvili & Khutsurauli, 2021; Tabatadze & Dundua, 2022). , 2020) and issues of access to and financing of education (IDFI, 2021-2022), policy transfers, the study of the need and relevance of which is related to other additional challenges (Tabatadze, 2022), and others.

A review of the literature shows that scientific works and legal documents are full of values and normative principles. Researchers emphasize the importance of the principles of justice and equality in the field of general education policy and administration, although we have little information about the reality of the system itself. International legal acts and local legislation declare values and general principles that require effective and efficient administration. When studying the issue in public political-management science, we must distinguish policy design, and in this case "a set of values and goals written on paper", and in the other case, policy implementation, i.e. "how we implement the latter in practice". The review provides an opportunity to recommend that more research is needed to examine the relationship between Georgia's general education policy design and implementation, as well as to identify administration challenges and investigate systemic problems.

Aims. The purpose of the research is to study, identify and analyze the problems and challenges related to the education policy and administration in the general education system of Georgia. The objectives of the research are the study of the design of the state policy of general education of Georgia, and the analysis and evaluation of the policy of administration and implementation.

Methodology. Quantitative and qualitative methods of social science research were used in the research. In particular, quantitative and qualitative content analysis, as well as expert interviews. Based on the goals and tasks, the legal framework related to the issue was analyzed, in the process of analysis of which the smallest unit of analysis was singled out - a word and the largest - a phrase. Corresponding codes and thematic categories were also defined. In the case of quantitative data, they were re-analyzed and interpreted. To better study the issue, in-depth interviews were conducted 5. The sampling type was non-probability, targeted, where the respondent's academic qualification and scientific productivity in 3 fields were defined as the selection indicator: public administration, public policy, and education administration. To protect research ethics, we were guided by the 5 basic principles of the American Psychological Association (APA) (Smith, 2003), which include neutrality, informed consent, acceptance, anonymity, and respect for legal and intellectual property.

Results&Discussion. Expert interviews revealed the following results and trends: Social inequality and student rights were identified as significant problems in the general education system of Georgia. In this sense, it was noted that a strong family in Georgia is one of the independent variables in the academic results of the student's success. The facade of the existing legislation was identified as an important problem, especially in the part of school obligations, the achievement of which is not even measurable in terms of results. 4 out of 5 experts stated that the student and parent do not actually participate in the process of school administration, and the tools created under the existing institutional design are a facade. All the experts noted that there are problems with academic staff (teachers) competence and professional ethics in the school system. Also, 2 experts noted that there are frequent cases when principals of general education schools use their institutional privileges dishonestly. In particular, for example, the issue of sending a student out of school, which is the responsibility of the disciplinary committee of the board of trustees, is often handled by the principal. Also, 3 experts identify religious indoctrination and problems related to minorities as important problems. In this regard, the issues of religious and sexual minorities are particularly sensitive. They point out that some textbooks contain teaching material that may incite religious strife and hatred. Also, according to 3 experts, we still find religious corners and places of prayer in schools, despite the fact that this is prohibited by the current legislation. 1 expert noted that the law does not recognize the concept of a sexual minority at the level of general education, when a teenager may become a victim of violence in the process of forming his gender identity. Also, 4 experts identified as a challenge the fact that in the majority of general education schools, the institute of psychology has not yet been implemented. Also, all experts emphasized the low educational results and the insufficient level of students' knowledge. All five experts named bullying and violence as important problems in schools.

According to the legislation in force in Georgia, it is mandatory for all citizens to complete the basic level, although there is a tendency for students to leave school after completing the basic level. 18,972 students left the school system in 2015-2019 within 1 year after completing the same level. The latter means that they did not/couldn't complete secondary education and therefore did not receive full general education (Figure 1).

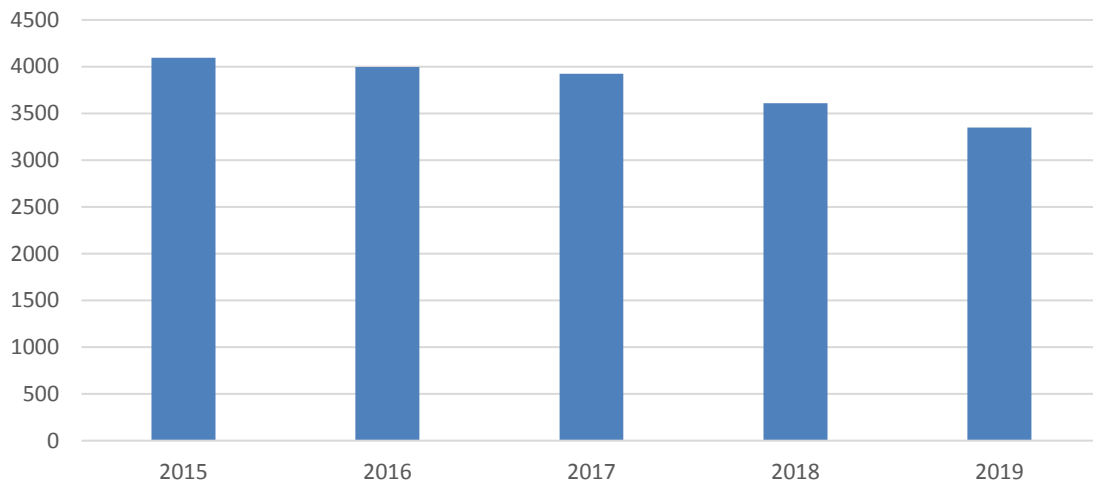


Figure 1. Number of basic level graduates who dropped out of secondary school within one year of graduation

Soucers: based on Datalab data

Although the law prohibits verbal and physical abuse among students, from 2015 to 2019, 11,373 cases were recorded, which is characterized by a slight downward trend (Figure 2).

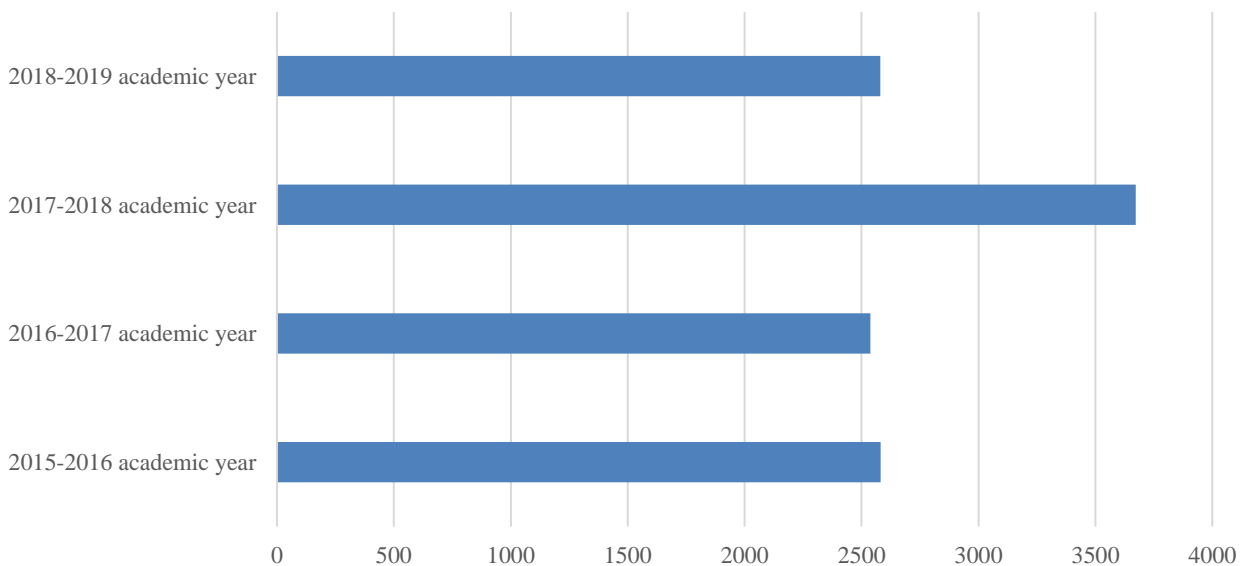


Figure 2. Number of verbal and physical abuse among students

Soucers: based on Datalab and "Georgia Reforms Association" data

The fact that 2580 cases were recorded for the 2018-2019 academic year is worth noting here, but there is a circumstance that completely changes the reality. By 2019, the mandatory service was implemented in 486 general education institutions, which means that 2580 cases were counted in 23% of general education schools (Letter of the Georgian Reforms Association of the Ministry of Education, Science, Culture and Sports of Georgia, 2019). Considering this, we do not have data on 77% of the system. Even if this is not the case, here is a separate issue of how accessible was the possibility of describing all cases of verbal and/or physical abuse to the law enforcement officer or how conscientiously and/or effectively the representative of the given service worked in this process.

Minority problems and issues of equality have always been a fundamental challenge for the Georgian general education system. There are 54,325 non-Georgian language school students in the state, which is 9% of the total number of students (IDFI, 2022). According to state law, the general education system creates appropriate socio-economic conditions for all (Law on General Education, Article 9) and although it does not define what constitutes appropriate socio-economic conditions, the latter can be seen critically at the data level. (See Annex 3.) Georgia is ranked 100th in the world by the GINI coefficient, which is one of the most effective measures of inequality. It should be noted here that the results in the direction of minority policy have not significantly improved in recent years (see Annex 3).

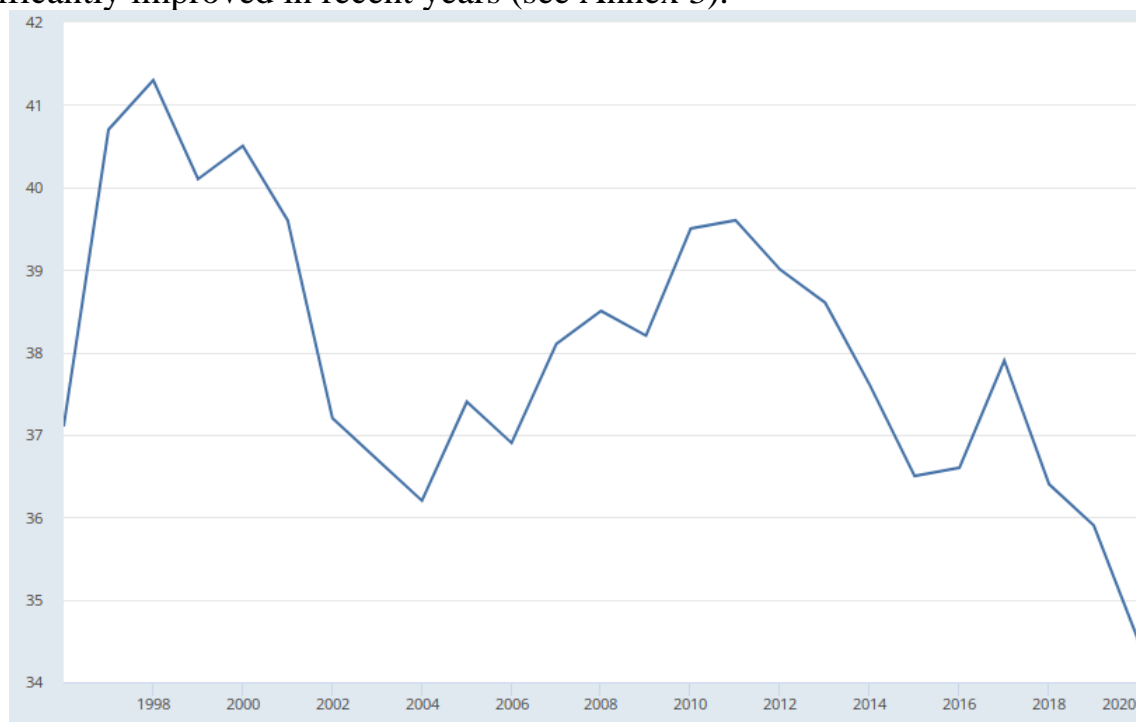


Figure 3. GINI Index for Georgia

Sources: World Bank, Fred Economic Data 2022

Naturally, the field of general education will best reflect state policy. Considering this, the general education system is not an inclusive space for socially vulnerable groups (World Bank, 2022; Indexmundi, 2022). When talking about issues of equality, it is necessary to mention the issues related to religious and ethnic minorities. The country received important recommendations from several organizations years ago.

For example, the European Commission directly appealed to the authorities regarding the recognition of religious diversity and respect. (ECRI, 2010) There were also recommendations on strongly intolerant attitudes in the study of the "Human Rights Training and Monitoring Center" (2013).

Despite the mentioned recommendations, the state policy does not change over the years, and the legal framework undergoes only incremental changes at the level of concepts. This is against a backdrop of fundamental challenges faced by minorities and vulnerable groups.

It is important to note the results of my present quantitative study (Khuroshvili, 2020). 72.6% of the 500 interviewed students were victims of verbal abuse. 78.4% of them believed that the rights of minorities were not fully protected at school. 51.8% of the respondents confirmed that there was at least once a case of religious propaganda in the school. In addition, the research revealed that 80.2% of them have personally witnessed a case of student discrimination. And only 4% of respondents said that the general education system was completely based on liberal-democratic values. Naturally, the primary data and in this case the assessment of the student of the graduating class is an important message for the system. These results were sharply negative indicators for the year 2020 in the field of student rights and general education state policy.

Another important issue is learning/teaching results and academic performance, which in principle is one of the indicators of system effectiveness. According to PISA data, which is the OCED international student assessment program, Georgia ranked 70th among 79 countries in 2018, which is a critically low result. The state has similar results in PIRLS and TIMMS assessments. According to the latest PISA data, Georgia ranks 67th in mathematics, 74th in science, and 71st in reading comprehension. At the same time, UNICEF emphasizes that the specific share of the country's GDP that is spent on education is much lower than in other countries, and this occurs against the background that approximately two-thirds of 15-year-old students do not meet the minimum standards in reading comprehension, natural sciences and exact sciences (Unicef Georgia, 2022) and even though the education budget is growing at least a little every year, here, on the one hand, there are issues of its efficient, effective and transparent disposal, and on the other hand, its compliance with the challenges of the state. These results are the most difficult measuring tool for the education system.

Conclusion. In conclusion, it can be said that the state declares strongly ambitious values, goals, and principles in the field of general education, although the latter mostly cannot/are not implemented in practice. This in itself indicates the weakness and systemic problems of policy implementation and administration. Research in the field of general education identifies learning/teaching outcomes, issues of equality and minorities, challenges related to student safety and appropriate socio-economic conditions, as well as teacher competencies and professional ethics issues, high student dropout rates, as this important challenge in the field of general education. Taking into account the existing results and already reviewed factors, we can conclude that the state's principles and policy design are a facade, thus it cannot be administered

effectively and efficiently at the systemic level, especially when we are talking about a liberal-democratic and modern, inclusive general education system.

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STATE REGULATION IN THE SPHERE OF CUSTOMS CONTROL OF UKRAINE: EU EXPERIENCE AND PROSPECTS FOR DEVELOPMENT

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Abstract. The article analyzes the experience of the EU in the implementation of state regulation in the field of customs control, in particular: it analyzes the mechanism for determining the customs value of goods, its regulatory, institutional, procedural and organizational support. The purpose of the article is to analyze the experience of the EU regarding the implementation of simplified declarations and the possibility of taking it into account in the field of state regulation of the customs sphere of Ukraine. The article uses the historical method of revealing the historiography of state regulation in the field of customs control of the EU and Ukraine. The method of analysis and synthesis was used to substantiate the conceptual and strategic ways of implementing state regulation in the field of customs control, in particular, to introduce such specific customs mechanisms to simplify customs procedures, customs declarations, and form public consolidated institutions to improve the provision of customs services. Of the special methods, the method of assessed value of goods and services was used to analyze the implementation of simplified EU declarations. Special attention is paid to the issue of additional simplification, which allows the customs authorities to authorize the estimated value for elements of value unknown at the time of importation. The criteria for obtaining permits for the use of additional simplification are analyzed. An analysis of the regulatory prerequisites for the introduction of simplified declarations in the EU, in particular the World Custom Organization (WCO) on Customs Valuation Agreement (CVA), the General Agreement on Tariffs and Trade (GATT), the GATT Valuation Code, the Customs Valuation Agreement, has been carried out. The article recommends and justifies the innovative measures necessary for the implementation of CVA, in particular, those included in the revised WCO Kyoto Convention: simplification of procedures, computerization, strengthening of internal controls and management systems, provision of preliminary assessment decisions, introduction of risk assessment management and strengthening of post-customs audit; and the introduction of authorized economic operator programs.

Keywords: state regulation, EU experience, public administration, customs control, customs business.

JEL Classification: H80, H83

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Introduction. In the EU, the simplification for determining the amounts included in the customs value of goods using the transaction value method allows operators to avoid the burden of a two-stage declaration - that is, a simplified declaration followed by an additional declaration - and to finalize customs value declarations without delay in situations where there is no risk to import duties. Such simplifications are becoming increasingly relevant given the growing number of cost elements, such as royalties or commissions, that cannot be quantified at the time of import.

Literature review. The issues of state regulation of the customs sphere and the problems of implementing customs control in the context of globalization challenges are given to the works of many scientists, namely: Avramenko N., I. Berezhnyuk, M. Belukha, T. Mikitenko, P. Pashko, S. Onishko, A. Krysovaty, Martyniuk, S. Shevchuk,

A. Yemets, V. Naumenko and others. The fundamentals of the legal framework for customs control as an element of state control in the system of public management of sustainable development of Ukraine are legislative and by-laws of Ukraine, other states, international treaties and other acts.

Aims. A common problem in the context of this study is the problem of state regulation in the field of customs control, in particular, in terms of the introduction of simplified declarations. An unresolved problem is the possibility of applying the experience of the EU, the introduction of simplified declarations, the adaptation of state regulation mechanisms to the challenges of globalization trends in the customs sphere. The purpose of the article is to analyze the experience of the EU regarding the implementation of simplified declarations and the possibility of taking it into account in the field of state regulation of the customs sphere of Ukraine.

Methods. The article uses the historical method of revealing the historiography of state regulation in the field of customs control of the EU and Ukraine. The method of analysis and synthesis was used to substantiate the conceptual and strategic ways of implementing state regulation in the field of customs control, in particular, to introduce such specific customs mechanisms to simplify customs procedures, customs declarations, and form public consolidated institutions to improve the provision of customs services. Of the special methods, the method of assessed value of goods and services was used to analyze the implementation of simplified EU declarations.

Results. Since the entry of the EU Customs Code (hereinafter referred to as the UCC) [1] into the EU on May 01, 2016, economic operators can determine the elements of customs value that are not quantifiable at the time of import, based on relevant and specific criteria. To request this facilitation, a trader must apply for authorization through the central Customs Decision System (CDS), the EU's online portal for all applications for customs decisions or permits. Upon review, Customs will either allow or deny permission for the use of special prerequisites in determining the customs value. The value obtained by applying the agreed methodology and elements is considered final.

This possibility was first introduced in the EU customs regulations in 1997. However, the scope of the permit was limited to additions and deductions related to the value of the transaction and did not cover the price actually paid or payable for the imported goods [7]. It was also limited in terms of its territorial validity, as it was only valid in the EU Member State where it was issued.

The UCC has significantly increased the benefits offered to the economic operator by extending the scope of the facilitation to the price actually paid or payable throughout the customs territory of the EU. The provisions are laid down in three legal acts: the UCC, the UCC Delegated Act (UCC WCO DA) and the UCC Implementing Act (UCC IA) [2].

Traditionally, importers who could not determine the element of value at the time of importation have resorted to a simplified declaration that may omit certain details normally needed. Regular use of such a simplification is subject to prior authorization and a guarantee is generally required for the submission of an additional declaration providing the missing details.

With regard to the customs value, the simplified EU declaration reflects the essence of Article 13 of the WTCO Valuation Agreement. When information for the final determination of the customs value of imported goods is not yet available at the time the goods are declared to customs, the goods may be released upon the provision of a guarantee covering the amount of customs duties due in connection with these imported goods. The deadline for submitting the missing information to the customs authority may not exceed two years from the date of release of the goods. While the procedure is appropriate when the declarant encounters delays in receiving all the elements for determining customs value, its administration can be cumbersome and incur disproportionate administrative costs.

That is why the EU has introduced an additional simplification allowing customs authorities to authorize an estimated value for value elements not known at the time of import. Accordingly, Article 73 UCC provides that the customs authorities may, on application, authorize sums that form part of the price actually paid or payable for imported goods, as well as additions and deductions to the price actually paid or payable. Unlike the simplified declaration, the calculated amounts are stored as part of the customs declaration and do not require further inclusion in the supplementary declaration. The value obtained by applying the simplification is then considered final.

This is the case, for example, when the exact amount of royalties to be included in the customs value of the licensed products is not known at the time of importation, since the payments for the license fee are expressed as a percentage of the total sales of licensed products in the EU during the specified period. Another case may be that the inclusion of price revision clauses in the contract of sale postpones the final determination of the customs value of the goods.

Article 71 of the UCC DA describes two categories of conditions that an economic operator must satisfy in order to be allowed to use the subsidiary facilitation. The first category concerns the necessity and effect of simplification for the goods being valued (Art. 71(1) UCC DA):

- the use of a simplified declaration would mean disproportionate administrative costs. In other words, the burden imposed by doubling the number of declarations may justify granting a simplification;

- the received customs value will not differ significantly from that determined in the absence of a permit. Compliance with this condition can be examined on the basis of commercial documents relating to the intended entry (eg sales contracts, license agreements, insurance policies). Compliance can also be checked based on, for example, data on previously accepted transaction values for identical or similar goods to be imported by the applicant;

- the second category of conditions concerns the applicant (s. 71(2) UCC DA). Permission may be granted provided that the applicant;

- has not committed any serious violations or repeated violations of customs legislation and taxation rules, and also has no record of serious criminal offenses related to its economic activities;

- maintain an accounting system which is in accordance with generally accepted accounting principles applicable in the Member State in which it is registered, and which will facilitate audit-based Customs control;

- has an administrative organization that suits the type and size of the business and is suitable for managing the flow of goods and has internal controls capable of detecting illegal or irregular transactions.

It should be noted that in the EU, economic operators must fulfill the same conditions (among others) in order to enjoy the status of authorized economic operator for customs simplifications. Therefore, pursuant to Article 38(5) UCC, the conditions set out in Article 71(2) UCC DA do not require re-examination if an authorized economic operator applies for customs value simplification. The competent customs authorities check whether the other conditions specified in Article 73 UCC and Article 71(1) UCC DA are met.

The applicant must provide all the information necessary to the competent customs authorities to enable them to make a decision. EU customs legislation establishes general data requirements for this purpose, including a proposed formula for calculating the relevant value element, unknown at the time of entry, based on specific criteria [3]. Except in cases where the effect of a decision is limited to one or more Member States, decisions concerning the application of customs legislation shall be valid throughout the customs territory of the Union.

An exceptional geographic limitation must be considered by the Customs authorities on a case-by-case basis, taking into account the individual set of facts on which the application is based and the specific value element for which the authorization is applied. For example, if the authorization concerns the determination of the amount of transport costs from a third country to a certain point of entry into the customs territory of the EU, it is clear that the simplification granted is in principle only valid for the Member States concerned, and only for goods destined for a given border crossing point [8-15]. If the authorization relates to cost elements such as distribution of aid, the definition of which is independent of geographical/national restrictions, the EU general rule applies.

Customs authorities are obliged to control the conditions to be met by the owner of any decision and compliance with the obligations arising from this decision. Thus, customs value simplification is subject to such monitoring. If the owner of the simplification fails to comply with the obligations arising from the decision, or where the simplification was granted on the basis of incorrect or incomplete information, the authorization may need to be suspended, revoked or revoked. This may also result in changes to the relevant customs declarations.

In order to support and facilitate the decision-making process regarding the application of customs legislation, a central customs decision system (CDS) has been established. It is an IT platform and traders portal that is used for all applications and decisions that may have an impact in more than one Member State, as well as for any subsequent event that may affect the original application or decision. The CDS includes Customs Value Simplification Authorizations and operators should have access to it to submit their requests.

Over the past 25 years, the WCO Customs Valuation Agreement (hereinafter referred to as the CVA) has been in place, aimed at eliminating customs clearance delays resulting from valuation verification and ensuring that the customs value of goods entering the market is properly assessed to reflect the actual price of goods agreed between buyer and seller. This is not the first multilateral valuation regulation, as the first attempt was made under Article VII of the General Agreement on Tariffs and Trade (GATT), which came into force in 1948. Since the negotiations were leading to tariff cuts, the negotiators wanted to address the existing customs practice of assigning arbitrary or fictitious values to goods that could destroy tariff incentives.

Article VII of the GATT introduced the notion that the value of imported goods for customs purposes should be based on the actual value of the imported goods. However, it did not include definitions of the customs value, nor did it provide details on how to calculate the "real" value of the goods. This left customs administrations with considerable discretion when it came to valuation.

In an attempt to improve regulation, EU members entered into a second, separate customs agreement, which became known as the GATT Evaluation Code during the Tokyo Round of Negotiations (1973-1979). This agreement, which was actually the GATT Customs Code, introduced new rules for valuation. It was intended to establish a proposed system that would reflect the true value of goods and exclude arbitrary or fictitious valuation. The result was the first detailed regulation of customs value. However, it was adopted as a Code under the GATT only by a number of GATT signatories.

It was eventually superseded by the current Customs Valuation Agreement, which was negotiated under the Uruguay Round (1986-1994) and entered into force for all WTO members in 1995. The purpose of the CVA is to ensure a fair, unified and a neutral system for determining the customs value of goods, excluding the use of arbitrary or fictitious customs value. At the same time, it aims to eliminate underbilling.

The CVA defines the initial basis, in fact the default mechanism, to be used for valuation as the "transaction value", which it defines as "the price actually paid or payable for a good when it is sold for export to the country of import" (Article 1). Therefore, the cost must be based on the selling price agreed between the buyer and the seller as presented on the invoice [16-18]. The agreement also includes in the value of the transaction other elements that affect the value of the goods, not included in the invoice (Article 8).

Deviations are allowed only when it is not possible to use the value of the transaction (for example, related parties influencing the price, cases where there are no sales, unreliable supporting documentation). Any deviation from the use of the transaction value increases the degree of discretion that customs authorities can exercise, and each subsequent alternative method further increases this level of discretion. The hierarchical structure of the Agreement aims to limit these possibilities, reflecting the goal of eliminating the use of arbitrary or fictitious customs values. According to a WCO survey conducted in the 1990s, over 90% of goods were valued using the transaction value method.

Administrations must also have the appropriate infrastructure in place. Establishing separate customs divisions to deal with valuation issues is effective for customs infrastructure development, as is the establishment of national technical committees and customs valuation policy committees to enforce legislation and implement regulation. These committees have a role to play in strengthening the capacity and experience in valuation and ensuring national uniform interpretation, application of laws and regulations on valuation [4-5].

In addition to the need to reform their customs administrations, developing countries and least developed countries also face the challenge of encouraging widespread informal traders to adhere to CVA. Many informal traders lack the infrastructure, knowledge and skills, often resulting in a lack of reliable import and export documentation. Customs requires special programs and infrastructure to bring these traders into line.

The requirements for effective CVA implementation cut across the political, legislative and technical realms. There is an overarching need for political will to take the steps necessary to achieve a high level of wealth. There is also a need for government and customs administrations to understand the scope of the administrative, legislative and managerial changes that need to take place [6].

CVA is indeed a highly technical, complex agreement requiring expertise in technical valuation rules ranging from basic transaction value implementation requirements to complex issues such as transfer pricing, royalties and license fees, and e-commerce business models. Therefore, there is a need for a sustainable mechanism to provide continuous capacity building for both Customs and the private sector, including through the development of training courses.

The valuation rules and related issues should not only be clear, but also applied in a consistent and standardized manner [19-20]. The adoption of measures aimed at developing an informed and engaged private sector is also important, as this will facilitate and encourage voluntary compliance with the evaluation rules. Regular dialogue with representatives of trade and industry associations is important, as it will increase the level of communication of their members. This would also be beneficial for Customs as regular and open communication improves understanding of the challenges faced by the private sector on certain aspects of the valuation.

From a transparency perspective, it is also important to note that WCO members are required to report their customs legislation to the Customs Valuation Committee. This is considered an essential condition for the implementation of the CVA and allows the Committee to review legislation to ensure that existing laws and regulations comply with the terms of the Agreement. In particular, it is checked whether the laws are implemented in such a way as to ensure the predictability and consistency of trade across national borders [21-22]. In addition to legislative review, the Committee provides members with an opportunity to raise questions and discuss the functioning of the Agreement in all WCO members.

Customs administrations often lack knowledge of the content of the CVA and have difficulty understanding it. The resource problem is exacerbated by high turnover of trained customs personnel and insufficient regular CVA training. The result is a

discrepancy between the level of knowledge and technical capabilities between customs authorities. Some developing countries also do not have the necessary supporting legal framework and administrative capacity to implement the Agreement. Inefficient information technology and computerized processes, including assessment risk management, are additional deterrents [23-27]. As a consequence, the private sector may experience overuse of the descending method with overuse of reference prices and valuation databases.

In addition, there is an uneven level of cooperation between member authorities and the private sector. These circumstances lead to a lot of misinformation about the effectiveness of the Agreement in both the customs and private sectors. The presence of a significant informal sector creates serious problems with verification and imposes a large administrative burden on customs administrations. For them, it is often not possible to apply the transaction value method, or indeed any of the alternative valuation methods [28]. The situation is further exacerbated by the fact that in most countries with a large informal sector there are no mechanisms to allow the exchange of information between importing and exporting countries.

Conclusions. For 25 years, CVA has been making international trade more efficient, regulated and fair. This contributes to the providing a secure business environment for economic development, retaining the benefits of low tariffs and reducing trading costs. CVA is of particular benefit to SMEs as they are disproportionately affected by customs clearance delays and high trade costs. This approach also refers to the fact that some countries still continue to face implementation problems, which are analyzed in the article. However, the Trade Facilitation Agreement offers WCO members a significant opportunity to strengthen CVA implementation. Both transactions are closely related. The TFA includes provisions for all elements of customs modernization that are necessary for effective CVA implementation: publication of customs laws and regulations, requirement for consultation with the private sector, implementation of preliminary rulings (encouraged to evaluate), risk management, including the cost of goods, appeal or review procedures, release of goods after the guarantee, post-customs audit and customs cooperation. In order to be able to implement TFA, a country must be able to implement CVA.

Technical assistance and capacity development support is available to developing countries and least developed countries that are unable to implement TFA. It is also a practical means of accessing the necessary support for evaluation purposes.

The implementation of the Agreement requires a shift to focus on the formalization phase and requires modernization of both processes and systems. The innovative activities required for the implementation of CVA are those included in the revised WCO Kyoto Convention: simplification of procedures, computerization, strengthening of internal controls and management systems, provision of advance assessment decisions, introduction of risk assessment management and capacity building.

Author contributions. The authors contributed equally.

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ANALYSIS OF MECHANISMS OF INTERACTION BETWEEN PUBLIC AUTHORITIES AND PUBLIC ORGANIZATIONS AT THE LOCAL LEVEL

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Abstract. *The article analyzes the problem of ensuring the effectiveness of the interaction of public authorities with the public, the existing mechanisms of interaction, their characteristics and features of application. Attention is devoted to the regulatory and legal basis of the forms of participation of civil society institutions in the management of state affairs. The values and principles of interaction between the government and the public and the principles of public organization in the formation and implementation of state policy are defined. Various approaches of scientists to the definition of problems of effective cooperation between state authorities and civil society organizations are considered. Modern scientific developments in the interaction of civil society institutions with the state authorities of Ukraine have been revealed. The legal forms of interaction between civil society institutions and the state authorities in Ukraine are defined and disclosed. It is emphasized that public organizations during interaction with state and self-government bodies influence their legitimacy. It is noted that public organizations exercise direct control over the conduct of national and local elections. The relationship between state authorities and the public in the context of crisis phenomena, organizational mechanisms for studying public opinion in order to obtain objective and reliable information is considered. Within the framework of the work, it was noted that today in the implementation of state policy, the objective is the tendency towards the increasing involvement of civil society organizations in the performance of its tasks. In this regard, it was stated that there is a growing need for accessibility, accountability and responsibility of authorities, strengthening of control mechanisms in anti-corruption and other issues sensitive to public opinion. This article draws attention to such threats that may arise in the process of interaction of the above-mentioned subjects as attempts to use public organizations and their potential in political struggle, as well as insufficient financial base, lack of human capital in non-governmental organizations. Important mechanisms of interaction between state authorities and non-governmental organizations are assessed.*

Keywords: *interaction; civil society; public policy; public authority; public associations; public opinion; public; state power; communication; interaction mechanisms; partnership.*

JEL Classification G38

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Introduction. Interaction of state authorities with institutions of civil society is a necessary condition for high-quality, timely performance of public authority functions. The mechanism of interaction between executive authorities and institutions of civil society is included in two main sectors, namely: public consultations; activity of public councils under the bodies of executive power [3].

It should be noted that in the special literature there are also a number of forms of interaction between the state executive power and institutions of civil society, which,

in particular, refers to such a form of interaction as the institute of public examination of the activities of executive authorities [7, p. 54].

Analyzing the situation in Ukraine, scientists claim: the state policy of interaction between authorities and civil society develops without an in-depth analysis of the causes of problematic situations, which leads to constant conflicts between the state authorities and society, the mechanisms of interaction need to be improved by specifying terms and tools, which is relevant for today's time.

Literature review. T. Andriychuk, O. Bazhinova, M. Boychuk, K. Glubochenko, N. Dniprenko, L. Zagaynova, I. Kolosovska, A. Kuchabskyi, V. Latysheva, V. Papusha addressed issues of interaction between the authorities and the public in their works. I. Pidluska, E. Romanenko, S. Timofeev, O. Turii, A. Khaletskyi, V. Yurchenko and others.

Public organizations during interaction with state and self-government bodies influence their legitimacy. Public organizations exercise direct control over the conduct of national and local elections. Researcher I. Popov noted that the reasons for the activity of public organizations in the election process are due primarily to the greater possibility of non-governmental organizations to influence social processes [6].

We agree with the opinion of O. Moroz that over the last decade the role of public associations in Ukraine is gradually decreasing and increasing. Public associations take an active part in the development, monitoring and formation of public opinion about the mechanisms and directions of implementation of state policy in various spheres: economic, social, spiritual, cultural, youth, environmental, educational, health care, organization of leisure, etc. Consequently, these social institutions become based on practical experience and become an effective source of consolidation of the efforts of members of society (man and citizen) and power institutions (state administration bodies) [5].

However, the problems of the effectiveness of mechanisms of interaction between authorities and public organizations require further study, analysis and finding ways to increase their effectiveness.

Aims. The purpose of the study is to analyze the mechanisms of interaction between public authorities and institutions of civil society, to identify the role and place of public organizations in the process of civil society development in Ukraine. In the process of analyzing the mechanisms of interaction between state authorities and the public, the following tasks were formulated:

- conduct an analysis of the legal framework regarding the forms of participation of civil society institutions in the management of state affairs;
- consider the values and principles of interaction between the authorities and the public, the principles of public organization participation in the formation and implementation of state policy;
- evaluate various mechanisms of interaction between state and non-state authorities of the organization.

The subject of the study is the mechanisms of interaction between public authorities and public organizations at the local level.

Methodology. The main methods used in the research process are: monographic, institutional, analysis and synthesis, abstraction and generalization, observation, morphological analysis, comparative analysis, strategic assessments.

The information base of the research consists of scientific publications of domestic scientists, statistical and information materials of ministries and agencies of Ukraine, its state authorities and local self-government, as well as personal scientific developments and work of the authors of this publication.

Results. Civil society is an integral part of the mechanism that ensures the functioning of democratic institutions and the stability of the political and socio-economic system of any country, contributing to the development of a reliable and balanced state policy. Successful cooperation between authorities and civil society organizations is predicated on the creation of favorable conditions for the development of civil society [14-21]. The concept of unity and cooperation between state authorities and civil society in the development, implementation and monitoring of state policy, which is in the direct interests of the public good, is one of the main characteristics of a modern state that is at the service of its citizens.

In recent years, a comprehensive assessment of the roles and functions of civil society organizations in European countries, including Ukraine, has been carried out. Governments have re-examined their relationship with civil society to ensure more effective public participation in decision-making and improve public policy in the provision of social services in many other areas, from combating unemployment to improving education.

Accordingly, as of today, the trend of increasingly broad involvement of civil society organizations in the process of formation and implementation of state policy is objective in implementation. It is worth noting that most of the strategic documents, in particular the priority action plans of the Cabinet of Ministers of Ukraine since 2016, are being developed in constant cooperation with civil society organizations and, first of all, those that have joined the Reanimation package of reforms. In this regard, there is a growing need for accessibility, accountability and responsibility of authorities, strengthening of control mechanisms in anti-corruption and other issues sensitive to public opinion.

Such mechanisms as consultations with the public, participation in public councils, working groups, public expertise and monitoring, public hearings, information requests to state authorities, etc., are used for the interaction of authorities and civil society. However, the potential of the analytical and expert environment, trade union organizations, and employers' organizations in shaping the content of state policy remains insufficiently realized today.

The public relations system, which is an integral part of the activities of public administration bodies in democratic countries, primarily in the member states of the Council of Europe, ensures the effective interaction of equal and interdependent subjects of public life.

According to Y. Habermas, it is the public through public discussion that controls and legitimizes the system of power, and it is also capable of resolving conflict

situations. This corresponds to the idea of creating a civil society by active individuals [4, p. 67].

The mechanism for realizing citizenship is public participation of the population, through which its ability to self-organize and self-govern is manifested. The existence of civil society becomes possible in the presence of free and equal individuals who have the right to free association and voluntarily carry out relevant political guidelines. People's social work is carried out in various forms, depending on the specifics of their activity. These are public organizations, and political parties, as well as public movements, etc.

Promotion of the self-development of civil society by public authorities (state authorities and local self-government bodies) involves: creation of systemic, primarily legal and financial, conditions for the activity of public sector organizations and structures; implementation of the policy of public consolidation to solve socially significant problems, aimed at ensuring the well-being of citizens; definition and implementation of the principles on which the interaction of public authorities with the structures of the business and public sectors is built, the creation of institutions for the interaction of the government, business and public sectors; improvement of existing and development of new forms of social partnership and forms of cooperation of public authorities with structures of the business and public sectors; development of effective mechanisms for supporting the activities of non-governmental organizations in their implementation of socially significant programs.

First of all, it should be noted that the mechanism of state management is a complex system designed to achieve set goals, which has a certain structure, levers, and tools for influencing the object of management with appropriate legal, regulatory, and information support [22-24]. An important mechanism of interaction between the authorities and the public is legal. The lack of an effective legal framework and special legislation in this area hinders the establishment of cooperation and partnership.

The organizational mechanism of management is also important, which includes subjects, objects of state administration, their functions, tasks, goals, management methods and performance results. It should be noted that the lack of an organizational mechanism of cooperation between public authorities and institutions of civil society is the dispersion and uncertainty of the functions of the state authorities regarding the development of such cooperation. In particular, in many developed countries, the state policy on cooperation with civil society is implemented by a specially authorized body. In view of this, the creation of an independent state body is proposed, the main task of which will be comprehensive assistance and support to the public in order to develop the involvement of citizens in the implementation of public policies [25-29]. Regarding the economic mechanism, which is closely related to the aforementioned mechanisms, it should be emphasized that a characteristic feature of the modern stage of creating an effective tax system is a change in the understanding of the place and role of the state in this process. If in previous years the state was considered as the main source of financial resources for the social sphere, today it should take an active position characteristic of the state itself, that is, create conditions for the development of public

organizations that will help in the search for alternative sources of funding, for example, grants.

The development of mechanisms of interaction between the state and civil society is due to the fact that, first of all, it is necessary to improve the existing relations between the government and civil sectors. For this, accordingly, new forms of such cooperation should be defined, conditions should be created that will contribute to the further development of civil society institutions, and guarantees should be strengthened in ensuring citizens their constitutional rights to participate in the processes of state administration. For a long time, the Ministry of Justice of Ukraine was developing a draft document that should define the interaction of the state and civil society in Ukraine, similar to similar European agreements, which defined the principles, forms and principles of cooperation between state authorities and non-governmental organizations. However, this version of the concept was never discussed in the Verkhovna Rada of Ukraine. Instead, a number of other important documents have been adopted today to establish partnership relations between state authorities, local self-government bodies and civil society organizations [8].

The key role of public relations during the functioning of public authorities is to create and shape a positive image of the authorities, which directly affects the creation of a favorable environment for effective interaction of both parties [1]. It should be stated that in Ukraine, the search for innovative forms of optimization of interaction between state and self-governing bodies and institutions of civil society continues.

Thus, we can state the fact that despite all the talks and measures aimed at the development of civil society, it is only at the stage of formation in our country. Therefore, it is necessary to discuss the effectiveness of the interaction of the state with the institutions of civil society systematically, starting, first of all, with the regulation of these relations. The beginning of such a system can be, for example, the adoption of the Concept of interaction of the state with civil society, the project of which is currently developed by the Ministry of Justice of Ukraine. Such a kind of systematization will contribute to the elimination of chaos in the relations between the state and institutions of civil society

An analysis of the state and content of the legal framework regarding the development of communication between state authorities and the public shows that in recent years, the Verkhovna Rada, the Cabinet of Ministers, and the President of Ukraine have adopted a number of important laws, resolutions, and decrees that expanded the scope, content, and boundaries of public control over activities state

There is a list of basic legal acts that promote and ensure the introduction of various forms of participation of civil society institutions in the management of state affairs, in particular:

- Laws of Ukraine: "On the principles of state regulatory policy in the field of economic activity", "On trade unions, their rights and guarantees of activity", "On the protection of consumer rights", "On associations of local self-government bodies", "On volunteer activities", "About public associations", "About appeals of citizens", "About access to public information";

– Resolutions and orders of the Cabinet of Ministers of Ukraine: "Regulations of the Cabinet of Ministers of Ukraine", "Procedure for facilitating public examination of the activities of executive authorities", "On ensuring public participation in the formation and implementation of state policy", "On approval of the Procedure for facilitating public examination of the activities of bodies" of executive power", "Typical provisions on public councils", Concept of promotion of civil society development by executive power bodies.

The most common and effective forms of interaction between the government and the public should also be highlighted, namely: informing, consulting, public hearings, social order, delegation, control.

As of today, the interaction of state authorities, local self-government bodies with the public remains insufficiently effective due to insufficient transparency of the activities of these bodies and bureaucratized procedures of such interaction, low level of mutual trust. For example, according to the expert survey, among the reasons for the ineffectiveness of consultations with the public is primarily (Fig. 1).

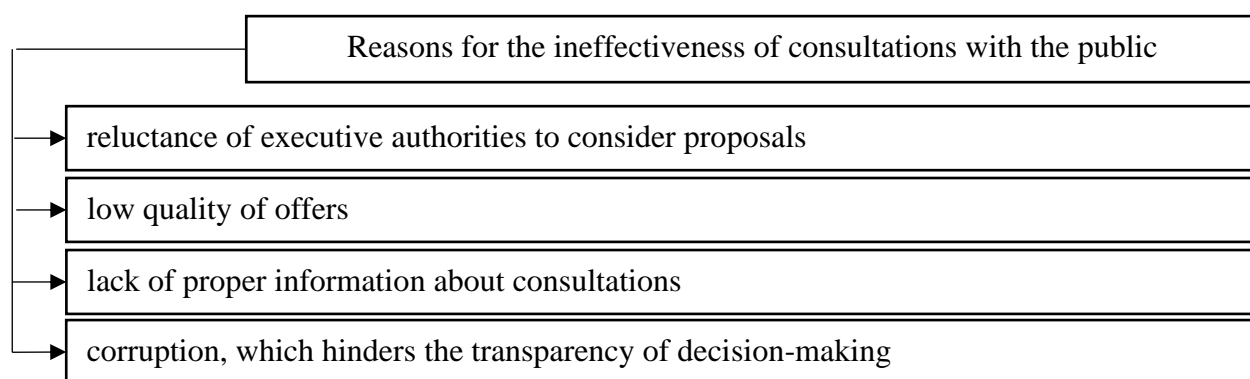


Figure 1. Reasons for the ineffectiveness of consultations with the public

Soucers: developed by authors

Therefore, it is necessary to overcome the following phenomena: firstly, corruption, overbureaucratization of state authorities, secondly, social inertia, unwillingness of citizens to defend their interests and participate in politics. The question of the effectiveness of the adopted normative legal acts, their improvement through the implementation of "working" procedures, along with the strengthening of the responsibility of state authorities and their officials for compliance with the legislation, is also open. The next stage should be the improvement of procedures, which would ensure the practice of state authorities taking into account the positions of the public, establishing the principles of openness, transparency, and accountability.

It is also necessary to propose proposals for an effective model of mechanisms for the interaction of civil society organizations with public authorities, which is needed (Fig. 2).

Discussion. The process of formation of civil society in Ukraine is objectively associated with certain difficulties, therefore, effective legal regulation of the activities of civil society organizations is of great importance in the process of the transition of relations between the state and civil society to the level of partnership. The basis of such regulation should be the principles of non-interference, deregulation and

maximum involvement of their potential as a component of civil society in processes in the state. The result of twenty-five years of building civil society can be called the positive dynamics of its development: the influence of civil society organizations on the internal and external policy of the state is growing significantly; the activities of public organizations are based on a broad base of legislation.

The analytical note of the National Institute of Strategic Studies offers the following list of necessary conditions for building an effective model of interaction between civil society organizations and public authorities [2]:

1. Ensuring information openness on the part of state authorities, timely informing about the preparation of political decisions.

2. Further improvement of the regulatory and legal field, elimination of its miscalculations and gaps, which should ensure the effectiveness of public consultation procedures, full implementation of public control, public expertise.

3. Expanding the scope and content of public control over the activities of state authorities, creating additional mechanisms for effective public control in areas that do not have proper legal regulation.

4. Coverage by mechanisms of public control, public expertise, monitoring, consultations with the public of issues of primary importance for society [8].

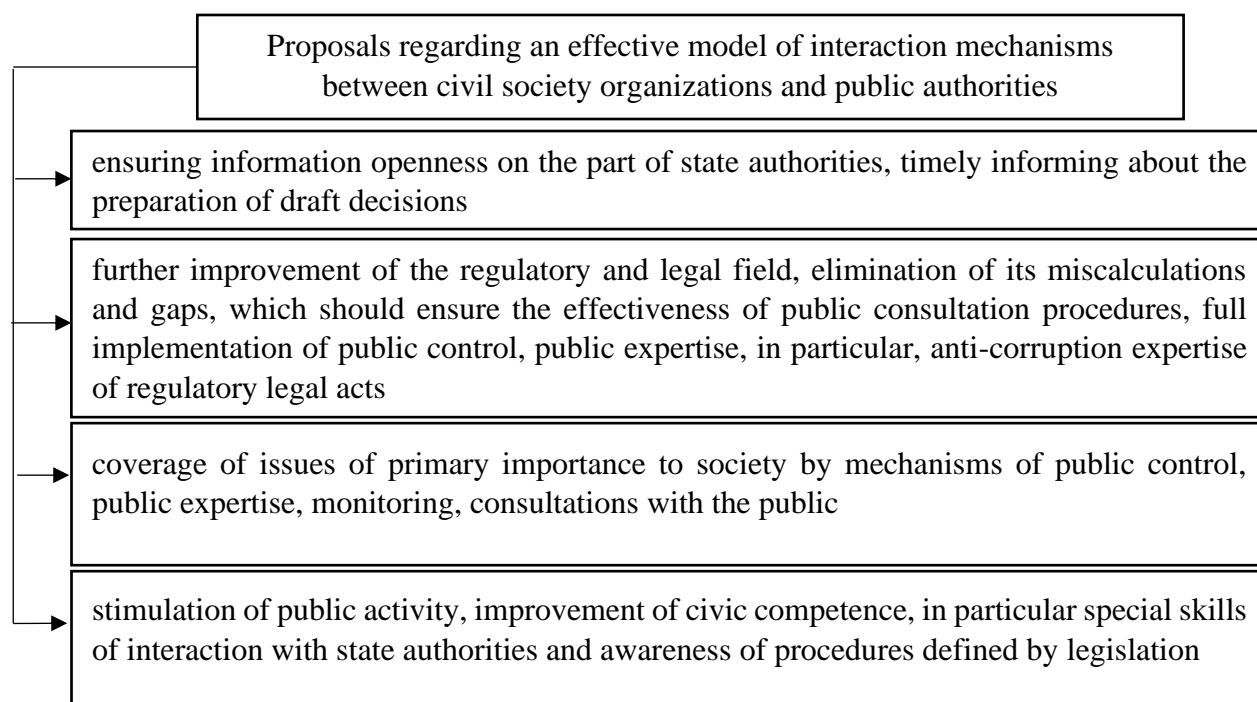


Figure 2. Proposals regarding an effective model of interaction mechanisms between civil society organizations and public authorities

Soucers: developed by authors

In view of the above, it is reasonable to conclude that the main conditions for the constructive interaction of public authorities with the public are:

- the willingness of the above-mentioned subjects to cooperate;
- readiness of the public to interact with the authorities;

- availability of effective legal mechanisms of cooperation;
- financial stability of activities of public organizations.

Conclusions. The interaction of state authorities with institutions of civil society is a modern condition for the development of a democratic state in the world. State authorities and local self-government bodies should cooperate with the public, as the existing potential of the population will help to influence the effectiveness of interaction and the development of partnerships. Cooperation between state authorities and the public is the key to the constructive implementation of public policies. Increasing the efficiency of government activity is achieved through more active involvement of human capital in the implementation of public administration strategies.

Therefore, the mechanisms of interaction between the authorities and the public allow us to outline the framework of interaction and transparency of partnership relations, as well as those that have a significant impact on the state of social relations in the country.

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THEORETICAL APPROACHES TO THE STATE POLICY OF FORMATION, ACCUMULATION AND USE OF HUMAN CAPITAL IN THE CONDITIONS OF SOCIO-ECONOMIC DEVELOPMENT

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Abstract. Realization of the ability to work as a qualitative characteristic of the workforce allows us to understand the reasons and driving forces for the development of the innovative economy. The purpose of the article is to generalize and improve theoretical approaches to the state policy of formation, accumulation and use of human capital in the conditions of socio-economic development. The theoretical and methodological basis of the research was the fundamental provisions, concepts, hypotheses and approaches to the management of human capital for the benefit of innovative development, set forth in the works of the classics and modern domestic and foreign scientists. The research is based on the methods of comparative, dynamic and comparative analysis, decomposition method, monographic research. Collective human abilities, distinguished by the continuity of cognition, understanding of the acquired knowledge, and their creative use are the labor potential of the socio-economic system, which characterizes the possibility of the development of this system. The conversion of human capital into labor resources is determined by the labor force index. The labor force is the able-bodied part of the country's population, which, due to mental, physiological and intellectual qualities, is able to produce material goods or services. Labor resources include the population capable of working. These are, first of all, people of working age, as well as working pensioners, teenagers, and immigrants. In the system of state statistics, the labor force is called "economically active population". A feature of developed countries is a high share of employees, less developed - self-employed, primarily due to the large number of self-employed households. It has been established that countries that rely on social and economic development on human capital formed through the education system become leaders. The functions of education are realized in various forms of individual benefits and public benefits at the corporate, regional, national and global levels. Public goods are recognized as collective goods that relate to the social. They characterize the development of society in general: social solidarity, equality in rights and self-determination of people, social and geographical mobility (freedom of movement), general knowledge and the possibility of participation in the discussion. Common goods can only be created jointly. Some are aimed at the individual (eg human rights) and some at groups of people (eg laws).

Keywords: state policy, socio-economic development, formation, accumulation and use of human capital

JEL Classification: H 56

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Introduction. The development of scientific knowledge of the peculiarities of the formation, accumulation and use of human capital in the context of the evolution of society allowed to reveal in the course of the research a number of limitations of the classical theory of human capital that can be used in the science of public administration, key among which are: the relative stability of institutions, in connection with why the task of their evaluation occupied a secondary position in research; a person is considered not as a final goal, but as a means of achieving the goal, hence: costs per person are a burden of obligations for the state and a social burden for business; skills that form specific human capital are of primary importance, general skills do not affect the level of human capital.

Literature review. The theory of human capital is characterized by a developed methodology and extensive conceptual developments. The problem of the essence of human capital is investigated in the works of such foreign scientists as: G. Becker, L. Voismmann, E. Denison, J. Kendrick, S. Koval, R. Lucas, J. Minser, R. Solow, L. Turow, Ege . Hanushek, J. Heckman, T. Schultz.

At the same time, certain aspects of public administration, such as the peculiarities of the formation, accumulation and use of human capital in the conditions of socio-economic development, remain insufficiently covered by the attention of scientists.

Aims. The purpose of the article is to generalize and improve theoretical approaches to the state policy of formation, accumulation and use of human capital in the conditions of socio-economic development.

Methodology. The theoretical and methodological basis of the research was the fundamental provisions, concepts, hypotheses and approaches to the management of human capital for the benefit of innovative development, set forth in the works of the classics and modern domestic and foreign scientists. The research is based on the methods of comparative, dynamic and comparative analysis, decomposition method, monographic research.

Results. The classical theory of human capital did not reject the importance of a person's ability to act under conditions of disturbed economic equilibrium. For example, in the situation of institutional transformation, changes in the requirements of the labor market, transition to a new technological system were studied [1, 2]. Along with human capital in economic theory, the following concepts are distinguished: human potential, labor potential, labor resources, labor force, personnel potential. The ratio of categories determined by the mentioned concepts reflects the processes of formation, accumulation and use of human capital, which have their own essential features in the conditions of socio-economic development.

Thanks to the widespread recognition of the results of theoretical research by the Indian scientist, Nobel laureate A. Sen [3], scientific interest in the concept of "human potential" appeared within the framework of the concept of human development. In his research, he approached the study of human potential from the point of view of individual capabilities, the increase of which is the development of human potential.

In his opinion, "human potential is a set of physiological, intellectual, psychological capabilities of a person that he can realize in the process of life" [3]. Part of these possibilities does not affect the ability to work, the remaining part, in aggregate, makes up the labor potential, which is realized only in the process of labor activity. Labor potential is defined as "the aggregate capabilities of the population to perform labor activities, which change as a result of the development of productive forces and industrial relations" [2]. Realized (capitalized) labor potential is called human capital. Unused (unrealized) labor potential accumulates in conditions of undemanding knowledge and human skills [1].

In modern science and practice of public administration, this approach has been used, but at the same time, the practice of considering human potential as abilities and/or as readiness is noted. Consideration of human potential as innate and acquired abilities is at the basis of the formation of strategic goals of state social policy in the

field of education [2].

Based on the understanding of human potential as readiness for fruitful activity and the need of an individual for self-realization, the system of values and interests, the presence of motivation for work, the hierarchical structure of advantages, the degree of activity, the strategic orientations of the state social policy in the field of social and labor relations are determined. Perception of human potential as opportunities, conditions for full-fledged, creative and satisfied work, quality of life, quality of working life is the basis for determining the strategic goals of the implementation of state social policy in the direction of improving the quality of life of the population.

Human potential, being part of human resources, turns into human capital only under certain conditions, the spectrum of which depends on the stage of development of society. So, in terms of socio-economic development, such conditions are: globalization and international migration, lifelong learning, foresight of personnel needs and competencies, innovative environment and innovative culture, transprofessionalism and active independence. In turn, the development of human capital is possible only if there is a high level of formed human potential and human resources at all levels of aggregation from micro to mega.

Labor resources (workforce) can be understood as a form of using human potential. And this is true, but the connection between human potential and labor resources is more complex in nature and is mediated by such categories as labor potential and human capital.

Realization of the ability to work as a qualitative characteristic of the workforce allows us to understand the reasons and driving forces for the development of the innovative economy. Collective human abilities, distinguished by the continuity of cognition, understanding of the acquired knowledge, and their creative use are the labor potential of the socio-economic system, which characterizes the possibility of the development of this system. The conversion of human capital into labor resources is determined by the labor force index. The labor force is the able-bodied part of the country's population, which, due to mental, physiological and intellectual qualities, is able to produce material goods or services. Labor resources include the population capable of working. These are, first of all, people of working age, as well as working pensioners, teenagers, and immigrants.

In the system of state statistics, the labor force is called "economically active population". A feature of developed countries is a high share of employees, less developed - self-employed, primarily due to the large number of self-employed households. The category "personnel potential" is related to the structure of the economically active population and related features of the use of human capital - it is a multi-criteria characteristic of the available abilities and potential capabilities of specific employees as a whole system (team). Within this concept, the abilities of employees to solve current tasks, opportunities to implement skills and apply skills are combined. Sometimes the concept is used as a synonym for labor potential, but more often it is used to denote a certain part of it.

According to the data of the World Bank, presented in the report *The Changing Wealth of Nations 2018: Building a Sustainable Future*, in the structure of the wealth

of countries on average, 64% of the world is human capital, in high-income countries this share is 70%, in low-income countries - 41 % [5]. In the structure of the wealth of Ukraine, the capitalized human potential occupies 54.6%. Moreover, up to 50% of the difference between countries' incomes is determined by the level of human capital. The high level of human capital in Ukraine gives a chance for the country to cope with new challenges and tasks of social and economic development.

The founders of the theory of human capital carried out calculations of the impact of education on society on the basis of data on the coverage of the population by various forms of education, determining the dominant role of quantitative indicators of education. The objective basis of this approach is the lack of an information base for analyzing the impact of the quality of education on socio-economic development due to the lack of tests assessing real knowledge and competencies on a national scale until the second half of the 20th century. Since the 1990s, the theory of human capital has undergone a paradigm shift from a quantitative to a qualitative approach, according to which not only the share of individuals with education and the total number of years of education determine the level of human capital of the socio-economic system, but also the quality of this education, which it manifests itself in cognitive skills, universal competencies and non-cognitive skills (social and behavioral). Thus, E. Hanushek and L. Weissmann explain the changes in the rates of economic growth in different countries largely by the role of cognitive skills [6]. Studies of a number of scientific works of previous years, supplemented by results obtained personally by the authors, allow E. Hanushek and L. Voissmann to highlight the mechanisms of influence of the "quality" of human capital on socio-economic development.

The classic concept of human capital is based on the triad: investment in education - development of human capital - economic growth and social development. As a result of purposeful management of human capital through the development of education, the foundations of an innovative economy and the conditions for the development of national innovation systems are formed.

As a result of the described processes, countries that rely on social and economic development on human capital formed through the education system become leaders. The functions of education are realized in various forms of individual benefits and public benefits at the corporate, regional, national and global levels. Public goods are recognized as collective goods that relate to the social. They characterize the development of society in general: social solidarity, equality in rights and self-determination of people, social and geographical mobility (freedom of movement), general knowledge and the possibility of participation in the discussion. Common goods can only be created jointly. Some are aimed at the individual (eg human rights) and some at groups of people (eg laws).

For the education system of Ukraine, which is characterized by moderate state participation, one of the key tasks is to create conditions that allow to significantly increase the contribution of professional education in all socio-economic spheres. Therefore, managerial aspects related to competent institutional organization, prioritization, as well as assessment of the contribution of professional education in the context of its interaction with other elements of the socio-economic system are of

particular importance.

An adequate assessment of the contribution of professional education to the development of society requires: a reliable theory of the contribution of professional education to the development of society; explanation of cultural differences in the contribution of professional education, which are found on a global scale; reliable metrics of the contribution of professional education used for comparison (including monitoring of dynamic changes).

Scientifically based assessment and competent organizational policy are integral components of success. In this regard, it should be noted that despite the enormous potential of Ukrainian vocational education, those approaches and models of organization and evaluation that are practiced today in Ukraine rather hide than promote opportunities for strengthening the socio-economic contribution of vocational education. Meanwhile, the indicators of the contribution of professional education to the development of society are fixed values, which are the starting points for managing the contribution of education to the development of the individual and society. Individual benefits of state importance form opportunities for individual self-realization in the state.

Not only the contribution of professional education to the development of society has cultural and international differences. The very research and political concepts of the contribution of professional education differ in individual countries and scientific schools. For example, the meanings of the terms "public", "public good", "common good" and the like in different languages have quite different meanings. Unequal political culture: the role of the state/government, spheres of responsibility of officials in professional education.

Differences between national cultures lead to differences in the understanding of the contribution of professional education between countries in some areas, such as state regulation, etc. However, there are areas in which different states follow identical strategies. This applies, in particular, to the sphere of state funding of research and development in priority fields of science. At the same time, in modern science and practice, even with significant political and cultural differences, unified approaches to understanding the contribution of professional education to the development of society have been formed. Among them: recognition of the significant role of professional education in the development of the nation; network system of international studies; partial autonomy of institutions (freedom of education and research); international mobility of students and teachers; measuring the quality of professional education; social justice in access to free education.

However, today the relationship between education and innovative development of the economy is statistically confirmed only for developing countries, where there is a clearly expressed relationship between the development of professional education and economic growth.

The general education of the population allows poor countries to fulfill their assigned function in the international division of labor. The rate of development of technologies and their global spread in the modern world is so high that institutions traditionally considered as factors of socio-economic and technological progress (open

labor market, state protectionism, protection of property rights, antimonopoly and currency policy, etc.) are not able effectively use their potential. According to the assessment presented in the report "2017 Deloitte Global Human Capital Trends" [7], a person better than organizations, institutions and states keeps up with technological changes, and undoubtedly, in the near future, the main segment of the labor market and the generator of added value will become exclusively human interaction using modern technologies. Further economic growth and innovative development are possible only through continuous improvement of institutions, through proactive social action. This is absolutely not a revolutionary way. The evolution of the labor market and its institutions is already taking place in this direction: the role of "general" human capital is increasing and its value exceeds the value of "specific", the importance of "21st century" skills is increasing.

The human development index of Ukraine in 2020 was 0.779. In 2018, this indicator was 0.750, and in 1990 - 0.705. However, Ukraine's index is far from the level of developed countries in Europe and Central Asia. In connection with the military operating on the territory of Ukraine due to Russia's military aggression, the specified indicator will decrease.

When in 2007 E. Hanushek and L. Weissmann investigated the nature of the influence of the human capital of states on socio-economic development [6], they also established that statistically confirmed growth of human capital is observed in countries where capital (technology, technology, innovation) comes and management competencies that stimulate the development of education to ensure economic activity, which is contrary to the classical concept of human capital. The current leaders of the list of countries according to the human development index are included in the list of leading countries in terms of the intensity of spending on technological innovations and/or the total level of innovative activity of organizations: Norway, Ireland, Switzerland.

Discussion. Thus, in the modern economy there is a process of transformation of the concept of human capital from the point of view of its relationship with economic growth, which takes place in the direction of understanding the role of economic growth and related investments in innovation as the main engine of education development.

Economic growth and related investments in innovation appear in the innovative economy as an engine of education development, which determines the emergence of new institutions and tools for the formation of human capital for the benefit of innovative development. As already mentioned, man is better than organizations, institutions and states in keeping up with technological changes, human interaction with the use of modern technologies becomes a generator of added value and economic growth in the innovative economy.

Economic growth, investments in technology and fixed capital require the development of education to provide the economy with personnel with appropriate qualifications. Today, the rapid mass adoption of digital technologies causes the need to change professions in terms of the set of competencies (digital competencies, etc.), and therefore, the system of professional education. In practice, the result of such a

transformation was education lagging behind the needs of the real sector, a mismatch between the demand and supply of labor market skills. As a reaction to the situation, high-tech and innovative companies are creating their own system of improving the qualifications of working professions and becoming a base for internships for students of professional institutions; in some areas, the severe shortage of qualified specialists has turned their selection into a separate labor market with its own ecosystem.

Conclusions. A feature of the socio-economic development of Ukraine is the special role of human resources in the composition of economic opportunities, determining the ability of socio-economic systems to effectively involve new technologies in the economic turnover, which requires the study of the role of human capital in the socio-economic development of Ukraine.

To date, the relationship between professional education and innovative development of the national economy, which is described in the classical concept of human capital, is statistically confirmed. In the modern science of public administration, there is a process of transformation of the concept of human capital from the point of view of its relationship with economic growth, which takes place in the direction of understanding the role of economic growth and related investments in innovation as the main engine of the development of professional education.

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CONCEPTUAL APPARATUS, CLASSIFICATION SIGNS AND ETYMOLOGY OF STRATEGIC PLANNING OF SOCIO-ECONOMIC DEVELOPMENT OF THE STATE

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Abstract. *The existing classifications of the strategies of socio-economic development of the state have been improved with the selection of such classification features of these strategies, namely: normative; orientation; level of uncertainty and degree of risk; the relative strength of the strategic position; type of development; the basic concept of achieving competitive advantages; degree of aggressive behavior in competition; level of decision-making; stage of the life cycle of the state. The purpose of the article is to improve the conceptual apparatus, classification features and etymology of strategic planning of the socio-economic development of the state. The following methods were used during the research: retrospective-historical, dynamic, logical, systemic, comparative, abstraction, analogical method. The further development of the conceptual and categorical apparatus of the study was carried out by clarifying the essence of the concepts based on the process approach, namely: the strategy of the socio-economic development of the state (the vision of the subject of strategic planning of the desired state of the socio-economic development of the state in the long term, the most effective of alternative ways and the necessary means, processes and procedures for its achievement, in the presence of some set of external and internal environmental constraints); strategic management of the socio-economic development of the state (a system of subject-object relations arising in the process of state strategic planning, implementation and monitoring of the effectiveness of the implementation of the state's strategy aimed at solving the tasks of its socio-economic development); strategic planning of the socio-economic development of the state (the process arising as a result of the activity of the subject of strategic planning, which includes the determination of the strategic position of the state, the selection of alternative options for the optimal strategy of its socio-economic development, as well as the development of a strategic plan aimed at achieving strategic goals of socio-economic development of the state).*

Keywords: *socio-economic development of the state, strategic plan, strategic position of the state, strategic goals*

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Introduction. The definition of its terminological apparatus is of primary importance in the process of revealing the essence of the problem of strategic planning of the socio-economic development of the state. A significant number of studies of the fundamental theoretical problems of strategic planning led to a certain degree of divergence in the formulation of the main definitions, determination of the stages of the strategic planning process, and classification of strategies. In addition, the meaning of most of the main terms used in this field is defined at the legislative level.

This circumstance significantly limits the possibilities of effective application of modern strategic planning tools based on the process approach. This fact determines the need for systematization, generalization and clarification of the used research terminological apparatus.

Literature review. Fundamental issues of strategic management and planning

are considered in the works of such foreign scientists as Aaker D., Akoff R., Albert M., Ansoff I., Barney D., Bartlow K., Wiersema F., Gluck U., Goshal S., Jauch L., Doyle P., Drucker P., Saltison F., Kaplan R., Kleiner R., Kotler F., Quinn D., Mescon M., Mintzberg R., Mauborn R., Mockler D., Norton D., Omae K., Pearce D., Porter M., Rice E., Robertson R., Rowe A., Strickland A., Thompson A., Trout D., Tracy M., Hatten D., Hadowry F., Chan Kim St., Chandler A., Shendel D. and others.

However, it is possible to record the fact that researchers continue to search for terminological apparatus and effective methods of strategic planning of the socio-economic development of the state, which would meet the requirements of modern realities.

Aims. The purpose of the article is to improve the conceptual apparatus, classification features and etymology of strategic planning of the socio-economic development of the state.

Methodology. The following methods were used during the research: retrospective-historical, dynamic, logical, systemic, comparative, abstraction, analogical method.

Results. The use of the term "social and economic development" involves consideration of issues of state development taking into account the interdependence, interdependence and mutual influence of social and economic processes. The term "strategy" has been known since ancient times, it comes from the ancient Greek word "strategis", which in translation means "to lead an army". Initially, it was used in the military environment and meant the process of developing and carrying out combat operations necessary to gain an advantage and, as a result, victory over the enemy [1].

The term "strategy" does not have a clear definition. The study of the literature in the field of strategic management revealed a high level of interest of researchers in the term "strategy", which is evidenced by a significant number of attempts to formulate its definition. The content analysis of the formulations proposed by various researchers [2-8] showed the existence of significant differences in the meaning of the terms and allowed us to distinguish four approaches to the definition of the concept of "strategy" according to the fact that the researcher takes the concept of strategy as a basis.

Accordingly, these approaches can be characterized as follows: strategy as a system - characterizes the presence of the unity of a certain number of elements that interact with each other to achieve the set goals; strategy as a model is a real process in dynamics taking into account a certain set of factors; strategy as a plan - assumes that all changes are predictable, occur in the environment and are determined by internal and external conditions, subject to full control and management; strategy as a development process - is based on the fact that functioning within the framework of the chosen direction should lead the object of strategizing to the achievement of the set goal; strategy as a document (legislative acts of Ukraine) - provides for the recording of planned changes on information carriers.

The analysis of the interpretations of the concept of "strategy" by various authors [1, 3, 7] also allowed us to highlight the key characteristics of this category, namely: systematicity: it is necessary to define the entire set of elements of the concept of

"strategy" and establish the relationship between them; spatio-temporal conditioning - determines the need to account for space and time in the process of formulating the definition of "strategy"; resource availability - establishes the importance of reflecting in the formulation of the concept of "strategy" the dependence of the strategy itself on available resources; determinism by internal and external factors - determines the expediency of accounting for environmental factors.

In addition, the analysis [2, 4] showed the presence of two directions of action of the strategy: outsider - aimed at the external environment of the strategic object (ensuring competitiveness, market development, ensuring economic and other security, sustainable development); insider - aimed at the development of elements of the internal environment of the object of strategizing.

Based on the identified parameters, the following author's definition is proposed: the strategy of the socio-economic development of the state is the vision of the subject of strategic planning of the desired state of the socio-economic development of the state in the long term, the most effective of the alternative ways and the necessary means, processes and procedures for its achievement, in the presence of some set of limiters of the external and internal environment.

The proposed definition takes into account the presence of the following factors: resulting – a vision of the state of the strategic object in the future; temporary - the action of the strategy is aimed at the long-term perspective; resource - in order to achieve the desired state of the strategic object, the presence of certain resources is required; alternative - the most effective one is selected from the set of action options, the implementation of which should bring the system to the desired state; limiting – actions to achieve the desired state of the strategic object are limited by factors of the external and internal environment; adaptive - in order to achieve the desired state of the strategic object, it is necessary to respond in time to future changes in the internal and external environment; economic - involves taking into account the comparison of the obtained results and the costs necessary to achieve them.

It is obvious that different management subsystems have different goals regarding the desired state of the strategic objects managed by them. Therefore, there are quite a lot of types of state development strategies. In order to increase the efficiency of the process of development and implementation of the strategies of socio-economic development of the state, their clear classification is necessary. Based on the generalization of information from various sources on strategic management [1-8], taking into account the fact that there is a certain degree of analogy between the corporate and the meso- and macro-level of management, we will try to classify the types of state development strategies.

The analysis of existing classifications, as well as the author's definition of the strategy of socio-economic development of the state, given above, allow us to distinguish the following classification features of the strategies of socio-economic development of the state: normative; orientation; level of uncertainty and degree of risk; the relative strength of the strategic position; type of development; the basic concept of achieving competitive advantages; degree of aggressive behavior in competition; level of decision-making; stage of the life cycle of the state.

In some cases, researchers [6, 8] lose the relationship between the strategy of the strategic object and the strategies of its supersystems and subsystems. In the practice of developing and implementing the strategy of socio-economic development of the state, the strategies of socio-economic development of the regions that are part of them, strategies of types of economic activity are also not always taken into account. Therefore, it is necessary to distinguish the following types of state development strategies: international (global) strategies; state strategies; regional strategies. So, the strategy of socio-economic development of the state is formulated in connection with the strategies of its subsystems (regions, types of economic activity, economic entities) and supersystems (unions of states, other states) under the influence of internal and external environmental factors.

Next, by analogy, we will consider the etymology of the definition of "strategic management of the socio-economic development of the state" due to the fact that the strategic planning of the socio-economic development of the state is its main stage and an integral part. Strategic management was allocated to an independent direction under the influence of the following factors: increase in unstable external and internal environment; gradual transition from capital as the main factor of development to human resources; trends in the globalization of markets; scientific and technological progress; shifting the focus of management's attention to the external environment in order to respond appropriately to its changes.

The term "strategic management" was first introduced into scientific circulation in 1972 by the American economists D. Shendel and K. J. Hatten [8]. Most researchers consider the problem of defining the concept of "strategic management", limiting themselves to the framework of one or several characteristics [3, 5, 6].

The systematization of the presented definitions makes it possible to distinguish the attributive features of strategic management of the socio-economic development of the state: orientation to the future (long-term perspective); taking into account the dynamics of the external and internal environment; provision of economic and other benefits; making adaptive management decisions; process approach; system of management subject-object relations.

The main elements of strategic management of the socio-economic development of the state are also defined: object of strategizing; subject of strategizing; external and internal environment; strategic planning; strategic analysis; strategic goal setting; strategy; strategic plan; organization and motivation of actions aimed at implementing the strategy; strategic management decisions; strategic monitoring; adjustment of strategy.

On the basis of the selected attributes and elements of strategic management, the continuity of the author's approach to the concept of "strategy of the socio-economic development of the state", it is legitimate to define the category "strategic management of the socio-economic development of the state" as: a system of subject-object relations arising in the process of state strategic planning, implementation and monitoring of the effectiveness of state strategy implementation aimed at solving the tasks of its socio-economic development. In our opinion, this formulation reflects all the main characteristics of strategic management, namely: long-term orientation; the dynamism

of the environment, the adaptability of management decisions and, finally, the process approach, which assumes the presence of the main functions of management "planning - implementation (organization and motivation) - control", effective tools, and even the two-sidedness of any management process.

According to a similar scheme, we will trace the etymology of the category "strategic planning" and, based on it, we will try to define the term "strategic planning of the socio-economic development of the state". With the development of strategic planning, the content of this definition changed, supplemented and adjusted. Analyzing the given definitions of strategic planning by various authors [3-7], it is possible to single out the key, system-forming elements of strategic planning of the socio-economic development of the state: subject (public administration bodies); object (state); strategic analysis of the internal and external environment; strategic position of the state; the strategy of socio-economic development of the state; the strategic plan of socio-economic development of the state.

Let's reveal the meaning of these concepts, taking into account the definitions generally accepted in science. The subject of strategic planning is a person (or a group of persons) exercising managerial influence. In the case of the state, these are public administration bodies and officials. The object of strategic planning is what the actions of the subject of strategic planning are aimed at. In our case, it is actually the state itself. Strategic analysis of the state's development is an assessment of the impact of environmental factors on the current and prospective state of the state's socio-economic development in order to determine its strategic capabilities. The strategic position of the state is the current state of the state in the environment. The strategy of socio-economic development is a vision of the desired state of the state in the long term, the best of the alternative ways of achieving it, the necessary means of achieving it, in the presence of a certain set of external and internal environmental constraints. The strategic plan of the socio-economic development of the state is a document containing a list of measures necessary for the implementation of the strategy of socio-economic development, sufficient resources, responsible persons, as well as a set of indicators for achieving the strategic goals of the socio-economic development of the state.

Positioning the strategic planning of the socio-economic development of the state as a self-organizing system, we will present it in the form of a homeostat (that is, a system capable of independently maintaining the parameters of its functioning). In a homeostat, this approach is implemented by managing the system's internal contradiction (that is, the contradiction between the system's goal and its current state). In the homeostat, the element "subject of strategic planning" acts as a public management body. And the elements located at the opposite ends of the segments form the blocks "state" (strategic analysis of the state of socio-economic development of the state and strategic position of the state) and "desired perspective" (strategy of socio-economic development of the state and strategic plan of socio-economic development of the state). Between the blocks, as well as in each of them, there is a contradiction available for management by the subject of strategic planning.

The basis of the hierarchical organization of systems is the subordination of contradictions. The contradiction unfolds within the categorical pair

"identity/difference". Any contradiction can be understood through trends-vectors that have opposite directions. We will distinguish three areas, each of which contains a special set of categories, they will be: identity, unity, whole; existence; difference, many, parts. The categories "deceased/moving" express the transitions between the three mentioned groups. For the "strategic planning of socio-economic development of the state" system, we will establish the following contradictions: for the pair from the "state" block: strength-weakness (for the internal environment) and opportunities-threats (for the external environment); for the pair from the "perspective" block: state-prospects and expectations-reality.

In the process of analyzing the internal and external environment, the subject of strategic planning, acting as a pendulum, determines the current ratio of strengths and weaknesses (internal environment), opportunities and threats (external environment) of the socio-economic development of the state, i.e. determines its current position. On the basis of the current position and taking into account possible changes in the conditions of state functioning, the ratio of such contradictions as state-perspectives and expectations-results is determined, that is, a strategy for the socio-economic development of the state and a plan for its implementation are developed.

Conclusions. Having the images of the category "strategic planning of the socio-economic development of the state" visualized above, as well as based on the proposed definitions of the concepts "strategy of the socio-economic development of the state" and "strategic management of the socio-economic development of the state", the term "strategic planning of the socio-economic development of the state" is defined of the state" from the point of view of the process approach: strategic planning of the socio-economic development of the state is a process that arises as a result of the activity of the subject of strategic planning, which includes the determination of the strategic position of the state, the choice of the optimal strategy for its socio-economic development from alternative options, as well as the development strategic plan aimed at achieving the strategic goals of the socio-economic development of the state.

Author contributions. The authors contributed equally.

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THE ESSENCE AND SIGNIFICANCE OF STATE FINANCIAL CONTROL IN THE MANAGEMENT OF STATE FINANCIAL FLOWS AND FINANCIAL AND ECONOMIC ACTIVITIES OF ECONOMIC ENTITIES

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Abstract. *It was determined that a generally accepted definition of the concept of state financial control has not yet been developed. At the same time, the existing formulations have a number of significant shortcomings. The purpose of the article is to clarify the essence and significance of state financial control in the management of state financial flows and financial and economic activities of business entities. State financial control is defined in a broad sense as the activity of state authorities and management bodies of all levels (officials), as well as internal control units of state organizations, as established by relevant normative acts, as well as internal control units of state organizations in order to identify, prevent, and stop further violations in the procedures for managing state financial flows and financial economic activity of economic subjects: non-compliance with the legislation in the implementation of financial and economic activities of organizations (execution of financial and economic operations), in the course of the budget process, as well as in the implementation of any other procedures for managing state financial flows (including accounting and preparation of accounting reports); shortcomings in various fields of financial and economic activity of state organizations and their associations, organizations with state participation or especially related to the activities of the state (in this plan, control is carried out on the subject of the effectiveness and expediency of financial and economic activity that causes a change in property and liabilities 'yazan, i.e. state financial flows); errors and abuses in the management of state monetary and material resources (capital) used in economic activity and alienated intangible objects of state property (state property rights, etc.), causing direct or indirect financial (material) damage to the state; actions that led to the emergence of threats to the financial security of the state. It was established that the purpose of state financial control is to ensure compliance with the principles of legality, expediency and efficiency in administrative and executive activities (actions) of the following nature: planning, formation, distribution (redistribution) and use of financial, tangible and intangible objects of state ownership on all levels of economic activity; activities to ensure security and multiplication of the above-mentioned objects, and even to create all the conditions for this; activities to ensure the functioning of various subsystems (including the accounting system, internal control system, etc.) management of the financial and economic activities of organizations (state, with state participation, especially related to the state); activities to ensure the financial security of the state.*

Keywords: *state financial control, state financial flows, economic entities, management, financial and economic activity.*

JEL Classification: H 56

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Introduction. Among scientists, there is no unity in the interpretation of the concept of state financial control. There are different points of view. The following definitions reflect differences in approaches to its content. Yes, L.V. Dikan, O.V. Kozhushko, Yu.O. Lyadov give the following definition: "Financial and economic control should be understood as a system of supervision of state and public bodies entrusted with control functions over the financial and economic activities of enterprises, associations, institutions, organizations and other divisions of material production and non-production spheres in order to objectively assess the economic

efficiency of this activity, to establish the legality, reliability and expediency of economic and financial transactions, the preservation of socialist property, to identify intra-economic reserves for increasing production efficiency and increasing state budget revenues" [1]. From our point of view, the supervision system is only one form of state financial control.

L.O. Mironova, O.V. Moiseyenko, financial control is understood as "the activity of state and public bodies, which is in the verification of the reasonableness of the processes of formation and use of centralized and decentralized monetary funds in order to comply with planned proportions in expanded production" [2]. In our opinion, this definition considers only some of the most general macroeconomic aspects of control, the substantive characteristics of control are not fully disclosed (it is not clear what control consists of). It is also not entirely clear whether it is necessary to include chief accountants and deputy directors for economics and finance of state enterprises and institutions (and, accordingly, accounting services, financial and internal control and audit units) to financial control bodies. In addition, inspection is only one form of control.

Literature review. The theory of state financial control in the management of state financial flows and financial and economic activities of business entities is characterized by a developed methodology and extensive conceptual developments. The problem of the essence of state financial control is investigated by such scientists as: O.I. Baranovskyi, O.D. Vasylyk, L.V. Dikan, O.V. Kozhushko, T.O. Kolomoets, Yu.O. Lyadova, L.O. Mironova, O.V. Moiseyenko, V.K. Shell and others. At the same time, certain aspects of state financial control, in particular its importance in managing state financial flows and financial and economic activities of economic entities, remain insufficiently covered by the attention of scientists.

Aims. The purpose of the article is to clarify the essence and significance of state financial control in the management of state financial flows and financial and economic activities of business entities.

Methodology. The theoretical and methodological basis of the study was the fundamental provisions, concepts, hypotheses and approaches to the essence and significance of state financial control in the management of state financial flows and financial and economic activities of economic entities, set forth in the works of classics and modern domestic and foreign scientists. The research is based on the methods of dynamic and comparative analysis, monographic research.

Results. In V.F. Pihotsky's definition of financial control is given as follows: "Financial control, being one of the most important functions and an integral component of the general mechanism of managing the economy and production, covers financial, credit and production indicators. The scope of control includes the production, distribution, distribution and consumption of goods and materials values in money" [3]. He also believes that state financial control is carried out with the aim of ensuring the state's financial policy and is implemented through a system of organizational, administrative, law enforcement and other measures corresponding to modern conditions and prospects for the development of the Ukrainian economy and the state [3]. These interpretations are quite fair (although, in our opinion, they

essentially consider control only in the aspect of a management category), but they do not clearly take into account the meaningful side of control (for example, it is not indicated that control is primarily an activity of detection, prevention and termination of violations in certain branches of financial and economic activity, etc.). These interpretations also do not give a generalized description of the violations that control is designed to detect, prevent and stop, and also do not take into account aspects of controlling the feasibility and effectiveness of financial flow management.

V.K. Shkarupa, T.O. Kolomojets note: "The activities of state control bodies should be aimed at verifying the implementation, first of all, of state laws and presidential decrees, the legality, correctness and expediency of directing allocated ... budget funds, the effectiveness of the activities of government bodies, the effective and economical spending of state funds on at all levels of management of financial and material resources" [4]. This formulation does not take into account aspects of control over the financial security of the state (in particular).

O.I. Baranovskyi believes that "financial control should be understood as carried out using specific organizational forms and methods of activity of state bodies, and in some cases non-state bodies endowed by law with the appropriate powers, with the aim of establishing the legality and reliability of financial transactions, objective assessment of economic efficiency financial and economic activity and the identification of reserves for its improvement, increase in revenues to the budget and preservation of state property [5]. It is unlikely that this definition of the concept of financial control is quite clear and complete, since in fact some control tasks are listed here.

I.V. Basantsov believes that "financial control is the control of legislative and executive authorities of all levels, as well as specially created institutions over the financial activities of all economic entities (states, enterprises, institutions, organizations) using special methods. It includes control over compliance with financial -economic legislation in the process of formation and use of funds, assessment of the economic efficiency of financial and economic operations and the feasibility of expenditures" [6]. This definition has, in our opinion, two shortcomings. First, only some control tasks are listed here as well. Secondly, it also does not fully disclose all aspects of state financial control. It is unclear which methods the authors consider special.

O.D. Vasylyk, K.V. Pavlyuk define financial control as follows: "Financial control should be understood as a multi-aspect, interdisciplinary system of supervision of state and public bodies entrusted with control functions over the financial and economic activities of enterprises, institutions and organizations from a whole objective assessment of the economic efficiency of this activity, determination of legality and expediency economic and financial operations and identification of state budget revenue reserves" [7]. Such an interpretation is objectionable, since reducing financial control only to the inter-sectoral supervision system means significantly limiting the actual scope and forms of control activity of the set of its various bodies.

I. Ivanova believes that the content and purpose of financial control "comes down to checking the financial activities of economic entities and subjects of branch

(departmental) and territorial management. The object of financial control is distributional relations at the stage of formation and in the process of using financial resources, centralized and decentralized monetary funds. Value indicators are subject to financial verification. Financial control covers the correctness of the formation of value indicators and financial results of the activities of economic entities, drawing up and execution of budgets and extrabudgetary funds, expenditure estimates of non-commercial budget funds, completeness and timeliness of tax payments and tax deductions" [8]. In our opinion, it also unreasonably limits the content of control activities. In addition, the above statement from the point of view of logic cannot be a definition of the concept of state financial control.

K.V. Pavlyuk believes that "financial control focuses attention on the actual implementation of financial, budgetary, tax, credit, monetary policy, price policy, issues of development of the monetary and financial aspect of the foreign policy course and foreign economic relations" [9]. He rightly believes that in the conditions of market relations, the role and importance of highly professional financial and economic control over the formation and execution of budgets, effective use of financial resources from all sources is growing significantly. At the same time, the author (in our opinion, unjustified) emphasizes only certain macroeconomic aspects of state financial control, not taking into account (among other things) aspects of control of financial and economic activities of organizations.

A.V. Khmelkov defines the essence of state financial control as follows: "State financial control is the realization of the state's right to protect its financial interests and the financial interests of its citizens by legal means" [10]. Judging by this statement, he has a characteristic view of state financial control only in the aspect of law (in isolation from its economic content).

Therefore, a generally accepted definition of the concept of state financial control has not yet been developed. At the same time, the above formulations have a number of significant drawbacks. In our opinion, state financial control in a broad sense is the activity of state authorities and management bodies of all levels (officials), as well as internal control units of state organizations, in the detection, prevention, and termination of further violations in the procedures for the management of state financial flows, established by relevant normative acts. and financial and economic activities of economic entities: non-compliance with the legislation when carrying out financial and economic activities of organizations (execution of financial and economic operations), during the budget process, as well as when performing any other procedures for managing state financial flows (including when bookkeeping and preparation of accounting reports); shortcomings in various fields of financial and economic activity of state organizations and their associations, organizations with state participation or especially related to the activities of the state (in this plan, control is carried out on the subject of the effectiveness and expediency of financial and economic activity that causes a change in property and liabilities 'yazan, i.e. state financial flows); errors and abuses in the management of state monetary and material resources (capital) used in economic activity and alienated intangible objects of state property (state property rights, etc.), causing direct or indirect financial (material) damage to the state; actions

that led to the emergence of threats to the financial security of the state.

In general, the purpose of state financial control is to ensure compliance with the principles of legality, expediency and efficiency in administrative and executive activities (actions) of the following nature: planning, formation, distribution (redistribution) and use of financial, tangible and intangible objects of state ownership at all levels business activity; activities to ensure security and multiplication of the above-mentioned objects, and even to create all the conditions for this; activities to ensure the functioning of various subsystems (including the accounting system, internal control system, etc.) management of the financial and economic activities of organizations (state, with state participation, especially related to the state); activities to ensure the financial security of the state.

It is necessary to explain the above principles. The concept of the principle of legality can be interpreted as both a narrow and a broad meaning. In a narrow sense, the legality of actions or activities is their compliance with regulatory legal acts (for example, in our case, they establish the authority to own, use, and dispose of state property). In other words, compliance with the principle of legality is the implementation of laws and by-laws (for example, the implementation of budget laws, etc.). At the same time O.A. Shevchuk believes that the concept of legality can be interpreted as a set of interconnected social, political and legal requirements and their implementation in society [11]. Such an extended interpretation of the principle of legality consists in the fact that not every normative legal act meets the real needs of the state and its citizens. The principle of expediency means compliance with the set goals (as you can see, this interpretation has a narrow meaning, which allows us to clearly distinguish between the concepts of expediency and effectiveness). For example, one of the criteria for compliance with the principle of expediency in the management of state property is the targeted use of state funds (funds, commodity credits, etc.) and property purchased at the expense of these funds. The purposeful nature of allocation of budget funds is being formed, and the heads of organizations - subordinate managers of budget allocations may be given the right to independently determine the direction of spending the received budget funds. In these cases, the spending goals must be specified in the relevant administrative documents. When receiving budget funds on a reverse basis, the purpose must be formulated in the relevant contracts.

It should be noted that the distinction between the principles of legality and expediency is conditional for those cases when the purposes of spending budget funds are quite clearly and unambiguously prescribed in legal acts, since spending funds not for the intended purpose will also be recognized as illegal. In some cases, the achievement of the goal is accompanied by illegal (illegal) actions of the managers of the funds. The principle of effectiveness in general implies the reasonableness, rationality, practical and theoretical justification of the need for something (for example, the actual necessity of this or that target program, this or that regulatory act in economic, social or other plans, its practical usefulness to society, etc.). This principle is complex, because efficiency can be understood in economic, social, environmental, and technological (etc.) aspects. At the same time, for example, the

principle of economic efficiency can be considered from different angles. Thus, economic efficiency can include: optimal ratio between costs and useful effect; absence of unnecessary (unproductive) expenses (frugality); achieving a certain goal with minimal (as little as possible) costs (scientists often refer to this as the "principle of minimality") or achieving the best (maximum) result with a strictly defined amount of resources (scientists often refer to this as the "principle of maximalism"). At the same time, one of the criteria of efficiency, for example, the implementation of the budget, is the use of internal reserves for attracting revenues to the budget. In accordance with the principle of efficiency, alternative solutions are developed and the most acceptable is selected from them. In principle, the evaluation of efficiency is a rather complex and far from clear-cut issue. No rules for evaluating efficiency have yet been developed, since its very concept has different interpretations.

It is obvious that the efficiency evaluation method should also depend on specific areas of use of state funds, specific areas and objectives of control. Of course, all principles (taking into account the expanded interpretation of the concept of legality) are interconnected and the boundaries between them in the practice of control are very conditional. For example, the principle of legality has been violated by the lessees, and the principle of efficiency by the lessors (in this case, the management of state property) by non-payment of the prescribed payments for the lease of state property. It should be recognized that in some cases the principle of legality is always consistent with the principle of effectiveness. And in this case, all responsibility should fall on the legislator.

In some cases, there are certain contradictions between the principles of efficiency and expediency (for example, in the presence of economies of scale, the greater the volume of work, the higher the efficiency, while from the point of view of expediency, one should be limited to a small volume; in areas of activity with risk, sometimes it is necessary to sacrifice economy, incurring additional costs to more reliably guarantee the achievement of goals). At least priorities should be set.

Achieving the goal of state financial control is ensured by the implementation of the following main tasks. Firstly, it is the control of organizations of any organizational and legal forms, forms of ownership and types of activity (profile), associations of organizations, entrepreneurs on the subject of their compliance with normative legal acts containing legal norms regulating relations arising in the process of their financial and economic activity, entrepreneurial activity, and the management of these relations (including the organization of intra-economic planning, regulation, accounting, control and analysis systems); control of state organizations for their compliance with individual legal acts (orders, orders of higher state organizations, etc.) directly related to their financial and economic activities. This task includes many sub-tasks, for example: control over the quality of internal control procedures, the correctness of accounting, the reliability and completeness of accounting (financial) reporting; control over the correctness and reasonableness of calculations of estimated assignments, as well as over the implementation of estimates for the maintenance of budgetary organizations (by volume and target directions of allocations); control over the correctness of the determination (calculation) of the value indicators of activity

(revenue from sales, cost price, prices and tariffs, etc.), including control over the legality and correctness of the calculation of income from the provision of additional services by budgetary institutions; control over the completeness of product posting, the reliability of the volumes of work performed and services provided; control over compliance with the established norms of spending material values and funds, over the correctness of calculation and payment of wages, scholarships, etc.; control over the compliance with the established legislation of operations with money and securities, payment and settlement and credit operations; control over compliance with the established procedure for carrying out export-import and currency transactions; verification of information about activities (actions) of business entities of an illegal nature, for example, obtaining income by illegal means, legalization of these incomes, etc.; establishing the completeness, timeliness and compliance with the specified order of calculations of business entities with budget and extra-budgetary funds (for example: on taxes and fees, on funds from the management of state property (including those received from privatization, sale, leasing and hiring, from management) belong to the state in shares and packages of shares of enterprises of various profiles, etc.), for payments for the provision by the state of user rights with its property and non-property rights (for example, with the help of: licensing, competitive transfer of rights using tenders, auctions for products (production certain types of products, etc.), according to the issued PA on the basis of budget funds, etc.), etc.

Secondly, the control of budgetary institutions, state enterprises, organizations with state participation or especially related to state activities (which use state property in their activities, perform state orders and tasks for which state guarantees, sureties and other security are provided, which use financial and material means provided by the state, with tax, customs and other benefits and advantages provided by state authorities, etc.) for the purpose of the efficiency of various aspects of their financial and economic activities (efficiency assessment); determining the expediency of their activity (by its directions or segments). As an addition to this task, the development of options for optimizing the financial and economic management systems of the above-mentioned business entities and the identification of reserves for increasing its efficiency (for example: the development of mechanisms to prevent unreasonable unjustified costs, cost reduction, etc.), as well as the assessment of the impact of the activities of the above-mentioned types of sub-economic entities on the financial flows of the state. Third, control over the state and use of state stocks and reserves. The fourth task is to control the timeliness and completeness of payments for completed state orders. The fifth is control over the implementation of planned tasks for the provision of public services and compliance with the standards of financial costs for the provision of public services. Sixth - control over the legality and correctness of quotas (introduction of quantitative and value restrictions for a certain period of time for certain goods, works and services) and compliance with export and other quotas (quotas for the export of raw materials, fishing, etc.). The seventh task is control over the legality and correctness of the provision and use of tax, customs and other financial benefits and advantages to business entities. Eighth - control over the correctness (compliance with the procedure established by law) of the circulation of state funds in

the credit system (including settlement and cash service, deposits, placement of securities, lending through banks or banks under the guarantee of executive authorities, etc.), control over the correctness of the organization of money circulation in as a whole. The ninth task is to control the completeness and timeliness of the banking system's execution of the relevant operations for the transfer of budget funds (execution of payment documents for the transfer and crediting of funds, etc.). The tenth is control over the expediency of attracting by the state, the target direction and the effectiveness of the use of external and internal loans (financial and material resources, which are attracted by the state from external or foreign sources (from foreign states, their natural and legal entities, international organizations, intergovernmental entities)), and internal sources); control over the state, maintenance and repayment of the state external and internal debt (the optimality of the debt management system); control over the timeliness, completeness and order of repayment by foreign states, their legal entities, international organizations and interstate entities of their debts to Ukraine. The eleventh task is the financial examination of drafts of international treaties, legal acts and other documents affecting state finances (for example, the assessment of the draft law "On the State Budget for ... year" and related documents, i.e. various forecasts of socio-economic development, the main areas of budgetary, monetary, tax and other financial policies, etc., i.e. directly or indirectly affect the formation, scope and implementation of all levels of budgets and budgets of state extra-budgetary funds. The twelfth task is to control the correct (legal) and economically justified distribution of all types of payments and allocations of the approved budget (which is carried out according to the budget schedule of income and expenses, as well as according to the cash plans of budget execution), the correctness and reasonableness of the calculations of the estimated assignments; control over the completeness, timeliness, structural compliance and targeted purpose of the implementation of income and expenditure items of the state and regional budgets and estimates of extra-budgetary state funds; verification of the correctness of the accounting of the execution of budgets (estimates), as well as the completeness, accuracy and reliability of the corresponding accounting reports; disclosure of reserves for the growth of state budget revenues (extra-budgetary funds), development of proposals for reduction of irrational expenditures, reduction of the budget deficit; preparation of proposals to eliminate deviations and improve the budget process as a whole. The thirteenth is the verification of compliance by the main administrators, administrators and recipients of budget funds with the conditions of their allocation, distribution, receipt, use (including verification of the legality, expediency, completeness, timeliness and purpose of the use of state financial resources - budget subsidies, loans, loans, subsidies, subventions) and return. The fourteenth is control over the legality and expediency of the provision of state financial and property guarantees (sureties) issued as security for agreements (including those issued to foreign states and organizations for investment projects of social and national economic significance, etc.), and settlements for them (including control upon receipt of funds in the order of reimbursement of state funds paid under state guarantees).

The tasks also include control over safety, correctness of storage and maintenance, legality and correctness of use, legality, expediency and efficiency of disposal of

material assets (resources) of the state (for example: legality and expediency of renting out buildings and premises, efficiency of fuel use -energy resources, for the preservation, legality and rationality of the use of tangible assets of the mobilization reserve, etc. Next comes the control over the correctness of use, legality, expediency and efficiency of disposal of intangible objects of state property (which entails the formation of financial resources).

The next task is to control the legality, expediency and effectiveness of the organization and implementation of the transformation of ownership forms (at the same time, in particular, an assessment is made of: the compliance of the privatization procedure with the current legislation, the expediency and effectiveness of the implementation of state privatization programs and individual privatization projects, the justification and implementation of the decisions taken by the parties when committing agreements on the privatization of contractual obligations, the effectiveness of state regulation of the activities of privatized facilities, etc.). Next, control over ensuring the financial security of the state is carried out.

It should be noted that above are only some, in our view, the most important and obvious tasks of controlling state financial flows. In general, their list can be continued and detailed, considering other numerous less significant aspects of the implementation of the goal of state financial control. It should also be noted that the above tasks do not reflect the areas of control of objects that only indirectly affect state financial flows, such as: control over ensuring competitive conditions in all segments of the domestic market (competitive environment), control over ensuring price optimization in highly monopolized industries economy, etc.

It is also obvious that the tasks are presented in a very aggregated form, i.e. tasks can be detailed or specified according to their distribution among performers - subjects of state financial control. For example, the control of the usual sectoral (regional, branch, scientific, etc.) target state program in general and in general, in addition to determining its legality, expediency and effectiveness at the decision-making stage, mainly includes the following most important aspects: control of state customers (including the program coordinator) , carried out both by them (as subjects of control) and in relation to them (as objects of control by external control bodies). For example, the following aspects of their activities (as objects of control) may be subject to external control: conducting competitions that determine the main performers of the program; distribution of funds allocated to the program from the state budget among the organizations that won the competition; their use and the progress of work on the implementation of contracts (within the implementation of the program); control of the executive authorities of regional and local authorities (which is carried out similarly both by them and in relation to themselves), which distribute the allocated funds of the respective budgets every year and control their intended use; control of the executors of program activities (which is carried out similarly both by them and in relation to themselves) who use the allocated funds (for all sources of funding) in accordance with the set goals; control of bodies currently managing the state program (for example, the directorate of the program, its regional branches, etc.).

Of course, the list of aspects of control of state programs given as an example is

far from complete. In general, the above tasks of state financial control should be implemented by subjects of state financial control in accordance with their competence. It should be emphasized that these tasks reflect the general direction of state financial control and do not specify certain tasks of individual control bodies specified in the relevant legal acts (for example, control over the timely implementation of revenue and expenditure items of the state budget and estimates of extra-budgetary funds by volume, structure and purpose).

At the same time, the few and not always clearly formulated tasks of control bodies prescribed in the main regulatory legal acts of state financial control, in aggregate, do not allow full and comprehensive control to cover all important aspects of the state's financial flows. In addition, as noted above, the activities of control bodies largely overlap, which makes it possible to clearly distinguish all aspects of control of financial flows between different control bodies.

Conclusions. A very important issue in the theory of state financial control is the control parameters, i.e. the norms of the state or functioning of objects of state financial control. In our opinion, the main parameters for state financial control should be considered: legality; expediency; efficiency. These parameters are abstract (that is, they reflect the most general characteristics), but when carrying out specific control measures, naturally, they must be specified (for example, when carrying out control over the completeness of the transfer of taxes and fees, first of all, the level of compliance of the actual transfers with the amounts calculated in accordance with the legislation is established). At the same time, the specified parameters act as a kind of aggregates of numerous, but less important requirements (for example, such parameters as rationality, reasonableness, completeness, accuracy, timeliness are ultimately included in the above). Thus, during the verification of the legality of the transfer of state funds, the level of compliance with all established requirements (accuracy, completeness, timeliness of money transfers, etc.) is established. After all, the verification of compliance with laws and other normative legal acts allows maintaining the stability of budgetary processes and the stability of the state financial system, timely revealing deviations from the rules and procedures set by the authorities, as well as making the necessary corrections in them (in order to optimize them themselves), compliance is a category, which covers not only the targeted allocation of state funds and the use of property purchased with these funds, but also the compliance of activities with the intended goals, programs, and priorities. Also, from the point of view of efficiency, not only the implementation of, for example, an investment program is evaluated from the point of view of the ratio of benefits and costs, but also the level of compliance of the actual management results (for example, state property) with the planned is established, the effectiveness of the systems for preventing waste and mismanagement at the state enterprise is determined (internal control systems).

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HUMAN CAPITAL AS OBJECT OF SOCIAL RESPONSIBILITY OF BUSINESS AND GOVERNMENT IN THE FORMATION OF PUBLIC POLICY

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Abstract. Social responsibility represents such a system of relations in the "state - society - business" system, which involves the search and use of a system of motives and incentives for the private sector (business) to take into account the interests of society in its activities, ensuring compliance with social standards in work with personnel. Functioning in conditions of limited resources, both the state and the corporate sector are forced to use available resources more rationally, in particular, human capital, the level of return of which is currently defined as extremely low in Ukraine. That is why the category of human capital needs additional study. The purpose of the article is to identify the features of human capital as an object of social responsibility of business and government in the context of its influence on the quality of the enterprise, its competitiveness. At the same time, such general research methods as analysis and synthesis were used. In the course of the study, the subjects of public policy were identified, one of which is the corporate sector, which through market mechanisms forms the economy of the state, determines its resource capabilities for carrying out this or that policy. This forces us to combine the efforts of the state and business in order to make more effective management decisions. Such socially responsible behavior encourages rational use of resources, one of which is human capital. The article defines the role of human capital; ratio of human capital categories of the enterprise and individual employees; the quality of human capital, manifested in the ability to innovate, and its impact on the innovativeness of the enterprise; issues of personnel development.

Keywords: human capital, social responsibility, staff, corporate sector, public sector.

JEL Classification: M 14

Formulas: 0; **pic.:** 2; **tabl. 0;** **refer.:** 8

Introduction. Good Governance or the modern management model in the public sector, the transition to which more and more leading countries are making, among other things, also requires a significant revision of relations in the "state - society – business" system.

This was reflected in the application by leading countries of the concept of corporate social responsibility (CSR), the principles of which provide for balancing the interests of the corporate and state sectors through the development of a strategy for their mutually beneficial cooperation [1].

A component of the CSR concept is social responsibility, which represents such a system of relationships in the "state - society - business" system, which involves the search and use of a system of motives and incentives for the private sector (business) to take into account the interests of society in its activities, ensuring compliance with social standards in work with personnel [1].

The role of the state in this case is to provide such incentives for the corporate (entrepreneurial) sector, as well as control over the parties' compliance with legal norms. Functioning in conditions of limited resources, both the state and the corporate sector are forced to use available resources more rationally, in particular, human capital, the level of return of which is currently defined as extremely low in Ukraine.

This is despite the fact that there is a constant increase in the quality of public institutions responsible for its training and development. That is why the category of human capital needs additional study [1].

Literature review. Issues related to various aspects of social responsibility were studied in the works of, in particular, O. Okhrimenko, T. Ivanova [6].

The method of evaluating human capital from the point of view of the strategy of social responsibility is systematized in the works of T. Guillorme [2]. Authors such as A. Bazylyuk and V. Khomenko [1] reveal the peculiarities of the process of investing in human capital, while also considering it as a component of corporate social responsibility. That is, researchers of the category of human capital are inclined to think that it should be considered as an element of social responsibility of business and government. However, the question of the influence of human capital on the quality of the enterprise is insufficiently researched.

Aims. Identify the features of human capital as an object of social responsibility of business and government in the context of its influence on the quality of the enterprise, its competitiveness.

Methodology. In the research process, such general research methods as analysis (when developing approaches to the problem of human capital from various sources) and synthesis (when systematizing the processed material) were used.

Results. If we consider the development of public policy as a process, then the main subject is the government. But it is not an exception that the decision-making of the authorities was influenced by the actions of other subjects who acted publicly. Motivating the actions of the authorities in making this or that decision, they created a basis for the realization of their own goals [8].

The different nature of actions of participants in public communication interaction makes it necessary to use the following terms for participants in public policy [8]:

- subject of state policy;
- subject of public policy;
- public policy agent;
- public policy actor.

The subject of state policy (the government) is considered in unity with the object of state policy - society in general or separately by social groups (social-demographic, professional-qualification, ethnic strata). The government, with the help of communications, can act as a subject of public policy [8].

Subjects of public policy are those who can publicly articulate their own interests (authorities, various representatives of the public - public organizations, unions, etc.) [8].

A feature of public policy agents is a rather high reaction and degree of adaptation to existing conditions. They always try to act within the rules of the established political

field and this is achieved due to the fact that they act publicly, transparently, open to the public, which forces them to adhere to moral rules and norms. The European Commission determines that civil society is represented by the following agents [8]:

- labor market participants who are social partners (trade unions, employers' federations, stakeholders, etc.);
- organizations representing social and economic players in a broad sense (consumer organizations);
- public organizations (non-governmental organizations);
- organizations at the community level, through which citizens can participate in the life of the territorial community (experts, mass media, globalization processes in the world).

A public policy actor is a subject who, in the process of participating in public policy, is able to influence decision-making. One of the criteria of an actor is that he must act strategically. In order for a subject to be considered an actor, its actions must have a tangible impact on the current political process. An individual actor always has strategic goals, a collective actor must be able to formulate them. Collective actors, in addition to political parties and socio-political associations, are coalitions, movements, clubs, associations, etc.) [8].

In modern conditions, the influence on the processes taking place in the state by the non-governmental or corporate sector, which, through market mechanisms, shapes the state's economy, determines its resource capabilities for carrying out this or that policy is becoming more and more noticeable. This forces us to combine the efforts of the state and business, to work on a partnership basis in order to make more effective management decisions in the implementation of public policy. Such socially responsible behavior encourages rational use of resources, one of which is human capital.

Development statistics of the leading countries of the world over the past twenty to thirty years show that the role of personnel in the context of ensuring competitive development has significantly increased in the field of business [7].

There are many reasons for this condition, but we will highlight two of them.

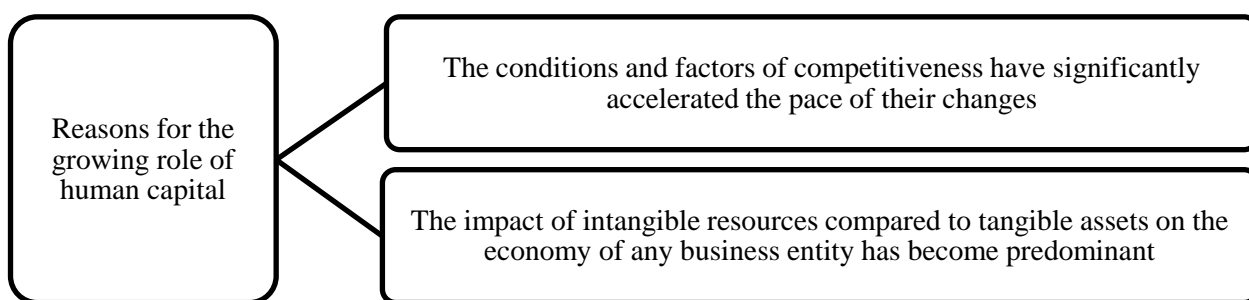


Figure 1. Reasons for the growing role of human capital

Sources: developed by authors

Both the first and the second are directly related to the amount and quality of human capital, the carrier of which is the personnel of the enterprise, especially its creative, entrepreneurial and initiative part [7].

Human capital is the basis of the development of the enterprise in principle, and it is he who ultimately determines whether it should be or not.

The role of the owner (owners) of the enterprise is to form and maintain the necessary staff in terms of quantity and quality, first during its formation and then functioning. The top management should put the process of formation, development, motivation and realization of all the potential abilities of the company's personnel, or rather the human capital of each specific employee, as the basis of the company's management system.

It should be noted that the human capital of an enterprise is not just a mathematical sum of the values of the human capital of its individual employees and staffs [7].

The human capital of the enterprise and the human capital of its individual employees are different things, both in terms of their content and the level, place and power of influence on the objects, subjects and results of activities accepted for evaluation. In the course of their activities, top management must take these circumstances into account. The key tasks of the top management of the enterprise in this aspect are [7]:

- 1) to find out the horizontal and vertical connection of the human capital of the company's employees (from the perspective of the impact on the productivity of joint and final activities);

- 2) to determine the appropriateness of the level of human capital of a specific employee to the position he holds;

- 3) ensure a synergistic effect from the use of human capital;

- 4) to form an appropriate strategic plan for the stimulation and development of human capital at the enterprise;

- 5) harmonize the strategic plan for the development of human capital with the general strategy of the enterprise.

If the top management solves such a complex problem, then it can solve the next important tasks much more effectively.

The quality of human capital is determined by its ability to innovate. Thus, a high level of human capital of an individual employee and the corporation in general is a key condition for ensuring the innovation process. Human capital, and only it, is the source of creating certain innovations necessary for this enterprise (in accordance with the specifics of its production) in various spheres of its activity (management, organizational, technical, economic, social, etc.) [7].

However, the quality of personnel is realized not only in this. Depending on the formed level, it allows to determine to a greater or lesser extent the needs of the enterprise in innovations (internal and external); to investigate the scope and productivity of innovations, to substantiate the general process of innovation of the enterprise and its individual units; determine the impact of innovations on economic processes, etc. [7].

Next, human capital is implemented in such a way that through the possibility of generating innovations, it ensures the qualitative development of the enterprise itself.

As a result, due to the growth of the quality of human capital (ability to innovate), the competitiveness of the enterprise increases.

However, from the moment of strategic determination of the necessary level of competitiveness to the moment of its practical support, there is a period of development, formation and implementation of a set of various competitive measures [7].

The content, meaningfulness and productivity of this competitive process fully depends on the quality and motivation system of the company's personnel, when the potential of human capital of the required level is used with maximum efficiency [7].

It is then that the entire chain derived from human capital will be effective process and all effectiveness in government [7]:

1. formation of human capital of the enterprise;
2. formation of the enterprise management system;
3. development of a set of innovative measures in the system of ensuring strategic and tactical innovation processes of the enterprise;
4. formation of a "global" quality system of the enterprise, which covers various directions and spheres of the enterprise's activity: from the quality of the main elements of the enterprise to the quality of the products sold;
5. development and construction based on the system of innovations and the "global" quality system of the rational infrastructure of entrepreneurship: according to the criteria of minimum costs, maximum flexibility and required productivity;
6. the formation of a model of competitive development specific to this enterprise and the determination of financial and economic, investment and management decisions to ensure the necessary level of competitiveness of the enterprise in the current and long-term periods) will lead to the desired results.

In the future, it is important to develop a concept that would cover in an integrated form such important elements for any economic entity, spheres of social development, as human capital, creativity of a person (employee, manager) and innovativeness of infrastructure [7].

Integration, first of all, reflects the causality of this problem, which is solved by revealing the basic content, economic nature and logic of the relationship of the categories "human capital", "creativity" and "innovative infrastructure" [7].

Such a concept should provide answers to the possibilities and effective ways of forming and evaluating human capital and its creativity and return in the management system and ensuring the necessary (in accordance with the tasks and existing requirements of the time) level of innovation of the infrastructure, and then the innovation of the enterprise as a whole [7].

Human capital is the basis of the management system of the process of development of innovative infrastructure. The greater the volume and especially the quality of human capital, the more rational, communicative, productive and innovative the infrastructure of the corporate sector will be.

Human capital in its critical mass, in terms of volume and level of quality (according to the set goal and object of research), provides the necessary level of creativity, entrepreneurship and quality of a set of solutions aimed at the formation of innovative infrastructure [7].

Such an innovative infrastructure generates and develops in itself the principles of rationality, communication, productivity, competitiveness, systematicity, etc., because innovativeness in its essence is progress in all directions and in all elements of any civilizational system [7].

The relevance of infrastructure innovation is determined by the fact that its level lags behind the general level of innovations and innovative solutions in the supra-infrastructure sphere. This state of affairs significantly affects the efficiency of both directions of development: infrastructural and supra-infrastructure, and reduces the overall possibilities of progressive development of social production and its innovative component in particular.

We believe that the concept of forming and evaluating the relationship between human capital, creativity and innovative infrastructure should be developed based on the theory of human value and development. Only in this case, human capital and innovative infrastructure realize all their high potential for society [7].

The infrastructure and its innovativeness, at any level of management, is an important condition so that all the main and auxiliary elements of the system, which are formed and subsequently function, can not only function strictly according to their meaningful purpose, but also with maximum efficiency (due to their innovativeness). Retrospective analysis shows that in many cases infrastructure in the process of formation and development of certain micro- and macro-structures occupies a residual value in the system of analytics and management decisions; it is significantly underestimated. This state of affairs in this aspect ultimately leads to serious "failures" in the functioning of such infrastructures, and most importantly, the enterprise as a whole [7].

That is why careful attention to infrastructure, its analysis on an equal footing with all other elements in the general system of activity of any socio-economic or entrepreneurial structure, leads to important conclusions regarding the adjustment of directions for the use of human capital opportunities in terms of innovation and productivity of infrastructure as such, which we present [7].

In the conditions of transformation, globalization and rapid development of the world economy, the value of intellectual capital and the conditions for its use are increasingly increasing at enterprises of various economic sectors.

In the foreign and domestic economic literature, there are certain developments in the study of issues related to intellectual capital. They thoroughly reveal certain basic aspects, for example:

- 1) definition of the categories "human resources", "human capital", "intellectual capital";
- 2) the structure and essence of the components of the enterprise's intellectual capital;
- 3) factors affecting the amount of intellectual capital;
- 4) the potential of the enterprise's intellectual capital, etc. [7].

At the same time, the role of marketing activity is growing in parallel. The formation and development of human capital is a relatively new and complex direction of marketing activity at enterprises. This direction of the company's activity is one of

the most relevant, urgent and important. Marketing activity is aimed at the development of human capital in the following areas with the corresponding goal [7]:

- 1) improve the quality, structure and efficiency of the company's personnel;
- 2) to ensure the influx of innovations and the process of production innovation;
- 3) create conditions for the current and future renewal of production;
- 4) to form a new foundation in the system of production organization, labor organization and management of all production and economic activities of the enterprise;
- 5) to develop an economic mechanism for the rational use of the main economic resources of the enterprise;
- 6) create the necessary conditions for the formation of high social standards at the enterprise;
- 7) develop a strategy for competitive development of the enterprise and financial and economic security.

Marketing activity in the above-mentioned spheres of the company's operation allows a systematic approach to [7]:

- 1) analysis of the formation and state of human capital at the enterprise;
- 2) identification of the main directions of implementation of opportunities for the development of the enterprise's intellectual capital;
- 3) development of a strategy for the company's personnel;
- 4) determination of competitive advantages in the management system of the enterprise;
- 5) disclosure of interdependencies between innovations, the process of innovation and the level of intellectual capital of the enterprise;
- 6) development of a reasonable structure of human capital at the enterprise;
- 7) constant monitoring of progressive changes in intellectual capital issues in the external environment; etc.

Basic marketing in the field of human capital is an important tool for ensuring the financial and economic security and stability of the enterprise.

Each enterprise has its own means and mechanisms of management and regulation of the process of formation and realization of human capital potential at the enterprise. We believe that such a process should take place in the unity of the following components of the enterprise's development: analysis, financing opportunities, the labor market, the quality of the enterprise's personnel, the enterprise's intellectual capital in the enterprise's development strategy, the role of the enterprise's human capital in the final results of the enterprise's activity and the level of its financial and economic security [7].

The study of such a complex of issues will allow the enterprise to more thoroughly implement the human capital management policy.

An important place in the management of human capital is occupied by the training and development of personnel, which acts as the most relevant object of corporate social investments and a sought-after internal resource for the development of corporate-type companies. In the scientific literature, concepts such as "social investment", "investment in human capital" and "corporate citizenship" are actually

equated, considering it a form of implementation of corporate social responsibility, which aims to improve business conditions through investments in the development of personnel and society in general [3, p. 34].

Corporate social investments, which include financial, material, technical and other resources aimed at the implementation of social programs that satisfy and take into account the interests of staff, the community, internal and external stakeholders-consumers. In most cases, social investments are carried out jointly with the state and business within the framework of social partnership with the distribution of obligations between participants in the financing of socially significant initiatives, programs and projects. In turn, social investments both increase the effectiveness of social programs and require a special approach to ensuring openness and accountability to interested parties, evaluating their effectiveness for society and partners, as well as constant monitoring [4, p. 152].

Currently, in wartime conditions, when a large number of the professional and able-bodied population has left the country, the state and business interact more closely than ever in matters of the country's economic security through support for the reproduction of professional personnel, which is laid down in the approved state programs for promoting the development of professional practice-oriented education. It is in this direction that the social partnership between the state, business and civil society is most vividly realized. But corporate social responsibility is formed through social investments.

The foundation of the interaction between the state and business is the socio-economic context, which implies the development of long-term strategies for the participation of industrial companies in the reproduction of labor resources for their production, as well as social investments in the professional education system, which are implemented through joint partnership programs with state educational organizations with the aim of professional orientation and training of new young personnel immediately after graduation [5, p. 96].

An example of such close interaction is the promotion by the Ministry of Education and Science of Ukraine of cooperation with the public and the development of public-private partnerships. The main areas of cooperation are shown in Fig. 2.

To date, the strategy of corporate social responsibility has worked to its full potential both internally and externally. It is the internal corporate social responsibility aimed at the welfare of the employee in terms of safe working conditions, medical insurance, personnel development, training, etc. These very points proved to be critically important during the war, when it is necessary and vital to provide material and organizational assistance to employees who have joined the ranks of the Armed Forces of Ukraine and the Territorial Defense.

The same assistance is important for persons who have been forcibly resettled from dangerous regions. There is a practice of paying the company's expenses for employees' accommodation abroad. Under such conditions, a socially responsible business tries to maintain a collective of employees and not reduce salaries, even under conditions of forced downtime of enterprises.

THE MAIN AREAS OF COOPERATION WITH THE PUBLIC AND THE DEVELOPMENT OF PUBLIC- PRIVATE PARTNERSHIP	improving the quality of professional (vocational and technical) education, in particular through the creation and distribution of modern materials for digital education;
	filling the digital platform "World of Professions" and introducing innovative digital technologies into the educational process;
	development of a system of professional orientation of children, youth and adults, aimed at attracting a larger number of the population to obtain professional (vocational and technical) education;
	actualization of knowledge and skills that graduates of vocational schools should possess in accordance with the requirements of the labor market, etc.

Figure 2. Directions of cooperation with the public and the development of public-private partnership with the participation of the Ministry of Education and Science of Ukraine

Conclusions. Today, high-quality and effective management of human capital is not possible without social investments in the training and development of personnel of corporate-type enterprises.

In this matter, the state and business are moving in the same direction, establishing effective interaction with society, forming the corporate social responsibility of each participant in this process.

Internal corporate social responsibility refers to the company's processes, in which the employee is at the center: safe working conditions, stability and a decent salary level, medical and social insurance of employees, investment in human capital, in particular in employee training, providing assistance to employees in difficult situations.

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CHAPTER 2

LEGAL RELATIONS: FROM THEORY TO PRACTICE

CIVIL AND TAX ASPECTS OF ALIENATION OF CORPORATE RIGHTS IN THE REORGANIZATION OF BUSINESS LEGAL ENTITIES

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Abstract. *The article examines the peculiarities of the alienation of corporate rights in Ukraine during the reorganization of business legal entities. The purpose of the article is to determine the legal and economic essence of corporate legal relations during the reorganization of an entrepreneurial legal entity, as well as the influence of tax and civil legislation on the alienation of corporate rights. The methodological basis of the research is a system of complementary general scientific and special methods, which is a means of obtaining objective and reliable results. The following methods were used during the research: comparative-legal, dialectical, formal-legal, logical and systemic-structural analysis. The legal regulation of the reorganization of legal entities is determined by the Civil Code of Ukraine and the internal acts of these organizations, depending on the type and organizational and legal form of the legal entity formed according to one or another classification criterion. The existing state of legal regulation of the liquidation of entrepreneurial legal entities requires a scientific analysis by updating the legislative provisions in this area. In particular, considering the Civil Code of Ukraine and the Tax Code of Ukraine, we will pay attention to the lack of harmonization of tax and civil law regarding corporate legal relations during reorganization and alienation of corporate rights and protection of investors' interests. Termination of corporate legal relations during the reorganization of a legal entity for the purpose of taxation is the transaction of alienation of corporate rights. For the purpose of taxation, the tax law regulations provide for the tax-legal qualification of private-law property relations as objects of taxation and grounds for the emergence of tax liabilities.*

Keywords: corporate rights, alienation of corporate rights, investment asset, investment, income, corporate law, reorganizations.

JEL Classification: G12, K22, M14

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Introduction. The topic of the rights and obligations of participants and creditors during the reorganization of business legal entities is very relevant, since reorganization can happen to any company and at any stage of its development. Reorganization of a business legal entity can take various forms, such as merger, separation, transformation, division and liquidation. Each of these forms of reorganization has its own requirements and procedures that must be followed by the participants and creditors of the entrepreneurial legal entity. Alienation of corporate rights (for example, as a result of alienation of shares in the authorized capital of an LLC) is quite common. The very procedure of their alienation (sale/donation/inheritance, etc.) is extremely complicated from the point of view of the

Civil and Tax Code. Corporate rights and relations arising in relation to them do not always have the object of taxation, but only in those cases when their subject has certain economic assets, improvement of his property status as a result of his receiving certain economic benefits from ownership such corporate rights.

Literature review. Modern studies do not sufficiently cover the aspect of alienation of corporate rights during the reorganization of legal entities, therefore the question of harmonization of tax and civil law regarding corporate legal relations is relevant. Scientists who devoted their research to identifying the causes, essence and consequences of tax conflicts, e M. Aharkov, Ye. Porokhov, I.Spasybo-Fatieieva, F. M. Khaniieva .

Aims. The purpose of the article is to determine the legal and economic essence of corporate legal relations during the reorganization of an entrepreneurial legal entity, as well as the influence of tax and civil legislation on the alienation of corporate rights.

Methods. The methodological basis of the research is a system of complementary general scientific and special methods, which is a means of obtaining objective and reliable results. The following methods were used during the research: comparative-legal, dialectical, formal-legal, logical and systemic-structural analysis.

Results. Restructuring procedures are complex, so it consists of several stages. For example, it is worth considering the stages of mergers and acquisitions of corporate legal entities defined at the legislative level and summarized in legal literature in order to outline the details of their application. In particular, O. A. Belyanovich noted that reorganizational relations during a merger go through certain stages of development, each of which is based on legal facts:

- 1) adoption of a decision by the founder (participants) of legal entities to merge;
- 2) the stage of activity of a specially created body - commission on termination (and/or formation of a new company);
- 3) state registration of a newly formed legal entity and state registration of its termination in the Unified State Register of a legal entity - legal predecessor (legal predecessors) [1]

First of all, it is about the right to know, because regardless of which entity initiated the reorganization, questions about the possibility and expediency of its implementation are submitted to the meeting of shareholders of the company for consideration and subsequent decision-making. Accordingly, all participants have the right to be notified and receive the draft agenda of the general meeting, the date and venue, etc., as well as other documents on the issues under consideration. It should be noted that for the participants of the startup company, the right to information is most fully realized through familiarization with the terms of the joining agreement, which establishes the basic conditions for the transfer of rights and obligations from the company being reorganized to the company created in the process of reorganization. As T. D. Aitkulov commented, the main feature of the merger (joining) agreement is that such an agreement is concluded by companies that cease to exist after the creation of a new company, and the members of the merged companies become its members [2].

Similar provisions should be contained in the division plan (separation, transformation). In particular, I. M. Kucherenko drew attention to the fact that during division and separation, each participant (shareholder, member) of a legal entity must independently decide which legal entity he should be a member of [3].

The participants of the reorganizing company have the right to information in order to make a reasoned decision regarding the reorganization ("for" or "against"). In addition, they can determine their will and interest in continuing to participate in the company, become members of the newly created company - the legal successor, or choose another form of realization of their corporate rights and obligations.

A member of an entrepreneurial partnership has the right to participate in the general meeting of the partnership, where the question of the feasibility of reorganization and the adoption of the relevant decision are discussed. This right is important because he has the opportunity to take part in making an important decision regarding the reorganization of the company. He can express his position and vote for or against the reorganization, which affects the future of the company and its members. In addition, general meetings are a place for discussion of other issues related to the company's activities, so participation in them can be useful for the participant from the point of view of obtaining useful information and making management decisions.

We will analyze some features of the reorganization procedure, which are related to the decision-making at the general meeting of participants and the approval of the terms of the merger (joining) agreement / separation plan (separation, transformation). Thus, the participants who take part in voting at the general meeting of the company make a decision "for" or "against" the reorganization, taking into account the prospects of consolidation of the company's capital and the development of various areas of business, as well as the amount of corporate rights of the participants of the newly created business entity, which depends on conversion (exchange) of shares (parts, shares) and other factors. Thus, the procedure and conditions for the conversion of shares must be defined in the merger or accession agreements and the plan of division, separation or transformation of the joint-stock company. The peculiarity of conversion as a way of placing shares is that in this case the shares are canceled, which are transferred "in payment" for previously placed shares. In this case, the sale of shares is not carried out, and therefore, the conversion by its nature does not aim to attract investors [4].

There are the following options for the transfer of rights and obligations of reorganized legal entities during reorganization:

- a) in full only to one legal successor (in case of merger, accession and transformation);
- b) in full, but to several legal successors in the respective parts (in case of division);
- c) partially both to one and to several legal successors (in case of separation).

Therefore, the conversion of shares (parts, shares) is a process of legal succession of corporate rights of participants of entrepreneurial companies. This process is determined by the decision of the general meeting of the participants and the merger (joining) agreement / plan of division (separation, transformation) and is carried out in

accordance with the principle of "the ratio of the nominal value of the share, share (share) of the company that is being reorganized to the nominal value of the share, share (share)) of the successor company" [5].

Corporate property rights may include the right to receive assets in the event of liquidation of an economic organization.

For its implementation, a number of conditions must be met: a) adoption of a decision on the reorganization of the company; b) compliance with the reorganization procedure established by law; c) repayment by the economic organization of debts to all creditors; d) availability, after settlement with creditors, of funds or property that will be distributed among the owners of corporate rights.

The order of distribution between the participants of the property is determined by legislation and constituent documents of the economic organization. Owners of preferred shares in a joint-stock company and investors in a limited partnership have the right to receive the share due to them in the event of distribution of the company's property among participants

The amount of corporate property rights upon conversion of a share (share) remains unchanged, while the amount of personal non-property rights may change, depending on the proportions of corporate control in the company. At the same time, the complex of property and non-property corporate rights (their totality) during the conversion (exchange) of shares (parts, shares) remains unchanged [5].

In accordance with Part 1, 2 of Art. 135 of the Civil Code of Ukraine, non-property powers include the right to make a decision to terminate the activity of an economic organization in accordance with the requirements of the Civil Code of Ukraine and other laws.

Corporate law is a complex structural entity, the content of which is binding relationships (between corporate forms of business organization in the national economy and individual economic agents operating in the corporate sector of the national economy, as well as between individual stakeholders of the corporation, non-property, including and organizational ties. All these socio-economic relations have their own content, features of the implementation of subjective rights by their participants and the performance of subjective relations.

The grounds for termination of corporate rights present by Figure 1.

The participant has the right to alienate his fate in the registered authorized capital of the company, as well as securities confirming participation in the company. Corporate rights entities enjoy the pre -emptive right to buy the fate (its share) of the participant in proportion to their share in the registered authorized capital of the company or in others agreed amount. If the share is transferred to a third party in another way (for example, gifts), members of the company have no right to demand compliance with the requirement for the pre -emptive right of purchase.

Subject to corporate rights as a result of inheritance, almost all the rights and obligations of the individual - the heir, since the rights and obligations that are inextricably linked to the person of the heir (eg, the right to participate in the Society and The right of membership in associations of citizens, unless otherwise enshrined in law or constituent documents).

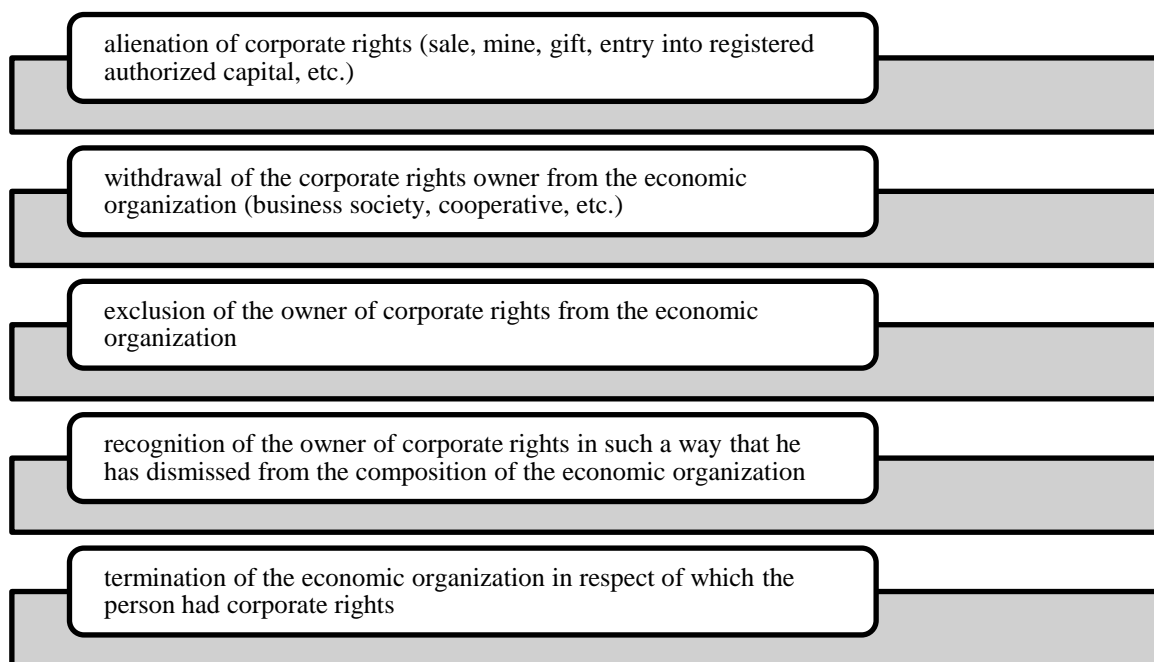


Figure 1. The grounds for termination of corporate rights

Sources: developed by authors

According to the common right, a member of the company may retreat his share (part of it) to a third party who is not a member of the company. However, the charter of the company may contain rules aimed at restricting this right.

A natural or legal entity that possesses corporate rights can exercise them by exercising their right of property, which includes the right to use and dispose of them freely.

The owner can “get rid of” his corporate rights by: withdrawing from the company

- to pick up its share (then the company will have to reduce the registered authorized capital, if this share does not find others);
- the parting of the share - to retreat (sell) the share itself, to the participants of such a company, or simply to third parties.

Consider each option for the exercise of corporate rights by a participant in the entity separately. The exit of the participant from the company is accompanied by the relevant legal obligations of the issuer to the subject of rights:

to pay the value of part of the property of the company, the proportional share of the participant in the registered authorized capital (within a period of up to 12 months from the date of exit). At the request of the participant and with the consent of the company, the deposit may be returned in whole or in kind;

to pay the participant due to him the share of profit (dividend) received by the company this year before his exit.

In case of liquidation of the company, after making payments with the budget and creditors, the remaining property is subject to distribution between its owners, which are shareholders. The distribution of property between shareholders is carried out in proportion to the share of each shareholder in the registered share capital of the joint -

stock company. However, privileged shares provide their owner with a priority participation in the distribution of property of a joint -stock company in its liquidation.

Income from corporate rights alienation, for taxation, are classified as an investment profit, which is defined as a positive difference between income, a taxpayer received from transactions, including securities and corporate rights issued in other than securities, forms, and expenses, and expenses. on the acquisition of such investment assets (пп. 14.1.811. п. 14.1. ст. 14 ПКУ).

A package of securities or corporate rights expressed in other issuer -released forms, which are issued by one issuer, are called an "investment asset" (пп. 170.2.7. п. 170.2. ст.170 ПКУ). And the profit from transactions with investment assets is included in the total monthly (annual) taxable income of the taxpayer (п. 164.2. ст. 164 і п. 170.2. ст. 170 ПКУ). In this case, the sale of the investment asset also equates operations with: exchange of investment asset for another investment asset; redemption or repayment of the investment asset by its issuer, which belonged to the taxpayer; The return of the taxpayer or property (property rights), previously entered into the authorized capital of the issuer of corporate rights, in the case of such a taxpayer from among the founders (participants) of such issuer or liquidation of such issuer.

Participants of the Company enjoy the pre -emptive right to buy a participant's share (part of it), in proportion to the size of their shares, if the statute of the company or agreement between the participants does not establish another procedure for exercising this right.

The purchase is made at a price and on other conditions, at which the share (part of it) was offered for sale to third parties. If the members of the company do not exercise their pre -emptive right within one month from the date of notification of the participant's intention to sell a share (part of it) or within another period set by the Company's Charter or agreement between its participants, the share (part of it) may be alienated to a third party (ч.2 ст. 147 ЦК України). If the desire to buy a share in the right of joint partial ownership has been revealed by several co -owners, then the seller has the right to choose the buyer.

Coming out of the company, the participant, on the one hand, actually returns him previously issued corporate rights, and on the other hand, does not require money for it - for free. With the entry of the participant of the obligation of the issuing company regarding the rights of such a participant, they terminate. However, the company has other obligations - to pay the participant the value of the share of property, proportional to its share in the registered authorized capital. Since in our case the participant immediately states the absence of property claims, the obligations of the company are terminated in connection with forgiveness of the debt (ст. 605 Цивільного кодексу).

Solving these problems will avoid corporate conflicts and litigation with public authorities and will allow the enterprise management and development directly to be effectively engaged. Therefore, the prospects for further research are the consideration of controversial issues in accounting regarding other corporate rights transactions.

If the participant who comes out, decides to transfer his share to the company, then in the application for exit and appropriate decision, he must declare the absence of any property and non-property claims against other participants and society as a

whole in connection with his exit (that is, refusing to receive compensation for the remaining corporate rights). Having received the participant's statement about the "free" exit, the meeting of the company decide what to do with the "free" share. In order not to reduce the registered authorized capital, within the period set in the decision of the Company, the share should be transferred (sell) to other participants or third parties, if the share in the prescribed period (but not more than during the year) can not be sold, then the company will have to reduce the registered registered share capital.

It should be noted that the participant can retreat by concluding contracts of sale, mines, gifts or by a notarized application for the transfer of corporate rights to another person.

In case of violation of corporate rights of a participant in a business legal entity in the reorganization, this person has the right to go to court, which can be used in the case where there is no possibility to resolve the dispute with other means. One of the main means of protection is to go to court, which can be used when there is no possibility to resolve the dispute with other means. However, the current legislation does not provide for clear grounds and procedure for appealing decisions on reorganization. This can create some difficulties for participants who want to protect their corporate rights in this context. In such cases, it is necessary to contact legal consultants to obtain additional information and support the violation of corporate rights of a participant in a business legal entity in the reorganization, this person has the right to go to court to protect his rights. According to NI Shevchenko, in court practice, the plaintiffs often make claims for invalidation of decisions of the general meeting of participants (shareholders) related to the reorganization of companies, the constituent documents of the legal entity-successor, records of state registration created by reorganization or termination of such person, etc. [6].

Therefore, the conditions for reorganization of business legal entities give them a special complex of corporate non -property rights. These rights include the right to information, participation in the general meeting of participants, conversion (exchange) of shares (shares, shares), mandatory purchase of shares (shares, shares) and the right to protection (appeal against the decision of the general meeting of participants).

At the same time, it can be said that creditors of a business legal entity is another important subject of civil relationship in reorganization, without which it cannot take place. TE orva defines three ways of protecting the rights of creditors in reorganization. The first method is related to the reorganization procedure, according to which, first, all creditors must be informed in writing that the legal entity has made a decision on reorganization. Secondly, the reorganization notification must contain a proposal to each lender to terminate or early fulfillment of all obligations, the debtor for which is a reorganized legal entity and compensation for the losses caused [7].

Thus, as O Surzhenko notes, the lenders of the terminated legal entity acquire additional property rights in comparison with those they had in relation to this legal entity. This is the right: a) the requirements of early fulfillment of the obligation; b) termination of the obligation; c) a change in the obligation by providing it properly [8].

We believe that the assignment of a significant number of responsibilities of personal reporting and the reorganization of the entrepreneurial company after the expiration of the terms for appearing by the creditors of their claims and the response of the company - the debtor for each of the stated requirements is superfluous. This will not contribute to the effective implementation of the reorganization, but will rather lead to the interference of third parties in the internal activity of the company.

Conclusions. Therefore, from all of the above we can conclude that reorganization is an important stage in the activity of any business legal entity. In the process of reorganization, the rights and responsibilities of participants and creditors play an important role as their interests must be protected. Creditors have the right to demand the return of their funds during the reorganization, and the participants - to preserve their rights and interests in the transformation process. At the same time, the performance of responsibilities for personal reporting and interaction with creditors during the reorganization is necessary to ensure its effectiveness and prevent the possible intervention of third parties in the internal activity of the enterprise. Thus, the protection of the rights and interests of participants and creditors is an important element of successful reorganization of a business legal entity.

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CHAPTER 3

THEORETICAL AND PRACTICAL ASPECTS OF MODERN PSYCHOLOGY

THE PSYCHOLOGY OF SURVIVAL AND THE ART OF WINNING IN WAR

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Abstract. During the war that is currently in Ukraine, the role of a psychologist is difficult to overestimate. The articles are devoted to the study of the peculiarities of survival psychology and the art of victory in the war. The purpose of the article is to analyze the sources, to characterize the modern interpretation of the theory of survival and victory during the war, not only in the psychological and pedagogical, but also in the cultural and philosophical aspect. Realizing the purpose of the study, it is necessary to solve the following tasks: to update the essential features of the history of the culture of survival in the psychological sense; consider the art of victory from the standpoint of the theory of methods of pedagogy and psychology. Basic research methods include historical and comparative methods, methods of generalization and interpretation of the findings of different authors, retrospective and comparative analysis. With the purpose of spirituality formation of the personality of young people we have proposed: the concept of "spiritual personality"; the author's psychological structure of spiritual personality; the author's model of spiritual identity formation of youth; the training programme of development of spirituality of the individual; thematic plan of the special discipline "psychology of the formation of spirituality of the personality"; criteria for the development of spirituality of the individual; the sources of the personal spirituality. Comparison of the distribution of students' spirituality levels "before" and "after" the implementation of the program of spiritual formation of personality "was carried out. The comparison has confirmed the need to implement a program of spiritual formation of personality for young people, especially during the war.

Keywords: war, peace, victory, psychotherapy, faith, willpower, method of neurolinguistic programming, psychotrauma, psychological help.

JEL Classification: H10, IO, Y8

Formulas: 0; fig.3; tabl.4; bibl. 23

Introduction. During these difficult times, the work of psychologists and psychotherapists is needed more than ever and will be needed even more in future. Our colleagues experienced in dealing with various traumatic and crisis situations from all over the world are now coming to help us. The team of the Lviv Regional Branch of the Psychologists Association of Ukraine, headed by Deputy Dean for Scientific Work of the Philosophy Faculty, Doctor of Psychology, Professor of Theory and History of Political Science at Ivan Franko National University of Lviv Nataliya Zhyhaylo together with colleagues from H. S. Skovoroda Kharkiv National Pedagogical University (Tamara Khomulenko, Boryslav Khomulenko) and Dnipropetrovsk State University of Internal Affairs (Oleksii Sheviakov) with the participation of famous psychotherapists from the USA, Europe, New Zealand (Robert Dilts, Judith Delosier, Richard Bolsteda, Michel Rouge, Kimberly Progaska, Teresa Sianciolo, Steven Gilligan, Susy Smith) developed useful psychological techniques during wartime and detailed the necessary assistance for psychological traumas.

Literature review. Expert advice has been unified and supplemented by us, said the University professor Nataliya Zhyhaylo. "We believe that replacing fear with faith in victory will help to overcome this feeling. It is significant to take informational breaks from reading the news, and instead fill yourself with happiness, prayer and remember to drink plenty of water. It is also important to keep your body in shape: exercise, do any kind of physical activity, spend 70 minutes walking every day, and doctors recommend taking vitamin C. Make efforts to sleep balanced because only sleeping restores emotions. In addition, we provide informational support, help others with humour and play, hug - it adds confidence, smile - it heals, make plans for the future and say many peace slogans: "God", "Love", "Victory", "Peace" ", " Thank you ", " Glory to Ukraine! Glory to the heroes!" (Ryzhak, 2009). There are also clear, specific, step-by-step guidelines for recovering (according to Sid Jacobson). The following basic questions need to be answered: "What happened?", "What do you need?", "What are you planning?". The main filters are removal, distortion, generalization. During dangerous times, you should be able to like a coach -focused and mobilized. Try to return to the "learning state of mind" - the state in which you were resourceful - to inspire. You can shift to this state with the help of verbal code, for example, "everything will be fine", "everything is fine" and so on (Murray, 2010).

Another block of advice (from Michel Rouge) concerns how to cope with trauma, how to help yourself and others. The basis of the explanation is the "hero's path" on the example of John McCain, a famous politician and public figure who at one time was a prisoner of war. Three things helped him to survive: faith in God; self-belief; faith in your country.

The operational meaning of faith is to believe in something outside you, in what supports you, to trust the result of which there is no result yet. Ways out: take an oath to yourself; take intentions; take concrete steps. It is necessary to learn how to move from the state of crash (stress) to the state of the coach (concentration) with the help of visual exercises, contact with what is around, concentration on the object. It is important to find the center in itself - grounding (Khomulenko, Kuznetsov, 2019).

The resources for this are higher forces, the memory of our ancestors, Ukrainian culture, society, internal dialogue ("I," something unique in me). After that, according to experts, there comes an internal state of rest.

Experts also highlighted practical recommendations for reassurance. The sympathetic nervous system helps to survive, escape from danger, and parasympathetic helps to relax. You need to do breathing exercises, yawn, laugh, move; do qigong and tai-chi exercises, engage in body-oriented psychotherapy, normalize sleep.

The set of practical exercises formed by Kimberly Progaska explains what interesting educational cases can be distinguished to improve your psychological state. For example, "the war of all" cured "of Covid." Experts also point out that adolescents and children are most difficult to deal with trauma, but each of us is characterized by cognitive errors, including the idea that nothing will recover. But we must remember: there is always hope and faith that everything will be fine. "Using the experience of successful strategies of the past will be useful for us to build future strategies, and the most healing force - the strength of human relationships," - explained experts.

Methods of neuro-linguistic programming, some practices of working with oneself, key mistakes in conditions of war, ways of transition from a state of fall to a state of elevation were formulated by psychologist Boryslav Khomulenko (Kuznetsov O., Khomulenko T., Fomenko K., 2018). "In extreme conditions, we abandon the usual way of life, as a result of which the mind emerges from a state of basic balance. Therefore, it is important to return to our usual daily routine. Humor in war is very important, and equally important - to help what we can help. All this creates a background emotional balance. To carry out information support (even if it is for self-aspiration), to find their key actions, to build plans for the future - all these steps contribute to the production of the hormone of happiness (dopamine), "Boryslav Khomulenko explains.

Also, the specialist adds that in difficult conditions, those people who have existing meanings survive (Cooke, Melchert, Connor, 2016) - energy is given to the meaning.

"It is also important to overcome the inner evil in ourselves. And there is also an interesting fact - in a state of war, people rarely get sick", Boryslav Khomulenko stressed.

PhD specialist in neuropsychology, behaviorist, author of methodological developments on innovative approaches to working with people with RAS, Down syndrome, intellectual development disorders and behavior Teresa Sianciolo shared her experience working with children with special needs in conditions of war. "During the war, we continue to worry about our children, to do routine work. Children with special needs need special attention. They need visual stimuli and signals. They are sensitive to the emotional state of their parents - mirror it. A safe place for such a child on the floor in the corner. It is important to hug, cover with kotsyk, take hands, train a sense of security. Analyze what actions the child performs on the repeat (for example, playing the gadget). The gadget performs a calming function, although protection as it is not, but the child has a switch of attention, "the expert explains (Fomenko, 2020).

According to her, it is also important to repeat the phrase that will fulfill the role of the mantra: "we are a family," "we are safe." Repeat it every time equally so that it circulates in the child's brain. "The child must have his duty, for example, to bring water, to make sure that the grandmother drinks the medicine. This will protect her from chaotic actions. It is also important to apply any form of activity, take into account the individual characteristics of the child," - said Teresa Sianciolo and emphasized that the experience of working with children with special needs can be useful for all children.

The great American psychologist and psychotherapist - a follower of Milton Erickson - Stephen Gilligan believes that if we want to help someone with trauma, we need to start with ourselves, with our own state.

Five steps that help healing: gather your attention in one point in yourself; remember your values, your goal, your positive intentions; tune in, connect with your breath, meditate, pray; Think about what I can do.

The scholar gives examples of people who survived the war: a priest who in due course endured the wounded - for him it was an experience of spiritual transition; the doctor who worked on the front, developed the idea of a placebo (there was not enough painkiller, so the wounded gave water with salt and said it was morphine, and it acted as an anesthetic). All these are mechanisms for connecting with life (Sizov, V., Slavska, Y., Alforov, O., 2022).

With strong tension of the victim, it is possible to unlock it through communication with someone else; a loved one; ancestors; with someone she sympathizes with. Try to feel grounded and connected to positive memories, perhaps from childhood. This is an example of a simple and strong resource that will help to heal. We are looking for a connection with the positive in the past, present and future. Trauma destroys all positive states, however, you need to draw from the references to the pleasant moments of life (Shevchenko, H., Antonenko, T., Bezuhla, M., Safonova, I., 2020).

Olena Blynova recommends: "Never look the enemy in the eye. Never cling to the problem, because this is the right way to become a problem yourself. It is important to believe: "I will win," "I can." (Blynova, O., Holovkova, L., Sheviakov O., 2018).

An interesting case: the former Prime Minister of Israel Golda Meier was asked who she consulted in a problematic situation. She replied: with grandmother (who is no longer) and granddaughter (who is not yet). That is, the connection with the past present and the future will help us to pass through all the complexities of life. The main message of Natalia Yevdokymova: "There is power inside a man who is bigger and deeper than pain!" Dear Speaker, he expressed admiration for the unity of our people and the example of heroism! (Yevdokymova, 2019).

The experience of psychologists and psychotherapists in conditions of war was shared by Susie Smith, who told how to use the brain in stressful situations; shared the most working and simple tools.

To reduce the level of stress is possible by: breathing squared for a minute; move your toes; name 5 things that surround; 4 things we hear; 3 things that can be felt to the touch; 2 things that can be sniffed; 1 thing we taste.

Technique 6 seconds: smile and thereby break the bond with stress inside. Claim to myself: "my mind is watchful, but the body is relaxed." Breathe deep. This technique can be used for children - their attention and educational process are improved; while driving the car; when the heart rate is accelerated, etc.

"There is almost no good news on TV, so most of us are stressed by watching the news," the Speaker rightly noted. Therefore, "watching TV, immediately use this technique") There is stress on a certain tone of voice.

A simple way to get rid of insomnia (when thinking in your head) you need to say in a command voice: "stop!" (add a "stop" sign in your imagination), breathe deeply, and say to yourself, "I will cope with everything." Guiding your eyes around the circle is one of the techniques of getting rid of obsessive thoughts. The rule of eight, splitting injury and other important techniques was presented by dear Susie Smith. Each technique should be repeated 12, 24, 36 times (Shevchenko, 2020).

Psychologist and psychotherapist Art Geezer believes that when you are surrounded by people full of pessimism and fear, you quickly become the same. Conversely, it is necessary to activate positive emotions to get out of fear. The specialist taught to work with energy; clean your energy field; manage your inner spirit; strengthen your immune system; direct your energy to family, friends, those you love. In particular, a magnet technique was presented, which can be used to cleanse negative energy and attract positive energy. As part of the report, the specialist provided valuable recommendations and techniques for restoring the inner state of man, in particular, an interesting technique "lake".

Richard Bolsted from New Zealand continued to share his experience as a psychotherapist in dealing with the trauma of war. He presented the process of healing an injury using the technique of rapid eye movement. (It has been scientifically proven that this technique works at the DNA level). Expectant children are born with a protective response to stress, and this technique can be used for air alarms and bombings as first aid. According to the expert, resilience (stress resistance) is an important value. The way our brain perceives an event is more complex than the event itself. Richard Bolstead gave an interesting example of a mouse that a girl presented to a boy during a meeting. On this basis, he developed a phobia. And although the mouse never harmed him, the same processes took place in the cerebral cortex as during the threat to life.

The importance of "cinema" technique is emphasized. Havening technique (safety zone) is very effective for post-traumatic stress disorder and allows us to consolidate our own stress and emotional sphere, helps our intelligent brain to make decisions again, to relax. In this process we use stroking movements (face, shoulders, palms) and mental exercises (counting, chanting, others). In conclusion, we repeat the phrases: "I am safe", "Inner Peace", "Peace". At the same time serotonin, oxytocin is released, which reduces tension and increases the feeling of security. Hugs, by the way, perform the same function. This technique works quickly, easily and efficiently.

Another experience with psychotrauma came from psychologist Boryslav Khomulenko (Kharkiv). The scientist suggested Erickson's hypnosis in working with PTSD. Post-traumatic stress disorder is a complex mental condition that occurs as a

result of trauma. The experience of hypnotherapy is the same - artificial false therapy for a positive result. Erickson Hypnotherapy is a psychotherapeutic approach that uses hypnotic trance to help the patient use their own mental associations, memories and life potential to achieve their therapeutic goals. Hypnosis is an altered state of consciousness, similar to sleep. This is a fixation of attention on comfortable associations. There are many types of trance. There are countries where this method is used even during surgery. It can be used during hostilities; it can relieve pain shock from injuries, shelling, etc. There are clear, step-by-step guidelines for entering a trance. It is important to find out what the patient likes to do when he is well (cycling, playing the guitar). Ability to refocus from a state of pain and suffering to a state of positivity; the ability to avoid sharp corners to achieve balance - the art of hypnotherapy.

American psychotherapist Brian van der Horst shared his experience of working with trauma during the war. The speaker stressed the values that help to survive in difficult conditions. "The secret of my peace of mind is that I could control all the dangerous moments I was in (for example, deep jumps)," says the expert. The war is a bit different: you need to develop a security strategy, fill the space with employment, you can even write articles. It feels like we're in control. It is also important to discuss values with others. "Worse is behind us" - the first reassurance. It is not right to say, "You will not die," to say, "You will live; you will feel good and calm," said the expert. And we need to make plans for the future: for a few days, weeks, years - these are the factors that bring victory closer. Also during the discussion interesting cases, typical examples, ways out were discussed.

According to scientific research, highly spiritual individuals more easily overcome stress, fear, feelings of danger. That is why we have proposed a holistic program of spiritual development of the individual.

Spiritual development of the person was important to mankind in all times and ages. In our time, the spirituality of the individual gains special values. Indeed, without a spiritual rebirth and renewal, the return of spirituality in the souls of men, it is impossible to speak about the revival our society, its conformity with the norms of civilized existence, the legal and real guarantees of rights and freedoms, which are priority throughout the civilized world.

Spiritual development is a long and difficult way to improvement. It awakens abilities, raises consciousness to a new level, strongly transformerait orientation of the personality, which begins to function in new dimensions.

Youth as subject and object of spiritual culture, to their advantage, values, orientations, needs, actions reflects the level of spiritual culture the society in which she lives. At the same time adaptation to the spiritual culture develops spiritual needs, forms of intellectual and aesthetic interests the person reflects the inner wealth, the measure of spiritual maturity, that is, level personal qualities, which is called spirituality.

The issue of spirituality the subject of many studies, in particular foreign scientists: F. Lersh, K. H. Jung, K. Rodgers, R. Meio, J. Connors and modern domestic authors: S. D. Maksymenko, I. D. Pasichnyk, G. A. Ball, M. Th. Boryshevskyi,

V. P. Moskalets, M. V. Savchyn, V. F. Morhun, V. M. Zhukovskiy, R. V. Kalamazh, O. V. Matlasevych, A. I. Pashuk, V. P. Melnyk, N. I. Zhyhaylo. At all times gave large value of spirituality; researchers considered that a concept "spirituality" is to the derivatives from a word "spirit", that means movable air breathing of breathing, transmitter of life. According to the teachings of many experts, spirituality is general cultural phenomenon that encompasses not only the abstract theoretical values and ideals, but also acts according to conscience, truth, and beauty.

In modern Ukrainian psychology the study of spirituality is in the following key directions: philosophical and religious, the subject of which is spirituality as perfection of faith in supernatural forces (G. S. Skovoroda, T. H. Shevchenko, I. Y. Franko, V. A. Sukhomlinsky, G. P. Vashchenko) culturological, in the context of which spirituality appears as a way of self-construction of the person within the cultural world through self-determination and self-direction person involves not only knowledge but also feelings, interpretation of reality, the ability to empathy (P. R. Ihnatenko, V. L. Pluzhnyi, M. I. Piren, V. V. Moskalenko, V. V. Rybalka); socio-psychological, in which spirituality is regarded as a multidimensional socio-historical phenomenon, specificity manifestations which are due to the uniqueness of world history as a polycentric education (H. S. Kostyuk, S. D. Maksymenko, M. I. Boryshevskiy, M. V. Savchyn, V. F. Morhun, V. P. Moskalets, H. O. Ball, I. D. Pasichnyk, V. M. Zhukovskiy, R. V. Kalamazh, O. V. Matlasevych, V. P. Melnyk, N. I. Zhyhaylo).

Aim. The purpose of the article is to analyze the sources, to characterize the modern interpretation of the theory of survival and victory during the war, not only in the psychological and pedagogical, but also in the cultural and philosophical aspect. Realizing the purpose of the study, it is necessary to solve the following tasks: to update the essential features of the history of the culture of survival in the psychological sense; consider the art of victory from the standpoint of the theory of methods of pedagogy and psychology.

Methodology. Basic research methods include historical and comparative methods, methods of generalization and interpretation of the findings of different authors, retrospective and comparative analysis.

Results. Trying to achieve the specified purpose and to fulfill the objectives of the study, we proceeded from the fact that spirituality as an integrative quality of personality, is one of the most fundamental personality characteristics as an open system.

In our opinion, spirituality is a compound mental phenomenon; the manifestation of inner world of a person; energy-informational structure of the individual rich on the attributes it possesses. Spirituality is specific features of the personality of the two fundamental needs: the ideal need for knowledge and the social need to live and function for others.

Under the *spiritual formation of personality*, we mean the acquisition of spiritual values, religious consciousness and self-consciousness of the individual; the development of his spiritual priorities; substantiation (reasoning) of the system of

values that should form the basis of life, to come to the forefront of the whole process of activity. The sources of spirituality are science, culture, religion, art and etc.

Taking into account the centuries-old experience of spiritual education, its growing importance in Ukrainian society, Lviv regional branch of the nationwide public organization "The Society of Psychologists of Ukraine" has designed and developed a holistic system of spirituality formation of the individuality of the students.

With the purpose of spirituality formation of the personality of young people we have proposed:

1. The concept of "spiritual personality".
2. The author's psychological structure of spiritual personality.
3. The author's model of spiritual identity formation of youth.
4. The training programme of development of spirituality of the individual.
5. Thematic plan of the special discipline "Psychology of the formation of spirituality of the personality."
6. Criteria for the development of spirituality of the individual.
7. The sources of the personal spirituality.

By the phenomenon of "*spiritual personality*" we understand such a personality, in which a spark of Divinity burns; who in his/her thoughts and actions relies on the Law Of God; who in his/her life is guided by the postulate: "*I work for Eternity!, not just work forever!*" Man does not need feathers to fly, but power of spirit! Every nation, every state, every industry needs strong-spirited, nationally conscious, intellectually developed, scientifically savvy young people. Therefore, an integral part of a young person's personality should be spirituality - the leading line of his activity.

The author's psychological structure of spiritual identity (Fig. 1) is presented in the form of a tree, the base (roots) of which is based on the factors of self-regulation, which are the will, conscience, and faith; the branches of this tree is our cognitive and emotional-volitional mental processes, mental states, mental properties, mental activity, orientation and the like, and the top of this tree strives for the knowledge of God, that is, for self-improvement.

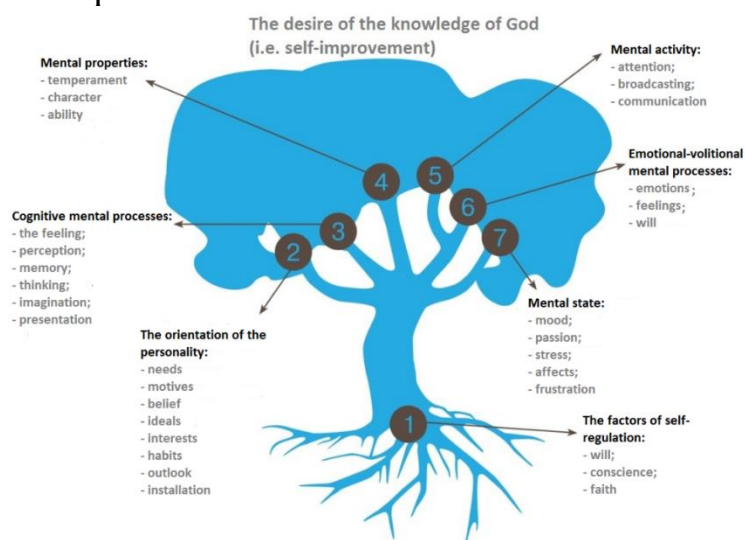


Figure 1. Psychological structure of personality by S. D. Maksymenko, N. I. Zhyhaylo

The author's model of spiritual formation of the personality includes instrumental, needing-motivation and integration components (Fig. 2).

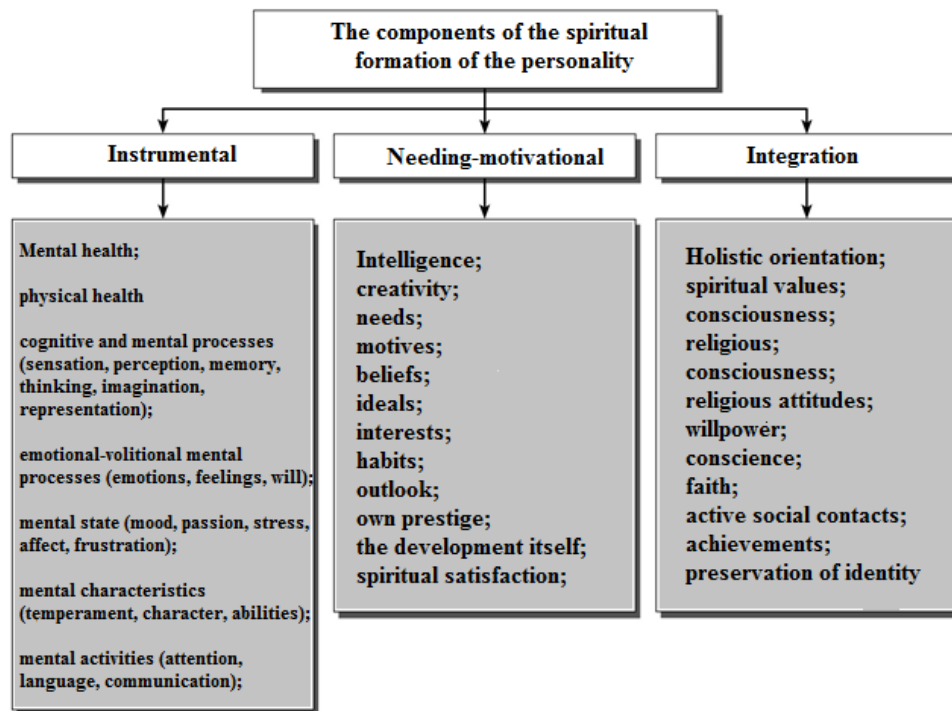


Figure 2. The author's model of spiritual identity formation

We also offer psychological training for the formation of the spirituality of the personality of student youth. Structurally, the “Training program for the development of Personal Spirituality” can be divided into seven topics-blocks (table 1). Original exercises were developed for each block and those training exercises (of other researchers) that could be used in accordance with the set purpose were modified. There were used: role-playing and business games, mini-discussions, training exercises for personal growth, body-oriented training exercises, lectures, scientific seminars, round tables, conferences, pilgrimages, recollections, etc.

Based on the results of psychological training, the point of view was formed that a young person is at the stage of spiritual development when he/she: first of all, sees the meaning of what corresponds to spiritual ideals and to what at the same time he/she has the opportunities; secondly, a young person has developed appropriate character traits, knowledge and skills that allow her to achieve the goal, to realize himself in his spiritual formation.

At a later stage of the study we have proposed a comprehensive "Program of spiritual formation and implementation of personality", which provides diagnostic and remedial work that gives the opportunity to assess the level of spirituality of the individual and contribute to its enhancement.

Table 1. The training program of the spiritual development of the personality

№	Training blocks	Main psychologic-educational and training facilities
1	Introduction to the work	<ol style="list-style-type: none"> 1. Getting acquainted with the rules of work in the T-group. 2. Formation of an atmosphere of psychological security. 3. Psychogymnastics.
2	The value orientation of the manager	<ol style="list-style-type: none"> 1. Projective drawing "Me and my place in the human world". 2. Role play "Bad people – good people. What's the difference?" 3. Business game "Preparing a code of conduct for the 21st century." 4. Exercises to remove "clamps" in the muscles and increase the level of atmosphere security in the T-group.
3	Spiritual formation of the manager	<ol style="list-style-type: none"> 1. Role-playing game "Me in the past, present and future. What's the difference?" 2. Psychological workshop "What am I most proud of in my past? What was it that would be worth living differently?" 3. Exercise "Empty chair - my friends and enemies in the past." 4. Brainstorming "Determination of directions of state social support of the manager as its future creator." 5. Exercises to remove the "clamps" in the muscles, the display of expression through movement.
4	Religious values of the manager	<ol style="list-style-type: none"> 1. Socially-perceptual oriented training of personal growth "Me through the eyes of others. Can I be trusted?" 2. Group discussion "A person who actively believes in God - who is she? Past, present, future?" 3. Business game "If I wrote the Holy Book?" 4. Exercises to remove the "clamps" in the muscles, the display of expression through movement.
5	Religious consciousness of the manager	<ol style="list-style-type: none"> 1. Discussion "Religiously conscious person – "for" and "against". 2. Brainstorming "Who am I - a grain of sand, a drop of water, a gust of wind - am I responsible for the future?" 3. Business game "Conscience. Is it needed in the 21st century?" 4. Exercises to remove the "clamps" in the muscles, the display of expression through movement.
6	Discussion of the results of the training	<ol style="list-style-type: none"> 1. Discussion "Me before working in the T-group. Me after finishing working in the T-group. What has changed inside of me?" 2. Exercises to remove the "clamps" in the muscles, the display of expression through movement.
7	The final lesson "My Future"	<ol style="list-style-type: none"> 1. Formation of the existential "Me". 2. Placement of the feeling of "We" in the training participants. 3. Exercises to remove the "clamps" in the muscles, the display of expression through movement.

The program included the formation of a system of values as the basis of spiritual formation and realization of an individual; the identification of religious values as an important factor of spiritual development of personality; training as an effective method of forming of spiritual values of the individual; the allocation of the religious consciousness as the essential component of spirituality of the individual; lectures on the special course "Psychology of spiritual formation and implementation of the personality" (table 2).

Table 2. Thematic plan of the special course "Psychology of spiritual formation and realization of personality"

№	Topic	Number of hours			
		Total	Lec- tures	Pract.	Indiv. work
	<i>Section I. Theoretical and methodological foundations of spiritual formation and realization of personality</i>				
1	Socio-psychological nature of the spiritual formation of the individual	20	6	6	8
2	Fundamentals of spiritual formation of student youth				
3	The main sources of the formation of the spirituality of the individual				
	<i>Section II. Psychological modeling of the process of spiritual formation of personality</i>				
1	Value orientations as a structural component of spiritual formation and realization of personality	22	8	6	8
2	Psychological factors of formation of value orientations of student's youth				
3	Model of spiritual formation of personality				
	<i>Section III. The system of values as the basis of spiritual formation and realization of personality</i>				
1	Formation of a system of values as the basis of the spiritual formation of the individual	20	6	6	8
2	Religious values as an important factor in the spiritual development of the individual				
3	Training as an effective method of forming the spiritual values of the individual				
	<i>Section IV. The program of spiritual formation and implementation of the manager's personality</i>				
1	Religious consciousness as a necessary component of the spirituality of the individual	22	8	6	8
2	Diagnosis of types of religiosity and religious attitudes of the individual				
3	Determining the levels of spirituality according to the relevant criteria				
	<i>Total:</i>	84	28	24	32

By having grouped the main characteristics, we obtained data on the levels of spirituality of the individual (table 3).

Table 3. Characteristics of levels of spirituality

The level of spirituality	Level characteristics
Low	<ul style="list-style-type: none"> – the individual does not always affirm the spiritual values of existence in words and deeds; – the individual strives to avoid the introduction of spiritual values in life; – the individual accumulates his knowledge about the spiritual, cultural and religious life of the country by accident; – the individual dedicates his work to a spiritual idea only sometimes; – correlating personally significant values with spiritual ones, the leader takes into account the latter only under favorable conditions.
Medium	<ul style="list-style-type: none"> – the individual always in words and not always in deeds affirms the spiritual values of existence; – the individual accepts spiritual values without due desire; – the individual replenishes his knowledge about the spiritual, cultural and religious life of the country under the guidance of a mentor or under favorable conditions; – the individual dedicates his work to a spiritual idea under favorable conditions; – the individual has difficulty correlating personally significant values with spiritual ones.
High	<ul style="list-style-type: none"> – the individual in words and deeds affirms the spiritual values of existence; – the individual willingly accepts spiritual values and embodies them in his own life; – on its own initiative the individual receives information about the spiritual, cultural and religious life of the country; – work for the sake of a spiritual idea becomes the meaning of a person's life (selfless service); – the individual reconciles personally significant values with spiritual ones, prefers spiritual values.

Discussion. In order to study the assessment of the level of spirituality development in students, we have conducted an experiment. The respondents of the study consisted of young people who are studying in higher educational institutions of Lviv region: 305 people of different years of study at the university were interviewed.

Young people with a high level of spirituality and an appropriate level of self-regulation do not pose special troubles or inconvenience for mentors, they are independent and disciplined, law-abiding and try to meet the requirements of education. The ambitions to develop in the individuals the desire to expand their own capabilities in accordance with the focus on the model - "the best I can be" - contributes to the spiritual formation, personal growth of the person.

The peculiarity of students with an average level of spirituality is that they prefer personal life experience over the beliefs of others. Therefore, it is important for the mentors to actualize the connection between their own life experiences and spiritual values. Young people with an average level of spirituality need general measures that will allow the young person to experience the action, which can then become the subject of discussions, round tables during the conversation, and so on. The way from one's own experience through its comprehension and generalization in the balance of positive and negative, awareness of details for further realization - a constructive way of interaction with the individual in the direction of development of his spirituality.

The characteristic of people with a low level of spirituality is the advantage of wealth over spiritual. Consequently, such individuals is important to help see life alternatives, encourage them to choosing ideals emphasize the spiritual aspects of life. An instructor is advisable to update aspects of moral behavior, citing the experience familiar to the young person or the immediate environment, and illustrate promising action that might confirm this idea.

The characteristic of people with a low level of spirituality is the predominance of material values over spiritual ones. Consequently, it is important to help such people to see life alternatives, to encourage them to choose ideals, to emphasize the importance of the spiritual aspects of life. It is advisable for the mentors to actualize the moral aspects of behavior, referring to the experience of a familiar to everyone young person or the immediate environment, and to illustrate a perspective action that can confirm this idea.

Comparison of the distribution of students' spirituality levels "before" and "after" the implementation of the program of spiritual formation of personality (Fig. 3) illustrated the effectiveness of the applied program. In particular, the share of high levels of spirituality in young people has increased by 20% (due to the introduction of the above-mentioned program).

We performed a correlation analysis of the results, in particular the dependence and mutual influence between: level of spirituality and intelligence; level of spirituality and empathy; level of spirituality and level of reactive anxiety; level of spirituality and level of personal anxiety; level of spirituality and religiosity level; level of spirituality and religious attitudes level; level of spiritual and material values, etc. (table. 4).

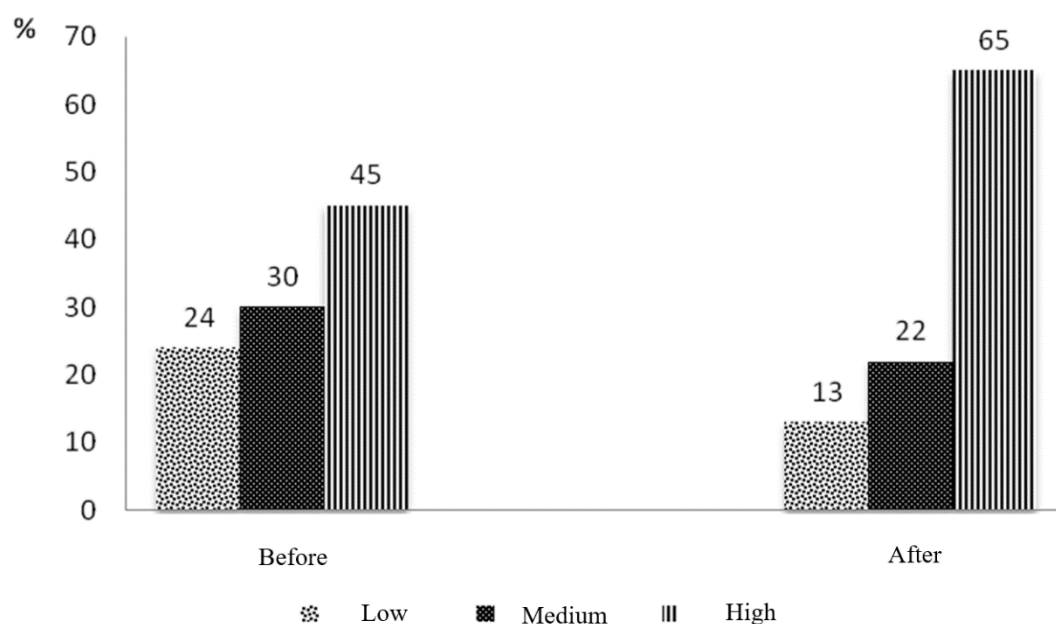


Figure 3. The level of development of spirituality of students ("before" and "after" implementing programs of spiritual formation and realization of the personality)

Table 4. Meaningful indicators studied characteristics (based on correlation analysis)

	PA	SA	LS	CV	LE	LR	MV	RA	LI
PA	1,000	0,757	-0,710	0,537	-0,637	-0,564	0,642	-0,708	-0,384
SA	0,757	1,000	-0,705	0,525	-0,582	-0,498	0,580	-0,712	-0,355
LS	-0,712	-0,705	1,000	-0,615	0,589	0,745	-0,657	0,626	0,473
CV	0,537	0,525	-0,615	1,000	-0,613	-0,461	0,611	-0,619	-0,514
LE	-0,637	-0,582	0,589	-0,613	1,000	0,557	-0,574	0,499	0,583
LR	-0,563	-0,498	0,744	-0,460	0,557	1,000	-0,623	0,591	0,586
MV	0,641	0,580	-0,657	0,611	-0,574	-0,623	1,000	-0,677	-0,498
RA	-0,707	-0,711	0,626	-0,619	0,499	0,591	-0,677	1,000	0,522
LI	-0,384	-0,355	0,473	-0,514	0,583	0,586	-0,498	0,522	1,000

Legend: PA – personal anxiety; SA – situational anxiety; LS – the level of spirituality; CV – chaos values; LE – the level of empathy; LR – the level of religiosity; MV – material values; RA – religious attitudes; LI – level of intelligence.

We also present the criteria that a spiritual person should meet: *moral*: the spiritual person has to be a religious person and also has to practice the chosen religion; to have objective and subjective authority; to have a passion to work and respect to it; to be fair; have ethical and business delicacy and joy of communication; *intellectual*: high level of professional training; accuracy of memory, flexibility of thinking, creativity of imagination; temperament, stable nervous system (congenital factors); willpower and faith (acquired factors); speech culture, rhetoric; intuition; observation skills; *physical and canonical*: clothing, posture, behavior; nobility, spiritualization.

Sources of spiritual personality are: the book of books – the Sacred Scripture, Theology (as the science of God); Holy Liturgy - teacher of life (A. Sheptytsky); Prayer

- the development of the soul; church art; Christian philosophy (knowledge of God); nature, culture, art, sports, etc.

The rise and prosperity of our state is possible only under the condition of professional and spiritual formation and realization of every citizen, professional, specialist, who should become a decisive force that will ensure the irreversibility of Ukraine's progress to its will, glory, economic and social welfare, healthy nation, a strong state of the European level.

In summary, it should be noted: "Panic, fear - the faithful companions of the enemy and defeat; belief in victory is a strong and motivating factor of victory itself, and the most powerful resource of victory is three things: faith in God; self-belief; faith in your country. It is important to fulfill your immediate responsibilities, to help others, to return to a "learning state of mind", a state in which you are resourceful.

Conclusions. The articles are devoted to the study of the peculiarities of survival psychology and the art of victory in the war. With the purpose of spirituality formation of the personality of young people we have proposed: the concept of "spiritual personality"; the author's psychological structure of spiritual personality; the author's model of spiritual identity formation of youth; the training programme of development of spirituality of the individual; thematic plan of the special discipline "psychology of the formation of spirituality of the personality"; criteria for the development of spirituality of the individual; the sources of the personal spirituality. Comparison of the distribution of students' spirituality levels "before" and "after" the implementation of the program of spiritual formation of personality "was carried out. The comparison has confirmed the need to implement a program of spiritual formation of personality for young people, especially during the war.

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Disclosure statement. The authors declare no conflict of interest.

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THE PHENOMENOLOGY OF LOVE RELATIONSHIPS IN THE CONTEXT OF C.G. JUNG'S THEORY

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Abstract. *The topic of love, despite the rich phenomenology of this phenomenon, is poorly studied. This article examines only one aspect of the concept of love, namely love between a man and a woman. An attempt is made to explain this phenomenon from the standpoint of the theory of C.G. Jung who believed that the base of the human psyche was a subconscious mind that consisted of archetypes. Archetypes are the most ancient representations of the most significant phenomena of the external and internal world. The article summarises scientific data, descriptions of the phenomenon of love in fictional literature and simple analysis of life experiences such as my own, as well as other people's. The hypothesis about the psychological mechanisms of the emergence of love between a man and a woman is substantiated. The proposed hypothesis is based on the theory of C.G. Jung about archetypes as unconscious contents of the human psyche. In order to substantiate this hypothesis, works of fiction are considered, examples from the practice of psychologists and the personal life of people are given. As a result, conclusions were drawn that the source of love is not outside, but inside a person, the need to love is inherent to one degree or another in every person (and, probably, in every living being); the trigger that starts the processes of falling in love are certain events that find an emotional response in a person who is psychologically ready for a relationship of love; the projection (transfer, in Jung's words) of the content of the corresponding archetype onto another person is often carried out unconsciously and leads to disappointment in love relationships. Separately, cases of a person's awareness of their gender as not coinciding with the biological characteristics of sex are considered. It can be assumed that intersex variations are echoes of the distant past, a regression to that period of evolutionary development, when hermaphroditism was observed in creatures preceding the appearance of the species homo sapiens. It is no coincidence that C.G. Jung, an adherent of the idea of evolutionary-biological and socio-historical development of mankind, considers the archetype of "love" as consisting of two "halves" - Anima (feminine) and Animus (masculine), - and available both in men and in women. But at the biopsychological level, hermaphroditism makes itself felt in women, along with the feminine, the masculine principle is archetypally represented, and in men, along with the masculine, the feminine. In love, the archetypal components of gender are actualized in men and women in different ways: in cases of uncomplicated ("traditional") gender identification, the Animus (her idea-image of a Man) is activated in a woman, and in men - Anima (his idea-image of a Woman), but with all possible individual differences.*

Keywords: unconscious, archetype, trigger, transfer.

JEL Classification: I19, Y08

Formulas: 0; **fig.:** 0; **tabl.:** 0; **bibl.:** 8

Introduction. Falling in love has characteristics like no other human mental state. Love can break down any barriers and make people that previously had no connection whatsoever become very close to each other to the point where this connection could be stronger than the one, they have with their family. Love may be more important than relationships with relatives and may even make one disregard them altogether (such as in the story of Romeo and Juliet). Love is selfless. For those in love, the greatest value lies in the person they love, regardless of their social status, financial situation and so on. Even though the appearance of the person they love matters, it is still not a decisive factor. Much is written about love. They say that love is blind, but at the same time they note that love is developed gradually, as people get to know each other.

Literature review. Love between a man and a woman was not the subject of special studies by C.G. Jung. However, its conceptual apparatus allows us to explain many of the phenomena of love. The basic element of the mental Jung considered the unconscious, the contents of which are archetypes. Anima (the image of a Woman in a man) and Animus (the image of a Man in a woman) are of particular importance in the context of the stated topic. We believe that these archetypes are activated under the influence of the need for love, which is inherent in every person to one degree or another. This activation occurs under the influence of certain events that act as triggers. After the activation of the archetypes, what Jung called transference occurs the content of the archetype is addressed to a specific person, a specific man or woman. Further, processes take place that are well described in fiction, in particular, in the works of Somerset Maugham, Andre Maurois, M. Kundera, Honoré de Balzac, Stendhal. The psychotherapeutic experience of C.G. Jung and other psychologists, the experience of individuals whose stories are referenced in this article, also proved to be useful in the analysis of the psychological mechanisms of love.

Aims. The purpose of this article is to conduct a study of the psychological mechanism of love relationships in the context of C. G. Jung's theory using data gathered by modern scientific researches as well as data available in fiction.

Methods. Theoretical analysis of scientific sources, fictional literature sources as well as personal and other people's life experiences.

Results. Love is an experience, but unlike any other experience, it is persistent in its nature with elements of ownership towards someone or something in accordance with the traditional distinction made between emotions and feelings. That is to say, love is an experience of attitude.

The most mysterious type of love is the one that happens at first sight when there is no relationship formed yet. A. F. Bondarenko describes love at first sight as a "unique phenomenon" and compares it with lightning strike. This is the case when "a man and a woman feel an inexplicable connection and extra strong attraction for each other since the moment they see each other".

Such a swift feeling of falling in love, which Bondarenko refers to as "love lightning" doesn't seem to depend on any factors in particular, no matter whether one is satisfied with their personal life or not, no matter what their traits or level of intelligence are; the love story does not always end, figuratively speaking, with the union of two hearts. The phenomenon of "rapid love" is often accompanied by delusion or, using Bondarenko's definition, "a syndrome of failure to acknowledge your own life situation, where your entire life up to now loses its meaning and everything that previously seemed to be important now becomes insignificant. Not everyone can manage to control such moments in their lives and a person can find themselves getting burnt to ashes by the feeling of love (just as Bondarenko writes: "not all can cope with the enormous pressure of such a voltage") ('WOMEN'S MAGAZINE' presents: "Conversations with a psychologist". 2003:178-183).

Such an emotional rollercoaster can charge one with the vitality of life that would last a long time and enable them to understand who he/she is, while at the same time encouraging positive changes in their life. Such a type of love, love at first sight, is

described in the novel “Red” by Somerset Maugham, where this type of love is named as “true love”. It refers to the type of love that “wasn’t born as a result of mutual sympathy, common interests, spiritual connection, but rather love that is non-complicated, primeval. This is the way Adam fell in love with Eve when he woke up and saw her in the garden for the first time, looking at him with her soft eyes. It was the kind of love that attracted animals and gods to each other. It was the kind of love that makes the world magical. It was the kind of love that gives existence its inner meaning” (Somerset Maugham, 1986: 80).

The lovers broke up due to the circumstances in their lives and the woman’s heart was, afterwards, forever empty and the energy of life and joy left her. It can be assumed that love at first sight is indeed possible between people who are “charged” with love and who have a strong need for love or a high degree of preparedness to love that lies in their unconscious. In ‘Letters to a Stranger’ André Maurois notes: “After works of Stendhal and Proust, the idea that the source of love lies within us rather than in the person we love became common knowledge” (Maurois, André, 1989:69). Love at first sight is irrational and, in the words of C. G. Jung, “corresponds to the archaic part of our personality” (Jung, 1995:17).

With such love, the unconscious plays a key role. In other words, love at first sight is the result of overflowing vital energy that in turn creates a “high-voltage field” between two beings – a man and a woman – when their subconsciouses resonate with each other. According to C. G. Jung, “Consciousness can be deceived, but not the subconsciousness” (Jung, 1997:13).

It can be assumed that in the case of “love lightning”, the unconscious of two people is united as one and “when the unconscious brings together the male and female principles, things become completely indistinguishable and we are no longer able to say where the male and female characteristics are...” (Jung, 1995:123).

After all, “the greatest depth that we can achieve in the study of the unconscious is the layer of the soul in which a person ceases to be an individual and his soul merges with the soul of all humanity – not the conscious part of the soul, but the unconscious part, where we are all the same” (Jung, 1995:41).

Perhaps this is why we understand the meaning of the works of art of different cultures and different eras. In order to understand the psychological mechanism of love, both at first sight and the one that develops gradually and refers to feelings rather than emotions, in our view, three concepts play an important part: the concept of archetype, trigger and transfer. The archetype “originates in the matrix of the unconscious” (Jung, 1995:39). It captures the entire history of mankind in the same way as our physical body reflects the biological evolution of the species *Homo sapiens* (if we accept the theory of evolution proposed by Ch. Darwin). On one hand, “an archetype is a hypothetical and unimaginable model”, “an innate, preconscious and unconscious individual structure of the soul”, a form that is “hereditary and already present in our chromosomes”, a kind of crystalline grid that predetermines the “stereometric structure (but not the individual shape) of a particular crystal” (Jung, 1997:174-181). In other words, the archetype has “its own in-built structure that precedes any lived experience”

(Jung, 1997: 199), “the immutable core of meaning – but always only in principle, never as a concrete phenomenon” (Jung, 1997:180-181).

On the other hand, this primordial image – the archetype – is filled with the material of conscious experience. Thus, the female’s animus which is based on the archetypal image of a male, includes three components: “the collective image of a man, the individual perceptions about masculinity and the male principle hidden within a female” (Jung, 1997:320).

The male’s anima includes the same components: the collective (archetypal) image of a woman, the individual perceptions and qualities of a female by a man and the female principle hidden within a male himself. Anima and animus are archetypes that are triggered when there is a willingness to love. In this context, cases where a person’s awareness of their gender is not in line with their biological characteristics are of interest. I came across a case where a three-year-old girl insisted that she was a boy, which was very disturbing for her parents. In this day and age, it is obvious that the phenomenon of one’s gender identity that contradicts their biological features does exist which is not related to sexual perversion and people within this category are not different to others in any other aspects. Gender binary in the definition of gender nowadays is being replaced with an awareness of existence of intersex variations (according to some data, there are about forty of them). The emergence of these variations is explained in different ways: we are talking about “gender formation disorder”, “genetic mutations” or “point mutation” (Being Intersex in Russia: A BBC Documentary, 2020).

Much is known about transgender people – people who biologically belong to one gender, but psychologically identify themselves as another. I would dare to suggest that intersex variations are echoes of the distant past, atavism, regression to that period of evolutionary development, when hermaphroditism was observed in creatures that preceded the appearance of the species *homo sapiens*. It can be assumed that the separation by gender in these species occurred during the evolution process over a long period of time, when the most effective methods of reproduction were being naturally selected. It is known that hermaphroditism can be found in various species of plants and animals, and for some of them hermaphroditism is a vital norm (for example, crustaceans and worms) (S. Afonkin ‘And why aren’t we hermaphrodites?’, 1997). It’s no coincidence that C. G. Jung, who is a supporter of evolutionary biology and the idea of the social development of mankind, views the archetype of “love” as consisting of two “halves” – anima (female) and animus (male) – available to both men and women. It is my assumption that in the course of biological evolution, the separation of the sexes – male and female – has been consolidated as the most effective mechanism of procreation.

However, hermaphroditism reveals itself at the biopsychological level: masculinity in females is archetypically present alongside femininity, and in men along with masculinity - femininity. When it comes to love, the archetypal components of gender are triggered in men and women in different ways: in cases of uncomplicated “traditional” sex identification, the animus gets activated in females (her image of a male), and in males – the anima (his image of a female), with all possible individual

differences, of course. The next important element for understanding love is the concept of a trigger as a mechanism for activating an archetype. In general, the sex drive of males is much stronger than that of females. The purpose of males is to continue the species by fertilising as many females as possible. The biological purpose of females is the gestation and nurture of offspring (exceptions to the rule can, of course, take place). The modern saying “sex is not a reason for dating” is more relevant to men than women. Sex is not connected to the feeling of love as a

unique experience of emotions towards a particular woman. Sex is simply satisfying sexual needs, it is not actual love, although there are different ways to satisfy that need, just as with hunger – with a well-served table and variety of (gold and silver) cutlery or using just claws and teeth. Just as there are food enthusiasts, there are also sex addicts. It seems that M. Kundera was right when he wrote: “Love begins with a metaphor. In other words, love begins in the moment when a woman fits into our poetic memory with her first word” (Kundera, 2004: 232).

The stories of two men come to mind (one was an Arab (**H**), the other was Ukrainian (**V**) and how they met their future wives. **V** met his future wife in an archaeological expedition when its participants were transported in the open bed of a truck. The girl was shivering from the cold and sniffing. This touched **V**’s heart and he wrapped her in warm clothes as if she was a child. **H** met a girl, invited her to a bar and ordered a few drinks. When the drink order was delivered, the girl burst into tears. It turned out that she had never been to a dive bar like that before! This type of innocence made **H** look at her from a different perspective and not as an object of lust, but rather as a sister in need of protection. As Honoré de Balzac writes, “Isn’t the advantage of a woman you love is that she can silence sensuality?” (Honoré de Balzac, 1982: 121).

However, no doubt there are different ways to “fit” into poetic perception of the world and it depends on the personality of the man himself. A trigger is a kind of starting mechanism, almost a hook that helps a female “catch” a male and vice versa. The “figure” appears from the “background” if we look at this process in line with the language used by gestalt psychologists – the “launch” of the activation of the corresponding archetype occurs. Figuratively speaking, Cupid drew back his bow and let the arrow go. The further development of events could be described with the help of the famous metaphor by Stendhal, who called the process of unfolding the archetype crystallisation and compared it with what happens in the salt mines of Salzburg. When placed into mines, a tree branch gets covered with salt crystals and starts looking unusually attractive (Stendhal, 2011).

Something acts as a trigger that launches the crystallisation process. This something could be anything: a word, a gesture, certain features of appearance or demeanor, etc. One of my (now deceased) girlfriends once said that when she meets a guy for the first time and simply stands opposite him, the outcome is usually that he invites her to spend the night with him; but if she takes him by his arm and they walk side by side, then she would be invited to the theatre. The most important part is to correctly direct the imagination of the person to make him/her ready to fall in love. According to M. Komissarova, the more the person thinks about the object of his/her

emerging feeling of love, the more he/she falls in love (especially if the “object” intentionally or unintentionally reinforces this flow of imagination in the right way) (Komissarova, 2016).

My hypothesis is that, in fact, a person may fall in love with their anima (or animus), which includes representational images created based on their individual experience, therefore images of a loved one differ for different people. These images may have little or even nothing in common with the person (object) in real life. Roman Chervinsky who was working as a secret service agent at the Main Directorate of Intelligence of the Ministry of Defense of Ukraine, tells a story about a woman that was a subject of interest for the National intelligence agency who was made to “fall in love” with a person with whom this woman was communicating with through technology, without actually meeting or seeing him (“Spies in government, syringes of methadone, undercover work. Ex-secret service agent of the Main Directorate of Intelligence”, 2021).

Such imaginary love can reach a high degree of feeling passion and lust. In connection to this, M. Komissarova refers to such a concept as *Lyarva*, known in Kabbalah. *Lyarva* is a kind of image and entity that occupies all of the inner space of a person who is in love; it’s a kind of phantom that takes over that person’s will and draws all the energy from the person (Komissarova, 2016:16). The process of “crystallisation” of love could be interrupted if the person shifts his/her attention to something else that is very important to him/her. In one of the epigraphs in Stendhal’s novel *The Red and the Black* it says: “What a noise! There’s a huge amount of people and everyone is busy with something! Any kind of plans for the future could emerge in the head of a twenty-year-old boy! What a distraction this is from love!” (Stendhal, 1990: 125). However, if a person enjoys his/her feeling of being in love and gives the feeling a lot of thought, the mechanism works, the process of revival of the archetype continues. It is believed that artistic people are more inclined to be deeply involved in the state of love, since it gives them inspiration to be more creative (see Petrarch’s love for Laura or Dante’s for Beatrice). The psychological mechanism of redirection of anima (for males) or animus (for females) to the “object” is driven by a process of projection or transfer.

Transfer is the process of projection or shifting the contents of the unconscious. Any archetype can manifest itself in a projection on objects of any kind, such as animals or inanimate objects (Jung, 1995: 146) (maybe this could help in understanding the phenomenon of fetishism? – author’s note). As already indicated, the transfer can be spontaneous and unprovoked (“love at first sight”), providing the person has a strong unconscious need to love, or provoked, when an object of love consciously or unconsciously awakens the feeling and encourages hopes by their ambiguous statements or actions, or both. Something like this happened to a friend of mine, who for a while responded to letters from her former university mate (partly she was doing this out of courtesy and partly out of her kindness, since he was not very popular in his university social circle). This university mate was of no interest to her and there was no relationship between the two of them. Such “charity” led to a situation where this person would not leave her alone for many years, periodically reminding her of himself

in various ways (including the stories of his acquaintances about his great love for her, although he himself never makes such confessions, perhaps understanding that there would not be any reciprocity). The intensity of transfer is “equivalent to the importance of its content to the subject” and this content leads to the subject experiencing strong emotions, especially if they are of an archetypal nature (such as anima or animus) (Jung, 1995: 146-148).

Jung writes that similar situations occur between psychoanalysts and their patients and that this kind of transfer is similar to an illness. The cure may lie in the disruption of the transfer itself by understanding what this process is about. In a real-life scenario, due to the lack of knowledge of psychology, such transfer could end dramatically (e.g. unhappy marriage) or even tragically (e.g. murder or suicide), since “a powerful transfer, with elements of fury, is equivalent to a fiery passion” (Jung, 1995: 157).

In such situations when the trigger has been activated (and this occurs at the level of the subconscious or even unconscious), and when the activation of the archetype has occurred and the process of crystallisation has begun, it is important not to lose the ability of critical thinking. In such situations it becomes important to have the capacity to see the merits and shortcomings of the object of your love and to ask yourself the question of whether you could accept the person for who he/she actually is. The development of feeling in love, as well as the state of experiencing high emotions can be stopped by a power of will. In both cases, there is a “point of bifurcation” when a person can take control of him/herself and decide to either continue with the further development of this state or to put a stop to this process (Dalai Lama, Ekman, 2011: 244-250). It becomes apparent that the more the person is aware of the state of his feelings and recognises them, the less likely they are to make a mistake in their choice of their object of love. When we talk about “relationships of convenience”, we should not confuse conscious calculations (which is not love, of course) with those cases when a person in love (this is likely to be a woman) acts as though they have been hypnotised by the subject of their love. Nowadays in mass media we often see a beautiful woman accompanied by her husband who might be thirty years older than her, of average height, who is not very attractive and could even be described as ugly.

The question here is whether the woman is in love with this man or not. She does love him, but this love is of a certain kind. In the XIX century, G. Lebon wrote about the mysterious power of such a quality as charm. He distinguished between acquired and inherent charm (the definition of charm is close to the modern concept of charisma). Lebon believed that charm is equivalent to hypnosis and “it probably belongs to the same kind as the entity of human magnetism”, continuing to say that “charm is the most powerful tool of all kinds of domination: gods, kings and women could never rule without it”. The acquired kind of charm (power, wealth, personal success) “may not be linked to inherent charm at all” and inherent charm (the charm of beauty, mind, talent) may exist without the acquired kind. Often, a person’s loss of their popularity, wealth, successful living, intelligence or talent could lead to the disappearance of their own charm and, consequently, loss of love life (Lebon, 1896: 258-259). While such kind of love is different from “archetypal” kind of love, the latter may also result in making wrong decisions. Taking into account only our own anima

or animus means loving your own archetype, loving yourself. In cases when a person in real life does not meet the requirements set by the unconscious archetype, the approach of “if I created an image of you, you’d have to become the person I want you to be” does not work, as proclaimed in a well-known song.

Even though the unconscious (archetype) is the main component of love, which could be described as something like intuition, anticipation, imagining, conscious perception and assessment of another person, in most cases it goes unnoticed by the one in love. In some cultures (for example, in those where parents choose a match, like in Pakistan), the unconscious of the people preparing to be wed is not taken into account at all. In others, customs and traditions suggest a long-term acquaintance and even cohabitation of lovers before marriage itself (in events of engagement). However, even these kinds of attempts to socially regulate the unconscious also fail at times.

Conclusions. The most important conclusions are:

1. The source of love is not found outside, but rather inside each person. The need for love is very natural (not only for humans, but also for all living creatures).
2. Human nature is indeed dualistic in the sense that it contains both feminine and masculine beginnings. Perhaps, the very distant predecessors of the Homo sapiens may have been hermaphrodites, like many plants and animals.
3. The main psychological mechanism of love is the activation of the anima archetype in men and the animus in women. The activation of the archetype occurs due to the perception of the other person’s characteristics which carry emotional significance.
4. Unconscious application of an archetype on to another person in combination with turning a blind eye to the true traits and characteristics of the person you are in love with leads to misunderstanding, disappointment and loss of faith in love itself.

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