

JEL CLASSIFICATION:

NATURE AND FORMS OF ECONOMIC FREEDOM AND ITS PECULIARITIES IN UKRAINE

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Abstract. Theoretical approaches to determining the nature and role of economic freedom in market economy are considered. The implementation of criteria and indicators of economic freedom are investigated. It identifies and describes the internal and external forms of economic freedom. Factors affecting the change in views on the role and

limits of economic freedom under the influence of market relations transformation are analyzed. The international approaches to assessing the economic freedom of national economies are considered. The features of the manifestation of economic freedom in Ukraine for the effect of the uncertainty of the market environment and high transaction costs are explored.

Key words: *economic freedom, liberalization, responsibility, the index of economic freedom, market economy, state regulation.*

Topicality. Economic freedom is the most important category of market economy. It reveals the relationship between all economic entities as autonomous and independent in making any decisions, which is essential for the functioning of the market. Market economy provides economic freedom to businesses and is closely connected with economic responsibility. Under the conditions of mixed economy economic freedom acquires modified features since the realization of its principles is impossible without flexible state regulation of economic life. The modification of economic freedom is also connected with the transformation of free competition between producers into imperfect one. Therefore, it is necessary to search for optimal combinations of state regulation and independence of businesses and mechanisms of achieving equality of different patterns of ownership in modern economy. For this reason, the study of economic freedom, its nature, forms of its manifestation acquires particular topicality under the modern economic conditions.

Analysis of the recent researches and publications. Various aspects of the problems connected with the principles of self-determination, definition of the limits of freedom, methods of economic regulation are studied in the works of domestic and foreign scientists. The impact of economic freedom on economic development is studied by such researchers as J. Bhagwati, J. Gwartney, A. Illarionov, D. Kapas, J. Stem, M. Stroup, H. Hanke, J. Haan, J. Heckelman, P. Zaglidi and others. The issues of limits and

the importance of economic freedom are highlighted in the works of such domestic scientists as V. Boiko, A. Halchynskyi, O. Hlushchenko, N. Lytvynenko, I. Markovych, L. Khyzhnyak etc. The contribution of mentioned above authors into the explanation of phenomena and processes characteristic to free market economy, substantiation of the importance of economic freedom in ensuring growth and welfare of population is significant.

In our opinion, various aspects of economic freedom of market entities under the conditions of economic transformation have not been fully investigated by economics. To ensure effective development of Ukraine's economy it is necessary to rethink the essence and to search for effective mechanisms of realization of economic freedom.

The goal of the article is to identify conceptual approaches to the formation of the mechanism of implementation of economic freedom in modern society.

Conclusions and the prospects of the further research. The issue of determining the optimum level of economic freedom in the world today acquires new dimensions under the influence of globalization, the growth of social functions of state and a variety of economic growth factors. However, the indisputable conclusion is that the welfare of the population of countries with more economic freedom is higher.

In Ukraine the equality of rights of all businesses is not ensured and economic freedoms are formal. It leads to unjustified negative consequences: the

growth of the shadow economy, the formation of financial and industrial groups, the growth of economic crime and bureaucracy. Effectiveness of economic reforms directly depends on the level of economic freedom for all the entities of market economy. Prospects for the economic development and overcoming the crisis are connected with the combination

of flexible state regulation and increasing economic freedoms of business entities.

The issues of identification of components of economic freedom assessment and development of effective mechanisms for increasing economic freedoms under the conditions of transformation of market relations need further study.

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