



Scientific Center of Innovative Research OÜ

**PUBLIC ADMINISTRATION
AND LAW REVIEW
(PALR)**

Issue 2 (14)

2023

International databases and directories indexing publications:

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- [ISSN International Centre](#);
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Public Administration and Law Review. DOI: 10.36690/2674-5216-2023-2

The second issue contains articles by scientists from different countries, prepared on the basis of their scientific work. It is designed for university teachers, graduate students, undergraduates, practitioners in Public Administration, Law and Psychology.

Publication frequency: quarterly (March, June, September, December)

Languages of edition: English

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CHAPTER 1

MODERN TRENDS IN PUBLIC ADMINISTRATION

ANALYSIS OF PUBLIC-PRIVATE PARTNERSHIP IN THE PROCESS OF IMPLEMENTATION OF PROJECTS IN THE SPHERE OF SOCIAL ENTREPRENEURSHIP

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Citation:

Hryshyna, V., Belyavtseva, V., & Kovtun, M. (2023). Analysis of public-private partnership in the process of implementation of projects in the sphere of social entrepreneurship. *Public Administration and Law Review*, (2), 4–17. <https://doi.org/10.36690/2674-5216-2023-2-4-17>

Received: June 03, 2023

Approved: June 24, 2023

Published: June 26, 2023



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Abstract. The article examines the evolution of the development of public-private partnership in the field of social entrepreneurship. The arguments became the basis for determining the purpose of the research as an analysis of public-private partnership in the process of project implementation in the field of social entrepreneurship. To achieve the goal, the following tasks must be solved: to justify the definition of the concepts "project"; to investigate the evolution of the development of public-private partnership in the field of social entrepreneurship; to present the typology of social entrepreneurship; to investigate public-private partnership in the process of project implementation in the field of social entrepreneurship. When processing the materials, the method of analysis and synthesis was used to determine the essence of the concepts. The method of generalization was used in the part of presenting the typology of social entrepreneurship. The method of formalization and comparison was used to study public-private partnership in the process of implementing projects in the field of social entrepreneurship. A typology of social entrepreneurship has been formed, which consists of three types depending on: motives, goals, methods of achieving goals, the level of integration of social programs and business processes, and the activities of social entrepreneurs. The public-private partnership in the process of implementing projects in the field of social entrepreneurship with the definition of projects of national and regional direction has been studied. This will allow in the future to comprehensively approach the selection of socially significant projects in the field of social entrepreneurship, taking into account their degree of social direction and the degree of influence of the results of project implementation on socio-economic changes in the regions of the country.

Keywords: public-private partnership, social entrepreneurship, project, Public Administration, development, economic policy.

JEL Classification: H83, M38, M48

Formulas: 0; **fig.:** 2; **tabl.:** 2; **bibl.:** 36

Introduction. Today's events taking place in the country are accompanied by changes in social, economic and technological paradigms in the direction of creating an economy of knowledge and innovation. A prominent place in the qualitatively new model of public administration is the cooperation of the public sector in the form of public administration bodies and the private sector, which represents entrepreneurship and institutions of civil society. Support of social entrepreneurship is an important direction of state policy. In order to obtain an economic effect and solve socially significant problems, such cooperation is carried out in the form of a public-private partnership in the process of joint investment of projects. The support of social entrepreneurship from the public sector only confirms the expediency of regulation for the formation of the market of social services, which has a positive effect on the leveling of social gaps in the country.

Literature review. Such domestic and foreign scientists as: N. Gavkalova, I. Brailovskyi, D. Delmon, T. Yefimenko, G. Komarnytska, M. Lakhizha, G. Khodzh and others paid special attention to the study of the problems of the development of public-private partnership, the formation of effective intersectoral interaction. The phenomenon of social entrepreneurship was investigated in their works by such foreign scientists as K. Alter, T. Chahine, P. Drucker, K. Hockerts, J. Kickul, N. Parekh and others. Among the eternal scientists who studied social entrepreneurship: N. Gavkalova, Z. Halushka, N. Golubyak, M. Naumova and others. However, the multifaceted nature of the development of public-private partnership and unresolved issues related to the field of social entrepreneurship determined the need for research on public-private partnership in the process of implementing projects in the field of social entrepreneurship.

Aims. The arguments became the basis for determining the purpose of the research as an analysis of public-private partnership in the process of project implementation in the field of social entrepreneurship.

To achieve the goal, the following tasks must be solved:

to justify the definition of the concepts "project";

to investigate the evolution of the development of public-private partnership in the field of social entrepreneurship;

to present the typology of social entrepreneurship;

to investigate public-private partnership in the process of project implementation in the field of social entrepreneurship.

Methods. When processing the materials, the method of analysis and synthesis was used to determine the essence of the concepts. The method of generalization was used in the part of presenting the typology of social entrepreneurship. The method of formalization and comparison was used to study public-private partnership in the process of implementing projects in the field of social entrepreneurship.

Results. Today, public-private partnership is an important tool for solving modern social contradictions, economic imbalances and environmental problems. The creation of real conditions for the stable development of social entrepreneurship in the country depends on the constructed strategy for the development of public-private partnership.

The formation of public-private partnership in the field of social entrepreneurship in Ukraine has gone through its evolutionary path, which can be conventionally divided into three stages (Fig. 1). The first stage of partnership development dates back to 1991, when the first international donors (USAID) began to implement the concept of social entrepreneurship in Ukraine. The Law of Ukraine No. 875-12 "On the Basics of Social Protection of Persons with Disabilities in Ukraine" [1], adopted in 1991, gave impetus to the development of social entrepreneurship, but only since 2010 this business model began to develop, thanks to the support of consortia created in the country foreign partners, with the help of which projects in the field of social entrepreneurship were implemented. The second phase of development, which began in 2010, was notable for the formation of consortia and the first substantial research and publications on the topic of social entrepreneurship. Since 2016, the third stage of the rapid development of social entrepreneurship began, which was distinguished by a greater number of involved participants from the public sector for the implementation of projects in the field of social entrepreneurship.

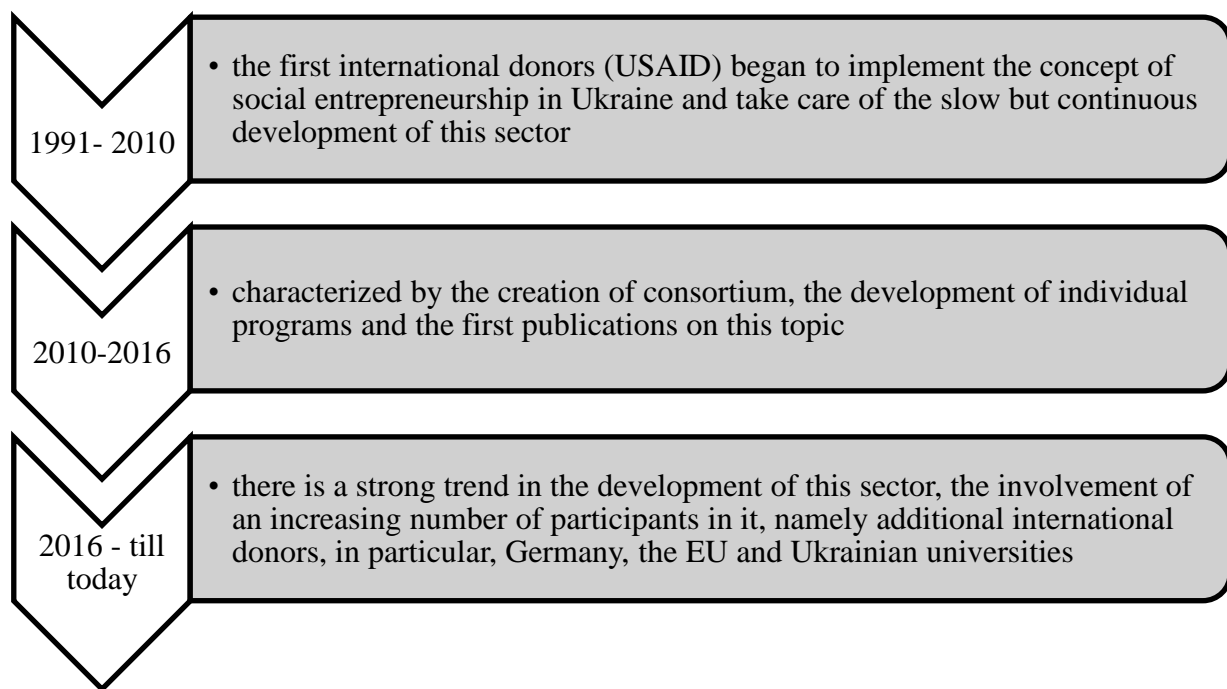


Figure 1. Evolution of development of PPP social entrepreneurship in Ukraine

Source: developed by authors

K. Alter calls social entrepreneurship "double bottom line concept" and gives the following characteristics: the use of business tools and approaches to achieve a social goal; connection of social and commercial capital; creation of social and economic value; receiving income on the basis of commercial activity for the purpose of financing social programs; market-driven and mission led; measurement of the results of financial activity and social effect; setting financial goals depending on their contribution to the achievement of the public good; financial freedom (no restrictions on profit distribution); orienting the company's strategy to the realization of the social mission [2]. According to K. Alter, the basis of the functioning of social entrepreneurship is actually social enterprises, which are created to solve a certain

social problem or problems, acting on the basis of innovations, financial discipline and the procedure for conducting business adopted in the private sector. The multifacetedness of social entrepreneurship is confirmed by the existence of a typology, where they can be divided into three types, namely: depending on the motives, goals, methods of achieving goals, depending on the level of integration of social programs and business processes, and depending on the activities of social entrepreneurs (Fig. 2).

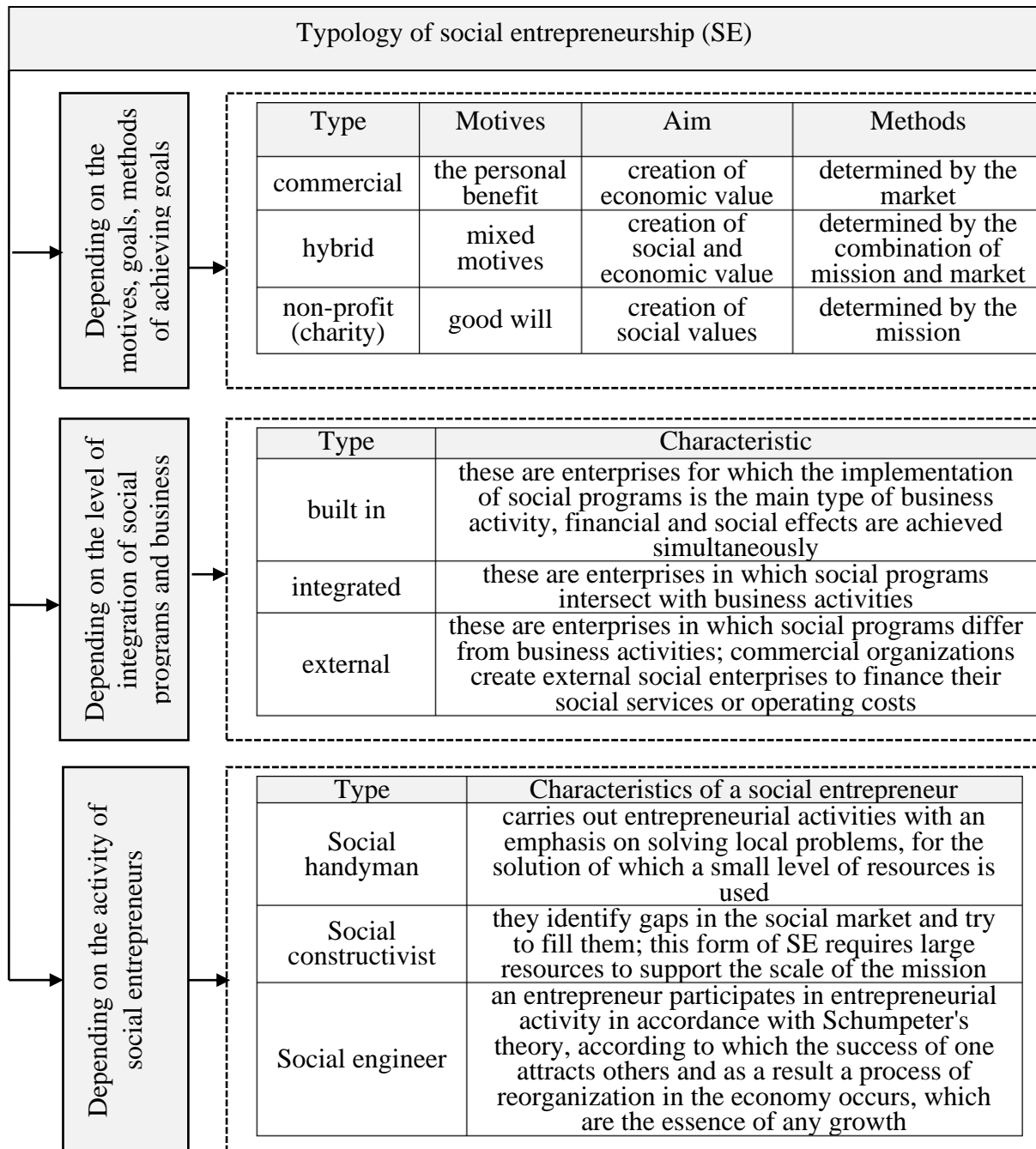


Figure 2. Typology of social entrepreneurship

Source: developed by authors

The typological diversity of social entrepreneurship prompts us to highlight a number of characteristics that refer projects to the sphere of social entrepreneurship with the definition of the most significant projects aimed at the sustainable

development of social entrepreneurship in the country. N. Gavkalova and V. Hryshyna note that the projects are unique because they are never implemented in the same environment and context. Each project has its own life cycle, is performed for a product with unique content and provides certain conditions. Projects are not always an easy task and are accompanied by certain uncertainties that lead to risks due to unpredictable factors [3].

K. Hockerts understands a project in the field of social entrepreneurship as entrepreneurial activity, the purpose of which is to create and maintain a positive impact on social changes in society [4, p. 115].

The Law of Ukraine "On Cooperation of Territorial Communities" contains an interpretation of the definition of a joint project, which defines it as a set of measures carried out by local governments at the expense of local budgets and other sources not prohibited by law and aimed at socio-economic and cultural development territories [5].

O. Nepomnyashchy defines the definition of "project" is a process that has limited time, time and may be limited by financial flows, aimed at achieving specific unique goals and objectives in various sectors of the economy and social development " [6].

Z. Halushka, determining the social significance of projects in the field of social entrepreneurship, notes their peculiarity in the ability to implement the innovative idea of social entrepreneurship [7, p. 17.].

In order to clearly organize the project, P. Drucker proposed a method of setting goals according to the S.M.A.R.T. system, the essence of which is to match the goals to five criteria [8, p. 47] (Table 1).

Table 1. The method of setting goals according to the system S.M.A.R.T.

Criteria		Explanation
S	Specific	when setting a goal, a clear result is determined that must be achieved in the process of project implementation
M	Measurable	the project must be measured in specific indicators: quantitative or qualitative
A	Achievable	the goal of the project must be achievable in practice
R	Relevant	the goal of the project must be significant and relevant, and therefore it is necessary to understand the contribution to solving a specific problem
T	Time-bound	the project must be marked with a deadline

Sources: generalized based on [8,9,10,11,12]

Let us assume that the significance of the project in the field of social entrepreneurship should be taken into account with the presence of problems in the region. The cooperation of the public and private sectors in the implementation of projects should be aimed at creating conditions that contribute to the improvement of the social situation, with the help of the involvement of citizens, who, in turn, can be participants in the project. Initiators implementing a project in the field of social entrepreneurship independently identify one of the problems based on the territorial characteristics of the selected local community; determine the relevant goals and tasks within the framework of solving a specific problem, as well as form a project

implementation plan. After completing the development of the project, the entrepreneur, if necessary, can turn to interested parties with a request to support the project [13, p. 300].

Authors of studies on the development of social entrepreneurship note the importance of taking into account their social outcomes (Social Outcomes), changes that occurred as a result of project implementation, as well as the resulting social impact (social effect) [9, p.137, 11, p. 41].

J.Kickul, T. Lyons point out that the financial support of social entrepreneurship, which can be expressed in a lack of own funds, difficulties in obtaining bank loans, lack of investment resources, is a weak point in the development of social entrepreneurship [14, p. 84].

Therefore, the construction of an effective mechanism for the interaction of public and private sectors aimed at the integration of available resources is an important direction of state policy that can ensure the long-term functioning of social entrepreneurship, as well as ensure socio-economic efficiency from the implementation of social projects. Stimulating the activities of entrepreneurs who implement projects should be aimed primarily at achieving a balance of state interests, the interests of the population and entrepreneurs in the field of social entrepreneurship.

It should be noted that today the public sector takes an active part in the partnership with the private sector in the implementation of projects. Thus, the Ministry of Economy of Ukraine is the specially authorized body for public-private partnership issues in accordance with the Cabinet of Ministers of Ukraine Resolution No. 459 dated August 20, 2014. As a consultative and advisory body under the ministries of Ukraine, "project offices" have been opened, the functional duties of which are effective coordination of the preparation and implementation of projects, development of relevant project documentation, communication support for the process of implementation of reforms in the sphere of responsibility of the Ministries. In addition to state bodies, the public sector that provides support in the implementation of projects includes other public institutions, such as: the non-profit organization of the National Academy of Sciences of Ukraine "Ukrainian Center for Promotion of the Development of Public-Private Partnership", the Public-Private Partnership Development Program implemented by the company- non-resident with the financial support of the United States Agency for International Development (USAID), the Fund for the Development of Public-Private Partnerships in Health Care in Ukraine, the European Association for Public-Private Partnership C.R.E.A.M Europe PPP Alliance and others.

Analysis of public-private partnerships in Ukraine revealed a trend of development of cooperation in the transport sector, which accounts for almost a third of all projects, followed by the environment sector and the education sector. Regarding the development of public-private partnership in the field of social entrepreneurship, we note that the initiators of the implementation of projects in the field of social entrepreneurship are mainly foreign agencies, foundations, public organizations or consortia of public institutions (Table 2).

Table 2. Analysis of public-private partnership in the process of project implementation in the field of social entrepreneurship

Stage of PPP	Project level	Name of the project	Content of the project	Project participants	Financing	Period/ years
1 stage of PPP development ((1991)development)	regional	project "Public Action Network in Ukraine" (UCAN)	conducting trainings, financial support to 28 social enterprises. (for example, the Literary and Memorial Museum of M. Bulgakov)	United States Agency for International Development (USAID) is funded; Institute for Sustainable Communities (ISC) is Implementation	part of the profit goes to the charity fund	2004-2008
		project "Supporting the development of social entrepreneurship in Ukraine"	conducting trainings for social entrepreneurship trainers, opening three development resource centers in Kyiv, Donetsk and Lviv, as well as launching a special lending program for social enterprises	Consortium British Council, «East Europe Foundation», «International Renaissance Foundation», «PricewaterhouseCoopers», Erste Bank and an international auditing company «PWC»	providing grants	2010
2 stage of PPP development	national	project of the social investment program	provides affordable loans under the social investment program	Western NIS Enterprise Fund (WNISEF)	providing credit 5-9 %	since 2016
3 stage of PPP development	regional	project "Social entrepreneurship as an innovative mechanism for solving issues of social development"	improving the social and economic situation of vulnerable population groups, in particular children and youth in Odesa, Kharkiv, Luhansk and Donetsk regions	Eastern Europe Foundation, Federal ministry for economic cooperation and development of Germany, (NGO) ChildFund Deutschland e.V.	providing grants	2016-2019
	national	project of open online courses "Prometheus "	provision of the online course "Social Entrepreneurship"	created by a scholarship holder of the program named after Fulbright at De Paul University (Chicago)	providing free online courses	2017
	national	a project to promote the development of social entrepreneurship in schools	activation of youth participation through the development and support of the activities of (social) school enterprises.	Eastern Europe Foundation, Federal ministry for economic cooperation and development of Germany, (NGO) ChildFund Deutschland e.V.	providing grants	2018

Stage of PPP	Project level	Name of the project	Content of the project	Project participants	Financing	Period/ years
		project "Social entrepreneurship: achieving social changes on the initiative "from below"	professional growth of social entrepreneurs, formation of legislative support for such activities	a consortium of eight civil society organizations of Ukraine, Lithuania and Latvia headed by the Ukrainian Forum of Philanthropists	providing free consultations	2018-2020
	regional	personal projects in the field of social entrepreneurship	scaling of social business and strengthening the influence of social enterprises; popularization of social entrepreneurship in various disciplines	House of Europe	providing grants	permanent program
	national	EU4USociety project	competition for public and charitable organizations from all over Ukraine	Implemented by the International Renaissance Fund, financed by the EU.	crowdfunding + grants	
	regional	project "Concepts for the development of social entrepreneurship in Ukraine"	within the framework of the "Social entrepreneurship development program of Vinnytsia urban territorial community - development of legislation on social entrepreneurship in Ukraine	Vinnytsia City Council, cabinet of Ministers of Ukraine	the budget of the united territorial community	2020-2022

Source: developed by authors

The analysis of public-private partnership in the process of implementing projects in the field of social entrepreneurship made it possible to divide projects into regional and national levels. Starting from 2016 (the third period of development of social entrepreneurship in Ukraine), intensive implementation of projects under certain programs of social direction has been observed. The priority vector of development in recent years has been projects aimed at solving socio-economic problems in the regions of the country.

So, with the support of Eastern Europe Foundation [15], Federal ministry for economic cooperation and development of Germany, ChildFund Deutschland e.V. (NGO), being part of the program "Promoting the development of intersectoral partnership for the purpose of protecting the interests of children: involving IDPs as active participants in the process", in 2016 competitions were held as part of the project "Social entrepreneurship as an innovative mechanism for solving social development issues". The public organization "New Energy" (Kharkov) received the first grant in the amount of UAH 69945, 20 for the implementation of a project aimed at raising public awareness of the possibilities of social entrepreneurship in order to improve the

social and economic situation of vulnerable groups. The second grant in the amount of UAH 62934,00 received by the public organization "Association of Journalists "European Choice" (Odesa) for the implementation of a project aimed at familiarizing with the idea of social entrepreneurship and international experience in this field, as well as popularizing the creation of social enterprises.

One of the priority directions for the spread of social entrepreneurship is school entrepreneurship, thanks to which the child's outlook on social responsibility is formed, and their active position on environmental protection is developed [25-29]. Thus, in 2018, a project competition was announced among public organizations in Odesa, Kharkiv, Donetsk, and Luhansk regions as part of the project "Social entrepreneurship as an innovative mechanism for solving issues of social development", which is part of the program "Promoting the development of intersectoral partnerships to protect the interests of children: involvement IDPs to active participants in the process", in cooperation with Eastern Europe Foundation, Federal ministry for economic cooperation and development of Germany, ChildFund Deutschland e.V. (NGO), and the Kramatorsk Innovation Platform, which operates on the basis of the public organization "Vilna Khata" and the public organization "Ukrainian Association of Freelancers", announced a competition for projects among public organizations aimed at the development of entrepreneurial activity, increasing the activation of youth participation through the development and support of activities (social) school enterprises, with an announced grant in the amount of UAH 252 000,00.

It should be noted that consortium provide other services related to the problematic issues of a certain region in addition to the competition for grants for the creation of social entrepreneurship. An example, German consortium includes Eastern Europe Foundation, Federal ministry for economic cooperation and development of Germany, ChildFund Deutschland e.V. (NGO). This consortium take part in the competition for the selection of mentors for five social enterprises in the Odesa, Kharkiv, Donetsk, and Luhansk regions with the aim of consulting and providing recommendations on finalizing projects for the five participants who did not receive a grant during the period 2016-2019. In 2019, as part of technical support for social entrepreneurship, tenders were announced: for the purchase of drying equipment for fruit and vegetable products in the Luhansk region, for the purchase of equipment for a children's play maze in the Kharkiv region, for the supply of furniture and computer equipment for a convenience store in the Kharkiv region, for the purchase of equipment for a children's inclusive sensory room in the Odesa region with prescribed requirements for the participants of the competition.

The organizations of thematic trainings are another direction in the development of public-private partnership in the implementation of social entrepreneurship projects that promote the exchange of experience between specialists in the direction of the implementation of social projects [30-33]. Thus, with the support of Eastern Europe Foundation, Federal ministry for economic cooperation and development of Germany, ChildFund Deutschland e.V. (NGO) in 2019, a competition was held for participation in the 6-day study tour "Social entrepreneurship in Georgia: the experience of reintegration of forcibly displaced people" [21-24]. The purpose of such a competition

is to establish contacts for possible Ukrainian-Georgian cooperation in the future regarding the development of social entrepreneurship as a mechanism for solving social problems. In order to provide logistical, organizational and information support in 2019 for social entrepreneurs from Donetsk, Luhansk, Kharkiv and Odesa regions, a competition was held among public organizations for the development of a platform for social entrepreneurship and public responsibility in the city of Mariupol.

Grant assistance is the most popular and most attractive form of support for the implementation of projects in the field of social entrepreneurship. Grants for personal projects in the field of social entrepreneurship, where House of Europe acts as a public partner, provides a grant on an ongoing basis in the amount of up to 4,000 euros, provided that the topics of personal projects will be directed to: establishing and developing partnerships with social entrepreneurs from the EC and the Great Britain; scaling of social business and strengthening the influence of social enterprises; professional development of social entrepreneurs and development of social enterprises; popularization of social entrepreneurship in various disciplines, development of educational programs on social entrepreneurship. Today, due to the events taking place in Ukraine, competitions for personal projects in the field of social entrepreneurship are suspended [16].

The lending is another form of support for the implementation of projects in the field of social entrepreneurship, which is provided by the first regional direct investment fund in Ukraine with a capital of 150 million USD, founded with the financing of the US government through the United States Agency for International Development (USAID) - Western NIS Enterprise Fund (WNISEF). The WNISEF social investment program has been operating since 2016 and is aimed at providing affordable loans to social enterprises in various regions of the country. Thus, the program together with banking institutions provides loans at 5-9% per annum for social enterprises. In particular, within the framework of the project "Affordable loans for social enterprises, WNISEF provided a loan to Eastern Ukraine at 5% per annum for enterprises of a social direction in the Donetsk and Luhansk regions" [34-36]. The approach of the social investment program consists in providing low-interest loans for sustainable social enterprises, consulting and supporting them in the process of implementing and implementing business plans.

The social investment program from WNISEF supported an additional 6 new loans in 2020 out of 15 applications received. A loan for the company "Drukarskyi Dim" in Kramatorsk, which employs and provides social and legal support to people with disabilities, helped them purchase an additional typewriter and expand their product range. And two stabilizing loans for Veterano Pizza and Nut House helped the companies adapt their business models to the new realities brought on by the pandemic. In total, in 2020, WNISEF issued loans in the amount of \$181,021. USA. The biggest breakthrough was a grant from USAID "Economic Support of Eastern Ukraine" in the amount of 100,000 dollars. USA, thanks to which WNISEF was able to launch "Affordable loans for social enterprises of eastern Ukraine" based on the business model of the Social Investment Program. The program is available to enterprises that have been operating for at least 12 months and are located in the "gray zone" near the

demarcation line in the east of the country. An important step for the Program was the partnership with the Ukrainian Social Venture Fund, founded in 2019 by ChildFund Deutschland, the School of Conscious Entrepreneurship, SiLab Ukraine and WNISEF. In 2020, the Fund issued an additional five partially repayable grants to social enterprises such as Simka, Re:ban, WoodLike, Stare Misto and InvaFishki. About 10% of the provided funds were returned in February 2021 and will form the basis for financing the next qualifying round. At the end of 2020, WNISEF founded the public charity Impact Ukraine to raise funds that will be directed to additional financing of loans for social enterprises. Therefore, the WNISEF Social Investment program is aimed at providing support to private enterprises and individual entrepreneurs with the aim of achieving social and environmental impact in Ukraine through the creation of a mechanism for affordable lending together with banking institutions, the provision of training and consulting services, coaching and mentoring [17].

State support for projects in the field of social entrepreneurship is still at a stage of development compared to foreign public institutions. This is explained by the presence of minimal practice in the implementation of projects in the field of social entrepreneurship, the absence of regulatory and legal documents that would regulate public-private partnership in the implementation of projects in the field of social entrepreneurship. Therefore, the implementation of projects in the field of social entrepreneurship with the support of foreign public institutions is a valuable experience for our country.

For the first time, social entrepreneurship was mentioned at the national level in the action plan for 2019 regarding the implementation of the National Strategy for Promotion for 2019 regarding the implementation of the National Strategy for Promotion of Civil Society Development in Ukraine for 2016-2020, approved by the Cabinet of Ministers of Ukraine in 2019. One of the tasks of this order is to facilitate the implementation, in particular through the infrastructure of supporting small and medium-sized enterprises, educational courses, trainings and an information campaign on the development of social entrepreneurship with the involvement of civil society institutions during the year. The executors of this point of the strategy are regional and city state administrations, the Ministry of Economic Development, the charity organization "Ukrainian Forum of Philanthropists" (with consent) and other public organizations (with consent) [18].

The national strategy for promoting the development of civil society in Ukraine for 2021-2026 defines the strategic tasks of stimulating the participation of civil society institutions in the socio-economic development of Ukraine, where individual points focus on creating legal, regulatory and economic conditions for the participation of civil society institutions in providing budget funds for socially significant services (social, rehabilitation, services in the field of education, culture, health care, environment, public order, and others), including by creating favorable conditions for the participation of civil society institutions in public-private partnerships.

The development of social entrepreneurship and the specified vectors of its development are identified as a strategic task in the national strategy for promoting the development of civil society in Ukraine for 2021-2026, namely: creation of favorable

conditions for the development of social entrepreneurship as a mediator for solving social problems; spreading the model and best practices of social entrepreneurship to the socio-cultural sphere in order to increase its viability; promoting and encouraging social change and positive behavior patterns by expanding microfinance incentives for social entrepreneurship; creation of flexible and effective tax conditions for conducting social entrepreneurship [19].

Responding to the requirements of the national strategy for promoting the development of civil society in Ukraine, the Vinnytsia City Council was the first to approve the "Program for the Development of Social Entrepreneurship in the Territory of the Vinnytsia City OTG for 2020-2022" (hereinafter the Program), in accordance with the Law of Ukraine "On the Development and State Support of Small and Medium-sized Enterprises" entrepreneurship in Ukraine", for the implementation of measures provided for by the Program for Strengthening the Competitiveness of Small and Medium Enterprises of the Vinnytsia City OTG for 2017-2020 [20].

The program plans 13 projects in the field of social entrepreneurship, the goal of which is to introduce institutional support for social entrepreneurship and social innovation, popularize the culture of social entrepreneurship, measure social impact and promote social reporting, develop business skills and support the development of social business, promote free access to markets for social entrepreneurs and Creation of new financial instruments and resources for the development of social entrepreneurship. Projects are implemented with the support of the Department of Economy and Investments of the City Council with the expert support of the "Partnership for Urban Development" project (PROMIS Project). Co-executors: executive bodies of the Vinnytsia City Council, educational institutions of the Vinnytsia City United Territorial Community, business associations of the Vinnytsia City United Territorial Community and other public institutions. Funding of the Program's activities in the process of implementation of objects in the field of social entrepreneurship is carried out at the expense of the budget of the Vinnytsia City OTG within the limits of the funds provided for the corresponding financial year.

Conclusions. The development of forms of public sector support in the process of implementing projects in the field of social entrepreneurship ensures compliance with the interests of the parties involved at the stage of creation, implementation and implementation of projects in the field of social entrepreneurship. When implementing a project, it is important to understand its result and social effect. Depending on the goals, projects in the field of social entrepreneurship can be divided into the following areas: firstly, these are projects aimed at creating a social enterprise with the determination of social impact on economic processes in the region; secondly, these are projects that involve the popularization of social entrepreneurship by conducting a communication campaign, trainings, seminars, conferences. One of the fundamental tasks of public-private partnership in the process of implementing social projects is the organization of financing. If foreign consortia act as a public partner in the process of implementing projects in the field of social entrepreneurship, then financing more often involves the allocation of grants and lending. If the public authorities of the country act as a public partner, project financing is carried out at the expense of the city budget, as

we can see in the example of the budgeting of socially significant projects in the field of social entrepreneurship of the Vinnytsia City United Territorial Community.

Further research in this direction involves a methodical approach to the selection of socially significant projects in the field of social entrepreneurship, taking into account their degree of social orientation and the degree of influence of the results of project implementation on socio-economic changes in the regions of the country.

Author contributions. The authors contributed equally.

Disclosure statement. The authors do not have any conflict of interest.

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ORGANIZATIONAL AND ECONOMIC MECHANISM OF PUBLIC MANAGEMENT OF UKRAINE ECONOMY RECOVERY UNDER THE CONDITIONS OF INSTITUTIONAL, MANAGERIAL AND CORRUPTION RISKS

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Citation:

Arbuzova, T. (2023). Organizational and economic mechanism of public management of ukraine economy recovery under the conditions of institutional, managerial and corruption risks. *Public Administration and Law Review*, (2), 18–27. <https://doi.org/10.36690/2674-5216-2023-2-18-27>

Received: May 02, 2023

Approved: June 05, 2023

Published: June 26, 2023



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Abstract. *The article examines the content and components of the organizational and economic mechanisms of public management of the post-war and post-catastrophe recovery of the country's economy. Attention is paid to the impact of institutional, managerial and corruption risks on the reconstruction process. The stages (generations) of the reconstruction of the economies of the countries of the world after wars and disasters have been determined. An analysis of successful and unsuccessful global practices of international assistance for social and economic recovery is presented. The universal components of the national model of the organizational and economic mechanism of the public management of reconstruction are highlighted, for example, joint with the international community, careful planning to overcome the consequences of wars and disasters, the formation of the management organizational structure of the revival process, its financial support from various sources. It is emphasized that after the war, the fight against corruption will become the main challenge in Ukraine. The key elements of the organizational and economic mechanism of the post-war reconstruction of Ukraine based on the minimization of risks of an institutional, managerial and corruption nature are proposed. It is noted that, taking into account international experience, Ukraine has already begun the process of planning post-war economic rehabilitation with the initiative of the country's government to widely involve the world community in its discussion and implementation. As part of the work, it was stated that the plan should be clear in terms of goals, limited in time, consistent in execution, defined by final results. The article draws attention to the fact that Ukraine should become the "owner of the reconstruction", carry out the transformation itself under close international supervision and control. The need for coordination and integration of international aid, internal budgetary and extra-budgetary resources, investments, loans, and technical support based on the "single window" principle is indicated. In this regard, it is emphasized the need to form a reliable and authoritative institution that will be responsible for the process of reconstruction of Ukraine, coordination of internal and external efforts.*

Keywords: *Ukraine, organizational and economic mechanism of public management, post-war economy, recovery, institutional risk, managerial risk, corruption risk, international aid, donor countries, recipient country.*

JEL Classification: G38

Formulas: 0; **fig.:** 0; **table:** 0; **bibl.:** 12

Introduction. Functioning under the conditions of martial law and post-war socio-economic reconstruction became a new powerful challenge for Ukrainian public administration. The question arose of scientific search and discussion of effective directions of transformation of the organizational and economic mechanism of state and municipal management that meets the requirements of the time. The appearance of war dangers did not reduce, but even increased the need to take into account the influence of managerial, institutional, and corruption risks on the public administration system, which determined the relevance of this study.

Literature review. The theoretical aspects of the formation of the mechanism of public administration and its components are reflected in the scientific works of Yu. Kovbasyuk, M. Minenko, M. Sitsinska, O. Fedorchak, O. Shatylo, and others. The issue of the influence of managerial, institutional, and corruption challenges on the functioning of the organizational and economic mechanism of public administration was reflected in the scientific work of such domestic and foreign researchers as, in particular, A. Vasina, T. Zhelyuk, A. Melnyk, P. Mykytyuk, D. North, M. Shkilniak and others.

The mechanism of public management is a system of implementation special means of regulatory influence ensuring on social and economic systems at various levels in order to ensure decent living conditions for people [1]. Such a mechanism has a number of functional features, according to which its varieties and their combinations are classified – organizational, economic, informational, technical, administrative, etc [2, p. 42]. The organizational mechanism is an internal organization that determines the algorithm and procedure for carrying out activities (economic, managerial, etc.), making managerial decisions aimed at solving the set tasks under the condition of maximizing the quality of the final result and minimizing the total resources involved. The economic mechanism is based on the application of a set of economic methods, forms, tools, principles of influence on processes and relations. The organizational and economic mechanism of public management of the war and post-war economy is the consistent implementation of actions based on fundamental principles, target orientation using a specific set of methods and regulatory tools, which should provide the country with the opportunity to become independent from foreign aid within a clearly defined period – to start earning, produce and export own products.

In the process of implementing the organizational and economic management mechanism for the recovery of the country's economy, the public authorities in the form of state bodies and local self-government bodies face a number of risks, the key ones of which include institutional, managerial, and corruption risks. Institutional risk is defined as the probability of an undesirable event occurrence caused by the imperfection of the institutional environment, the irrationality of institutions, and the opportunistic behavior of economic subjects [3, p. 116-117]. Management risks arise as a result of making irrational management decisions by managers of various levels, especially higher ones [4]. Corruption risk is the probability of committing a violation related to corruption, which will negatively affect the achievement of the established goals and objectives by the public authority [5].

Aims. The purpose of the study is to study the formation of organizational and economic mechanisms of public management of the recovery of the country's economy after wars and disasters under the influence of institutional, management and corruption risks. During the analysis, the following tasks were formulated:

- to analyze the successes and failures of international aid for the reconstruction of countries after wars and destruction;
- summarize the typical components of the organizational and economic mechanism of the state and municipal management of the recovery period;
- to propose key elements of the organizational and economic mechanism of public management of the post-war recovery of Ukraine on the basis of minimizing risks of an institutional, managerial and corruption nature.

Methodology. The main research methods are: monographic, retrospective, institutional, observation, analysis and synthesis, abstraction and generalization, comparative analysis. The information base of scientific development is scientific publications of domestic and foreign scientists, information and statistical materials of international organizations, public authorities of Ukraine, personal scientific research.

Results. The following stages (generations) of post-war, post-catastrophe reconstructions are distinguished: I – recovery of Western European economies after the Second World War; II – modernization of the economies of Eastern Europe (Bosnia, Croatia, Macedonia, Kosovo) after the "cold war" and the destruction of the socialist camp to support democratic transformations; the third stage is connected with the consequences of the terrorist act in the USA on September 11, 2001 and the subsequent wars in the Middle East – in Afghanistan, Iraq, Syria, with the aim of guaranteeing security. We believe that the Russian-Ukrainian war and the future socio-economic reconstruction initiated a new stage of post-war revival, because, as in the first generation, we are talking about an imperialist war waged by a large country to establish dominance over a smaller state and deprive it of its independence.

The history of large-scale rebuilding of economies after wars and destruction teaches us lessons, points to the reasons for successes and failures. Historical experience needs to be assimilated and adapted to the national model of public management of recovery and allows us to single out certain universal components of the organizational and economic mechanism of state and municipal management:

1. After the damage inventory, the formation of a comprehensive, clear, consistent, strictly time-bound, sufficiently resourced, clear, and transparent reconstruction plan. It is about joint planning with the international community for socio-economic recovery. The war is ongoing, and careful planning to deal with its consequences must be actively underway now. Eloquent examples are the most successful in world practice the plan for the reconstruction of Europe by J. K. Marshall 1947-1952, the plan for the reconstruction and recovery of Indonesia 2005-2012 due to the tsunami in 2004, the plan for the post-war reconstruction of Iraq 2003-2014, the plan with reconstruction of Haiti in 2010-2011 as a result of the 2010 earthquake, etc.

After the 2004 earthquakes in Indonesia, when the province of Aceh and o. Nias, the country's reconstruction plan proved to be effective because it included, in particular, a phased approach to financing: first the physical reconstruction of buildings

and communities, then the reconstruction of the infrastructure, and then long-term economic development projects. The recovery experience provided Indonesia with a "safety cushion" and a scenario for actions in the event of similar disasters in the future, and was used in other provinces.

On the contrary, the lack of planning for the rehabilitation process of Bosnia and Herzegovina after the destruction caused by the Bosnian War of 1992-1996 (the last plan for post-war Sarajevo was dated 1983, calculated for 30 years, and did not change after the war), despite unprecedented international support and billions of dollars investments, led to the fact that funds were spent without any vision, local authorities used resources only to repair damaged objects [6]. The presence of management risk is undeniable. There was a plan for the post-war reconstruction of Afghanistan in 2001-2006 for significant amounts – about 150 billion dollars, but it was also recognized as a failure, as it did not have an awareness of a certain global plan, and was a series of short-term projects. The country was not ready to accept large-scale international aid, because it is important not to separate politics, economy and social transformations. The lesson from this case is also that there is no need to delay the development and implementation of the recovery plan before the end of the war, because the support must be timely [7].

After the war, the international community provided financial assistance to Iraq for political and socio-economic recovery according to the relevant plan, the feature of which was to eliminate the weaknesses of the country's security environment – the deformed structure of the economy; extremely low standard of living; limited access of the population to safe water sources and stable water supply; the problem of violence against local residents, the Iraqi armed forces, workers of international aid missions, etc. The collective international support for 2003-2014 reached more than 220 billion dollars, had the appropriate implementation logic: first, according to the plan, it was directed to the quick solution of primary humanitarian problems – the provision of water, food, medicine, then – to infrastructure projects for restoration and the creation of electricity and ultimately accounted for 30% of the country's total generation; the construction and reconstruction of water supply and drainage, which allowed the restoration of services for 2.7 million Iraqis; restoration of the irrigation structure of agriculture, creation of 54 private agricultural associations, cooperatives, non-governmental organizations; promoting the development of the private sector by focusing on financial sector issues, providing microcredits (provided 22,000 microloans to small and micro-business entities, as a result of which 32,000 jobs were created in the private sector), reforming state-owned enterprises, carrying out institutional and regulatory reforms, etc. Subsequently, the priority directions became the restoration of oil production, the reconstruction of the health and education sectors, the creation of waste management systems, etc. [8]. However, despite careful planning, one of the reasons for the failure of the Iraq reconstruction program was high institutional risk – local experts were not involved in the development of the plan.

The plan for economic recovery after wars and disasters must be clear to both foreign donors and investors, as well as to local businesses and the population, and encourage active participation in transformations, creating an internal financial basis

through the formation of state and local budgets. The government's modernization program is designed to unite national interests, to be consistent with the international aid plan for the provision of donor funds, technical support, investment and credit resources, the use of confiscated assets, and reparations. Emphasis is needed not just on physical reconstruction, but the integration of economic, social, political, and ecological aspects of the restoration of public life. Finally, it is necessary to finally get rid of the Soviet legacy and the form of social organization that prevailed in the USSR. The implementation of recovery measures at all stages should be permeated with preventive anti-corruption measures. They need to be installed in the transformation system so that they work automatically. This is an unconditional and unconditional guarantee of the formation of trust in its implementation. In our opinion, the fight against corruption will be the main challenge in post-war Ukraine. So far, our state has not achieved tangible success on this front. Just as the Ukrainian people convinced the world community at the beginning of the war of their unwavering desire to defend their statehood and independence and thus earned respect for themselves and large-scale military aid, so overcoming corruption risks should become a new discovery for our country. It is time to activate the formation of anti-corruption culture in Ukrainian society. This is a change in the social material in the environment of the country, a reboot of many people's lives.

2. Formation of a management organizational structure of aid, a conditional "superstate", "local owner" to coordinate and control the use of resources. In accordance with the American Marshall Plan for post-war reconstruction in Europe (The US Economic Recovery Act of 1948), two organizations were specially created to maintain the constant relationship between donor and recipient countries: on the part of the United States – the Economic Cooperation Administration (ECA) and on the part of European countries – Organization of European Economic Cooperation (OEEC). About 5% of the amount of aid was directed to the maintenance of institutional support. ECA's regional office in Paris and offices in each recipient country monitored cash flows and assessed the effectiveness of reconstruction processes. In accordance with the bilateral agreements concluded by the US and each recipient country, the recipient's requirements and obligations were defined in terms of achieving the program's goals, providing economic information for needs assessment, and meeting key performance indicators (KPI). The UEEC developed recommendations and coordinated the distribution of aid between states according to a pre-agreed algorithm based on the analysis of economic indicators and the needs of countries, developed a plan, determined the directions of investment projects, and promoted the joint implementation of reforms [9, p. 260]. All projects were approved by the American organization ECA. In post-war Europe, the Marshall Plan was the most successful in Germany, Great Britain, and France – in those countries where the Americans used a significant range of instruments of influence and the ability to almost completely monitor the use of the resources provided by them. Actually, this approach demonstrated its positive results when providing weapons to Ukraine in 2022.

After the 2004 earthquakes, the Government of Indonesia created the Agency for Rehabilitation and Reconstruction (BRR Agency), the main mission of which was to

coordinate donor aid with the specific local needs of communities, monitor the compliance of support projects with the government's reconstruction plan, ensure transparency of the financing process, and implement about 20,000 projects. In which more than 650 funding funds and 560 performing partners were involved [10]. BRR Agency received a full mandate from the local government to coordinate reconstruction, becoming a transparent and accountable structure. For Indonesia's recovery, part of the international funding was provided through the Multi-Donor Trust Fund (MDTF), which operated under the management of the World Bank until 2012 and pooled funding from about 15 donors and several non-governmental organizations. UNDP and the Asian Development Bank became partners of the Fund. The MDTF ensured integration with the Indonesian government budget, preparation of operational disbursement reports and integrity in the use of donor funds. Administrative, institutional, and corruption risks were minimized.

To eliminate the consequences of the 2010 earthquake, the Haitian government, together with the international community, created the Interim Haiti Recovery Commission (IHRC) for 18 months – an institution to manage the reconstruction process, co-chaired by the country's Prime Minister and the UN Special Envoy. The IHRC set the program and funding goals for the collective donors, coordinating their resources to support the implementation of the plan to achieve both long-term and immediate goals. The work of the Temporary Commission was supervised by its board, which included representatives of the legislative, executive, judicial authorities, the private sector, trade unions of the recipient country, and representatives of donors. For in-depth monitoring of approved projects, the IHRC established the Office of Performance and Accountability. In addition to the mentioned Commission, there were also separate initiatives for the reconstruction of the economy, which were taken care of by the government, non-governmental organizations, municipal authorities and local businesses in the territory of communities. Despite the significant successes of the restoration – during the four years of the program, 90% of the displaced people received permanent housing, about 300 km of roads were rebuilt – the case of Haiti is considered a failure due to large amounts of corruption.

Foreign aid to Syria during the civil war, which began in 2011 and continues to this day, is provided through The EU Regional Trust Fund in Response to the Syrian Crisis (EUTF), established in 2014, which was attended by 52, including non-European countries, EU organizations, international and non-governmental institutions. The purpose of the formation of the EUTF was to centralize funds and combine efforts into a single strategy for the reconstruction of Syria and humanitarian aid. The fund is managed by the European Commission, to ensure its functions, 1% of the accumulated funds is directed. The Supervisory Board (Trust Board) as an element of the management structure determines and adjusts the general strategy of the fund, evaluates the results of the operation of the Operational Board and managers, makes decisions on attracting new donors. The operational board is responsible for making decisions on the distribution of funds, evaluating the effectiveness of finances and ensuring transparency and accountability of their use. Control over the operation of the fund and its management structures by reviewing audit conclusions and annual reports

is carried out by the European Parliament and the EU Anti-Corruption Agency – the European Office for the Prevention of Abuse and Fraud (Office européen de lutte anti-fraude, OLAF).

The resources of 43 donor institutions were provided to Iraq through bilateral support, international financial organizations, trust funds, among which was the International Reconstruction Fund Facility for Iraq (IRFFI), which branched into the World Bank Iraq Trust Fund (WBITF) and the United Nations Development Group Iraq Trust Fund (UNDGITF). The operations of the World Bank were financed from a number of sources: IRFFI, ordinary loans of the International Bank for Reconstruction and Development, soft loans of the International Development Association, and actually funds of the World Bank for technical support. Administration of US aid – the largest donor to the reconstruction of Iraq – was carried out by the State Department through the Iraq Reconstruction Management Office (IRMO), the US Department of Defense through the Project Coordination Office, the United States Army Corps of Engineers (USACE), and the Agency for International Development (USAID) and others. Funding from the US government came through the IRFFI, the Iraq Relief and Reconstruction Fund (IRRF) and the Iraqi Freedom Fund. The second most important donor for the reconstruction of Iraq was Japan, whose projects were managed and financed by the Japan Bank for International Cooperation (JBIC) and the Japan International Cooperation Agency (JICA). EU financial aid came through IRFFI, the UN and humanitarian organizations [8]. As we can see, the institutional structure of Iraq's donors is quite extensive, but due to the fact that the role of national institutions was negated and the country was actually under external management after the military intervention under the auspices of the Coalition Provisional Authority (CPA) led by the USA, the results of reconstruction Iraq is rated as quite modest.

Post-war Afghanistan generally lacked a management structure for coordinating foreign aid, so the restoration of the economy was no longer the responsibility of local authorities, but of donors. Therefore, along with financial support, efforts are needed to build strong rational institutions.

3. Financial resources from various sources – significant funds mostly in the form of grants, loans on preferential terms and support of the economy in the process of reconstruction [9, p. 259]. According to the Marshall Plan, this is primarily US funding, but some aid recipient countries were obliged to make contributions through appropriate special funds. Funds from US financial support were transferred to the funds of the recipient countries, from which the goods of American suppliers were paid in dollars, and European consumers had to pay in the local currency to strengthen it. According to the Marshall Plan, 16 European countries received financial support, and their GDP increased by an average of 33%. Currently, the situation is characterized by the fact that the European Union, Japan and other leading countries of the world are among the key players on the world stage.

In Indonesia, to overcome the consequences of the natural disaster, 7 billion dollars of both international aid and the resources of the country's government were mobilized, the use of which was carried out on the principles of transparency and strict accountability. Funding for Syria in response to the challenges of the civil war is in the

form of grants and loans in a 50/50 ratio. Funds on a project basis are directed mostly to security, medical services, education, financial assistance to the population, and social initiatives. Project reporting on the collection and distribution of resources, periodic assessment of the implementation of the strategy and effects for the recipient are mandatory. On the contrary, the huge amount of donor funding and the significant amount of projects did not allow to diversify the Iraqi economy, to give impetus to the development of the private sector, to move away from oil dependence, in particular, due to the separation from the Iraqi state apparatus of foreign funding, which was directed mostly through off-budget channels. This was explained by donors' doubts about the political and administrative capacity of the Iraqi government to effectively use the aid provided. Large-scale financing of Haiti allowed the country's GDP to grow by a modest 4% due to extensive corruption and, as a result, lost opportunities.

Discussion. The process of planning the post-war reconstruction of the economy, taking into account international experience, has begun and continues in Ukraine. The Lugano Declaration contains the guiding principles and conditions of international assistance to our country based on partnership, focus on reforms, transparency, accountability and the rule of law, democratic participation, involvement of many stakeholders, gender equality and inclusion, and sustainable development [11]. The Ukraine Recovery Plan, proposed by the country's government for 2022-2032, provides for the implementation of 850 projects within 10 years, funding of approximately 750 billion dollars, annual real GDP growth of more than 7%, inclusion in the 25 leading countries according to the index economic complexity and human capital index [12].

The analysis of the successes and failures of the global practices of economic recovery after wars and disasters allows us to formulate the following key elements of the organizational and economic mechanism of the post-war reconstruction of Ukraine on the basis of minimizing managerial, institutional and corruption risks: first, the reconstruction plan must be clear, limited in time, consistent with defining short- (reconstruction of critically needed facilities, solving urgent economic and social issues), medium- (modernization of infrastructure branches, increasing their overall efficiency), long-term (structural restructuring of the economy based on innovation) goals. When formulating a plan, the results to be achieved must be clear, that is, the effect must be measurable. Ukraine should become the "owner of the reconstruction", which itself carries out the transformation under the close supervision of the international community.

Secondly, coordination and integration of internal budgetary and extra-budgetary resources, international aid, investments, loans, technical support according to the "single window" principle. Any expenditure must strictly comply with the pre-agreed recovery plan, in order not only to return Ukraine's economy to the pre-war level, but also to ensure its sustainable economic development. To coordinate reconstruction, local administrative and public institutions should be created so that citizens can directly participate in the restoration of their own country – this will allow Ukrainians to develop a sense of confidence and self-importance, provided, of course, that warnings about internal corruption are overcome.

Thirdly, the formation of a reliable institution that will be responsible for the process of reconstruction of Ukraine, the coordination of internal and external efforts – due to the numerous sources of assistance, a specially created independent international structure should take care of the reconstruction. It can be, following the example of Indonesia, an agency that is essentially similar to a separate ministry, or a reconstruction fund or bank, as was the case with the Marshall Plan. Such a structure should be affiliated with the EU and have clearly established terms of existence, because projects with an indefinite implementation period are not very effective. This institution should receive from the local authorities the autonomy to make management decisions, for example, to provide funding to the government without agreement with other international structures and politicians, or, on the contrary, to stop or withdraw assistance in case of inappropriate use of funds.

Conclusions. The organizational and economic mechanism of public administration as a system of forms, methods, means, and instruments of influence on the social and economic state of the country should contribute to the consistent practical realization of the goals of the state and society in the process of post-war reconstruction of Ukraine. The reconstruction process must become transparent and accountable at all stages in order to preserve the trust and respect that arose in our country and its state apparatus as a result of resisting the aggressor. Foreign control is the price of international aid, and institutional capacity, effective organizational measures, management solutions, anti-corruption levers of its use are the key to reducing the risks of national and international donors, investors and creditors to ensure opportunities for sustainable socio-economic development of Ukraine.

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THEORETICAL FUNDAMENTALS OF TERRITORIAL DEVELOPMENT STRATEGY

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Citation:

Karpa, M., Gavkalova, N., Beliaeva, V., & Hryshyna, V. (2023). Theoretical fundamentals of territorial development strategy. *Public Administration and Law Review*, (2), 28–43. <https://doi.org/10.36690/2674-5216-2023-2-28-43>

Received: May 14, 2023

Approved: June 19, 2023

Published: June 26, 2023



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Abstract. The purpose of this article is to study the presentation of the author's own definition of "territory development strategy" and the "conceptual scheme of the territorial development strategy" model. The key problem is the search for a theoretical justification for such a category as "territory development strategy", where the author provides the author's vision of this definition. In the research process, such methods were used as the method of content analysis (to analyze the definition of the category "territory development strategy"); the method of analysis and synthesis (to determine the components of the potential and risks of territorial development and the types of strategies of territorial development), the chronological method (to study the evolutionary development of the strategy), the method of generalization (to build a conceptual scheme of the strategy of territorial development). The conclusions obtained as a result of the conducted research will help in choosing a strategy for the development of the territory, taking into account the regional features of development. The practical significance of the obtained results is that the research materials can be used in the practical activities of local self-government bodies. The value of the research topic is confirmed by the growing role of strategy development at the level of individual territories, the substantiation of modern trends of strategy implementation in the regional aspect as an effective tool for achieving territorial development of the country. The hypothesis of our research is based on the perception of the strategy of territorial development as a complex and necessary tool of socio-economic development of the territory of the country, which should be developed in order to solve the problems associated with territorial imbalance.

Keywords: territory, territorial development, territorial development strategy

JEL Classification: R10, R11, O18

Formulas: 0; **fig.:** 4; **tabl.:** 3; **bibl.:** 47

Introduction. The development of market relations has a significant impact on the forms of territorial organization. The growing role of territorial factors in the development of the national economy contributes to the formation of the regional economy as an independent subject of the economy, which has certain integrity, socio-economic and financial security. The existing disproportionality of the country's territorial development, which is manifested by hyper-urbanization, the growth of unemployment in the regions of the country, the decline in production, the decrease in the income of the population, as well as serious environmental problems in the regions, require us to have a scientific and theoretical basis for solving the issues of territorial development. Today, the aspect of regulation of territorial development is given enough attention in theoretical, legal and practical dimensions. The relevance of the research topic is confirmed by the growing role of strategy development at the level of individual territories, the substantiation of modern trends in the implementation of the strategy in the regional aspect as an effective tool for ensuring the uniformity of the territorial development of the country.

The academic study of territorial development and regional politics began in the 19th century, during which various theories replaced each other. A group of theories is devoted to issues of territorial development, which laid the foundation for further theoretical and methodological grounding of issues related to the definition of territorial development of the country (Fig. 1).

It should be noted that representatives of one of the first theories of location of production, namely J. Tyunen, V. Launhardt, A. Weber, A. Loesch, for the first time introduced such categories and ideas about economic space, its properties, zonal or belt structures into scientific circulation, price and rent gradients, location factors and economic distance.

In the theory of regional economic development, Capello sees the importance of understanding the mind, as it allows the economic system to reach and boost the high pace of development [18; 34] acknowledges that regional development is not a static phenomenon. In addition, economic development often leads to regional growth due to the profoundly uneven processes of economic development, as the hour of economic globalization has become a significant world.

Literature review. Among the reforms that are being carried out in Ukraine, the administrative-territorial reform is of great importance, without which it is impossible to ensure sustainable economic development of individual regions, increase their competitiveness and increase the contribution of individual regions to the growth of the state's economy (Buryk, 2020).

The work of domestic and foreign scientists: [16; 17; 29; 30; 31; 34; 35; 36; 37; 42; 43; 44] and others is dedicated to the study of issues of territorial development and its strategic planning. The multi-vector nature of territorial development and the implementation of the territorial development strategy, as well as new tasks of the socio-economic development of territories, raise new questions, a number of which have not yet been exhausted, which creates the basis for further developments.

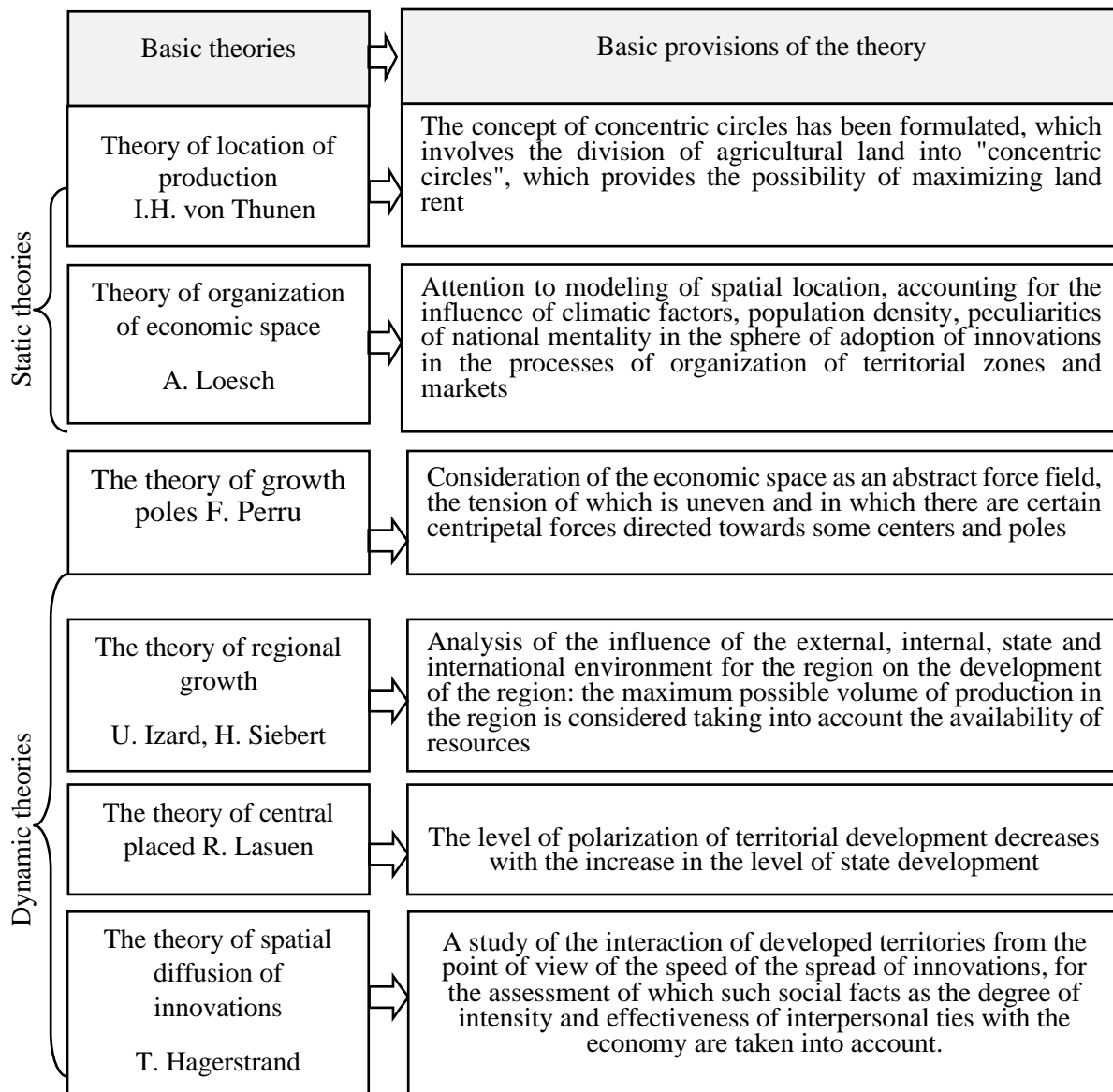


Figure 1. Characteristics of theories that studied territorial development

Sources: systematized by the authors based on sources [20; 21; 26; 28]

Therefore, the substantiation of the theoretical foundations of the territorial development strategy is an urgent scientific task, which should focus not only on the internal potential of the territory, but also take into account the changes taking place in the external environment, ensuring the equality of all connections. The strategy of territorial development should not allow the isolation of the territory, but encourage participation in a joint process aimed at the development of a certain territory.

Aims. The purpose of this study is to provide a scientific basis for the theoretical provisions regarding the definition of "territory development", important characteristics of the region, components of the potential of territorial development, as well as the development of recommendations regarding the need to develop a strategy for the development of the territory to identify possible risks that may arise in the process of implementing the strategy. Achieving the set goal involves solving a complex of interdependent tasks:

- to generalize theoretical approaches to defining the definition of "territory development" in the context of solving regional problems;
- to provide a description of the potentials of territorial development, the balancing of which depends on the influence of endogenous and exogenous factors;
- to determine the types of risks of territorial development that arise as a result of deviations in the balance of all components of the potential of territorial development;
- to justify the need to develop a territory development strategy for the long-term socio-economic development of the territory, taking into account the experience of strategic planning of the socio-economic development of the territory abroad.

Methodology. The study was based on a theoretical analysis of the literature of domestic and foreign scientists. The methodological basis of the research is theoretical concepts regarding this issue, the practice of implementing various approaches and strategies, which necessitates the analysis of such experience. In the research process, such methods were used as the method of content analysis (to analyze the definition of the category "territory development strategy"); method of systematization (for characterizing theories that studied territorial development); the method of analysis and synthesis (to determine the components of the potential and risks of territorial development and the types of strategies of territorial development), the chronological method (to study the evolutionary development of the strategy), the method of generalization (to build a conceptual scheme of the strategy of territorial development).

Results. The clarification of such categories as «territory», «development», «strategy» are important in the study of the theoretical basis of the territorial development strategy. Examining the conceptual apparatus of the «territory» category, we note that it is defined by three parameters. According to the first parameter, the territory is the spatial basis of activity, the placement of natural, human, financial and other resources. Supporters of such a definition parameter include the study of V. Yakuba, who noted that «territory» is a spatial basis, a set of various resources, an environment of human interaction, nature and production [15; 44]. Another parameter of the definition of «territory» is that it is identified with certain socio-economic realities, the functions of which differ from the functions of enterprises. This is the opinion of, who considers the territory a socio-economic system that has not only a spatial location, but also a relative separation from the external environment [29]. The third parameter is related to the population, or rather to their activities, with the help of which the territory develops. In order to reproduce the vital activities of society, being the subject of management, the population acts as the center of a functioning production complex, Ya. Vermenych shared a similar opinion, noting that a person acts as a connecting link that creates conditions for one's own life [45].

Thus, a person is the central subject in a multi-component territorial system (natural - ecological, social, economic, cultural and spiritual system, infrastructure, state institutions, political order), forms an administrative-territorial unit with a multi-level and multi-purpose nature of development and leads subsystems of the region.

The Law of Ukraine "On the Basics of State Regional Policy" (2015) states that the entire territory of the country is divided into macro-regions and micro-regions. According to this Law of Ukraine, a macro region is understood as a part of the territory

of Ukraine consisting of several regions or their parts, united by common features, which are characterized by common development problems, within which special regional development programs for this territory are implemented [1-4]. In turn, a microregion refers to a part of the territory of the region characterized by territorial integrity and development features, within which regional development projects specific to this territory are implemented.

The study of the successful experience of European countries in the issue of typology of territories and the formation of an effective methodology for identifying territories of individual types allowed us to note that today a methodology for the identification of urban and rural territories in the world has also been developed, which is carried out not only at the state, but also at the supranational level [5-9]. Today, several methods of identification of territories have been developed, which differ according to two criteria:

1) according to indicators, as a result of the analysis of which the territory is classified as rural or urban;

2) by the level of territorial units, which are mostly determined according to the approved standard of territorial division of countries for statistical purposes.

The urban territory is a relatively independent system of entities of a complex level with their own governing bodies - the region and the state, which represents the interests of stakeholders and performs many internal and external functions. Rural territories, unlike urban territories, have a larger spatial location, which can be conditionally divided according to the level of geospatial organization, according to the place of rural settlements in the administrative-territorial system (Fig. 2). The whole complexity of territorial division lies in the fact that it has a «matryoshka» effect from the standpoint of hierarchical construction [10-14]. Combining rural territorial units of the grassroots level, rural territories with a district center in the form of either an urban-type village or a city of district or oblast importance form the district level. In turn, the totality of rural subsystems of the district level form the oblast level, which in turn, together with urban territories, form the national level.

Therefore, the territory with its multifunctionality and the combined set of elements plays a decisive role in achieving the country's competitiveness, forming its potential.

We substantiated the definition of «territory», highlighted its variety and its division depending on the infrastructural affiliation. In order to comprehensively understand the definition of «territorial development», it is advisable to analyze the meaning of the word «development». The word «development» is considered from two approaches. From the standpoint of the first approach, the word «development» is used as a complex of industries operating in a specific part of the territory. Such a definition does not consider the development from the position of the level of geospatial organization (base, district or regional level) we do not observe. From the position of the second approach, «development» is considered with the specification of the level of territorial organization, covering both the level of development of rural areas, as well as the city level, regional and national level of development.

By "territorial development" [27] understand the mode of functioning of the regional system, which is focused on the positive dynamics of the parameters of the level and quality of life of the population, provided with a stable, balanced and mutually non-destructive reproduction of the social, economic, resource and ecological potential of the territory. At the same time, they consider the concepts of territory and regional system as synonyms. By the territory, the authors understand a certain part of the social, natural, economic, infrastructural, cultural-historical and spatial potentials of the state, which is under the jurisdiction of local authorities.

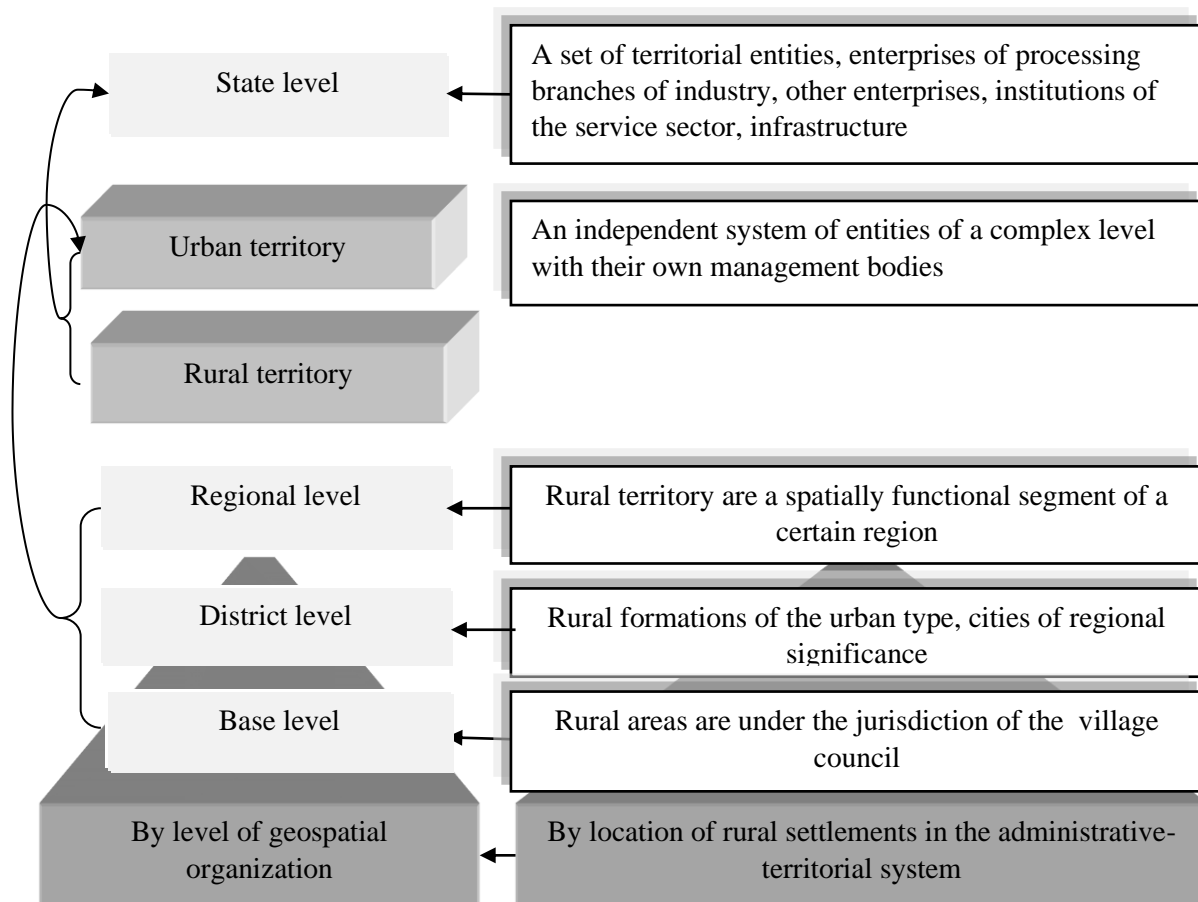


Figure 2. Characteristics of territorial level

Source: compiled by the authors [27; 43; 45]

Territorial development is understood as "such direction of changes in the territorial system, which - by stimulating such causative forces as: entrepreneurship, balancing endogenous and exogenous factors as well as competitiveness and cooperation - leads to processes consisting in creating new configurations of the elements of which the system is built" [37, p. 88].

Camagni points that the territorial approach is aimed at greater consideration of various development conditions and optimal use of endogenous resources (so-called territorial capitals) in the dynamization of development processes [17, pp. 62–64]

Nowakowska A. highlights [36]:

1. Reassessment of development factors, selection of diversity and diversity of resources as a source of socio-economic development;

2. Orientation of policy on strengthening internal and external functional connections to increase territorial unity;

3. Increasing the mobilization of local/regional structures, as well as social dialogue and public-private partnership in actions related to territorial development;

4. Building an institutional partnership and integrating the influence of public entities (integration of entity and industry policies, definition and implementation of common development goals);

5. Territorial differentiation of development policy – departure from the universal model of policy in favor of differentiated policy, depending on specific resources, problems and mechanisms of territorial development.

A large number of studies consider "territorial development" from the perspective of a process approach, where attention is focused on the process of institutional transformation of a given territory aimed at the economic activity of the population and the implementation of strategic tasks. Therefore, the condition of effective territorial development is to provide the regional system with a stable and balanced complex of the region's potential.

Therefore, "territorial development" is changes, the positive dynamics of which depend on endogenous and exogenous factors, the process of transformation of development of which will have a positive effect if all components of the potential of territorial development are balanced namely resource and raw material, industrial, consumer, infrastructural, innovative, labor, institutional, financial) (Table 1).

Table 1. Characteristics of the territorial development potential (TDP)

Name of TDP	Characteristics of TDP
resource and raw material	is determined by the provision of the territory with reserves of the main types of resources
industrial	reflects the overall result of the activity of the main areas of the territory's economy
consumer	determined by the total purchasing power of the population of the territory
infrastructural	takes into account the economic and geographical position of the territory and its saturation with infrastructure facilities
innovative	determined by the level of development of scientific research and development works and the implementation of achievements of scientific and technical progress in the territory, employment in the scientific sector, capital in this sphere
labor	determined by the number of economically active population and its educational level, age and qualification composition
institutional	characterized by the degree of development in the territory of the leading institutes of the market economy
financial	takes into account the volume of budget revenues, tax and other cash receipts to the budget system of the territory, profits of enterprises

Source: developed by authors

An important factor in the development of the territory is the structure and nature of the settlement of settlements. An important characteristic of the region is the demographic capacity, which formulates the potential ability of the region to resettle

the population within its territorial boundaries, provided that the most important everyday consumers of the population are provided at the expense of the resources of the territory under consideration, while maintaining ecological balance.

One of the main characteristics of any economic space is the unevenness of territorial development, which is characteristic of all economic entities. The territorial proportions reflect the historical process of economic development of the country's space, the country's place in the world economy and finance, the cumulative effect on the regional development of the criteria of economic efficiency and social justice. The increase of disproportionality is a consequence of the lack of comprehensiveness in the development of many regions, the presence of serious disproportions between various elements of the economic, social and natural systems. The dimensions of interregional differences are a kind of reflection of the size of the area of non-competitive economy in the national space. The effectiveness of combating them in market conditions is determined by the financial capabilities of countries. At the same time, the higher the country's level of development, the lower the level of disparities acceptable to society [19].

Any deviation in the balance of all components of the potential of territorial development leads to the destruction of territorial development, and therefore carries with it risks that will negatively affect the further development of territories. Making investment decisions by a potential investor is inextricably linked to the assessment of the risk that the investment object carries and the investor's willingness to accept it. The integral risk of the territory consists of various private types of risk, such as political, economic, social, criminal, legislative, administrative, etc., each of which depends on a number of factors acting on the territory (Table 2).

Table 2. Characteristics of territorial development risks (TDR)

Name of TDR	Characteristics of TDR
political	depends on the stability of the authorities on the territory, political polarization of the population, authority of the authorities Row1
social	depends on the level of social tension
economic	characterized by the dynamics of economic processes, prospects and trends in the economic of the territory development
criminal	determined by the level of crime, taking into account the nature and severity of crimes, the intensity of terrorist acts
ecological	determined by the level of environmental pollution, including radiation
financial	is characterized by the intensity of the territorial budget, its balance with finances, the aggregate financial results of the enterprises located in the territory
legislative	determine the legal conditions for investing in certain spheres or industries
administrative	depends on the results of the exercise of powers by the authorities in the social, budgetary, legal and other spheres, taking into account the dynamics of the territory's development

Source: [16; 27]

The most significant is the legislative risk, because it depends on the stability of the conditions and rules approved in the legal norms regulating economic relations in the territory: regional and local taxes, benefits, restrictions, the presence of strategies and long-term programs for the economic investment development of the territories. Risk analysis is necessary for potential investors and stakeholders, because by forming an analytical base based on the characteristics of the territory's potential and possible risks, it is possible to determine landmarks and strategic directions of territorial development.

Notes, Büttenbender P. L. that the bases of territorial development in the knowledge society are identified in the strategies focused on cooperation networks that involve public power (state structure at all levels), companies (entrepreneurs), universities (research and development centers, schools at all levels), and community organizations (churches, NGOs, associations, cooperatives, unions, etc.) [16].

In order to intensify the territorial development of the country, it is important to study the development strategies of a certain territory, which contains a plan, namely step-by-step actions with a long-term perspective of the effective operation of all structural elements of the territory. Territorial development is a key element, as they draw attention to the variety of strategies required for proper situational response to problem solving, decision making.

Successful achievement of the set goals is, first of all, a correctly chosen strategy. Recently, any strategy has become a priority direction for planning the development of any sphere of life, namely: political, socio-economic, cultural, and other directions, both at the state and regional levels.

Büttenbender and Sausen (2020) note that strategies have gone through their evolutionary path in the aspect of territorial development. The authors highlighted the following strategies that developed over a certain period of time (fig. 3) In this context, constitutive elements of development were established, highlighting regions capable of investing and integrating research, science, and technology with the productive systems of the territory, assuming, therefore, affirmative repercussions in the approach of territorial development.

The word "strategy" comes from the ancient Greek "stratos" (the art of leadership, public, political struggle), strategy means readiness for events that occur beyond the effectiveness of the management system [30]. There are other definitions where strategy is interpreted as a process by which the organization maneuvers in its environment, these are decision-making rules.

So, the concept of «strategy» was defined by two opposite approaches to its understanding. The first approach explains the expediency of developing a strategy from the stage of determining the final state. The desired end state becomes the defining step through which actions are formed, and which should bring the formed plan to the end state [20]. From the standpoint of this approach, strategy is considered as a long-term plan with defined goals and functions. As disadvantages, we note that the implementation of such a strategy, in our opinion, involves undesirable changes in the adjustment of actions and stages of the strategy in the conditions of environmental changes [41]. The second approach considers the strategy as a long-term specific

direction of the development of the territory, which is in constant interaction with internal and external stakeholders. Such a strategy is characterized by stochasticity, the stages of which can be adjusted depending on the situation. Thus, the development of a strategy should begin with a comprehensive analysis of the territory, its aggregate elements, study of the potential of the territory, analysis of possible risks that may arise in the process of implementing the strategy, planning of the vision of the development of the territory and evaluation of future strategic alternatives.



Figure 3. Evolution of strategies in the direction of territorial development

Source: developed by authors

The popularity of strategy development in the world is due to the transition of reference countries-leaders to a new system of market relations, which requires strategic planning of strategy selection, which is an important task of officials at various levels of management, whose competence is development planning. There are three groups of territorial development strategies: state territorial development strategies, macro-regional strategies and meso-regional strategies (Table 3).

In order to achieve synchronicity in the implementation of projects that ensure the effectiveness of strategic tasks at the state level, the interaction of regions with different potential and experience in the implementation of the development strategy of this territory is a guarantee of the success of the implementation of the strategic goals set for the country [21-25]. Therefore, the bases of territorial development in the knowledge society are identified in the strategies focused on cooperation networks that involve public power (state structure at all levels), companies (entrepreneurs), universities (research and development centers, schools at all levels), and community organizations (churches, NGOs, associations, cooperatives, unions, etc.).

The importance of the development and implementation of the strategy is evidenced by the Resolution of the Cabinet of Ministers of Ukraine "On the Approval of the State Strategy of Regional Development for 2021-2027", other legal documents [40]. The need to prepare this Strategy is caused by the end of the implementation period of the State Regional Development Strategy for the period until 2020, as well as the presence of new challenges that have appeared before Ukraine during the past seven years and significantly affect the situation in the regions, as well as the quality of life of the residents of cities and villages [28, 30].

Table 3. Types of territorial development strategies

Name of the strategy	Content of the strategy
I. State strategies for territorial development	
Strategy of selective priority development	Concentration of resources in territories with a historically high level of development
Strategy of balanced development	Equalization of disparities in levels of development
Strategy of proportional distribution of resources	Distribution of resources in proportion to the selected parameter (population balance, etc.)
II. Macro-regional strategies	
Localization strategy	Implementation of the strategy using the existing potential
Concentration strategy	Implementation of the strategy due to the involvement and development of the potential of the maximum possible number of regions
III. Mesoregional strategies	
Strategy of self-sufficiency	Achieving self-sufficiency and self-sufficiency of the existing potential in the territory
The strategy is stabilization	Mobilization of own intellectual and production resources
The strategy of attracting external resources	Interaction of regions with different scientific and technical levels
Strategy for the implementation of exceptional opportunities	Ensuring development at the expense of the exceptional resources available in the region
Strategy of intellectual cooperation	Implementation of the strategy due to the involvement and development of the potential of the maximum possible number of regions
Strategy of technical and technological leadership	Concentration of efforts in the development and production of technologies, the desire of the territory to be a leader in exports

Source: developed by authors

The primary tasks of the new regional policy are to accelerate the economic growth of the regions, increase their competitiveness based on the effective use of internal potential, create new jobs, improve the employment of the population, create conditions for the return of labor migrants to their homeland. With the aim of effective activities in the direction of the development of a territorial development strategy, the Ministry of Community and Territorial Development of Ukraine published, with the support of the Project «Government Reform Support in Ukraine» (SURGe), developed

and provided as a guide methodical recommendations on the procedure for development, approval, implementation, monitoring and evaluation of the implementation of strategies for the development of territorial communities.

On the example of Poland, the "National Strategy for Regional Development until 2030" prepared by the Minister of Investment and Development of Poland and approved by the Council of Ministers of Poland is the basic strategic document of the state's regional policy, which defines the systemic basis for conducting regional policy as a state in relation to the regions and within the region. This strategy contains a set of common values, principles of cooperation between the government and local authorities and socio-economic partners for the development of the country and voivodships [32, 33].

The postulates regarding the new territorial agreement formula formulated in the strategy were specified in the "National Strategy for Regional Development until 2030" and introduced into the legal order based on the provisions of the Law of July 15, 2020 on Amendments to the Law on Principles of Development Policy and some other acts . The main feature of the adopted decisions is the decomposition of the functions performed by existing contracts into three independent instruments: a program contract, a branch contract and a territorial agreement (Salamon J., 2022).

The program contract refers to the regional operational program, and the agreements contained in it refer to resources from European funds distributed through it. Within the framework of the territorial agreement, integrated territorial investments (ITI) are allocated, the purpose of which is to support the sustainable and comprehensive development of urban areas, mainly cities of voivodships and their functional zones. A sectoral contract differs from a program contract and a territorial contract in that it consists in its full connection with national funds (which come both from the state budget and from the budgets of regional governments) and territorial jurisdiction, which can extend beyond the boundaries of one region, which enables the implementation of projects of supra-regional and inter-regional significance [36].

Discussion. The hypothesis of our research is based on the perception of the strategy of territorial development as a complex and necessary tool of socio-economic development of the territory of the country, which should be developed in order to solve the problems associated with territorial imbalance. The development of the territorial development strategy should be aimed at achieving self-sufficiency and self-sufficiency of the existing potential in the territory. Self-sufficiency is a connecting link of the totality of the territory's potential; it follows from the objective necessity of the complexity of economic and social development [18]. Thus, the need to develop a territorial development strategy is to resolve the objective contradictions of the territorial reproduction process and create the well-being of the territory at the expense of national interests. The strategy does not allow the isolation of the territory, interacting with all interested parties. It ensures the equivalence of all connections of the internal and external environment and determines its participation in common with others and the solution of emerging problems in the territories.

The substantiation of theoretical questions regarding the strategy of territorial development made it possible to propose a conceptual scheme of the strategy of

territorial development, which is presented in Figure 4, and to provide the author's vision of the definition of "Strategy of territorial development", which has an interdependent synthesis of two concepts, such as "strategy" and "territorial development" and defines a long-term plan for the development of the territory, where, subject to the balance of all components of the potential of territorial development and the harmonious interaction of the authorities, business structures, public organizations, citizenship depends on a positive effect on joint decision-making by them, which will contribute to the systematic development of all spheres of life in a certain territory.

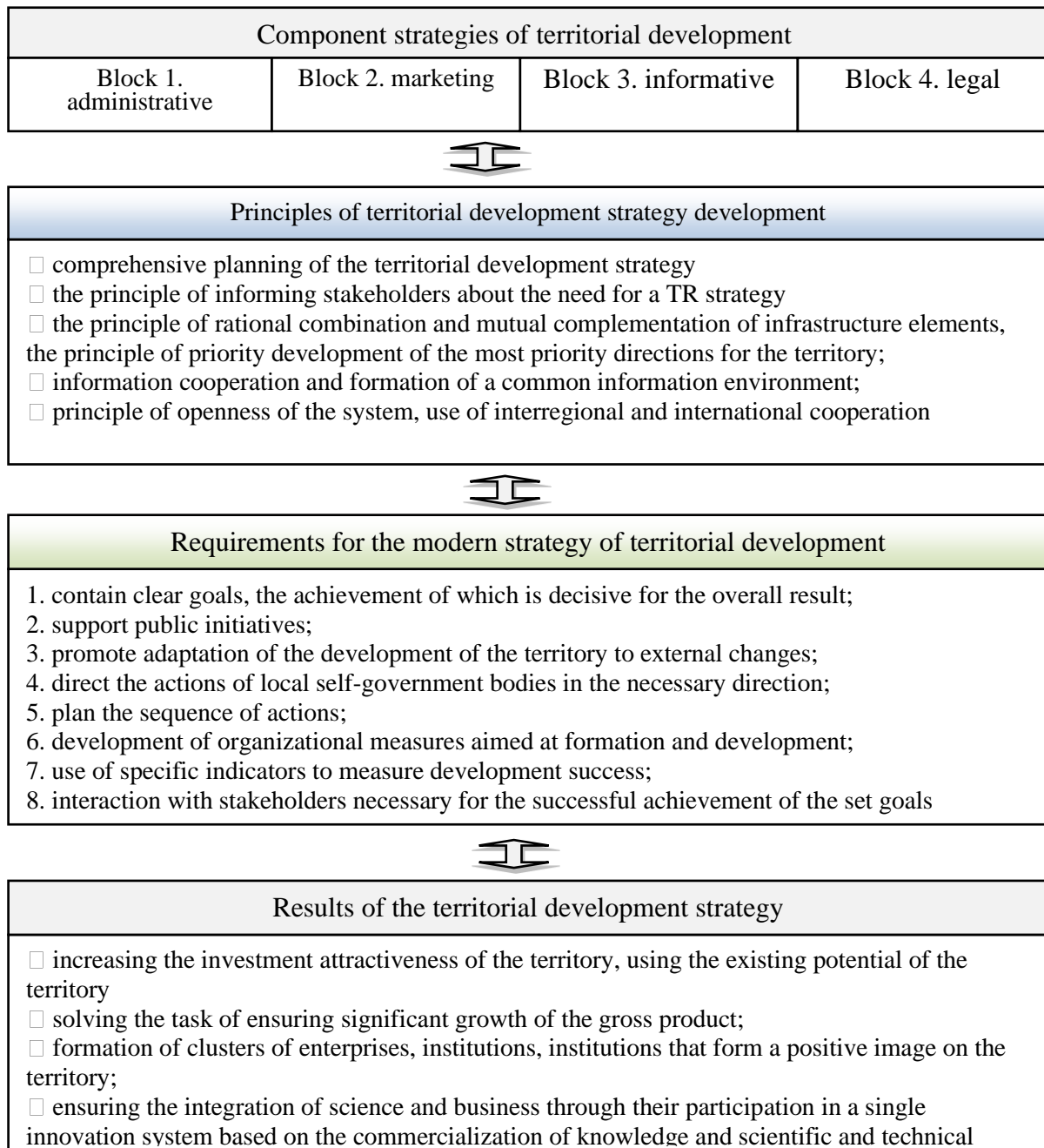


Figure 4. Conceptual scheme of the territorial development strategy

Source: developed by authors [31; 42]

The others of scientists investigated the effectiveness of stakeholder interaction in the context of ensuring the sustainable development of territories and identified the following criteria are used to assess the implementation of territorial development programs: program relevance (compliance with regional development needs and priorities); implementation level (clearly formulated and substantiated successful program implementation); cost effectiveness (program results correlation with the stated goals) [42].

In Poland, for the development programs assessment, statistical information on the territorial socio-economic development is used and data on program's objectives monitoring and experts' research regarding the previous program implementation results. A gradual assessment is envisaged: information and data collection; information and data analysis; reports compilation; results evaluation (comparison with the predicted indicators); deviation determination; deviations' causes' analysis; planned corrective measures [38, 39].

In general, according to the European Union countries' practice, several stages of evaluation are used to analyze the territorial development programs effectiveness: the previous one (to assess the program starting point: how its implementation can affect the target groups status and improve the overall situation in the region); intermediate (to find the answer to the questions of the strategic goals' correct set, measures for their implementation); final (carried out after the program completion and, therefore, aimed at assessing its long-term impact on the target groups status). A conceptual scheme is proposed, which provides for the application of a comprehensive territorial development strategy (administrative, marketing, informative, legal), the success of which depends on the requirements for a modern territorial development strategy and the principles of territorial development strategy development.

Conclusions. The strategy of territorial development, being a regulator of the development of the territory, allows creating conditions for promising development. In the conditions of an open regional and international competitive market of socio-economic transformations, the strategy of territorial development is the most adequate tool capable of consolidating the efforts of the government and society in solving the problems of socio-economic, technical-technological and other transformations. The implementation of the territorial development strategy improves the image of the territory and promotes the active position of civil society, by creating a single vector of efforts. The presence of a strategy will help to attract foreign investors for the implementation of projects faster. In order to determine the future, the territorial development strategy should be developed in a multilateral process and constructive dialogue between business, public authorities, society and stakeholders.

One of the key contributions of the European Spatial Development Perspective, as a strategic document for the territorial development and planning of Europe, was the proposal of the development of a balanced and polycentric urban system and a new urbanrural relationship. This was one of the main goals to promote sustainable development of the EU through a balanced spatial structure (EC, 1999). Indeed, nowadays, in an ever-increasing urban world, it is hard to conceive any kind of regional

development strategy that neglects the crucial role of cities as regional economic engines, either in a stand-alone mode or via a web of urban networks [31].

Author contributions. The authors contributed equally.

Disclosure statement. The authors do not have any conflict of interest.

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TOOLS FOR THE DEVELOPMENT AND IMPLEMENTATION OF STATE ECONOMIC POLICY IN THE CONDITIONS OF DIGITAL TRANSFORMATION

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Citation:

Asoian, E. (2023). Tools for the development and implementation of state economic policy in the conditions of digital transformation. *Public Administration and Law Review*, (2), 44–51. <https://doi.org/10.36690/2674-5216-2023-2-44-51>

Received: April 20, 2023

Approved: June 09, 2023

Published: June 22, 2023



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Abstract. Approaches to the implementation of state economic policy on the basis of a platform model, which provides for technological (a flexible system of information exchange between all stakeholders of state economic policy based on digital technologies is organized) and organizational (the state has the opportunity to bring its measures to regulate the national economy to individual sub-entities of entrepreneurship and form economic associations aimed at achieving the goals of state economic policy) a component that differs from the previously existing goals of creating conditions for the effective use of state and private resources through their flexible optimal combination and platform infrastructure tools for the interaction of stakeholders of state economic policy, have been developed. The purpose of this article is to research and improve tools for the development and implementation of state economic policy in the conditions of digital transformation. During the writing of the article, a wide range of economic and management research methods was used. The research is based on the use of general scientific dialectical methodology, methods of system and institutional analysis, analysis and synthesis, methods of evaluating the effectiveness of complex systems, program-target management and planning, strategizing and programming, tools of the resource approach, methods of forecasting and modeling, induction and deduction, economic statistical and expert methods, etc. The set of functions of the digital platform of the state economic policy has been improved in terms of service and regulatory components, namely: regulatory and legal support of activities (informational and advisory support for the organization's activities and automated control over compliance with the norms of current legislation); assistance in the selection of the optimal counterparty (information and consulting support for the selection of the optimal partner, taking into account the needs of the organization and the possibility of building production chains for the benefit of the state); provision of tools for building interaction between counterparties (service support for cooperation between companies and the possibility of "gently pushing" a business to make decisions that are beneficial for it, but at the same time correspond to the interests of the state); provision of tools for the coordination of interests (a digital platform for the coordination of the interests of various stakeholders and automated control of the implementation of decisions made as a result of coordination); preparation of recommendations for the formation of economic policy (taking into account the interests of various players and automated control over the fulfillment of economic policy requirements).

Keywords: state economic policy, tools, approaches, functions, digital transformation

JEL Classification: E61, H83

Formulas: 0; **fig.:** 0; **tabl.:** 1; **bibl.:** 4

Introduction. The role of the state in the economy is currently undergoing a deep transformation due to technological, organizational, social and economic changes taking place.

The state ceases to be functional, i.e. focused on the performance of its own tasks, and becomes service-oriented, i.e. it provides various services to the population and business entities. In essence, this means returning to the original role of the state as a provider of those services, the provision of which by private structures or individual citizens is economically inefficient, difficult from an organizational point of view, or threatens with undesirable social consequences. This leads to a revision of the relationship between the state and society in general (and economic agents in particular). In this situation, the state does not use the population, organizations and business to achieve its goals, but creates conditions for the most effective functioning and interaction in society and the economy. In particular, this implies a high level of responsibility of the state to society and business for the fulfillment of the duties assumed by the state.

Literature review. State policy, in particular, conducted in the economic sphere, is a complex, complex phenomenon. Many scientists are engaged in its analysis and systematic study, identification of forms and methods of its implementation, search for ways to increase its effectiveness, including in conditions of technological (in particular, digital), demographic, social and other transformations, including: Bell D., Galbraith J. K., Kleiner, G.B., Lane, D., Robinson, J.A., Williamson, O.I., Hayek, F.A. etc.

Aims. The purpose of this article is to research and improve tools for the development and implementation of state economic policy in the conditions of digital transformation.

Methods. During the writing of the article, a wide range of economic and management research methods was used. The research is based on the use of general scientific dialectical methodology, methods of system and institutional analysis, analysis and synthesis, methods of evaluating the effectiveness of complex systems, program-target management and planning, strategizing and programming, tools of the resource approach, methods of forecasting and modeling, induction and deduction, economic statistical and expert methods, etc.

Results. Currently, the national economy is forming a complex, interconnected ecosystem consisting of the state, economic agents (both commercial and non-commercial organizations), elite groups and society, while, importantly, such a system lacks a clearly defined dominant player. Of course, the state has more resources than other players, but in a number of situations it becomes only "first among equals". Most often, individual leading companies or elite groups can insist on priority observance of their interests. An example of such an eco-system at the micro level (more precisely, at the regional level) are clusters, which are a complex interweaving of organizations and groups without a clear vertical authority [1, 2].

We believe that such ecosystems are now emerging at the national level as well. We will repeat again that, although the state has vertical power, it does not permeate all spheres of the functioning of society and the economy. At the same time, the role

of other stakeholders of state policy is growing, and they also expect that this vertical of power will not be used exclusively to serve state interests, but to meet the needs of stakeholders. It can be argued that the state vertical of management is no longer the only vertical of power in the modern world, while at the same time the number and role of horizontal connections is growing sharply. It is this variety of connections that determines both the sharp growth of connectivity and the transformation of models of interaction between stakeholders of state economic policy.

It is obvious that the main historically formed models of the formation and implementation of state economic policy (conductor model, under which the state directly manages the economy, and liberal model, under which the state is limited to creating the rules of the game and incentives) are inadequate to modern conditions. The dirigiste model predicts an excessive strengthening of the role of the state (and inevitably, at the same time, inefficient use of resources for the content of the control apparatus), while the liberal approach, on the contrary, does not meet the expectations of society from the service state, nor the growth of the potential of technological and organizational tools.

We can state that the state is currently facing the problem of transition to a new technological (and at the same time - social and economic) system. In other words, it is about finding a new role of the state and a new model of its functioning (and, if we talk about problems of a more private nature, about a new approach to the formation and implementation of state economic policy), which corresponds to the conditions of the new technological order (TO). The entire global economic system is undergoing transformation, and it is obvious that the model of state functioning must also be transformed. It is interesting to note that under the conditions of the new TO, the authorities have a strong temptation to use innovative technological tools not to improve the efficiency of the national economy, but to achieve their own goals of the state (state apparatus, bureaucracy). On the one hand, modern technologies that make any interactions between business entities transparent allow full control over the economy. However, this control is still mainly fiscal in nature. The state seeks to increase tax revenues (and thereby increase its resource base) by bringing out of the shadows those transactions on which information was unavailable in the pre-digital era (or obtaining it was associated with too high costs). Formally, we are talking about compliance with the law - however, firstly, the withdrawal of money from the economy, as we indicated earlier, reduces the investment potential of businesses and the purchasing power of households (which leads to the limitation of economic growth), and, secondly, the state receives additional financial resources are not always used transparently.

This use of digital technologies may seem like a type of conductor's approach, but it is not so - it is about strengthening fiscal control over the economy, and not about improving the quality of its management (in other words, the state uses new tools in a limited way, only to strengthen control over the activities of business entities, and not for regulation of the national economy as a whole). A partial justification for such behavior of the state may be that it, being interested in its own efficiency, primarily implements those measures related to the use of technological innovations that will

bring the maximum economic effect in the short term. The implementation of digital technologies of tax control allows to obtain such an effect. It is important that the transformation of the state is not limited to this, but also leads to the use of new technologies in the sphere of formation and implementation of state economic policy. We believe that the state in the new TO should go through the same transformation that the firm went through, which turned from a tightly managed one that fully controls the production resources used in its economic activity and is opposed to its external environment from a market player to a platform or ecosystem (the platform itself and ecosystems are considered forms of organization that correspond to the new TO).

Our thesis can be developed further. As shown in one of the studies [3], each technological system is characterized by its own form of functioning of the economic organization. It would hardly be a mistake to claim that each TU also corresponds to its own form of state functioning (as a specific type of organization). A natural conclusion follows from this that the state should move from a vertical hierarchical structure that organizes the activities of the national economy to achieve national interests (that is, from a structure that meaningfully corresponds to a firm that coordinates its supply chain - this is exactly the model of economic organization that was characteristic of the previous TO) , to a platform (or, perhaps, to an ecosystem) that ensures effective interaction of the main stakeholders of state policy (including economic ones). It is the organization of such a platform (ecosystem), creation of rules for its activity, and control over the behavior of interacting entities that should be the goal of state economic policy.

Such a platform in no way contradicts the trend implemented by the state to increase the transparency of economic activity - on the contrary, it is the switch to platform interaction between stakeholders of state economic policy that will lead to greater transparency. At the same time, the use of new technological and organizational tools will not be limited to fiscal functions but will cover all spheres of interaction of economic agents, which, on the one hand, will allow the state to effectively regulate the national economy, and on the other hand, will enable business entities to actively involve the state in solving their tasks.

In a certain sense, it will be possible to talk about a new model of public-private partnership (PPP) - more flexible and effective. This platform will provide a technological and information infrastructure for the flexible formation of PPPs for various projects, and such partnerships can be bilateral (that is, take both the form of attracting private resources to solve public tasks, as is the case in the existing PPP model, and the form of attracting public resources to satisfy needs of commercial structures - for example, access to information, promotion in export markets, etc.). It will be a kind of virtual public-private partnership (similar to virtual enterprises, well-known in the business and consumer spheres), created to solve specific tasks (corresponding to the pronounced trend towards virtualization of business entities). Our proposed platform will be able to organize the flow of such PPPs.

Thanks to new technological tools, the state will be able to cooperate even with small business entities (which can create a powerful incentive for the development of private business), while small companies will gain access to state resources (state

procurement, export promotion, state-owned technological developments, legal support). What is very important, it will be possible to make business support flexible and punctual (which will, of course, require appropriate changes to the legislation). This will be a kind of inversion of the electronic fiscal system - the state will not only collect money from business entities, but also distribute support measures among them (based on detailed analysis of information about the activities of these entities, which will be available thanks to electronic control systems).

This approach involves both technological and organizational restructuring of the model of state regulation of the economy. From a technological point of view, a flexible system of information exchange between all stakeholders of the state economic policy based on digital technologies will be organized. The state thereby gets the opportunity to influence both business entities (both individually and certain groups of them) and their relationships.

As for the organizational component, the state has the opportunity to bring its measures to regulate the national economy to individual business entities and form business associations aimed at achieving the goals of state economic policy. Such a platform creates the basis for the functioning of the national economy as a whole.

The platform model assumes state ownership of all production assets - it is designed to increase the efficiency of the market economy, in which there is private ownership of the cost of production, free market and competition. It does not set directive goals and plans the activities of each enterprise - control is retained by the owners and the management appointed by them. Regulation by the state is supplemented by self-regulation of companies, their mutual coordination.

After all, in the platform model, a separate enterprise is not exclusively an object of management - it is an independent participant in joint actions to implement the tasks of state economic policy. This, in particular, is achieved thanks to developed two-way communication (including with the help of electronic government), thanks to which individual organizations can influence both the content of state economic policy and the choice of tools for its implementation.

The platform is designed to increase the effectiveness of the interaction of the stakeholders of the state economic policy with each other and to give the state a tool for flexible regulation of the national economy and coordination of the activities of business entities. The role of such a platform is to offer economic activity participants services for coordinating their efforts to achieve common goals within the framework of state policy (it is the provision of such services that is the essence of the platform's activity).

This is a further development of the service state concept (note that in this case the approach to understanding the essence of taxes, which acquire, at least partially, the role of payment for coordination services, fundamentally changes). At the same time, as already mentioned, the platform model, thanks to the use of innovative digital technologies, can, if necessary, ensure a high level of control over the national economy.

However, the possibility of control over the economy by the state in a normal situation (in the absence of emergency situations, etc.) is leveled, firstly, by the

availability of freedom of management decisions in enterprises and organizations, and secondly, by the possibility of market players to influence the formation of state economic policy at the expense of the mechanism feedback, and, thirdly, the absence of the state's desire to increase its transaction costs with the help of a complete switching of the management of the economy.

A platform approach to regulation of the national economy has not yet been implemented in any country in the world. Nevertheless, its individual elements are already presented in a number of states, including Ukraine (such as, for example, electronic platforms for public procurement, electronic systems of administrative services).

Projects for the development of technological platforms have a certain similarity with our concept [4] - however, they still rather continue the conductor approach (building powerful companies and industries in areas critical to national security and the national economy) than reflect a platform approach to managing the national economy. Nevertheless, at least part of these technological platforms can be used as an infrastructure base for the state platform economic policy.

Private businesses have gone much further in creating platforms, but these platforms obviously serve the commercial interests of their owners. The state could, on the one hand, taking into account the experience of already implemented separate electronic and network tools for regulating the national economy, and on the other - relying on the models of private platforms' functioning, create a state platform (ecosystem) to support the national economy.

Discussion. The tasks of the digital platform of state economic policy, in our opinion, can be divided into two blocks: service and regulatory (which, of course, are closely related to each other) (Table 1).

Within the framework of the service block, the state provides participants in economic activity with various services designed to increase their efficiency. The regulatory block is aimed at ensuring that economic entities meet the requirements of current legislation and the goals of state economic policy.

The tasks of the state economic policy platform (note that this list is not exhaustive, we named only those functions whose presence on the platform is of primary importance) are as follows:

- regulatory and legal support of the activities of business entities (including assistance in the implementation of the norms of current legislation). Ideally, for each company, its legal profile can be formed (systematized analysis of its needs for regulatory and legal support with recommendations for their satisfaction). This support is both informational and advisory (providing the necessary information for legal support of activities), and technological (automated control over the company's compliance with the norms of current legislation with the possibility of their enforcement based on regulatory technologies);

- assistance in selecting the optimal counterparty, taking into account the specific needs of a particular enterprise (the role of a counterparty can be a supplier, consumer, bank, executive authority responsible for regulating one or another sphere of activity, etc.). This function includes providing information about potential counterparties. If

necessary (for example, when there is a need to strengthen state control over the economy), this function can be used to forcibly build production chains in favor of ensuring national security. The presence of this function shows that the settings of the platform of state regulation of the economy can be different for different economic and political situations. If it is necessary to transfer the national economy to military lines or introduce an emergency situation, such a platform can be used to mobilize enterprises. It will be possible to talk about a kind of "information requisition" of companies or their assets - formally remaining in private ownership, they will come under the full control of the state, which will be ensured with the help of regulatory technologies;

- provision of tools for building interaction between counterparties (consultative assistance, recommendations for building an optimal production chain, if necessary - logistics, legal and payment infrastructure; external contractors may be involved for relevant functions).

Table 1. The structure of functions of the digital platform of the state economic policy

Function	Service component	Regulatory component
Regulatory and legal support of activities	Informational and consulting support for the organization's activities	Automated monitoring of compliance with applicable legislation
Assistance in the selection of the optimal counterparty	Informational and consulting support for choosing the optimal partner, taking into account the needs of the organization	The possibility of building production chains for the benefit of the state
Provision of tools for building interaction between counterparties	Service support of cooperation between companies	The possibility of "gently pushing" a business to make decisions that are beneficial for it, but at the same time correspond to the interests of the state
Provision of tools for coordination of interests	A digital platform for coordinating the interests of various stakeholders	Automated control of the execution of decisions made as a result of approval
Preparation of recommendations on the formation of economic policy	Taking into account the interests of different players	Automated control over the fulfillment of economic policy requirements

Source: developed by author

In particular, a system of "smart contracts" based on blockchain technology can be implemented on this platform, which will ensure that economic participants comply with their contractual obligations. "Smart contracts" in this case provide a double guarantee of the integrity of enterprises: with the help of blockchain technology and due to the fact that the platform itself is managed by the state as a guarantor of legality. This function can be a gentle "pushing" of a business to make decisions beneficial to it, which would simultaneously contribute to the achievement of state goals. Processing information about the behavior of business entities with the help of big data and artificial intelligence will allow to identify the market profiles of companies and, based on them, to recommend for each company those options for the behavior of companies

that, meeting the interests of business, will contribute to the achievement of the goals of the state economic policy. We believe that it is due to such gentle "pushing" that business will be integrated into the achievement of the goals of the state economic policy at the national, regional, local and industry levels.

Conclusions. Thus, based on the results of the above considerations, the following conclusions can be drawn:

- the transition to a new technological system requires a corresponding transformation of the state as a whole and the tools for the formation and implementation of the state economic policy so that it corresponds to the changed social, economic and technological conditions;

- currently, the implementation of digital tools in the state administration is connected with the performance of service (administrative services) or control and supervision (taxation, social rating) functions. We believe that the potential of digital technologies should be used as control over the economy, but also its regulation;

- as a tool for the implementation of state economic policy, we offer a suitable platform that will make the interaction between the state, business entities and society more effective. Platforms (and ecosystems) are the form of organization that corresponds to the new technological order;

- this platform should provide access to the entire infrastructure necessary for the organization of economic interactions;

- the platform can provide different levels of control over the national economy by the state. Under normal conditions, it may be about coordinating the activities of economic entities. Although this goal is not a priority, this platform can be used for "information mobilization" of the national economy in case of emergencies. The use of the platform will make it possible to adjust the interaction of companies in such a way that they will be aimed at the implementation of the tasks of the state economic policy;

- despite the fact that the implementation of such a platform is associated with significant costs (for the formation of the appropriate infrastructure and ensuring its operation and security), serves as a source of new risks (primarily due to cyber threats) and may cause fears on the part of society and market players regarding excessively strict control over the national economy, it is still necessary to implement it. Otherwise, the toolkit for implementing and implementing state economic policy will be much less effective in our country due to technological backwardness.

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THE ROLE OF PUBLIC ADMINISTRATION IN THE DEVELOPMENT OF TERRITORIES

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Citation:

Gavkalova, N., Syromolot, E., & Lukashev, S. (2023). The role of public administration in the development of territories. *Public Administration and Law Review*, (2), 52–61. <https://doi.org/10.36690/2674-5216-2023-2-52-61>

Received: June 05, 2023

Approved: June 25, 2023

Published: June 26, 2023



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Abstract. The article examines the role of state administration in the development of territories in Ukraine. The purpose of the article is to study the role of public management and administration in the development of functional types of territories of communities and regions of Ukraine according to the standards, tools of "Good democratic governance" and development practice of Ukrainian and European regional development, regulatory and legal regulation of territorial and cross-border cooperation, provision of equal opportunities for communities and regions of Ukraine regarding the organization of territorial and cross-border cooperation with communities and regions of the European Union. The main methods used in the article are methods of comparative analysis, methods of analysis and synthesis, as well as generalization. The use of the specified methods contributed to the achievement of the goal specified in the article. The authors of the article, based on their own experience, believe that this request from public administrations of new communities and regions of Ukraine for new concepts of local and regional development can be formed and implemented through the application of standards, identifying themselves as subjects of territorial and cross-border cooperation, creating innovative tools for managing their own development, increasing their own management competencies in the conditions crisis phenomena in economic and social policy. In order to strengthen the institutional capacity of public administrations of communities and territories of Ukraine in the implementation of actions to update local and regional policies based on the principles of effective governance of the Council of Europe to solve the above-mentioned problems of territorial development, the authors of the article propose to create educational programs to improve the qualifications of civil servants in matters of territorial and cross-border cooperation.

Keywords: public management and administration, good democratic governance, types of territories, development of territories, European territorial and cross-border cooperation, civil society and non-governmental diplomacy.

JEL Classification: R10, R11, O18

Formulas: 0; **fig.:** 4; **tabl.:** 3; **bibl.:** 47

Introduction. The State Regional Development Strategy of Ukraine for 2021-2027 defines "territory" as an object of regional policy and a potential centre of economic growth, which is characterized by a specific set of social, spatial, ecological and economic features, integrated territorial development projects aimed at reducing the level of interregional and intra-regional asymmetry in the development of territorial communities, regions and improving the quality of human life.

This defined territorial approach is relevant for:

- formation of strategies for the sustainable development of new territorial communities formed within the framework of the administrative and territorial reform and local elections in 2020,

- application of proper governance by integration of the territories of territorial communities of villages, towns, and cities that have merged into a new administrative-territorial unit,

- ensuring the appropriate level of public services, in particular in the field of education, culture, health care, social protection, housing and communal services, taking into account human resources, financial support and infrastructure development of the corresponding new administrative-territorial unit.

The efforts of state authorities, regional and local authorities, scientists, and the public of Ukraine for a long time were focused on the reform of the administrative and territorial system in Ukraine, within the framework of which new territorial communities were created as subjects of regional policy, and their subsequent development and formation as capable communities will depend on the ability of new subjects of regional policy to use standards, tools, organizational forms of territorial development, which are used in the practice of European territorial cooperation development to overcome disparities in the development of territorial communities and regions, creation of investment projects, ensuring a high-quality level of provision of public services to residents of the territorial community and the region [1-7].

Territorial and cross-border cooperation is one of the standards and current tools of "Good democratic governance" in the European Union, a model of polycentric development. Despite the equal opportunities of communities and regions of Ukraine, regardless of their geographical location, regarding participation in the development of territorial and cross-border cooperation, in accordance with the current Ukrainian and European legislation, unfortunately, this direction of the state regional policy of Ukraine still remains not in the focus of priorities in strategic development planning communities and regions of Ukraine, the application of which in the practice of the European Union, as a standard and tool of "Good democratic governance", aimed at reducing disparities, asymmetry in the development of the territories of border communities and regions, with the use of European tools of program and budget planning.

The resolution of this issue should take place in the sphere of implementation of innovative actions, development of institutional cooperation of subjects and interested persons of state regional policy with the aim of developing management policies for the development of functional types of territories, improvement of public administration by regional development of territorial communities and regions of

Ukraine, increasing their competences in the field of development territorial and cross-border cooperation.

Literature review. The study of the problems of managing the development of territories through territorial and cross-border cooperation, as a direction of the state strategy of regional development of Ukraine, is of interest among foreign and domestic scientists (among them: I. Artyomov, I. Vovkanych, O. Amosov, N. Gavkalova, N. Vnukova, N. Mikula, V. Tolkovanov, A. Danylyshyn, S. Ustych, A. Dunska, G. Zhaldak, etc.)

At the same time, it is relevant to conduct new research on the problems of state management of territorial development through territorial and cross-border cooperation from the point of view of the reform of the administrative-territorial system of Ukraine, the implementation of the State Strategy for Regional Development of Ukraine for 2021-2027, the implementation of the standard and mechanism "Territorial and Cross-Border Cooperation" Good governance of the Council of Europe for the creation of programmatic and financial instruments for the development of territories of new territorial communities and regions of Ukraine.

Aims. The purpose of the article is to study the role of state administration in the development of territories in Ukraine. The main tasks of the article are to determine the role of public management and administration in increasing the development potential of the territories of new territorial communities and regions of Ukraine and to reflect in the strategies and perspective plans for the development of territorial communities and regions of Ukraine innovative solutions of the standard and current tool "Territorial and cross-border cooperation" of the Council of Good Democratic Governance of Europe and a comprehensive approach to the development of functional types of territories of the State Strategy for Regional Development of Ukraine for 2021-2027.

Methodology. The main methods used in the article are methods of comparative analysis, methods of analysis and synthesis, as well as generalization. The use of the specified methods contributed to the achievement of the goal specified in the article.

Results. The strategic development of new territorial communities in the new program and budget period of the regional development of Ukraine 2021-2027, as subjects of management, ensuring their capacity, requires from officials of state administration and local self-government new theoretical knowledge, the ability to use public administration tools in practical activities and administration of the development of territories based on the study of the best practices of territory development, the creation of own tools of local and regional development through the definition and identification of the functional type of territory of new territorial communities for the implementation of the necessary programs and projects of local and regional development in these territories, interregional integration taking into account regulatory and legal documents of Ukraine and the European Union.

The development of state management tools for the development of functional territories is an urgent direction in the strategic planning of the development of new territorial communities and regions, it requires improvement based on constant monitoring and evaluation of best practices, support mechanisms, attracting financial

resources, developing project activities of functional territories with the aim of increasing competitiveness and attracting investments in projects of local and regional development of new territorial communities and regions.

The priorities of public management of regional development in the State Strategy for Regional Development of Ukraine 2021-2027 are based on the consideration during strategic and spatial planning of key challenges that affect people, infrastructure, the economy and the surrounding natural environment, and will also include building a culture of partnership and cooperation focused on interaction of citizens and public institutions regarding development [8-12]. Regional policy measures will be formed on the basis of the experience gained, collected data, conclusions, recommendations, results of analyzes and evaluation to ensure and maintain high standards of management and implementation of regional policy, which requires the functioning of appropriate specialized analytical tools, databases of policy formation and evaluation.

To define and identify the functional type of the territory of new territorial communities, which is the direction of the state regional policy, it is necessary to outline the types of functional territories according to the Ukrainian and European practice of legislative regulation of regional development, territorial and cross-border cooperation, and to evaluate the public management tools used in the development of functional territories to solve common problems, stimulate economic activity, increase human and social capital, develop partnership between the state and local self-government bodies and business.

Legislation on state regional policy consists of the Constitution of Ukraine, Laws of Ukraine "On Principles of Internal and Foreign Policy", "On Local Self-Government in Ukraine", "On Local State Administrations", "On Cross-Border Cooperation" and other laws of Ukraine, acts of the President of Ukraine, the Cabinet of Ministers of Ukraine, as well as international treaties of Ukraine [13; 38].

According to the Law of Ukraine "On the Principles of State Regional Policy" of Kyiv, February 5, 2015 No. 156-VIII, functional types of territory are defined, namely - macroregion, microregion or territorial community, which are characterized by a set of common social, spatial, ecological, economic, security and other features.

The State Regional Development Strategy of Ukraine 2021-2027 defines the types of territories that require special attention from the state and the use of special mechanisms and tools to stimulate their development, namely, agglomerations; - cities; - monofunctional cities; - rural areas in unfavorable conditions; - mountainous areas of the Ukrainian Carpathians; - macro-region "Azov-Black Sea"; - zones of influence of international transport corridors; - border regions; - border territories in unfavourable conditions temporarily occupied territories of Ukraine; - nature conservation areas and objects (Fig. 1).

The development of the State Strategy for the Regional Development of Ukraine for 2021-2027 and the plan of measures took place on the basis of "Smart Specialization", as a new approach in managing the development of the territories of the European Union's cohesion policy aimed at economic growth in the regions through better disclosure of its potential based on the analysis of the strengths of the economy

and innovative development of territories with wide involvement of interested parties, their interaction and cooperation at the local, regional, national and international levels.

The creation by private and state actors of a management model of intelligent specialization in the development of territories should be guided by the following approaches, namely: - "Clear distribution of responsibility and political support", "Horizontal and vertical coordination", "Availability of appropriate skills and resources".

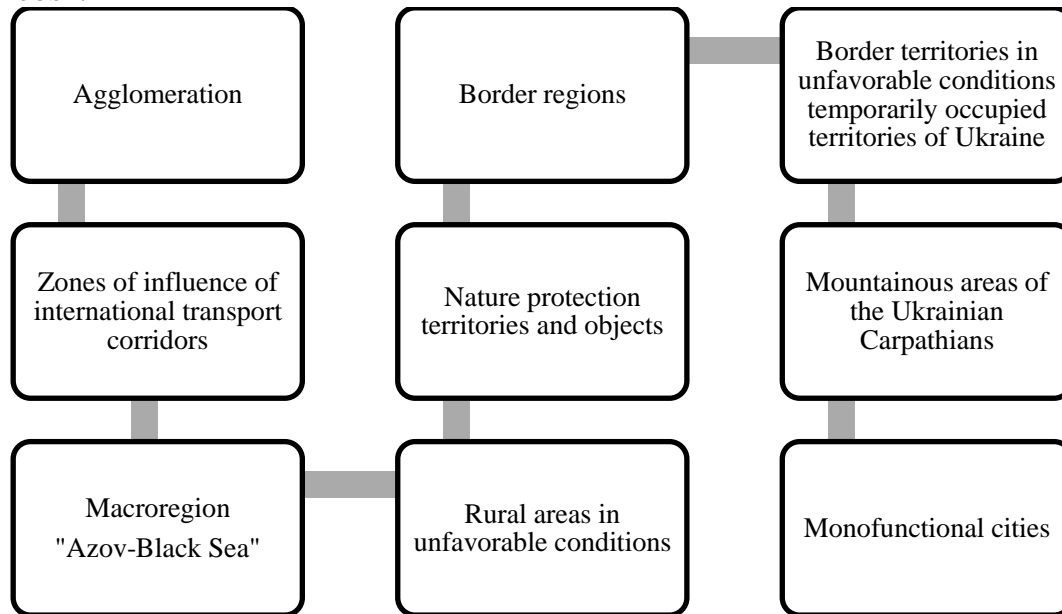


Figure 1. The types of territories, State Strategy for the regional development of Ukraine 2021-2027

Source: developed by authors

Cohesion policy is the main investment policy of the European Union and provides benefits for all EU regions and cities and supports economic growth, job creation, business competitiveness, sustainable development and environmental protection.

In the new program and budget period of the EU for 2021-2027, the development of European territorial cooperation is aimed at solving problems and joint development of the potential of various territories and is ensured through "Cross-border cooperation", "Transnational cooperation"; "Interregional cooperation"; "Cooperation of the most remote regions", "Better management of cooperation".

According to the Regulation of the European Parliament and the EU Council No. 1303/2013 of December 17, 2013, one of the thematic goals of the European Structural Investments and Funds is: - investing in education, training and professional training for professional development and lifelong learning; - promoting the institutional capacity of public authorities and stakeholders, as well as effective public administration.

Chapter 27 "Cross-border and regional cooperation" of Articles NN 446, 477 of the Association Agreement between Ukraine and the European Union defines "Cross-border and regional cooperation" as an important element of the regional policy of

multi-level management and partnership, through the involvement of local and regional authorities in cross-border and regional cooperation.

"Cross-border and territorial cooperation" is an important standard and current tool of good democratic governance, developed by the Council of Europe's Good Governance Expertise Centre, which includes the following tools: - "Intermunicipal cooperation"; - "Instrument of territorial unification"; - "Cross-border cooperation"; - "Cooperation between cities"; - "Leadership for cross-border cooperation" (Fig. 2).

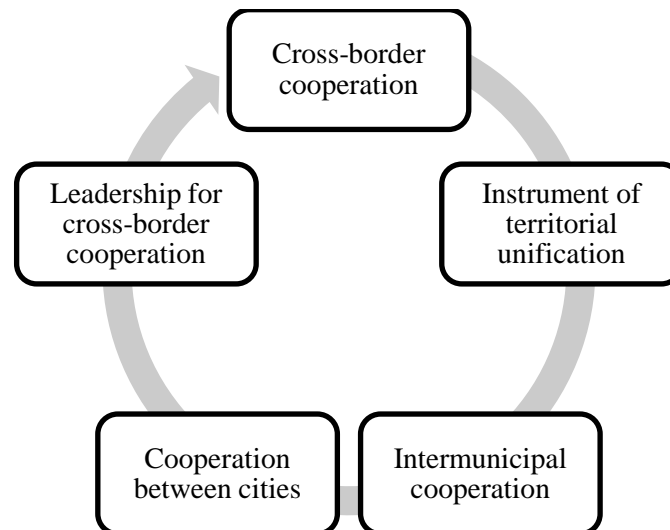


Figure 2. Current tools "Cross-border and territorial cooperation" of good democratic governance

Source: developed by authors

According to the European practice of territory development and Ukrainian legislation, the following types and forms of territory development should be attributed to the functional type of territories in the development of inter-territorial and cross-border cooperation, namely: - Euroregion; - European Union of Territorial Cooperation; - association of Euroregional cooperation; - cross-border association [14-19; 37].

The problem of socio-economic development of regions in the context of state-wide challenges of the State Strategy for Regional Development of Ukraine 2021 - 2027 in the section "Weakness of public institutions" recognizes that "One of the threats to the security of the state is the weakness of executive authorities, primarily at the regional and local level, and local authorities self-governance, which is often manifested in the lack of initiative, experience and competences in solving problems of regional and local importance, prompt response to emerging challenges, development of measures to accelerate the economic development of territories".

Measures for the implementation of the state regional policy will be aimed at supporting potential centres of economic growth, which can spread their positive influence on the development of neighbouring territories and affect the development of the region as a whole, as well as on the support of integrated projects for the development of territories with special development problems, which should

contribute to reducing the level interregional and intraregional asymmetry in the development of territorial communities and the quality of human life [20-23; 39].

The state policy of Ukraine in the field of development of cross-border cooperation has its own economic and social space of territorial cohesion of Ukrainian border regions and European regions, features and practice of its implementation at the regional level, is based on many years of experience of work and cooperation of subjects and participants of cross-border cooperation, development of the mechanism of non-governmental public diplomacy, has a scientific and normative-legislative base, development priorities and issues, embodied management decisions, and its own apparatus of legal definitions, terms and concepts [31-35; 40].

Among the problems of state management of regional development described in the Study "Synergy of cross-border cooperation programs and regional development strategies in Ukraine - a window of opportunity for border regions", presented on May 18, 2018 during the conference "Regional policy in Ukraine: the European dimension of cross-border cooperation", the following are identified components:

- lack of vision among representatives of local and regional authorities regarding the place and role of cross-border cooperation in the strategic planning of the development of communities and the region,

- insufficient level of knowledge and skills of representatives of local and regional authorities to implement competencies in the field of cross-border cooperation development,

- low level of partnership activity of subjects and participants of cross-border cooperation regarding the generation and lobbying of substantiated proposals that reflect the main development trends of the region and its current interests in cross-border cooperation programs,

- unprofessionalism in the field of project and financial management,

- lack of a single database of cross-border cooperation projects and statistical information on their implementation,

- the declarative nature of bilateral agreements on the development of cross-border cooperation between local authorities of border regions.

It should also be noted the lack of awareness among representatives of local and regional authorities that cross-border cooperation is not only a form of cooperation in geographically adjacent territories, but is a form of cooperation and development of a functional and economic space within which different communities and authorities of non-adjacent territories can cooperate with each other for achievement of harmonious socio-economic development [24; 35].

Discussion. Forms of cross-border cooperation are not limited to permanent forms such as Euroregions, an agreement on cross-border cooperation, Euro-regional associations, European groupings for territorial cooperation and are also distinguished: 1. Direct contacts between territorial communities, cities, towns; 2. Cooperation on an informal basis; 3. International seminars, conferences, exhibitions, round tables; 4. Cross-border clusters and cross-border industrial parks; 5. Special economic zones and priority development territories [25-26; 36].

Comprehensive and comprehensive analytical information on the implementation of the "Cross-Border Cooperation" tool is presented in the "Cross-Border Cooperation" Handbook of the Centre for Good Governance Expertise of the Council of Europe.

The Guide provides an important comment on the understanding of cross-border cooperation set out in Protocol No. 2 to the European Framework Convention on Cross-Border Cooperation between Territorial Communities or Authorities, which refers to territorial cooperation, namely that activities in the field of cross-border cooperation can develop even among non-adjacent local authorities geographically distant from the border and located far from each other.

Among the obstacles to the development of cross-border cooperation at the level of regional and local authorities, outlined in the Guide, there is a lack of a culture of cooperation, a lack of understanding of laws and mechanisms, fear of political costs, and a lack of a strong driver [27-30].

In overcoming these obstacles, the first step can be the creation of various forms of development of cross-border and territorial cooperation, educational programs to improve qualifications for representatives of central and local executive bodies, local self-government bodies, and non-state institutions.

The question of raising the qualifications of civil servants in matters of territorial and cross-border cooperation has its genesis, and it should be noted a number of legislative acts that were adopted in relation to this issue, namely the following: - Resolution of the CMU of Ukraine dated April 29, 2002 N 587 "On some issues of the development of cross-border cooperation and Euroregions"; - Decree of the President of Ukraine dated 31.07.2004 No. 854/2004 "On ensuring conditions for wider public participation in the formation and implementation of state policy; - in the measures of the State Program for the Development of Cross-Border Cooperation for 2007-2010; - State Program for the Development of Cross-Border Cooperation for 2021-2027, Decree of the CMU dated April 14, 2021 No. 408.

The model of public management and administration in the field of development of territorial and cross-border cooperation in Ukraine needs further improvement, the active application of the standards and tools of the "Dear Democratic Governance" of the Council of Europe, the definition and identification of functional types of territories in the strategic planning of the development of new territorial communities and regions, taking into account the European development experience forms and types of territorial and cross-border cooperation for the creation of local and regional development projects for participation in activities and projects of the new program and budget period 2021-2027 of the European Union and Ukraine.

Conclusions. Territorial and cross-border cooperation in the European Union is a standard and a tool of good democratic governance, promotes the development of functional types of territories of communities and regions, as living laboratories of European integration, points of growth and cohesion, to overcome obstacles, difficulties faced by people, to develop joint initiatives, with financial support, including within the framework of territorial and cross-border cooperation programs financed by the European Structural Funds.

Overcoming obstacles in the development of territorial and cross-border cooperation in the European Union is carried out through the constant development of tools for public management and administration of the development of types of functional territories, the formation of targeted program and budget tools to support projects of territorial and cross-border cooperation.

The directions for reducing the level of inter-regional and intra-regional asymmetry in the development of territorial communities and regions of Ukraine should take place through the improvement of the development of organizational forms of territorial and cross-border cooperation, the creation of effective mechanisms for their targeted financial support from local, regional and national programs of regional development using best practices, standards and tools of "Good democratic governance" of the Council of Europe and creating educational programs to improve the qualifications of civil servants on issues of territorial and cross-border cooperation.

Author contributions. The authors contributed equally.

Disclosure statement. The authors do not have any conflict of interest.

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CHAPTER 2

LEGAL RELATIONS: FROM THEORY TO PRACTICE

LEGAL REGULATION OF THE USE OF FINANCIAL CONTROL TOOLS FOR PUBLIC ADMINISTRATION OF HIGHER EDUCATION INSTITUTIONS

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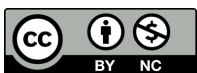
Citation:

Greben, S., & Parashchenko, L. (2023). Legal regulation of the use of financial control tools for public administration of higher education institutions. *Public Administration and Law Review*, (2), 62–75. <https://doi.org/10.36690/2674-5216-2023-2-62-75>

Received: May 25, 2023

Approved: June 19, 2023

Published: June 26, 2023



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Abstract. *The issue of financing higher education institutions plays an important role in the development of every society. The purpose of the article is to improve the legal regulation of the use of financial control tools for public administration of higher educational institutions. The main methods that were used in the research are: methods of comparative analysis, to compare normative acts of Ukraine, which regulate the use of financial control tools for public administration of higher education institutions; methods of analysis and synthesis, generalization methods and others. The article analyzes the main models of financial control over education funding: Anglo-Saxon and continental models. To evaluate the effectiveness of the funds spent by the state on the proposed mechanism of public administration of higher education institutions with financial control tools, which includes: a mechanism for evaluating the scientific activity of higher education institutions; the IT audit mechanism of the grounds for the formation of a state order for the training of students by institutions of higher education; the mechanism of financial control over the distribution of budget funds depending on the results of the scientific activity of the institution of higher education. A mechanism of public administration of higher education institutions with financial control tools has been developed, which includes such basic elements as: purpose, tasks, objects and subjects, main structural components. The main directions of interaction between subjects of the mechanism of public administration of higher education institutions with financial control tools have been established. Directions for establishing the relationship between normative acts of Ukraine on issues of public administration of institutions of higher education and instruments of financial control have been developed.*

Keywords: *financial control tools; financial control mechanism; institution of higher education; budget funds; distribution of budget funds; public administration.*

JEL Classification: A22, H52, I18

Formulas: 0; **fig.:** 5; **tabl.:** 1; **bibl.:** 22

Introduction. One of the main issues facing Ukraine, which has chosen a course for European integration, is the reform of the public administration system, in particular regarding public finances. The effectiveness of this system is a guarantee of state provision of social guarantees for citizens, including the right to receive quality education, one of the important components of which is higher education.

The level of development of the country's educational system is one of the key indicators used to determine the global competitiveness index, and financial investments in education are the most important investments in human capital.

Reforming the education system, especially higher education, with limited state financial resources and the search for sources of filling the own income of higher education institutions requires a qualitatively new mechanism for state financial control over their spending. Under such conditions, the issue of public administration of higher education and control over the activities of higher education institutions becomes relevant.

But reforms in any sphere, and especially in education, should be carried out so that the consequences of changes contribute to the development of Ukraine as a whole, and national education does not lose its achievements.

Literature review. Both foreign and domestic scientists pay considerable attention to the study of management problems of the higher education system. In particular, such scientists and practitioners as L. Antoshkina [1], V. Ivanov [2], O. Karpyuk [3], S. Krysyuk [4, 5], T. Lukina [4], V. Lazarev, S. Mokhnachev [6], N. Protasova [4, 7], M. Shevchenko [8] and others [9-10]. Along with this, there are many debatable issues in the theory of public administration of higher education.

Any strategy for the development of education, including higher education, first of all depends on the processes of its organization, management and control. Education as a self-organized system that adapts to constant changes, responding to the challenges of time, requires a transition from the traditional educational model, based on the priority of simple assimilation and reproduction of information, to the educational model as a means of comprehensive development and satisfaction of individual needs, when education is perceived as a commodity, and not as a state or public matter [5].

It is under such conditions that the role of interrelated processes is strengthened: public administration of education and the autonomy and responsibility of higher education institutions when making management decisions regarding the provision of educational services.

Aims. The purpose of the article is to improve the legal regulation of the use of financial control tools for public administration of higher educational institutions.

Methodology. The main methods that were used in the research are: methods of comparative analysis, to compare normative acts of Ukraine, which regulate the use of financial control tools for public administration of higher education institutions; methods of analysis and synthesis, generalization methods and others.

Results. Ukraine's aspirations for integration into the world economic space urgently require reforms in the field of public administration, in particular, one of its effective instruments – state financial control. On this path, the issue of adapting best international practices to the creation of a new model of the financial control system in

Ukraine, including control over the activities of higher education institutions, becomes relevant.

In most countries, the effectiveness of the system of public financial control is ensured by the supreme financial control body (WCDF), which is independent in status.

Along with this, there are two main models of the VOKDF system [1], namely:

1) Anglo-Saxon model (USA, UK, Canada, Australia, Israel, Malaysia, Thailand and others), which is characterized by the dominance of a monocratic structure.

Under this system, state financial control is exercised by hierarchically organized structures under the leadership of the president or auditor general, who are elected by direct election or appointed by agreement between the legislature and the highest executive official. In particular, in the UK, such control is carried out by the National Control and Audit Office, which is a government body and operates in accordance with the Financial Control Act. The sphere of its activity is control over all government agencies and government agencies, through which more than 60% of expenses pass, and state corporations;

2) continental model (Germany, France, Italy and other European countries), which provides for the assignment of control functions to the accounting chambers established by the highest authorities, which are independent in internal and external issues of their activities. Along with this, there are other institutions that exercise control over the budget.

In particular, in Germany, the tax audit of enterprises and taxation of foreign investments is carried out by the Federal Office of Finance, the current control over the budget is carried out by the Federal Control and Audit Service. Along with this, the highest independent collegial body of state financial control is the Federal Accounting Chamber of Germany, which controls all federal enterprises, insurance institutions, private enterprises with 50% participation in state expenditures, as well as all other organizations and enterprises, if they manage public funds or are protected by state guarantees.

The experience of Ireland is noteworthy, where the Office of the Comptroller-Auditor General is an independent state audit body, the legal basis for the organization of which is defined in the Constitution. The mission of the Office is to conduct independent research and report to parliament on the legality and efficiency of the use of state funds and resources, as well as the correctness of accounting for state property. At the same time, the Department has no authority to take administrative measures of influence against audit objects for non-compliance with legal conditions. The Department shall notify the relevant higher authorities about cases of violations. The objects of the audit (except for public authorities) pay for the audit services of the Department in accordance with the invoices issued by it. The costs of auditing authorities are compensated at the expense of the state budget [11].

So, despite the diversity of models of organization of the system of public financial control, there are common features. In particular, the independence of VODFC, which ensures the objectivity and efficiency of control procedures.

Secondly, despite the national specifics of countries, taking into account their historical and economic development, all models have common tasks and general

principles for the work of control bodies, including the existing methodology and standards. An unambiguous role is played by a well-established staffing system and its motivation.

Thus, in order to build a new model of public financial control in Ukraine, it is necessary to radically change the system of its organization through the legislative definition of a single supreme financial control body that would determine the tasks, methods and performance indicators from the performance of functions assigned to other bodies that provide state financial control in all aspects of public life to avoid duplication of functions, and evaluate their activities.

Simultaneously with these changes, the legislative framework that defines the range of acts on regulating state financial control and providing it with a methodology, in particular in the field of higher education, needs to be changed.

In modern conditions, higher education in Ukraine is also in the process of reform, which concerns licensing, accreditation, evaluation of research results and financing of higher education institutions. Despite the large number of scientific achievements of scientists who paid attention to this issue, the mechanism of public administration of higher education institutions by financial control instruments has not been studied deeply enough.

The results of previous studies have shown that there is a close relationship between the fulfillment of licensing and accreditation requirements, including the results of scientific activity, and the level of students' education, that is, the effectiveness of state funds spent on their training.

The solution to this problem is possible subject to the development of a mechanism for public management of higher education institutions with financial control instruments. Based on the conducted research, we propose a conceptual approach to improving the mechanism of public administration of higher education institutions with financial control tools. In particular, the concept of "mechanism of public administration of higher education institutions with financial control tools" should be understood as a system of measures and methods of public administration of financing the activities of higher education institutions.

The mechanism of public administration of higher education institutions with financial control instruments should include such components as:

- mechanism for evaluating the scientific activity of higher education institutions;
- IT audit mechanism of grounds for forming state procurement for training students by higher education institutions;
- mechanism of financial control over the distribution of budget funds depending on the results of scientific activity of the higher education institution (Fig. 1).

Each of the mechanisms indicated in Fig. 1, on the one hand, is interconnected with others, and on the other, is a separate mechanism of public administration of higher education institutions.

The mechanism of public administration of higher education institutions by financial control instruments should take into account such basic elements as: purpose, objectives, objects and subjects, main structural components (Fig. 2).

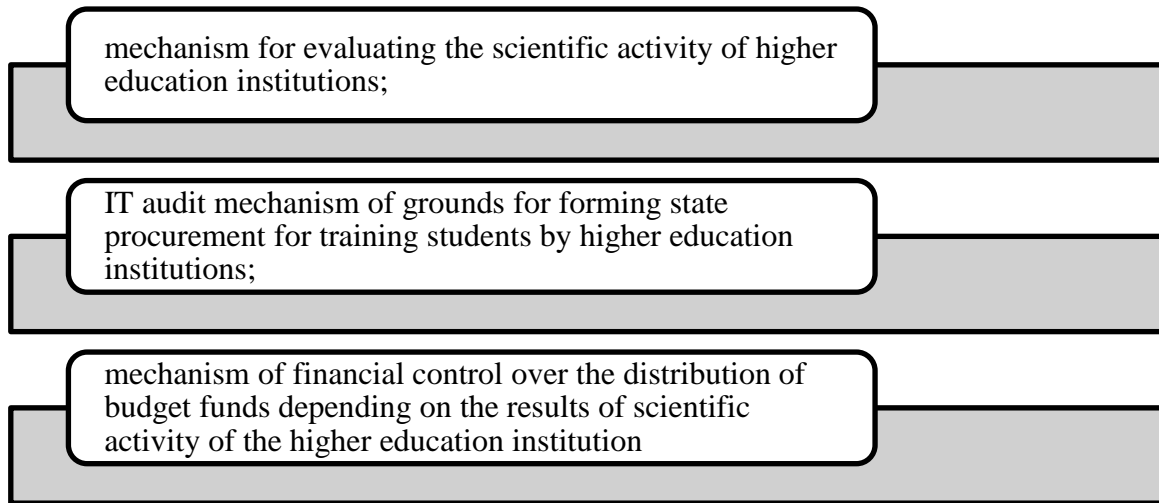


Figure 1. The main stages of implementation of the mechanism of public administration of higher education institutions by financial control instruments
 Source: developed by authors [1-18]

Public administration mechanism higher education institutions, financial control instruments;						
Objective: state control over the efficiency of spending budget funds provided to finance the activities of higher education institutions						
Objects:						
Higher education institutions of Ukraine of III-IV accreditation levels						
Subjects:						
Cabinet of Ministers of Ukraine						
Ministry of Economic Development, Trade and Agriculture Ukraine	Ministry of Finance of Ukraine	Ministry of Education and Science of Ukraine	Account Board of Ukraine	State Audit Service of Ukraine	State Statistics Service of Ukraine	National Agency for Higher Education Quality Assurance
The structure of the mechanism of public administration higher education institutions, financial control instruments;						
Mechanism evaluation of the results of scientific activity of higher education institutions			The mechanism of financial control over the distribution of budget funds depending on the results of scientific activity of a higher education institution			

Figure 2. Mechanism of public administration of higher education institutions with financial control instruments

Source: developed by the authors (taking into account the changes made by the Resolution of the Cabinet of Ministers of Ukraine dated September 2, 2019 No. 829)

The main purpose of the mechanism of public administration of higher education institutions with financial control instruments is to exercise state control over the efficiency of spending budget funds provided to finance the activities of higher education institutions.

The objects of the proposed mechanism are higher education institutions of Ukraine of III-IV accreditation levels.

The main subjects of the mechanism of public administration of higher education institutions with financial control instruments are:

- the Cabinet of Ministers of Ukraine, including the Ministry of Economic Development, Trade and Agriculture of Ukraine, the Ministry of Social Policy, the Ministry of Finance of Ukraine, the Ministry of Education and Science of Ukraine;

- Pension Fund of Ukraine;
- Account fee of Ukraine;
- State Audit Service of Ukraine;
- State Statistics Service of Ukraine;
- State Employment Service of Ukraine;
- National Agency for Higher Education Quality Assurance.

The interaction between these subjects of the mechanism of public administration of higher education institutions with financial control instruments is presented in Fig. 3.

In particular, the dashed line in fig. 3 marked state government and management bodies that currently do not participate in the public administration of higher education institutions in the matter of financial control over the distribution and use of budget funds for student training.

At the same time, these bodies play a leading role in determining the needs of the state in forming the volume of state procurement for training specialists and, accordingly, adequate financial support for this training.

Let us consider the interaction between the subjects of the mechanism of public administration of higher education institutions with financial control instruments in more detail.

Thus, the *State Statistics Service* of Ukraine is the central executive body that ensures the implementation of state policy in the field of statistics, submits data to the Ministry of Economic Development, Trade and Agriculture of Ukraine to form a medium-term forecast of the need for specialists and workers in the labor market.

At the same time, a higher education institution must annually report on the number of graduates not only to the State Statistics Service, but also to the State Employment Service, which will find out the actual state of employment of graduates and the real need for specialists in each field of student training in higher education institutions, which will allow adjusting the number of state-procured places for the next academic year.

Based on the information received, the State Employment Service of Ukraine will inform the Ministry of Social Policy of Ukraine about the need for specialists in each specialty in Ukraine as a whole and in individual regions, and the latter will inform the

Ministry of Economic Development, Trade and Agriculture of Ukraine about the state of the labor market.

We believe that analysis and forecasting of the labor market should become mandatory in order to develop an appropriate methodology for forming state procurement for the next academic years on their basis.

No less important is the information of the *Pension Fund of Ukraine* on the number of people who retire and/or remain working annually, which affects the number of vacancies for young people and should be taken into account when forming state procurement.

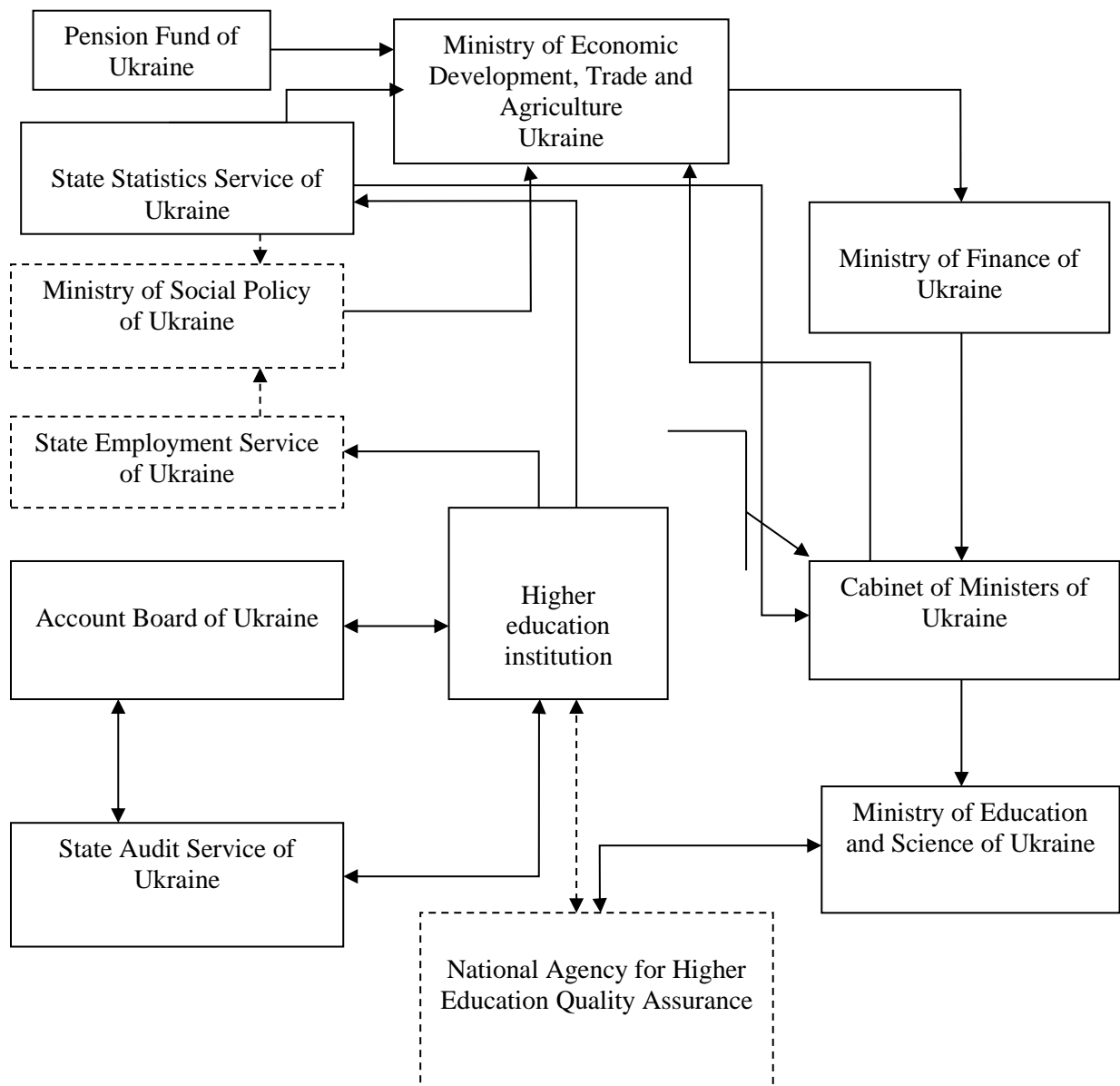


Figure 3. Interaction between the subjects of the mechanism of public administration of higher education institutions by financial control instruments
 Source: developed by authors

The Ministry of Economic Development, Trade and Agriculture of Ukraine – on the basis of the information received ensures the formation and implementation of state policy in the field of state procurement.

In particular, the formation of state procurement is carried out on the proposal of agents of state procurement, as an example of the Ministry of Education and Science, taking into account the medium-term forecast of the need for specialists and workers in the labor market and the amount of expenditures of the State Budget of Ukraine for these purposes. At the same time, the medium-term forecast of the need for specialists and workers in the labor market is compiled by the Ministry of Economic Policy and Trade on the basis of data provided by the State Statistics Service, taking into account proposals of other central executive bodies, regional, Kyiv City State Administration, National Academy of Sciences of Ukraine, sectoral national academies of sciences, other budgetary institutions, the joint representative body of all-Ukrainian trade unions and trade unions, as well as the joint representative body of employers at the national level.

The Ministry of Economic Development, Trade and Agriculture of Ukraine determines the consolidated project volumes of state procurement and submits them to the Ministry of Finance of Ukraine for inclusion in the draft law on the State Budget of Ukraine for the relevant year.

In fact, as evidenced by the data of the Report on the results of the analysis of the formation, placement and implementation of the state order for training specialists with higher education, approved by the decision of the Accounting Chamber of August 11, 2015 No. 1-5, the process of forming state procurement is reduced to the generalization of the proposals received, and the formation of the order is carried out only on the basis of data from educational institutions on the volume of their training in previous years without taking into account the needs of the labor market, without studying the needs of the public sector of the national economy, data from the employment service.

Within three months from the date of entry into force of the Law of Ukraine "On the State Budget of Ukraine" for the relevant year, submits to the Cabinet of Ministers of Ukraine for approval a decision on approval of state procurement.

Ministry of Finance of Ukraine - includes consolidated volumes of state procurement in the Law of Ukraine "On the State Budget of Ukraine" for the relevant year.

The Cabinet of Ministers of Ukraine approves a resolution on the number of state-procured places for the relevant year and, upon submission of the Ministry of Economic Affairs, makes appropriate adjustments to it during the year.

The Ministry of Education and Science of Ukraine, taking into account the medium-term forecast of the need for specialists and workers in the labor market, communicated to the Ministry of Education and Science of Ukraine, and the amount of expenditures of the State Budget of Ukraine, formed according to the actual amounts of state procurement, submits to the Ministry of Economy and the need for training specialists for these purposes, scientific, scientific-pedagogical and working personnel, advanced training and retraining of personnel.

Proposals for the state procurement project are submitted for the next planned year and the following two budget periods in terms of kind and value in accordance with the approved criteria in terms of educational and qualification levels, fields of knowledge and specialties, taking into account the medium-term forecast.

The Ministry of Education and Science places state procurement on a competitive basis upon submission of the central executive body that ensures the formation and implementation of state policy in the field of education.

Currently, according to the data of state financial control measures carried out by the Accounting Chamber of Ukraine and the State Audit Service of Ukraine, the selection of executors of state procurement is carried out formally. That is, in fact, instead of training specialists who have a real need in the labor market, the actual maintenance of educational institutions is carried out.

In this regard, it is proposed that the *National Agency for Higher Education Quality Assurance* inspect higher, vocational and educational institutions, postgraduate education institutions, scientific institutions of state and communal ownership that have passed a competitive selection and with which a state contract has been concluded for the training of specialists, scientific, scientific-pedagogical and working personnel, advanced training and retraining of personnel by state order, for compliance of their educational activities with the current legislation of Ukraine.

In order to implement the mechanism of public administration of higher education institutions with financial control instruments, it is necessary to improve the relevant regulatory support.

In particular, the following main regulatory legal acts and acts currently need to be supplemented:

- Law of Ukraine "On Education" [12];
- Law of Ukraine "Higher Education" [13];
- Law of Ukraine "On Basic Principles of State Financial Control in Ukraine" [14];
- Law of Ukraine "On the State Budget of Ukraine";
- Law of Ukraine "On Formation and Placement of State Procurement for Training of Specialists, Scientific, Scientific-Pedagogical and Working Personnel, Advanced Training and Retraining of Personnel" [15];
- Resolution of the Cabinet of Ministers of Ukraine "On Approval of Licensing Conditions for Conducting Educational Activities" [16];
- Resolution of the Cabinet of Ministers of Ukraine "On approval of the Procedure for the formation of a state order for the training of specialists, scientific, scientific-pedagogical and labor personnel, advanced training and retraining of personnel" [17];
- Provisions on the accreditation of educational programs, according to which higher education applicants are trained [18];
- The procedure for conducting state certification of higher education institutions in terms of their scientific (scientific and technical) activities [19];
- Methodology for evaluating the scientific directions of higher education institutions during the state certification of higher education institutions in terms of their scientific (scientific and technical) activities [20].

In addition, there is currently a need to develop a Methodology for conducting an IT audit of scientific activities of higher education institutions.

In fig. 4 suggested directions for establishing the relationship between the specified normative acts of Ukraine on the issues of public administration of higher education institutions with financial control tools.

In fig. 4 dotted line marks the author’s method of conducting an IT audit of the scientific activity of institutions of higher education, which can be used both by employees of the Ministry of Education and Culture during the licensing of institutions of higher education, by National Agency for Higher Education Quality Assurance (NAQA) employees during the accreditation of educational institutions in general and individual educational programs, as well as by the State Audit Service of Ukraine at implementation of financial control over the effective use of budget funds for the training of specialists for the national economy.

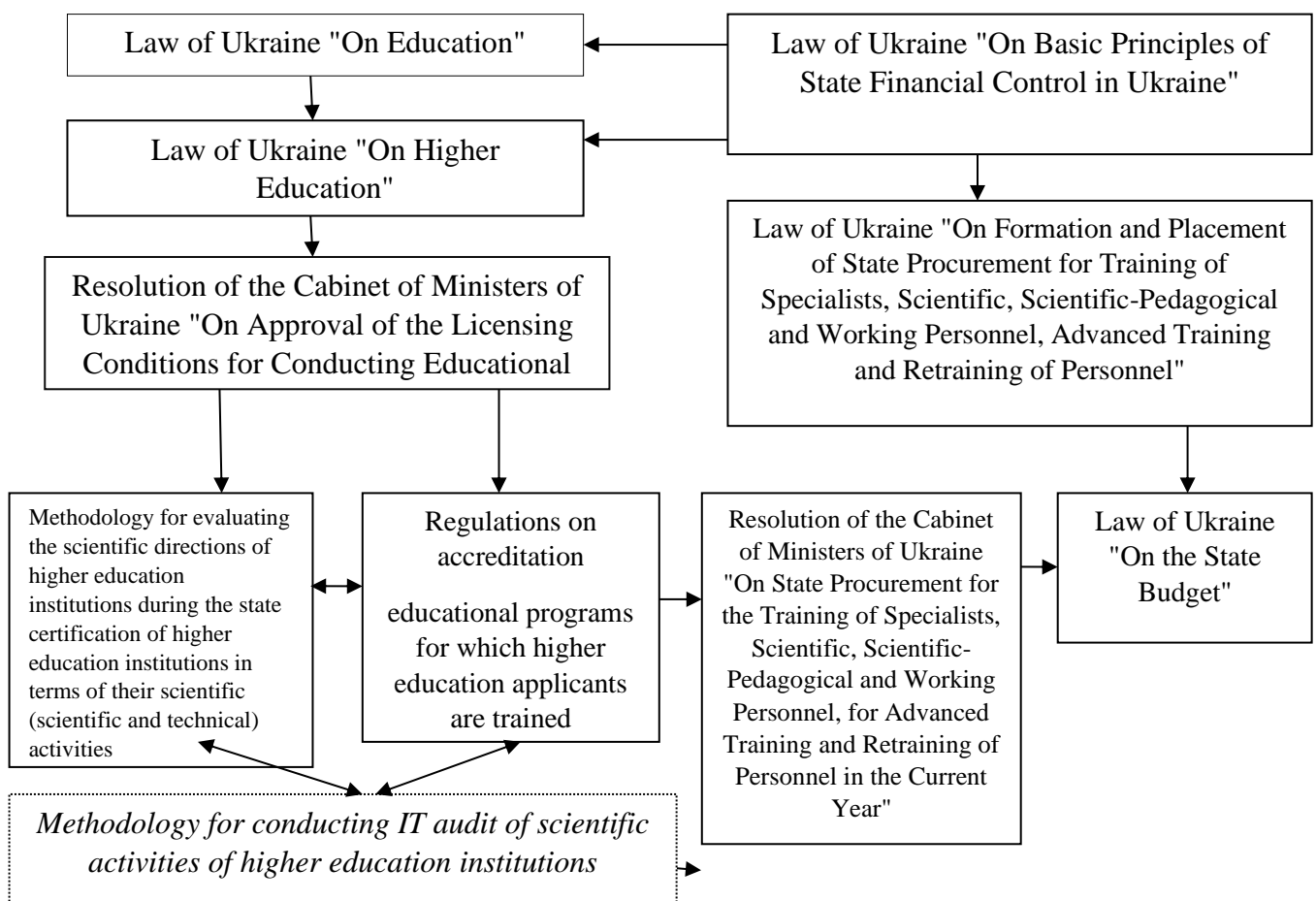


Figure 4. Directions of establishing the relationship between normative acts of Ukraine on public administration of higher education institutions, financial control instruments

Source: developed by authors

In these documents, it is proposed to introduce a number of regulatory norms, namely:

- the list of functions of the Cabinet of Ministers of Ukraine in the field of higher education was supplemented;
- the range of subjects of public administration of higher education institutions has been clarified;
- the list of powers of the State Audit Service of Ukraine regarding the public administration of higher education institutions was supplemented;
- types of state financial control and audit were refined;
- the author's definition of the concept of "IT audit of scientific activities of higher education institutions" is proposed;
- the circle of subjects of IT audit of scientific activities of higher education institutions is established;
- the list and sources of information necessary for the formation and placement of the state order for the training of specialists, scientific, scientific-pedagogical and labor personnel, professional development and retraining of personnel have been clarified;
- the list of information submitted to the Ministry of Education and Culture by institutions of higher education as a self-analysis during state attestation in the part of their scientific (scientific and technical) activity has been improved;
- proposed changes to the criteria by which state certification will be conducted, taking into account the tasks of higher education institutions;
- the list of indicators, according to which the scientific activity of higher education institutions is assessed, has been revised;
- a matrix of the relationship between the results of scientific certification of higher education institutions and the number of budgetary places that will be allocated by a separate direction of training (specialty) and in general has been developed.

Discussion. The author's proposals for making changes and additions to normative legal acts on issues of public administration of institutions of higher education are schematically shown in the table. 1.

The main tools that can be used by the National Agency for Quality Assurance of Higher Education for such verification are the assessment of the results of scientific activity based on self-analysis data and by conducting an IT audit. The results of the inspection will be the basis for the formation of a state order for the training of students by institutions of higher education.

The directions of implementation of the mechanism of public administration of higher education institutions with financial control tools should be:

- systematization of criteria for evaluating the results of scientific activity of institutions of higher education;
- comparing them with the requirements for licensing (accreditation) of educational activities of higher education institutions;
- establishment of criteria for the formation of orders for obtaining budget seats;
- establishment of a relationship between the criteria for evaluating the results of scientific activity and the distribution of budget funds;

- provision of budgetary places only to those institutions of higher education that carry out scientific research at the established level.

Using a hierarchical approach, directions for implementing the mechanism of public administration of higher education institutions with financial control tools are presented in fig. 5 [20].

The proposed directions for the implementation of the mechanism of public administration of higher education institutions with financial control tools will contribute to a more effective distribution and use of budget funds for training students of higher education, as well as increasing the level of scientific research in educational institutions of Ukraine.

Thus, the introduction of a new conceptual approach to the definition of financial control tools will contribute not only to the reform of the evaluation system of higher education institutions, but also to improve the mechanism of public administration of the higher education system as a whole.

Table 1. Main proposals for amendments and additions to regulations on public administration of higher education institutions

Title of legal act	The essence of the proposed changes and additions
- Law of Ukraine "On Education"	- the list of functions of the Cabinet of Ministers of Ukraine in the field of higher education has been supplemented
- Law of Ukraine "Higher Education"	- the circle of subjects of state administration of higher education institutions has been clarified
- Law of Ukraine "On Basic Principles of State Financial Control in Ukraine"	- the list of powers of the State Audit Service of Ukraine regarding the public administration of higher education institutions has been supplemented; - The types of state financial control and audit have been improved
- Law of Ukraine "On Formation and Placement of State Procurement for Training of Specialists, Scientific, Scientific-Pedagogical and Working Personnel, Advanced Training and Retraining of Personnel"	- The list and sources of information necessary for the formation and placement of the state order for training specialists, scientific, scientific-pedagogical and working personnel, advanced training and retraining of personnel have been clarified
- Resolution of the Cabinet of Ministers of Ukraine "On Approval of the Licensing Conditions for Conducting Educational Activities"	- the author's own definition of the concept of "IT audit of scientific activity of higher education institutions" is proposed; - the circle of subjects of IT audit of scientific activity of higher education institutions has been established
- Regulations on accreditation of educational programs for which higher education applicants are trained	
- Methodology for conducting IT audit of scientific activities of higher education institutions	
- Methodology for evaluating scientific directions of higher education institutions during the state certification of higher education institutions in terms of their scientific (scientific and technical) activities	- the list of information submitted to the Ministry of Education and Science by higher education institutions as introspection during the state certification in terms of their scientific (scientific and technical) activities has been improved; - proposed changes to the criteria by which state certification will be conducted, taking into account the tasks of higher education institutions; - The list of indicators used to evaluate the scientific activity of higher education institutions has been improved

Title of legal act	The essence of the proposed changes and additions
- Resolution of the Cabinet of Ministers of Ukraine "On Approval of the Procedure for Forming the State Order for Training Specialists, Scientific, Scientific-Pedagogical and Working Personnel, Advanced Training and Retraining of Personnel"	- a matrix of the relationship between the results of scientific certification of higher education institutions and the number of budget places that will be allocated in a separate direction of training (specialty) and in general has been developed

Source: developed by authors

Conclusions. The article conducted a study, the main results of which were as follows. The article analyzes the main models of financial control over education funding: Anglo-Saxon and continental models. To evaluate the effectiveness of the funds spent by the state on the proposed mechanism of public administration of higher education institutions with financial control tools, which includes: a mechanism for evaluating the scientific activity of higher education institutions; the IT audit mechanism of the grounds for the formation of a state order for the training of students by institutions of higher education; the mechanism of financial control over the distribution of budget funds depending on the results of the scientific activity of the institution of higher education.

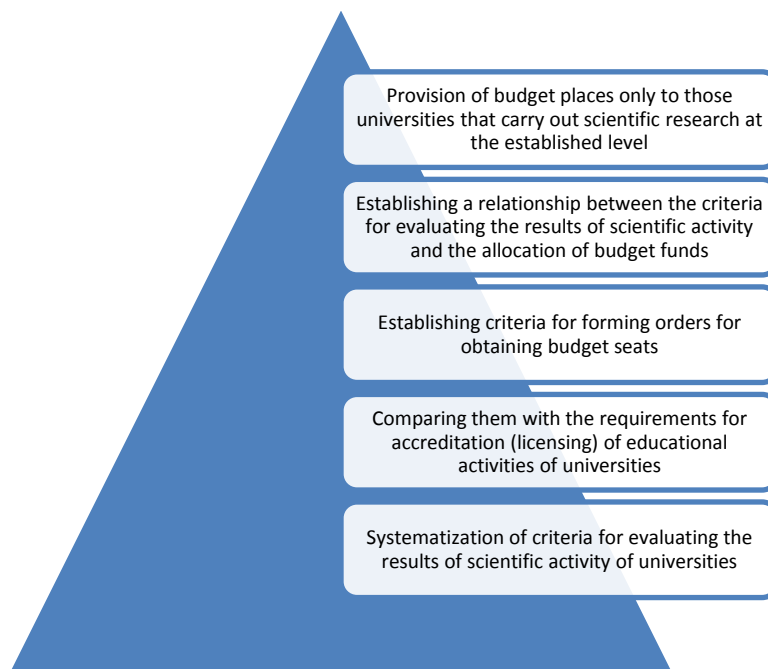


Figure 5. The main directions of implementation of the mechanism of public administration of institutions of higher education with instruments of financial control

Source: developed by authors

A mechanism of public administration of higher education institutions with financial control tools has been developed, which includes such basic elements as: purpose, tasks, objects and subjects, main structural components. The main directions of interaction between subjects of the mechanism of public administration of higher education institutions with financial control tools have been established. Directions for

establishing the relationship between normative acts of Ukraine on issues of public administration of institutions of higher education and instruments of financial control have been developed.

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CHAPTER 3

THEORETICAL AND PRACTICAL ASPECTS OF MODERN PSYCHOLOGY

THE CONCEPT OF “RESILIENCE”: HISTORY OF FORMATION AND APPROACHES TO DEFINITION

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Citation:

Grygorenko, Z., & Naydonova, G. (2023). The concept of “resilience”: history of formation and approaches to definition. *Public Administration and Law Review*, (2), 76–88. <https://doi.org/10.36690/2674-5216-2023-2-76-88>

Received: April 10, 2023

Approved: May 15, 2023

Published: June 26, 2023



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Abstract. The aim of the article is to collect information about the history of the integration of the concept of "resilience" into psychological science and determine the main approaches to its understanding; to systematize and compare the approaches to the conceptualization of the concept of "resilience" and its distinction with other terms presented in the Ukrainian and foreign scientific literature in recent years. The article gives a historical review of the formation and development of the concept of "resilience", starting from the 19th century and ending with the present. The authors consider different views on the psychological interpretation of the term "resilience", as an aspect that has an impact on the quality of life of an individual. There are two main approaches in psychology to understanding resilience – resilience as a trait and a process which have a common understanding of the concept: it describes the ability of individuals and social systems (family, communities, organizations) to successfully function, adapt, and cope despite different kinds of adversity (psychological, social, cultural, physical). Resilience emerges in people along the continuum of their development. The focus is on the conceptualization of resilience as a continuous, active process of the emergence or development of new forces and resources for adaptation and recovery, which has uneven dynamics in the face of the emergence of new risks. In such interpretation resilience is the ability of a person or social group to maintain balance and integrity in a difficult situation, to effectively solve not only the task of adapting to changing conditions, but also the task of development. The authors compares the approaches to the conceptualization of the concept of "resilience" presented in the Ukrainian and foreign scientific literature in recent years. In both English and Ukrainian sources, resilience belongs to the category of adaptation, it is preceded by a traumatic event or stressful impact. In the Ukrainian-language psychological literature, the definition of resilience as a dynamic process, prevails; the concept of resilience is interpreted mainly as resistance to stress, maintenance of normal functioning in conditions of psycho-traumatic influence. In English-language literature, the conceptualization of resilience as a return to the previous level of functioning, rapid recovery is significantly predominant.

Keywords: resilience, resiliency, resilience as a personality trait, resilience as a skill.

JEL Classification: I31, I1, Y8

Formulas: 0; **fig.0;** **tabl.0;** **bibl. 46**

Introduction. Modern challenges encourage the search for new, scientifically based methods and tools for psychological assistance and support in personality development. Current life conditions create new challenges in society, taking into account the growing mental health problem of the younger generation in connection with social isolation and stress related to the conditions of the COVID-19 pandemic and Russia's military invasion of Ukraine on February 24, 2022.

It remains an important task of psychological practice to help people in various stressful situations, in order to overcome the consequences of encountering adverse circumstances and prevent the formation of destructive behaviour. And also to create conditions enabling the development of effective self-regulation and improvement of the quality of life.

Combat operations on the territory of Ukraine, occupation and difficult socioeconomic situation in the country as a whole leads to a deterioration of living standards and the well-being of families, which has a particularly negative effect on children.

Aims. The purpose of the study is to collect information about the history of the integration of the concept of "resilience" into psychological science and determine the main approaches to its understanding; to systematize and compare the approaches to the conceptualization of the concept of "resilience" and its distinction with other terms presented in the Ukrainian and foreign scientific literature in recent years.

Methodology. Research methods include methods of generalization and systematization of the findings of different researchers, retrospective and comparative analysis.

Results. *The history of studying the concept of 'resilience.'* The history of the development of the construct of "resilience" in the world begins in the 1800s. Until the 1950s, resilience was considered in the psychological literature in the context of unconscious defence mechanisms, since the 1960s - conscious coping strategies, and since the 1980s - protective factors and risk factors. As for physiological research, resilience was studied in the context of homeostasis and quantum physics in the 1920s, emotional stress and disease in the 1950s, brain plasticity in the 1970s, and psychoneuroimmunology since the 1980s. Only since the 1990s physiological and psychological aspects of resilience have begun to combine (Tol et al., 2013).

Separately, we can talk about the study of resilience in the context of mental health, starting from the 1950s. The concept was first used in the study of children with mental health problems (the 1970s) to describe children who had well-being despite adverse conditions and risks.

The term "resilience" is translated as "stability, plasticity, elasticity" (Khaminych, 2016, p. 161). It was borrowed from physics, where it means the ability of solid bodies to restore their shape after mechanical pressure, and has been used since the beginning of the 70s of the last century. Dissemination of research in various psychology fields aimed to define whether resilience is a personality trait or a dynamic state. Different approaches have led to differences in the definition of this term.

In psychology, the study of resilience focuses on identifying characteristics of individuals, especially young people, who have been successful and prosperous, living

under challenging circumstances, such as low socioeconomic status and parents' mental illness.

In 1960-1970, the phenomenon of resilience became the most popular topic for discussion in scientific circles and was also studied within the framework of positive psychology (Fletcher, Sarkar, 2012). In 1973, N. Garmezi first published the results of studying resilience. He used epidemiology data and identified protective factors that now help determine resilience (Fletcher, Sarkar, 2013). In 1982, E. Werner was one of the first to use the term "resilience" to describe children from low-income families, as well as children who grew up in families with parents with alcohol addiction and parents with mental disorders. Resilience became a major theoretical and research topic after the publication of A. Masten's works in the 1980s devoted to studying children whose mothers suffer from schizophrenia (Fletcher, Sarkar, 2013).

In the 1980s and 1990s, research on resilience was devoted to children who, despite various stresses and adversities, were able to function well in adulthood (Miller, Rasmussen, 2010). In the 2000s, other population groups appeared in the focus of resilience research, including the elderly and representatives of various ethnic groups who were in unfavourable conditions (had various diseases, were in military conflict zones etc.).

Since the beginning of the 1990s, the focus of resilience research has shifted from identifying protective factors to understanding the processes due to which individuals are able to overcome difficulties (Fletcher, Sarkar, 2013).

Currently, this term is widely used in psychology, medicine, and social sciences and is considered in connection with the issues of (1) the impact on a person of adverse (extreme, threatening, stressful) conditions and (2) the ability of a person and/or social system to function normally (families, communities, organizations) during and after such an impact (Bonanno, 2004; Connor & Davidson, 2003; Luthar et al., 2000).

Approaches to defining the nature of resilience. Resilience was studied as a dynamic process of successful adaptation to adversity, revealed through the prism of developmental psychopathology. There has been considerable debate in research and practice regarding the definition and operationalization of resilience (Luthar, Cicchetti, & Becker, 2000). Researchers who have narrowly focused on developmental risk often view resilience in response to adversity as an exception rather than a rule (Luthar, 2006).

Dissemination of research in various psychology fields aimed to define whether resilience is a personality trait or a dynamic state. Different approaches have led to differences in the definition of this term. The ecological systems approach describes resilience as a stable personality trait (Bonanno et al., 2015; Connor & Davidson, 2003; Wagnild & Young, 1993). A transactional/social-ecological approach considers this phenomenon as a state, an adaptive system of a family or society (Hays-Grudo & Morris, 2020; Henry et al., 2015; Sameroff, 2010; Stokols et al., 2013; Ungar, 2012).

S. Pirozhkov, E. Bozhok, N. Khamitov (2021) point out that resilience is a medical term that means a set of traits inherent to the subject that make it capable of overcoming stress and challenging periods in a constructive way. In their opinion, the characteristics that determine such ability are not always natural, in many cases they must be acquired.

J. Shonkoff, P. Levitt, S. Bunge note that resilience reflects a person's ability to transform potentially toxic stress into a more enabling one and reduce the harmful physiological and psychological effects of such stressors that occur in childhood (National Scientific Council on the Developing Child, 2015).

G. Richardson (2002) identified three stages: in the first stage, researchers identify the qualities of individuals who respond positively to difficult living conditions; in the second one, resilience is considered in the context of dealing with stressors and difficulties; in the third one, they study the motivation of individuals and groups, which leads to self-realization.

It should be noted that the definition of resilience approved by the American Psychological Association (APA) is the most common and widely used today, in which resilience is understood as "the process of positive adaptation in the face of adversity, trauma, tragedy or significant stress" (APA Dictionary of Psychology, 2023).

Traditionally, the most important phenomena considered in the context of overcoming difficult life situations include "personal adaptation potential", "adaptation potential", "sustainability", "stress resistance", "hardiness", "personal potential", "sanogenic potential" and "resilience".

In the publications of M. Rutter, E. Werner and others, the term "resilience" is considered in three vectors:

- 1) in the vector of cognitive behaviourism — studying the processes of emotional regulation of children's behavioural reactions in stressful situations;
- 2) constructive vector — aimed at mastering an active life position;
- 3) ecological approach — aimed at overcoming difficult life circumstances precisely by social factors (Nahnybeda, 2018).

A theoretical model of resilience was created based on the theoretical and experimental studies of G. Richardson, K. Bolton, and A. Masten. The model consists of four separate phases:

- confrontation with risk factors (traumatic events);
- activation of protective factors and vulnerability factors;
- interaction between protective factors and vulnerability factors;
- possible results: resilience, maladaptation (Lazos, 2019).

Further research led to the emergence of a new, cross-cultural approach, which reflects the connection of vitality and ways of responding in risk situations with race, age, gender, place of residence. This approach is very promising in the framework of joint international projects of scientists from different countries.

Within the framework of psycholinguistics, the following types of resilience are defined:

- 1) positive adaptation - when a person successfully adapts to new social conditions without difficulty and does not experience psychological problems;
- 2) conditional adaptation — demonstrates a group of so-called risk, i.e. represents a person's tendency to encounter certain difficulties and barriers, in particular psychological ones, during adaptation to life circumstances. However, a person, despite the destructive factors, still gradually adapts;
- 3) negative adaptation is characterized by the impossibility of personal adaptation

to new life conditions due to certain psychological and physiological problems (Hromova, 2021).

The last years of the study of the term resilience are characterized by research not only of the process itself but also of the description of factors of resilience, factors of a positive result of adaptation and further socialization (Hromova, 2021).

Modern scientists approach studying and definition of this phenomenon comprehensively. Thus, a follower of the constructivist approach to the study of resilience, D. Hellerstein, conceptualizing this phenomenon, singles out its two main components - physical resilience as an indicator of stress resistance and tolerance and psychological resilience, which includes the development and maintenance of social contacts, the use of social support, finding meaning in difficult events or situations, increasing the educational level and mastering various psychotechnologies that help the development and overcoming of negative consequences after stress (Hellerstein, 2011).

T. Fedotova (2018) notes that resilience requires mastering social skills and abilities, including the ability to solve problems. The list of such skills includes sociability, the ability to restrain anger and control the manifestations of emotions, the ability to plan one's activities and interact with others.

Modern approaches to consideration of resilience:

1. Resilience as an individual characteristic (ego-resiliency), a personality trait that protects against the adversities of life and prevents the development of mental disorders as a result of psychotraumatization, manifests itself as flexibility, agility, creativity and character grit, as well as the ability to adapt to functioning in various external conditions (Block, & Block, 1980).

2. Resilience as a dynamic process (the term "resilience" is used) in which positive adaptation occurs in the face of adversity. In this sense, resilience is conceptualized as a continuous, active process of the emergence or development of new forces and resources for adaptation and recovery, which has uneven dynamics in the face of the emergence of new risks (Masten et al., 1990; Norris et al., 2008).

Whether resilience is a trait or a process is still debated, but there is a common understanding that the concept describes the ability of individuals, families, and groups to successfully function, adapt, and cope despite psychological, social, cultural, and/or physical adversity. Resilience (as a trait and a process) appears in people along the continuum of their development (Psykhosotsialna pidtrymka v umovakh nadzvychnykh sytuatsii, 2017).

However, numerous studies have proven that people recover faster from the effects of emergencies when they feel safe, have close (family) ties, are at peace, have access to social, physical and emotional support and find ways to help themselves. And the main risk factors leading to the development of mental illnesses are the adverse environmental conditions that people find themselves in and the lack of support in this environment (Silk et al., 2007).

According to the definition of the World Health Organization (WHO), resilience is "the ability to cope relatively well with difficult situations and personal resources" (Silk et al., 2007).

Today, a broad empirical base and several theoretical constructs for practical use have been created in relation to the term "resilience". But there is no final and universally accepted decision regarding the interpretation of this concept in science.

So, a historical review of the formation and development of the concept of "resilience" was given, starting from the 19th century and ending with the present.

The problem of different views on the interpretation of the psychological term "resilience", which is studied by specialists of various branches of psychological science as an aspect that has an impact on the quality of life of an individual, is considered.

Resilience can be seen as an approach that can be used in communities to help avoid deep trauma for people exposed to threatening or extreme conditions.

Currently, the term "resilience" is widely used in psychology, medicine, and social sciences and is considered in connection with the issues of the impact on a person of adverse (extreme, threatening, stressful) conditions and the ability to normal functioning of a person and/or social system (family, communities, organizations) during and after such an impact. Resilience is the ability of a person or a social group (community) to absorb the impact of emergency situations, that is, to "mitigate" the effect of their social and psychological consequences through the actualization of the resources of individuals, groups, organizations and communities capable of preventing the exacerbation of psychological problems and disorders among participants and witnesses of adverse events.

Resilience is a dynamic process in which positive adaptation occurs in the face of adversity. This interpretation focuses attention on the conceptualization of resilience as a continuous, active process of the emergence or development of new forces and resources for adaptation and recovery, which has uneven dynamics in the face of the emergence of new risks.

Today, the study of human resilience and means of its development is one of the priority areas of psychological science.

Resilience in English-language scientific literature. Most researchers confidently claim that the negative impact of stress or psychological trauma precedes resilience. Researchers also agree that resilience belongs to the category of positive adaptation and adjustment (Caldeira, Timmins, 2016; Sanderson, Brewer, 2017; Ten Hove, Rosenbaum, 2018; . Rice, Liu, 2016).

The vast majority of authors of review studies emphasize the processuality of resilience. The explanation for this is that over the years, there has been a gradual transition from the earlier concept of resilience as a personal trait to the concept of resilience as a dynamic process (Ten Hove, Rosenbaum, 2018; Stainton et al., 2018). Therefore, we can currently talk about a certain agreement of the scientific position regarding the fact that the nature of resilience is dynamic, not static (Stainton et al., 2018; Deshields et al., 2015).

The basis of the dynamic process is either the search for protective resources to overcome the negative consequences of trauma or the interaction of protective factors (resilience factors) and risk factors. Protective factors are internal and external resources that interact with risks, positively influencing mental state and functioning.

A. Stainton et al. claim that protective factors can be psychological, social, neurobiological, neurocognitive, and genetic. They are inherent to each person to a greater or lesser extent and are determined by his/her qualities and environment. Resilience is highly dependent on the cultural context, society, and family. Researchers agree that resilience should be considered not only at the individual level, but also at the interpersonal level, which leaves the interpretation of resilience only as an individual trait in the past (Assonov, & Haustova, 2019).

The trajectory of resilience is characterized by researchers as (1) stable mental functioning during stress exposure, and as (2) a quick return to normal after the destructive effect of psycho-traumatic factors, and as (3) the acquisition of qualitatively new traits and more successful functioning as a result of overcoming psychological trauma. In most reviews, the authors concluded that resilience is a return to normal functioning and restoration of the previous state after a certain period of maladaptation due to a stressful experience (Assonov, & Haustova, 2019).

A much smaller number of researchers additionally indicate that resilience is the acquisition of qualitatively new traits and properties or resistance to stress. In part of the reviews, the researchers concluded that resilience is characterized by several trajectories at once (stability and return to the previous state or return to the previous state and acquisition of new features). Therefore, it was proposed to define resilience as a dynamic process of returning to the initial state, which becomes the foundation for further possible post-traumatic growth (Sisto et al. (2019).

Some scholars who favour scientific parsimony argue that the concept of resilience adds nothing to the more general term "positive adaptation". Others challenge this view, arguing that resilience is a useful heuristic in developmental science because it provides a framework for developmental learning that differs from many classical theories (Wang et al., 1994).

M. Ungar and L. Liebenberg (2013) rely on three propositions regarding the concept of resilience. First, they understand resilience as coping with stress, and thus a description of populations that cope well with adversity. Second, because most knowledge about resilience (positive coping with stress) is almost entirely based on research and clinical experience, this concept needs further study in different contexts and cultures. Third, since the study of resilience necessarily requires the description and further quantification of unnamed processes, the development of a measure of resilience requires both a review of the existing literature and a qualitative study.

Modern literature on salutogenesis, health care, resilience and opportunities focuses on the issue of positive adaptation, protective factors that mitigate risk factors and reduce their impact on consequences (Masten, 2007, p. 22).

In the literature on resilience, the importance of the emotional and social side of the life and history of individuals, families, organizations and communities is clearly evident. This suggests that mental health is the main element of personal health (Masten, 2007, p. 23).

Many studies are devoted to the issue of distinguishing resilience from stress resistance, coping, resilience and post-traumatic growth. V. Rice, B. Liu draw a line between coping and resilience, arguing that coping is an activity aimed at overcoming

a stressful impact (which can be positive, neutral or negative), while resilience is a result (exclusively positive) of positive coping, so they recommend to avoid using the terms "resilience" and "coping" interchangeably. According to research, the difference between "resiliency" and "resilience" is that the term "resiliency" should refer to the traits of personality, and resilience is a process. A person can be more or less resilient in one period of life than in another, and resilience is a more or less effective process. In some works, hardiness is used as a synonym for resilience, however, in later works, researchers distinguish between hardiness and vitality, considering the latter to be a protective factor of resilience (Assonov, & Haustova, 2019).

At the beginning of the 21st century, criticism of resilience as a psychological construct is observed in foreign scientific literature. These criticisms tend to focus on ambiguity in definitions and terminology, the heterogeneity of risks and competencies achieved by individuals considered resilient, the instability of the phenomenon of resilience, and concerns about the utility of resilience as a theoretical construct (Luthar et al., 2000).

In 2007, system approach to resilience was already gaining strength, and technologies for measuring and analyzing multiple levels of functioning and their interactions were improving. Thanks to this, it becomes possible to study the interactions of genes with the environment, the development of adaptive systems and their role in resilience, as well as to conduct experiments to promote resilience or reprogram adaptive systems that protect the development of the psyche in the context of adversity (Masten, 2007).

In foreign countries - Great Britain, the USA, and France, in the system of social support for orphans, the "resilience" approach is widely used, which is a set of measures to support people who find themselves in a crisis situation, which involves creating favourable conditions for the development of a child in a difficult life situation (Soroka, & Kalaur, 2019).

Interpretation of resilience in Ukrainian-language scientific literature. The results of the quantitative content analysis of 107 studies conducted by D. Assonov and O. Haustova show that the most frequently used translation of the term "resilience" in the Ukrainian-language scientific literature of recent years is the concept of "resilience" and (to a lesser extent) "resiliency". A slightly smaller number of researchers operate with the concept of "psychological springiness (пружність)", and a much smaller number define resilience as resistance to trauma. A number of researchers use several Ukrainian analogues for the English term "resilience" at the same time, thus adding ambiguity to the terminology (Assonov, & Haustova, 2019).

Most often, Ukrainian-language researchers define resilience as a certain human ability, in a slightly smaller number of studies, resilience is defined as a process. O. Khamynych (2016) currently determines that in the Ukrainian scientific literature, one of the most urgent problems is the divergence of views regarding resilience as a personal trait or process.

More often than in the English-language literature, in the Ukrainian-language literature, there is a definition of resilience as a personal trait or a process. A number of researchers consider resilience to be both a trait and a process (Lazos, 2018);

Bolotova, 2019).

In the Ukrainian-language literature on psychology and social work, resilience is translated as stress resistance, hardiness, viability, and resistance to trauma. These terms are used to denote resources for overcoming extraordinary and stressful events, psychological and social consequences of traumatic stress, loss, etc. Recently, publications have appeared in which the concept of "resilience" is translated into Ukrainian as "springiness", in particular, "psychological springiness". At the same time, the process of entering of a new construct into the scientific circulation requires certain time, therefore, an established term equivalent to the concept of "resilience" has not yet been defined in the Ukrainian humanities (*Psykhosotsialna pidtrymka v umovakh nadzvychainykh sytuatsii*, 2017).

S. Pirozhkov, E. Bozhok, and N. Khamitov (2021) point out that resilience is a medical term that means a set of traits inherent in a subject that make it capable of overcoming stress and challenging periods in a constructive way. In their opinion, the characteristics that determine such ability are not always natural, in many cases they must be acquired.

Most often, the Ukrainian analogue of the word "resilience" is the concept of "viability" (Khamynych, 2016). V. Hromova (2021) expresses the opinion that currently, the study of the concept of resilience is very relevant due to the relentless informational progress, globalization and other social phenomena. In particular, she notes that the phenomenon of resilience is used to denote a dynamic process in the context of sustainability and adaptation.

T. Fedotova (2018) determines that resilience includes the ability of a person to protect his/her integrity from the influence of strong adverse external influences, as well as the ability to build a full life under challenging conditions, the ability for social adaptation, full development, the presence of the necessary willpower. In her view, resilience involves the mandatory mastery of social skills and abilities, including the ability to solve problems. The list of social skills in this context is endless. These include sociability, the ability to restrain anger and control manifestations of negative emotions, the ability to plan one's activities and interact with others.

Also T. Fedotova (2018) emphasizes that if a person constructively interacts with his/her microsocial environment, then this interaction develops and changes the ability to resist and create. But if this interaction is disrupted, resilience is weakened and then completely lost. Resilience can be in a latent state, it manifests itself as a result of negative events that occur in the life of each person, and then it can even increase.

Z. Kireeva et al. (2020), on the one hand, attribute resilience to the group of volitional mental states, a motivational subgroup, according to the general classification of mental states by V. Hansen and V. Yurchenko. They believe that resilience is a positive mental state that leads to adequate adaptation during adversity. On the other hand, in their view, resilience is a resource through which people choose an appropriate type of coping. They do not identify, like S. Wiechert, the concepts of "resilience" and "sustainability", because they believe that resilience is a system-forming element in the structure of a sustainable personality (Z. Kireeva et al. (2020).

Investigating the problem of post-traumatic growth, G. Lazos (2016) concluded

that scientists often replace this concept with personal resiliency. Often in the literature, you can find the concepts of "resilience" and "post-traumatic growth" equated.

Discussion. Thus, today in numerous scientific studies and literary sources, various options for defining the concept of "resilience" are offered.

Whether resilience is a trait or a process is still debated, but there is a common understanding that the concept describes the ability of individuals, families, and groups to successfully function, adapt, and cope despite psychological, social, cultural, and/or physical adversity. Resilience (as a trait and a process) emerges in people along the continuum of their development.

Resilience is considered as the ability of an organism, person or social group to maintain balance and integrity in a difficult situation, to effectively solve not only the task of adapting to changing conditions but also the task of development.

There are both divergent and common points in the terminological content of resilience presented in Ukrainian-language literature and the latest global trends in the definition of this concept. In both English and Ukrainian literature, resilience belongs to the category of adaptation, it is preceded by a traumatic event or stressful impact. Also, in the Ukrainian-language scientific literature, the definition of resilience as a dynamic process, which corresponds to the latest global trends in the conceptualization of resilience, prevails.

In the Ukrainian-language literature, the concept of resilience is interpreted mainly as resistance to stress, maintenance of normal functioning in conditions of psycho-traumatic influence, while in recent years in English-language literature, the conceptualization of resilience as a return to the previous level of functioning, rapid recovery is significantly predominant.

Conclusion. Resilience can be defined as an adaptive dynamic process of returning to initial psychosocial functioning after a period of maladaptive functioning due to the disorganizing effect of psychotraumatic factors.

The concept of resilience is popular in health and social services research. Over the past 40 years, the term has been shaped and transformed from the idea of a trait that can be nurtured in an individual to a concept with an emphasis on environmental factors.

The analysis of the literature shows that the term resilience does not have a single meaning and acquires different shades depending on the perspective from which it is analyzed.

Currently, this term is widely used in psychology, medicine, and social sciences and is considered in connection with the issues of the impact on a person of adverse (extreme, threatening, stressful) conditions and the ability for normal functioning of a person and / or social system (family, community, organization) during and after such exposure. They believe that resilience is the ability of a person or a social group (community) to absorb the impact of emergency situations, i.e. to "mitigate" the effect of their social and psychological consequences through the actualization of the resources of individuals, groups, organizations and communities capable of preventing the exacerbation of psychological problems and disorders among participants and witnesses of challenging events.

Based on the results of the literature search, it can be stated that psychological resilience is the ability to adapt positively to life conditions. This is a dynamic process capable of development. Further research can be focused on determining the structural components of resilience.

Author contributions. The authors contributed equally.

Disclosure statement. The authors do not have any conflict of interest.

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Public Administration and Law Review

Issue 2 (14), 2023

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*Printed by: Scientific Center of Innovative Research OÜ, Ida-Viru maakond, Lügánuse vald, Püssi linn, Viru
tn 8-33, 43221, Estonia*

Number of copies: 300

First printing: June 26, 2023

Distributed worldwide by Scientific Center of Innovative Research OÜ - office@scnchub.com

Full text available online at <https://scnchub.com/>

DOI: 10.36690/2674-5216-2023-2