

# ***ROUND TABLE***

## ***«THE ACHIEVEMENTS AND LOSSES OF UKRAINE ON THE WAY OF DEVELOPMENT OF LEGAL ECONOMY»***

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### **THE ROLE OF CONFIDENCE IN THE STRUCTURE OF THE LEGAL ECONOMY**

*O. A. Hrytsenko, Doctor of Economic Sciences, professor,  
Yaroslav Mudryi National Law University*

In the broad sense, the legal economy can be referred to as a special type of an economic system, where specification of ownership rights for resources and economic activity results are considered to be determinant. Such an economic system emerges in a particular phase of civilizational development under the following circumstances: human and intellectual resources become the main factors of functioning of the economy; an economic activity result to a great extent assumes the intangible form (a symbol, reputation, an image, et al.); a goal consists in production of a fundamental good — a happy, durable, worthy, and fair life of a person. From the historical standpoint, the law emerges in the economy owing to the common and separated activity. Labor functions are indicated owing to the division of labor, which defines a human as an independent producer, who freely disposes personal resources and make economic decisions on his own. In this regard, a human gains freedom. Their similar nature is a consequence of an influence of the labor cooperation, which results in dependence of employees on each other. All types of the vital activity of humans are based on the necessity of the combination of two opposite and contradictory parties — freedom and dependence. During long-term historical communication, humans gradually have found the most effective algorithm of the combination of freedom and dependence in the form of law as an institution of ordered freedom. Under modern conditions, the economic activity submits to the law as the basis of mutual

exchange of freedom (rights) and dependence (responsibility). The supremacy of law becomes a fundamental institution of functioning of economic relations rather than an ideological slogan. In order to become a generally recognized rule of life, the law should be perceived by all the economic entities being in the area of legal influence. This means that the confidence as a mega institution of the civilization becomes a precondition of the law. As a result, the law determine an order of functioning of formal (legislative) and informal (traditional) institutions. The confidence is formed as a way of realization of instincts of self-preservation and self-protection alongside with emergence of a society. The confidence as a fundamental mega institution of a society is formed because of the *basic trust*, that is to say a genetically stipulated and instinctively justified attitude of a child to an environment. This enables a child to perceive the social world as ordered, safe, and stable one. Later, precisely this attitude is reflected in the law. As a result, humans expect a particular rate of the confidence in positive consequences of actions of other humans and allow them to make decisions under conditions of uncertainty and a risk. Whether subjects trust in the law, they use less resources for protection of own ownership rights through reduction of expense for tax payments, bribes, and maintenance of private security services. A low rate of the confidence in financial establishments impedes innovations, since investments become less profitable and more risky.

On account of historical experience (historical memory) and specific attitudes, each society forms own elements of trust, which include a type of interrelations between humans, stereotypes of their behavior, an extent of their confidence in consequences of decision-making, probability of success, estimation of expected results, willingness to adhere to current rules, trust in decency and benevolence of other people.

Society development always contemplates ambivalence (splitting) of the trust and distrust (feeling of danger, lack of confidence in actions of other subjects, et al.). The trust and distrust regulate relations of subjects with an environment, integrate experience of interaction with the latter, orient a person within a system of relations, protect and reproduce a social and psychological space of a human, conduce to development of a person, etc. Transition from the trust to the distrust (and the inverse motion) occurs during a particular period, which can be referred to as a social and time lag of confidence, i.e., a time gap between interrelated expectations of particular consequences and their realization. Determination of the confidence lag is an important factor of decision-making on formation of a certain legal state. Formation of the confidence capital is also an important factor of legal norms creation. The confidence capital is accumulation of positive

historical experience, which enables to gain some advantages even in the situation of making unpopular decisions. The confidence capital is the basis of all legal forms. Effectiveness of current legal norms depends on capital accumulation factors such as fairness of subjective estimates of positive consequences of passing norms (laws), value of confidence for different stratum of a population (which depends on distinctions and contradictions between them), their interest in future results, a type of expected goods, risks of openness of actions of law-making process subjects.

Social construction of a civil society based on *institutional projects*, which are implemented owing to legislative and executive practices is the best way of realization of the confidence through legal procedures. The best conditions for institutional projecting exist in solidary societies, which function owing to the unity of interests, common insights about the future, and mutual understanding logics of actions of power structures. Preconditions of institutional projecting encompass coordination, strictness of understanding expectations and calculations of those groups, interests of which will be determined in the process of the law-making activity. Implementation of institutional projects is carried out owing to special sociological researches, which indicate a necessary rate of confidence in governmental authorities, the expectation of positive results, and determination of the social and time lag of the confidence.

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## **CONTRADICTORY ECONOMIC AND LEGAL APPROACHES TO COMPREHENSION OF THE MEDICAL SERVICES MARKET**

*T. M. Kaminska, Doctor of Economic Sciences, professor,  
Yaroslav Mudryi National Law University*

The medical services market is a separate segment of the national market, which exists as a form of a social formation of the economy at a particular level — local, national, regional, or world ones. Thus, it contains all the features being inherent to the market in general. The medical services market consists of governmental and private, commercial and non-commercial, official and informal medical services. There are services of primary, secondary, and tertiary sectors of health protection.