

SUMMARIES

ESHCHENKO PETRO "From depression to activation of growth in economic and social spheres of Ukraine" – The role of economic policy based on the neoliberal theory in depression of Ukraine's economy is considered. It is proved that in Ukraine a plutocratic system has been formed, the basis of which is interpenetrating and mutually complementary interests of subjects of criminal economy and officials of power structures of all levels. Instead of the promised economy of general welfare and equality, the economy of absurdity and paradoxes is reproduced in society. Ukraine's economy, once one of the most developed economies in the world, turned out to be the most backward in Europe, the people – the poorest, and its oligarchs – the richest. There is no doubt that the reproduced system is unnatural and leads our society to a disaster. It is substantiated that Ukraine needs a decisive turn to a fundamentally new way of life, and consequently – to a change in the socio-economic structure of society. The answer to the existing problems and contradictions is to find a new system of theoretical knowledge, what is inherent in science (including social one).

According to the author, to ensure the transition from depression to the growth of the national economy, our country needs to change the model of the market economy, with an emphasis on domestic economic development with a significant expansion of domestic demand, increased consumption and investment. This will contribute to economic sovereignty of the country and increase its export opportunities. An important place in this process should be given to the comprehensive plan for radical reconstruction of the national economy, with an emphasis on the re-industrialization of all spheres of the economy, rational allocation of productive forces and retraining of workers in accordance with the requirements of ITD. To do this, it is necessary to develop a long-term program of strategic development of the country, which should be based on the national interests.

RADIONOV YURII "Program-target method of budgeting: implementation problems and development prospects" – The author examines the state of implementation of the program-target method into the budget system of Ukraine. It is noted that despite the existing legislative and regulatory framework, the actual application of this method has certain shortcomings. The reason is that participants in the budget process do not always adhere to provisions of the Budget Code of Ukraine and other regulatory requirements, for example, concerning the timely approval and completeness of information in the passports of budget programs. Besides, the objectives of the budget program and its main tasks are not always properly determined, which reduces the ideology of the program-target method and makes it impossible to exercise control over effective use of budget funds.

A hypothesis is advanced that the main reasons for the incomplete implementation of the program-target method are imperfection of existing economic institutions, unpredictable budgetary policies and quite frequent changes in strategic objectives. In this regard, there is a need to reform the budget system and establish new financial and economic institutions. These new institutions should take an active part in shaping the budget, identify priorities and fully meet the current needs of citizens.

Given the difficult socio-economic situation in the country, the program-target method is justifiably applicable. Therefore, when forming the budget, attention is to be focused on the need to: analyze the current problems of the economy and social sphere; apply an integrated approach to solving the problems; determine clear priorities; and focus the fund managers on the effectiveness of using the limited budgetary resources. The

allocation of funds from the budget for a specific purpose and their effective use would contribute to stabilization of the financial system and sustainable dynamics of the country's socio-economic development.

KRAVCHUK IGOR “Stress index in Ukraine’s market of negotiable financial instruments” – Market of negotiable financial instruments is an immanent component of the financial system and is in a two-way relationship with other financial institutions and real sector of the economy in terms of ensuring its stable functioning. Possible market shocks can adversely affect state of the economy; therefore regulators should carry out constant market surveillance to detect and prevent early possible market violations, by calculating (in particular) the composite stress index.

To construct a composite index, correlation analysis, generalized autoregressive conditional heteroscedasticity model, standardization based on the integral distribution function, seasonal adjustment and determination of a long-term trend based on filtering are used.

It is proposed to calculate the stress index of Ukraine’s market of negotiable financial instruments on the basis of market data by balanced averaging of the following sub-indices: (i) stocks (UX stock yield volatility, CMAX indicator, market efficiency coefficient); (ii) debt securities (sovereign spread and CDS spread); and (iii) derivatives (indicator of the change in the number of open futures positions for the UX stock). Aforementioned were standardized using the integral distribution function.

The author’s analysis of the proposed composite stress index shows that dominant factors affecting the situation in Ukraine’s market of securities and derivatives are intra-national ones, which have become dominant since 2014. At present, the stress index of Ukraine’s market of negotiable financial instruments is still of little importance to reflect economic situation in the state, given weak development of the market and its meager role for financing and reflecting the corporate activity.

STORONYANSKA IRYNA, BENOVSKA LILIYA “Spatial asymmetries of economic development in conditions of administrative and financial decentralization” – Theoretical principles and world experience of the influence of administrative and financial decentralization on spatial development processes are highlighted and modern tendencies and peculiarities of territorial differentiation of development in Ukraine formed under conditions of decentralization are revealed. It is determined that Ukraine failed to avoid the deepening territorial socio-economic differentiation, and the mechanisms of direct regulation and indirect influence turned out to be unable to resolve the problems of the unevenness of the endogenous community development potential and various efficiency of its use. The current state of spatial development in Ukraine is characterized by the following trends: (i) decreased level of interregional differentiation; (ii) increased differentiation at the level of districts under influence of budgetary decentralization mechanisms; (iii) increased level of differentiation of fiscal capacity of territorial communities having direct budgetary relations with the state budget; (iv) increased concentration of economic activity in “growth points”, which produces a tendency to expand the areas of depressiveness; (v) increased asymmetry between suburban areas and territorial communities remote from major cities; (vi) deepening the gap in financial capacities within the same district between the territorial communities that joined the united territorial communities and those that were not included.

Directions of leveling the risks of strengthening the intraregional differentiation of the development of territorial communities under current conditions are determined as follows:

- strengthening the role of the regional level of governance and specifying its functions under conditions of decentralization;
- provision of the regional level of governance with financial resources, which will support the implementation of regional economic development projects;
- transfer to the basic level of financial resources, which a community can direct to its own economic development, and not only to repair (or develop) social infrastructure or its maintenance;
- propagation of development impetuses from cities to surrounding territories on the basis of their transformation into centers of the united territorial communities;
- revision of the budgetary equalization mechanisms by including the local budgets revenues from rental payments in calculating the taxability of a territory.

MOZGOVYI OLEG, SUBOCHEV OLEKSII, YURKEVYCH OKSANA "Islamic finance doctrine: the nature and evolution" – The article identifies basic models of Islamic finance industry and provides a critical assessment (compared to conventional finance) of mechanism of their functioning. Despite having obvious positive aspects, such as limitation of speculative or risky securitization, focusing on financing the real sector of economy and encouraging the direct interrelationship between financial and productive sectors, in our view, the mechanism of Islamic economics in some ways is at variance with a number of fundamental principles of effective economic activity.

Objective factors (demographic, political, economic) cause an increase of role and influence of the industry over regional financial markets and international finance and determine the relevance of further research in this area. Today, Islamic finance comprises such commercial areas as capital markets, asset management and insurance. They represent all segments of modern financial market – commercial banking, operations with equity and venture capital, trade financing, insurance and even financial hedging.

Only a small share of Muslims' financial relations is provided in accordance with Islamic law. Under conditions of introducing the convenient, liquid and standardized financial instruments and further improvement of regulation for financial markets, redistribution of resources in favor of Islamic financial markets, as well as rapid growth of their share in international finance are expected.