

ABSTRACTS

Amosha O.I., Kozhushok O.D., Radchenko V.V., Halimendykov Ye.M., Cherevatskiy D.Yu., Yushkov Ye.O. *From industrial enterprise to industrial park: a paradigm shift by example of Coal Company "Pokrovske". – P. 13.*

In the current economy the paradigms shift is in process: the shift from hierarchies to networks is becoming increasingly important. The purpose of the research is to describe the organizational transformation of the enterprises of DonetsksteelGroup of Companies, which are associated with coal mining, according to the principles of network capitalism into the industrial park complex. The particular attention is paid to the modular mining park with the drilling module.

Keywords: paradigm, industrial enterprise, industrial park, modular mining park, drilling module.

Aptekar S.S., Dorokholskiy V.V. *The use of money-management as a method of investment risk regulation in foreign exchange market. – P. 123.*

The nature and tactics of money-management as a method of investment risks regulation in Forex market for increasing the effectiveness of investors' decisions are considered. Positive and negative aspects of each of the tactics are given.

Keywords: foreign exchange market, Forex, investment decisions, money-management.

Atabyekov O.I. *Production function of a coal mining enterprise with energy expenditures as its argument. – P. 18.*

The matter of ensuring a highly efficient performance of the coal mining enterprises is topical and is reflected as a basic in all branch programme documents. The efficiency here, as a rule, is recognized as a profitability of a coal mine performance. In author's opinion, economic aspects of efficiency are the most important for independent mines and horizontally integrated coal holdings (enterprises). For vertically integrated systems and the country economy as a whole energy efficiency is determinative.

Fears concerning energy inefficiency of coal mining in Donetsk Basin were introduced in the 80th of the XX century – deteriorating geological conditions and ageing mine basic assets caused increase in consumption of materials, labour and energy. Crisis in coal mining industry of Ukraine aggravated the situation; reduction of coal production brought about a nonlinear increase in its cost price and specific power consumption.

The purpose of this work is to develop a technical approach as to modeling coal mine production functions depending on the energy expenditure. By energy expenditure we mean the total amount of energy resources consumed (directly & indirectly) in the process of coal mining and coal mine servicing,

i.e. consumption of electricity and thermal energy in the coal mine itself, electricity required for the preparation and transportation of coal, materialized in equipment, materials, buildings and structures as well as in resources used by personnel for domestic purposes.

The proposed production function of a coal mine is made in the form of logarithmic dependence between the quantity of mined coal and the volume of energy resources consumed.

The production functions modeling is based on the results of retrospective observations of the Ukrainian coal mine functioning made by the predecessors.

The production functions of operating coal mines of Donetsk Basin are given as an example, the conclusions are made regarding the correlation between the production function elasticity and optimal coal mine operating modes.

Keywords: efficiency, production function, coal mining enterprise, direct and indirect energy expenditure.

BanduraM.V. *Information component of control mechanism of stable development of socio-economic system of Ukraine. – P. 130.*

The stirring up of research and the intensification of technological innovation to mass use are accompanied by the formation of an extremely large-scale and high-value information flow that can significantly affect the development of the world's socio-economic systems. This causes the urgency of building a safe system of accumulation and storage of information, and provides a high level of research intensity and its economic value.

In this article the contemporary issues of development of information component of the control mechanism of stable development of socio-economic system of Ukraine and the main stages of its implementation have been considered. The information support mechanism of socio-economic development of the country can be regarded as a collection of individual structural elements – the sub-form, process, information sharing and decision-making. Each subsystem includes a number of specific tasks, thereby providing the means for achieving congruence between different levels of government in the process of making important decisions in socio-economic sphere.

It has been justified the necessity of further informatization of Ukrainian society based on the concept of e-government. Ukraine has the potential to develop sustainable information infrastructure, but the implementation of such a strategy is complicated by the number of unresolved social and political issues that exist in the state and hamper the process of economic reform.

The gradual informatization of Ukrainian society provides the deepening of relationship and integration of management functions of individual government agencies, promotes the formation of a common information base, aims to provide broadband access to the necessary data, thus accelerating resolving problems not only in the field of management functions, but also during a dialogue with the population. A clear division of responsibilities, the implementation of systematic monitoring and consolidation of financial responsibility can improve the efficiency of the implementation of decisions taken in practice, and therefore the construction of such models is a vital need for the Ukrainian society today.

Keywords: control mechanism of stable development, socio-economic system, industrial economics, information component of mechanism, informatization of society.

Borisenko O.Ye. *Analysis and valuation of providing the main resources of production activity for metallurgical enterprises of Ukraine.* – P.

Relevance of research is caused by a crisis state of the metallurgical branch which reason is an insufficiency level of providing with the main resources of production activity. Therefore, development and deployment of the effective actions directed on formation of such a resource base which will allow functioning successfully in the market competitive environment that is impossible without the comprehensive analysis and the assessment level of providing with all necessary resources. That's why production has to become a priority task of the metallurgical enterprise.

The research objectives are the determination of security by the main resources of production activity for the metallurgical enterprise and search of the directions of their rational use for increasing the competitiveness of the Ukrainian steel products. Objects of research are the main productive resources and their influence on activity results of the metallurgical enterprise.

Based on the information given by metallurgical enterprises in financial statements and industry statistical data, the factorial analysis and assessment of resource providing of production activity of the metallurgical enterprises of Ukraine are carried out. The assessment of influence of separate factors on elasticity of changes of the general result was carried out by a method of individual share of an indicator. The carried-out multiple-factor analysis of enterprises production activity allowed establishing the role and extent of influence of the main resources use on the level of sales income. The received equations of multiple regression will allow not only estimating the results of activity of metallurgical enterprise, but also proving the long-term plans and administrative decisions more precisely.

Keywords: production activity, resource base, metallurgical enterprise, providing with resources, influence factors, multiple-factor regression analysis.

Buleev I.P., Bryukhovetskaya N.Ye. *Tasks of reforming the mining and metallurgical complex of Ukraine.* – P. 219.

On the basis of identified trends in the global steel industry development and assessment of Ukrainian Mining and Metallurgical Complex (MMC) the directions of development of metallurgy in Ukraine using the mechanisms of incorporating MMC strategies in the global metals market, combining the development of the internal market with expansion into other markets, are grounded.

Keywords: metallurgy, world metallurgy, mining and metallurgical complex of Ukraine, domestic market of metals, innovation processes in metallurgy, metal production growth in Ukraine.

Davlianidze Ya.S. *Formation of priorities of production factors intensification of coal enterprise on the basis of structural-hierarchy analysis.* – P. 54.

In new economics which is based on the knowledge system the level and complicity of innovation development of industrial complex enterprise is determined by such deep transformational phenomena as change of structure of technological modes in world economy, change of qualitative and quantitative proportions of production factors and, in particular, intensification of production factors, which is able to solve such actual problem as migration to primary intensive way of development. That is why the purpose of this research is development and improvement of methodological approach to formation of priority variants of production factors intensification on the basis of method of hierarchies analysis. For solution of this task the method of hierarchies analysis is used which is systematic procedure for hierarchical expressing the elements determining the essence of any problem.

The assessment of mutual influence of production factors and priorities of their formation by the example of coal industry enterprise on the basis of structural-hierarchy approach is given in the article. On the basis of structural-hierarchy approach the criteria were formed, which, each in different ways and with different level of intensity, make influence on meaning of coal enterprise factors. There were proved the possibilities and conditions of multi-part influence of labor factors and capital on decrease of labor and capital intensity of coal-face works, which will allow giving rise in increasing effectiveness while securing necessary labor safety. Practicality of method of hierarchies analysis, with the help of which the comparison-of-pairs matrix were built, was proved. Investigation conducted allowed choosing the directions of capital investments for the purpose of getting maximum effect.

Keywords: production factors intensification, comparison-of-pairs matrix, method of hierarchies analysis, structural-hierarchic method, production factors.

Grabchuk M.V. *Capitalization as a result of cash assets management of a public company.* – P. 40.

The effect of the use of monetary assets of public company on financial results and determination of the level of its capitalization are analysed.

Keywords: capitalization, public company, monetary assets, float.

Gurnak O.V. *Empirical investigations of tax capacity in various countries.* – P. 231.

Taxes are the main source of government revenue. Tax ratio, i.e. the ratio of total taxes to GDP or GNP, is the most widely-used measure of taxation level in national economies. Data for different countries show that there is considerable variation in tax ratio level between countries. This has stimulated interest in the study of what determinants really define countries tax ratio. This knowledge has practical importance, because it allows policymakers to evaluate taxable capacity of the country and justify fiscal policy. Taxable capacity is generally interpreted as the predicted tax ratio that can be estimated by regression analyses taking into account country's specific macroeconomic, demographic and institutional features. Last several decades have yielded a vast number of studies which use empirical models to assess countries tax capacity. This paper surveys a selected number of such works.

The purpose of this paper is to analyze, identify and compare methodological approaches and results in the most important empirical studies of tax capacity of the state and evaluate the perspectives of their future development.

The evolution of empirical researches has been carried out by taking into account an increasing number of determinants that influence on the country's tax capacity. In general, despite the existing differences, sometimes quite strong, in the results obtained by different researchers, it is clear that the tax capacity of the state is positively related to the level of economic development and foreign trade, dominated by the structure of direct taxes in tax revenue. The structure of the national economy is an important determinant of the level of taxation. There is a negative relationship between the tax rate and the share of the agricultural sector in GDP.

Institutional determinant also matters. Confidence in the state, the level of the shadow economy and corruption, situation with property right protection have large influence on countries tax capacity. It should be also agreed that the climatic and geographic characteristics have influenced on the creation of incentives for implementing the commitments of "fiscal contract" between society and state.

The paper shows that, in general, using a relatively new method of panel data is not a reason to abandon the earlier results based on the cross-sectional analysis. The paper concludes with a suggestion for future empirical research of tax capacity in various countries.

Keywords: tax ratio, tax capacity, tax effort, multiple regression analysis.

Erfort O.Yu. *Model of higher education financing in context of the strategy of improving labour quality in Ukraine.* – P. 325.

Quality of students' education determines quality of labour force in the economy so that it affects the process of building knowledge economy in Ukraine according to the strategy of economic modernization.

Quality of higher education is getting worse nowadays. It happens for the most part because of the financial problems in this sector. The low financing level per student causes underpaying to professors, insufficient current and capital expenditures in universities. Thus the professors' salaries in Ukraine appear to be a good deal smaller than those in developed countries and Russia.

Taking into account these facts the author investigates actual problems of modernization of higher education financial system in Ukraine, considers benefits that might come from adopting the alternative financial model.

In the article the indicators of quality and accessibility of higher education in Ukraine for existing and alternative models of financing are compared.

Both of the models are considered to be mixed. It means that they assume the possibility of involving financial recourses from both public and private sources. But as these models are based on different concepts (binary concept in Ukraine versus concept of diversification in developed countries) the differences in organization of direct financing and programs of financial support to students are substantial.

Considering the possibility of using the alternative model in Ukraine the author calculates the indicators of direct financing per student and financial accessibility of higher education. The conclusion is made that even under complicated economic conditions in Ukraine the alternative model appears to be more effective than existing one in terms of quality and accessibility of higher education. Comparing to the existing model the alternative one allows providing higher level of financing per student without the need to raise budget expenditures on higher education or reduce the number of students' enrollment.

Socio-economic stability and efficiency of expenditures in the higher education sector are the compulsory conditions for achieving the goal of improving higher education quality within the scope of

using the alternative model of higher education financing.

Keywords: model of higher education financing, higher education quality, financial accessibility of higher education, public sources of finance, private sources of finance, concept of diversification.

Ivanova Ye.V. *Evaluation of Economic Development Scenarios of Region's Industry.* – P. 162.

The dynamics of changes in the economic development of Ukraine timely increases the need to choose the strategy, policies and the scenario that will ensure the economic development of the regions, their sectors and branches in view of intensification of regional development factors effect.

The most effective way to solve the problem of choosing the scenario of regulating the economic development of industry in the region is to apply a matrix that compares the situations of economic environment.

The proposed pattern of choosing the scenario of regulating the economic development of the region's industry includes the calculation of indicators permitting to describe the main features of the region functioning by means of quantitative methods and subsequently to produce aggregation of these indicators in order to compare the institutional environment with one of the standard types of situations.

It is reasonable to evaluate the current situation of the region's industry by three main directions: evaluation of problems when competing with foreign manufacturers, evaluation of development of intra-regional relations, evaluation of resource availability.

It results in arraying the matrix of choosing a base scenario, which will allow estimating the institutional environment of the region in order to clarify the purpose of economic development of the region's industry and selecting the most appropriate scenario of economic development of the industry, existing in the region situations.

Keywords: economic development, scenario, industry, competition, institutional environment.

Glebova A.S. *The dynamics of social trust and its impact on socio-economic and business processes.* – P. 318.

The research on social trust is of significant practical importance since it allows crystallizing the institutional processes which are concerned with centralized government policy regarding the distribution of benefits, for instance in the area of tax system and the distribution thereof among people and groups in the field of social policy. Social trust contributes to the establishment of formal institutions and organizations, households and families as socio-economic areas.

According to the research, Ukraine is characterized by the low level of social trust in various areas, i.e. in economic, social and political areas,

which, as a result, has a negative impact on the financial area and business processes.

It is argued that trust can be defined as effective when it is connected with accountability. In fact, this particular symbiosis is supposed to involve both accountability for one's own words and actions to the others, as well as accountability to oneself without external stimuli and control.

The paper defines the peculiarities of the contemporary dynamics of social trust which is characterized by the decrease and fall. The paper highlights strong correlation between the level of social trust in the society and its aggregate economic efficiency. Without mutual trust economic activity is substantially limited.

As research shows, those, who have the lowest level of trust in comparison to the average level in their country of residence, are also highly likely to have lower income. The reason for this is that people with low income consider life to be unfair and that is why do not trust their environment. In other words, if the results of a particular individual deviate from the indicators of the average level of trust, then he is likely to experience failure, either because he does not trust others to such an extent that he misses the opportunity for mutual exchange and benefit, or because he is such a gullible person that he is an easy target for cheating.

The paper argues that renewing and consolidating trust in the country by means of enforcing institutions of civil society is that particular premise that will lead to more effective measures in dealing with crisis. It highlights the need for a new definition of social contract that will ensure the dialogue in the country which will be beneficial to business, state, citizen and economic agents.

Keywords: social trust, socio-economic processes, business processes, state, political processes, dealing with crisis.

Katranzhy L.L. *Modeling of the impact of bank capital on economic growth.* – P. 252.

Problems of formation and functioning of bank capital, in virtue of their importance and actuality, are always in the center of scientists' attention. Along with it the issue of impact of the bank-based type of financial system, the structure of bank capital and its efficiency on economic growth in general are not fully investigated. Thereby, the aim of this paper is the empiric research of issues mentioned above on the basis of construction and analysis of panel data models.

There were constructed the models without effects, with fixed and random effects on the basis of statistical data of 47 countries in 2000-2010. There were shown that fixed effects of different countries are meaningful and reflect the impact of economic growth. It was also found that the closeness of financial system to market-based or bank-based model has

no statistically meaningful correlation with economic growth. Increase in concentration of banks equity and intensification of crediting of the economy has positive effect on GDP growth per capita. Analysis of fixed effects led to the conclusion that the rates of economic growth are conditioned by extra factors: the overall level of economic freedom and its individual components, and factors of innovation development.

Keywords: bank capital, bank-based financial system, economic growth.

Kosarev V.V. *Improving the system of estimation of the new mining equipment complexity for a breakage face.* – P. 62.

The results have been obtained on the basis of studying the domestic experience in the acceptance tests of test samples of a new mining equipment, the development of the standard of Minenergougleprom of Ukraine SOU-P “Products of coal engineering. Acceptance (exploitation) testing of experimental new (updated) samples. The order of organization, financing, economic and financial incentives for their implementation” made by the institute “Dongiproug-lemash”, Institute of Industrial Economics of NAS of Ukraine and Donetsk Research Coal Institute and careful consideration of the issue of estimation of the degree of complexity and degree of novelty of the equipment that has a significant impact on the content and organization of industrial tests of the mining equipment.

The development of methods for estimation of the degree of complexity of the test sample began with the consideration of the integrated estimation of the importance and category of the equipment complexity in the process of its creation that was offered during the previous stages of the study, at the stage of industrial tests with the proposal to plan and standardize the assembling works taking into account the novelty and complexity of the tested equipment. At these stages of finishing the tested equipment, when the object of standardization and planning is the works on the elimination of the identified design defects and failures of the equipment, disassembling, delivery, assembling, revision, adjusting its parts as a form of reflection of cost standards for workers’ labor, it was recommended to apply the normalized work quotas taking into account the coefficients established for a shift, day or other period for the brigade as a whole, separate links or groups of workers. In the previous stages of the study it was suggested to choose the factors, which stipulated the necessity of application of correcting coefficients, the number and boundaries of their gradations by expert estimation to involve the research workers, coal engineering plants, scientists, employees of the normative-research stations and experienced practical workers, i.e. those who knew the problem very well.

Taking into account all the above, to develop the project of standard of Minugleprom of Ukraine of 2011 the following factors of estimation of complexity of the test sample were selected: the number of automated functions in the product, the number of positions (part types), the number of energy subsystems (mechanical, electric, pneumatic, hydraulic), mass of the product (in kilograms), the biggest size (length, width or height, mm). Each of these factors alone only partially reflects labour input in the servicing of equipment, the range of necessary professional knowledge and volume of necessary skills, but together they adequately characterize the degree of complexity of the sample of equipment.

Based on the acquaintance with the known samples of existent mining equipment in Ukraine and abroad, the information published in the special editions and on the forecasts of skilled experts, the existent and expected in the near future marginal values of the above factors of complexity have been established, and the number of gradations for each element of complexity has been defined, numerical parameters of which are presented in the standard of Minugleprom of Ukraine of 2011. So, into account was taken the improved classification of new equipment according to the degrees of its complexity, importance and integrated estimation-category of equipment.

Over the term of the standard of Minugleprom of Ukraine of 2011 some provisions of the methodology for estimation of the equipment complexity have been identified, which should be specified in the further use of the Standard.

Principles of estimation of the new mining equipment complexity have been identified, which must be used in industrial testing of experimental and test samples.

The above proposals on the improvement of the system of estimation of complexity of new mining equipment for breakage faces will facilitate the continuation of the process of forming of normative and methodical recommendations on organization of industrial tests of mining equipment. In the future, the searches for effective systems of payment for labour in testing and introduction of new equipment will be also conducted, using the estimation of complexity of studied mining equipment. Practical application of the developed Standard will allow getting some proposals concerning this issue.

Kravchenko O.O. *Problems of infrastructural conditions creating for the development of trade and economic relations of Ukraine with the EU and the CU: rail transport.* – P. 262.

Nowadays a problem of working out an effective model of development of rail transport in condition of the geopolitical and geo-economic choice of Ukraine is relevant. In the article the prospects of development of the railway sector of Ukraine are

investigated with the existing alternatives: the signing of the Association Agreement between the EU and Ukraine, and the accession to the Customs Union.

The Association Agreement between the EU and Ukraine includes such limits: implementation of high-speed railways (during the five years period after the Agreement's coming into force); implementation of the Directives (EU) and the Regulations (EU) to market and infrastructure access, technical and safety conditions, combined transport and other aspects of passenger traffic's regulation. In the article it is substantiated an impossibility of the implementation of limits to high-speed railways and ensuring of interoperability of Ukrainian rail transport (infrastructure and rolling stock) during the period determined in this Agreement.

In the article the aspects of changing of Ukrainian railways interoperability after the Technical Regulations in countries of Customs Union coming into force are considered as well as the positive effects of enjoining or closer cooperation with CU: preservation of Ukrainian railway complex in the integrity, development of an effective program of renewal of rolling stock and modernization of infrastructure that will help return transit flows to Ukrainian railways and, consequently, increasing of GDP.

Based on the analysis carried out in the article the conclusions are made that (1) the development of directions of Ukraine's integration should be based not only on the opening prospects, but also on considering the possibility of the fulfillment of requirements; (2) development strategy of rail transport should be based on the need for harmonization of working with both European railway systems, and the countries of the CIS, which will allow increasing the demand for Ukrainian railways and the efficiency of their operation; (3) prospects for the development of railway transport should be related to improving technical means of transport, infrastructure development, continued construction of new railways, and increasing their freight and passenger traffic; (4) the development of strategic and tactical plans for reforming industry should be implemented taking into account both the available sources of financial resources for their implementation, and the need to maintain the financial stability of the railway transport.

Keywords: rail transport, infrastructure, rolling stock, interoperability.

Lutsenko V.G. *Socio-political and market aspects of power and management realization.* – P. 333.

Based on the analysis carried out the article argues that market power in its general sense involves the sellers' or buyers' ability to influence on the price of the goods. Market power can be characterized by two types. When the sellers set the price that is higher than marginal cost they possess monopoly power

which is defined as the amount to which the price exceeds the marginal cost. When the buyers can receive the price which is lower than their marginal estimation of goods they possess monopsonic power and its size is defined as the amount to which the marginal estimation exceeds the price.

The article argues that to some extent monopoly power is defined by the number of firms competing in the market. If the market has only one enterprise (pure monopoly), monopoly power fully depends on the elasticity of market demand. The less the elasticity of demand, the more monopoly power an enterprise possesses. When several enterprises operate on the market the monopoly power depends also on how the enterprises interact. The more cut-throat is the competition, the less monopoly power each enterprise possesses.

Based on the analysis the paper concludes that market power may impose costs on the society. Both the power of monopoly and the power of monopsony may be the reason why production is below competitive level and that is why consumer surplus and producer surplus may have complete net losses.

The article argues that power relations are realized by means of the process of management aimed at achieving public goal which may be defined as ensuring the public welfare. This fact provides the ground for realizing power management process which ensures the reproduction of human capital at the cost of social investments.

Keywords: power, management, socio-economic system, public welfare, human capital, power-management process, public goal.

Lyakh I.I. *About the innovation providing of integration processes in industry.* – P. 170.

The basic problems of Ukrainian industry in the context of innovation providing of integration processes are given. It is proved that the formation of efficient system of production and use of knowledge presuppose the quality infrastructure support for creation, promotion and distribution of innovation product on the basis of new, coherent, and balanced innovation policy. It is shown that for the improvement of the organizational structure of innovation process towards strengthening the relationship between research, innovation and industrial component that can respond to the needs of production and today's market an effective motivational adjusters are needed.

Keywords: innovation, adjusting, integration, industry.

Maslak O.O., Gromyak O.B. *Express-diagnostics of internal crises at enterprise.* – P. 68.

The article singled out the role of express-diagnostics in the process of crisis management. The interpretation of the term "express-diagnostics of internal crises at the enterprise" is formed based on

the study and synthesis of the literature. The sequence of implementation of express-diagnostics of internal crises at an enterprise is designed, the successive stages are allocated and their contents are described. The generalized typology of internal crises that arise at an enterprise is formed.

Keywords: express-diagnostics, crisis management, internal crisis at enterprise, typology, sequence of implementation.

Mazur Ju.O. *Evolutionary economics as an alternative to the tax neoclassicism.* – P. 274.

The fundamental principles of the neoclassical economic theory are considered, which are based on the precondition of Pareto efficient allocation of goods, rational behavior of fully informed individuals and equilibrium of markets at short intervals of time. The level of public welfare is the main aim of neoclassical investigations. There are Rawlsian and Utilitarian approaches to the modeling of public welfare functions. The enterprise activities are described with production functions of various modifications, the consumers' – of utility functions, the government – of budget constraints. In neoclassical economics the investigation of government regulation of the economy is reflected in the models of taxation, which represents the impact of taxes on economic growth. These models of taxation are descriptive and optimization.

Limits of neoclassical models of taxation as a tool for applied research in the limited rationality of individuals and the instability of the economic environment are established. These models do not take account of changes in the behavior of individuals. Therefore the conclusions of neoclassical economic theory need to be adjusted according to the institutional economic environment and the permanent changes in the economic activity of agents.

Evolutionary economics as scientific approach in the modern economic thought is a further development of the fundamental provisions of the orthodox theory. Using foundation of the neoclassical theory investigation, the evolutionary economics is aimed at a deeper study of the socio-economic processes and phenomena based on their long-term changes and changes in the behavior of agents who make certain decisions. Such decisions not always lead to an increase in public (or private) welfare. The need to consider the patterns of change of rules and norms of the individual's behavior in space and time in terms of their evolutionary development is identified.

The analysis of evolutionary models in modern economic theory has shown the feasibility of their use in the study of the tax influence on economic growth. These models are aimed at investigation of stochastic nonlinear (and non-equilibrium) states in the dynamics of the economy in terms of variability of the institutional environment and the impact of

different market mechanisms. It is substantiated that evolutionary economics can be the basis of research of the influence of taxation on the economic growth in conditions of the changing status of studied objects.

Keywords: neoclassical economics, taxation models, evolutionary economics, evolutionary models.

Orekhova K.V. *Enterprise financial security threats management.* – P. 76.

Enterprise financial security threats management main terms essence and contents were defined on the basis of financial and economic literature analysis and generalization:

enterprise financial security threats management is a multistage process, which includes evaluation, management and analysis of enterprise financial security threats management;

evaluation of enterprise financial security threats is a process of identification of threats influence on enterprise financial security;

analysis of enterprise financial security threats is a process of threats identification, which influence on enterprise financial security.

It is established that the majority of modern domestic and foreign scientists consider two groups of enterprise financial security threats estimation: qualitative or subjective (expert, probabilistic (concerning loss, favorable possibilities), consequences analysis) and quantitative or objective (statistical, analytical, rating, expense expediency, analogues, decision tree, normative).

Comparative analysis of qualitative and quantitative enterprise financial security threats estimation enables to detect that use either of them has its own advantages and disadvantages. Some methods require using the considerable mass data and at the same time leave out of the account the time factor; others are insufficiently developed for using in the domestic economic conditions. Therefore the choice of the method is made only owing to the purpose of the enterprise financial security threats estimation.

It is proved that the methods of the enterprise financial security threats management could be divided into three groups: reduction, maintenance and transmission.

Reduction of enterprise financial security threats level provides preventive management and logistical measures implementation as to unfavorable events in financial and economic activities prevention or negative consequences liquidation.

As measures, implemented for enterprise financial security threats level maintaining, could be referred the following: getting loans on compensation for losses, which enterprise got as a result of unforeseen, unfavorable events in its financial and economic activities, resumption of output production (goods,

works, services) with the help of finance and credit establishments activities, government grants etc.

Keywords: enterprise, financial security, threats, evaluation, analysis, management.

Osadcha N.V. *Process of adaptation of national customs legislation to the requirements of the EU.* – P. 288.

In the article the basic aspects of adjusting the customs affair are analyzed, and the recommendations concerning the forming of institutional environment of customs affair in the course of joining the EU are given. The institutes of adjusting the customs, problems of its forming and development were investigated. The influence of integration associations of EU on the economy of Ukraine and the system of customs affairs was also analysed.

The legal collisions of determination and forming of principles of customs affair in Ukraine were explored. The author pointed out that the main institute of adjusting the customs affairs customs treatments, which include an international and national constituent and system error in the process of forming. It was suggested to use conception of the «satisfied interest» for the efficiency improvement of the custom adjusting, which includes purpose, strategy, algorithms of operation, and subjects of realization, term of action, stimuli and limitations. The conception of providing the customs interest by forming the balance of interests of the state and business was proposed. In the article the experience of Poland in forming of bases of customs and adaptation of national legislation to the requirements of EU is analyzed. The aspects of legislation and law of EU are analyzed.

The interdependence of international law and the European Community law, particularly in the area of customs, is very complex. The ways in which international customs law is incorporated into the Community's legal system are many and varied, and there is a need to establish some standard mechanisms for the future in order to reduce the diversity of solutions for the similar problems.

The basic innovative aspects of the research lie in adjusting the customs affair in the course of European integration.

Keywords: customs affair, norms of customs legislation, customs procedures.

Paientko T.V. *Institutional nature of budget deficit and public debt in Ukraine.* – P. 181.

The article is devoted to the institutional nature of the budget deficit and public debt. The views of the scientists on the nature of the origin of the budget deficit are represented. The difference between active and passive deficit are explained.

Main ways of balanced budget are described. Their main disadvantages and risks are outlined. This article explains that the methods of balancing the

budget may result in the largest institutional deformation in Ukraine.

Institutional imbalances in the ways of balancing the budget are identified. The influence of the size of the budget deficit and budget expenditures on the GDP is evaluated. The peculiarities of public debt in Ukraine are disclosed. The dynamics of budget deficits and public debt to GDP are analyzed. The causes of negative impact of increasing the public debt on the budget deficit are systematized. The threat debt policy of Ukraine with regard to the impact on the budget deficit and the economy are justified. The situation that institutional imbalance in the balance of the budget cannot be overcome by increasing the debt load caused by the negative net exports is shown. The main reasons of the limited debt capacity in Ukraine are named including the critical size of gross external debt achieved, dependence of public debt dynamics on the exchange rate of the hryvnia, the outflow of currency from the country, large contingent liabilities of the government.

The strategies to overcome institutional deformations in the process of balancing the budget are justified including the reductions of public debt, balancing of the expenditure policy, optimizing of the size of the budget deficit (not exceeding 3% of GDP), and transformation the passive budget deficit in active.

Keywords: budget, budget deficit, public debt, institutional deformation.

Perstok T.Yu. *Implementation of investment activity of integrated structures with participation of leasing companies.* – P. 188.

At present the role of the integrated structures significantly increases in Ukraine. Unfortunately, the legislation of Ukraine pays not enough attention to the regulation of activity of integrated structures. At the same time foreign experience testifies that the basis of integration processes consists in consolidation of resources of participants of structure. However there are objective restrictions on possibilities of intra group financing of integrated structures and there is a need of external financing. In such conditions the allocations of one participant, capable to carry out the function of the investment center of integrated structure, will be the most effective. The leasing company can become such a participant. As the investment center it can carry out both the leasing activity functions and the functions of the investment center of the integrated structure – the organizational center of investment activity and participation in the marketing program of the integrated structure. The functioning of the association of the enterprises with participation of a leasing company is possible only in regions of Ukraine with high concentration of industrial and financial capital from which Kiev, Dnepropetrovsk, Donetsk, Kharkov, Zaporozhye, Odessa

areas are observed. After analysing economic indicators of industrial production of Donetsk region it seems possible to come to a conclusion that in the region there are extremely favorable conditions for formation of associations of the enterprises with participation of the investment center in the form of the leasing company. On the basis of available statistical information the conclusion is drawn that the leasing mechanism of investment activity practically isn't used. At the same time, financing of 50% of investments by means of financial leasing allows receiving 80% growth of investments. It allows speaking about considerable prospects of participation of leasing companies in the course of overcoming the economic crisis.

Keywords: integrated structure, investment, leasing company, regional economy.

Popova O.Yu., Belousova K.O., Tomashevskaya O.Yu., Kulakov O.O. *Role of natural resource potential in economic growth of Ukrainian economy: institutional dimension.* – P. 297.

Natural resource use gives rise to public and private goods and services in national economy. Decision making in large corporations involved in the extraction and processing of natural resources in Ukraine, based on generation of profit, is the legitimate possibility of transferring responsibility and payment for environmental pollution and depletion of natural resources to the state. And the lack of «fair» money value of natural resources and ecological damage results in excessive production of private welfare with a minimum production of public welfare. As a result the disproportions accumulate that endanger a possibility of long-term economic growth. In the present work the characteristics of natural resources as welfare are presented, namely, physical, social, and economic ones.

Two trajectories form the theoretical framework of the model of economic development in Ukraine. The first trajectory is oriented to the law of property that can be established in the market of externalities. The second trajectory of ecological economy is the approach of balance materials, which characterize the limits of development by entropy.

At the same time, peculiarities of failures of environmental management in Ukraine are substantiated. Failures of the market and failures of the government are identified.

The choice of the method for transformation of a natural resource into welfare depends on a number of factors. These factors are: scientific and technological advance, the existing technologies of production, the access to required investment, institutional standards (legislations, traditions, culture, religion, etc.), the knowledge of methods of resource consumption and the amount of resource used in the course of production and consumption. Requirements and desires of resource consumers can vary with time

and space and are of particular importance in choice. It is necessary to consider the transformation of a natural resource into welfare from the viewpoint of economic, social, and ecological components. Their correlation depends on the potential of the natural resource, applicable technologies, and acting institutions (formal and informal ones).

The model for estimation of the effect of natural resources on economic growth is presented. The model includes the level of satisfaction of consumer needs and used fuel and energy resources. By the extension method, we present a multi-factor model accounting of economic, environmental, and social components of economic growth. The results of the assessment of economic, social, and ecological components of economic growth demonstrate a uniform increase in size of the economic component.

Keywords: natural resource potential, economic growth, welfare, model, institution, component.

Ruchkina V.M. *Formation of tax culture in Ukraine and analysis of its component parts.* – P. 194.

Formation of the institutional surrounding and reducing of parallel uncontrolled financial flows in economy determine the role of tax culture in the institutional aspect of the tax system of Ukraine.

In economic literature tax culture is considered in the context of cooperation between state tax regulator and the taxpayer. It is reasonable to study tax culture in the context of institutional theory. The study is an analysis of tax culture in the institutional aspect of the tax system of Ukraine.

The article analyzes the legal, economic, and social factors of parallel (shadow) economy as a part of the tax unrealized potential. Ukraine's tax system must meet global standards. The formation and development of tax culture is one of the directions of reforming the tax system. Institutional environment of tax system and the problems of formation and development of tax culture in Ukraine are identified and analyzed.

The institutional environment of the state tax system includes a set of legal, economic, and cultural institutions. Legislative institutions shape the regulatory framework in the tax area. The economic component of the institutional environment stimulates the activity of entities using the tools of tax policy. The tax cultural component includes tax awareness, professional identity, and ethics of doing business. Tax culture in the institutional aspect can be defined as the beliefs, values, knowledge, which provide for the timely payment of taxes and mandatory contributions under the terms of the current legislation of the state.

Formation and development of tax culture is implemented through formal and informal institutions. Formal institutions create a legislative platform; informal institutions are the platform beliefs, values, and knowledge. One of the main problems of

the formation and development of tax culture is rather low opinion of the population on the need to pay taxes.

Keywords: tax system, potential of taxation, institutional surrounding, tax culture.

Shvets V.Ya., Solomina G.V. *Standards of evaluating the performance of collective investment institutions: international experience and Ukraine. – P. 201.*

The current state of the investment support for Ukraine's economic condition is explored. The problem of effectiveness evaluation of portfolio trust management using the Global Investment Performance Standards (GIPS) is considered. The recommendations on improving the institutional support, which were adapted and put into practice in CII, are proposed.

Keywords: collective investment institutions, asset management company, international standards of evaluating the efficiency of investment.

Shelest Ye.O. *Pre-conditions, problems and threats of forming and using the export potential of machine building enterprises. – P. 90.*

The generalization and systematization of existing conditions, issues, threats and their potential consequences in the sphere of formation and use of export capacity of machine building enterprises of Ukraine are implemented using the method of analogies.

Keywords: export potential, enterprise, machine building, pre-conditions, problems, threats, consequences, method of analogies.

Shemiakina N.V., Gorinenko G.S. *Institutional conditions of the economic mechanism formation of industry development. – P. 209.*

Technical development of the industrial sector is one of the main conditions of creating a modern Ukrainian industrial complex, which can be a powerful engine of long-term economic growth of the state and respond to changes in the world market conditions. The technical development of Ukrainian industrial sector does not meet the current requirements and is characterized by unhealthy tendencies because of the low activity of industrial enterprises creating the advanced manufacturing technologies. The appearance of such a situation is caused by many factors, ranging from the lack of financial resources for innovation to the imperfection of the legislative base. It is necessary to identify factors which contribute to the process of technological development of the industry in order to provide innovative industrial development.

The purpose of this article is to research the institutional conditions of economic mechanism functioning of the technical development of industry and innovative development of economy.

The classic conditions and fundamental investigation of foreign and domestic scholars, statistical data and results of author's research of the problems of economic mechanism in industry has formed the basis of the article. The scientific abstraction, generalization of scientific experience of modern theoretical studies, comprehensive approach methods have been used.

The paper reviewed the concept of the economic mechanism, its structure, elements, and also the most important characteristics. It also considered institutional conditions of its formation. The main problems of the domestic industry on the path to innovation were singled out.

The theoretical positions of institutional conditions of the economic mechanism formation ground the methodological basis for the formation of economic mechanism of technical development that could enhance the investment process in industry.

The research shows that in the modern condition of Ukrainian economy development, there is an exigency in formation of the implementation mechanisms of innovative type of development by the use of an effective set of institutions. Currently, the institutional organizations demonstrate ineffective work. The search of financing the development issues have not yet solved and require further research. To sum up, an important component of the economic stabilization situation in Ukraine needs to be radically changed in the view of existed principles of modern production, as well as the formation of an effective mechanism of development of industry.

Keywords: economic mechanism, economic development, institutional conditions, institutional environment.

Slepneva L.D., Krivoberets V.B. *Using DATA MINING tools in credit risk management. – P. 303.*

Credit activity determines the effectiveness of the functioning of the bank, as a significant part of the bank income comes from lending operations. This lending is always associated with risk. NPLs could lead to the bankruptcy of the bank and this may lead to the bankruptcy of its related companies. Therefore, the problem of effective management of credit risk is a necessary part of the strategy and tactics of survival and growth for every commercial bank.

The purpose of this work is to show the usage of advanced mathematical methods and IT-technologies as to assess the creditworthiness of individuals - potential borrowers. The article proves the necessity of building a model with a binary dependent variable to estimate and predict creditworthiness of potential borrowers in order to reduce the level of credit risk.

The research was performed in accordance with the materials of the retail lending of a bank and the logistic model of creditworthiness diagnostics of

a potential client was built on this basis. In this model the dependent variable is a binary variable reflecting the status of the client. The dependent variable will be zero if the loan is problematic, and otherwise will be equal to 1. The value that ranges from 0 to 1 would indicate the probability of loan default or other problems concerning the recovery of a debt.

The parameter estimation was made with the help of logit-models that uses maximum likelihood method. In this research the Statistica software was used – the package for data analysis, data management, statistics, data mining, and data visualization procedures. The procedures of estimating the quality of the model were also proposed. With the help of the model it is possible to determine the percentage of trustworthy borrowers and the percentage of unscrupulous borrowers.

Keywords: credit risk, data mining, creditworthiness, logit.

Smirnov Yu.O., Panfilova T.S. *Assessment of financial security of an enterprise based on identity of its financial condition.* – P. 313.

The current state of Ukrainian economy is characterized by significant fluctuations of internal and external factors in companies' operation environment, serious threats to their financial position, and a high degree of financial risks. That is why one of the important goals of financial management is to promote the financial safety of the company.

Analysis of existing techniques for assessing the degree of company's financial safety has identified a number of problems. The main ones are the lack of standard criteria, metrics and methodological approaches to determine the degree of company's financial safety.

The goal of present research is to work out a technique for assessing the degree of company's financial safety based on the key indicators of financial position. Constant monitoring of changes in company's financial position is an important indicator of its financial safety. We recommend using following financial ratios for multipurpose assessment of financial position: equity ratio, accounts receivables to accounts payable ratio, asset coverage ratio, asset mobility ratio. It was developed a discriminant function for telecommunications industry companies. The degree of influence of key financial indicators on a discriminant function was determined. A criterion to identify stable or unstable status of company's financial position was substantiated.

The suggested technique for assessing the degree of company's financial safety can be used by the internal audit service or internal security service. Financial safety professionals (or financial safety analysts) have to monitor a company's financial position in real time and quickly react to any changes. Furthermore, an information system has to be developed for comprehensive and objective monitoring

aimed to detect and predict internal and external threats to the company's financial safety. On the basis of the information received it must be developed a set of short-term and long-term measures to counteract the impact negative factors, as well as measures aimed to prevent and overcome the possible negative backwash of threats.

Keywords: financial security, financial condition, indicator, telecommunications industry, constant discrimination.

Rassujday E.Ya. *Economic evaluation of coal companies capital as a tool for attracting investments.* – P. 84.

The methodical approaches to assessing the capital of coal companies, and the necessity and possibility of their capitalization are examined. The category of "mining capital" is studied. The features of the valuation of the mining industry and the proposed method of estimating the rental value of the company based on the calculation of net cash flows are given. The proposed method of estimating the capital of the coal companies will be a complement to existing standards and assessments, and will provide re-evaluation of resource potential (natural capital), and production of capital at all stages of coal production.

Keywords: capital, coal companies, investment, economic evaluation.

Vasilyeva N.F., Ginkul A.S., Kavura V.L. *Industrial policy of European Union and tools for its implementation: experience for Ukraine.* – P. 136.

Relevance of the article consists in the possibility of taking into account the European experience in the formation of industrial policy in Ukraine to reduce the vulnerability of the domestic economy in the face of many global challenges (depletion of natural energy resources, aging population, growing income differentiation, environmental degradation), which require today such a tool that would have assisted in the formation of a new industrial strategy.

The purpose of the article is to investigate the formation of the industrial policy of the European Union (hereinafter - EU) and the instruments of its implementation, and draw conclusions regarding the application of the European experience in Ukraine. In the article the peculiarities of national industrial policies and instruments of its implementation in countries such as Germany, France, Britain, Italy and Sweden are given as an example.

It is determined that in the industrial policy of the EU in recent years a comprehensive approach has been dominating to the choice of priorities and implementation tools which have been associated with the solution of basic problems such as employment of the workforce and increasing of the expenditures for research and development. Moreover, the conclusion is drawn that the formation of effective industrial policy depends on what role the state plays in this process, in

particular, to achieve a high level of human capital improving the education system.

The tools of modern industrial policy in the EU are the optimization of the financial sector of economy as the most important basis for development of industry as well as improvement of budgetary, fiscal, monetary, financial, institutional, trade, investment and innovation policy.

In general, European industrial policy is increasingly understood as a policy of support for knowledge-intensive and high-tech sectors of the economy, which are the significant tools for European framework program for research and development.

Keywords: industrial policy, instruments of industrial policy, the European Union, the European experience, employment, framework programs for research and development.

Vishnevsky V.P., Zbarazskaya L.O. *On the Issue of Concept of National Purpose-Oriented Program of Industrial Development of Ukraine.* – P. 101.

The article covers the issues of conceptual modernization of national industrial policy of Ukraine. The timeliness of problem is determined by widespread deindustrialization induced by ineffective state regulation of the process of market-oriented reforms. At the same time, under the influence of the newest trends in global economics, in industrialized and faster growing countries an upsurge in interest in active state policy, based on new industrialization approach, is observed. Its idea consists in strengthening the own industry on the ground of the new technological base with the priority development of advanced industries.

The expedience of new industrial scenario of industrial development in Ukraine is determined by changes in production and markets structures in the world, shifts in international division of labor, development of new forms and practices of international competition and cooperation, and widespread changes in technology revolution. Keeping out of these trends Ukrainian industry risks to intrench itself between global industrial outsiders. It is proposed to solve that problem within a framework of matrix-type industrial policy. It allows combining efficiently the horizontal measures related to the development of favorable conditions for doing business in whole and specific forms and practices of their use for each industry. The new policies, such as the creation of favorable conditions for industrial development and development of high-quality institutional environment, promotion of innovations and development of advanced industries, maintenance of updated structural and sectoral goals of industrial development, are considered.

The partnership between state, business, science and society in the process of development of strategy of industrial development is reasonably required. The most acceptable form of its realization can be Nation-wide purpose-oriented program of

industrial development. As efficient organizational tools of innovation processes acceleration it is proposed to apply the European experience regarding the development of Technology Platforms, Joint Technological Initiatives, scientific and production structures of cluster-type.

We substantiate the applicability of measures to facilitate the entrance of domestic producers to global value chains in order to competitive growth. Among actions aimed to ameliorate the conditions of doing business we emphasized the priorities of taxation improvement, long-term lending, venture capital financing, facilitation of SME's development, and maintenance of the system of professional staff training.

Keywords: government regulation, industry, industrial policy, development strategy, purpose-oriented program, new industrialization.

Voda I.S., Ovcharenko T.V. *Directions of improving the efficiency of activity of by-product coke enterprises (by example of PJSC "Makiyivkoks").* – P. 47.

At the present stage of economic and social development of Ukraine's economy steel industry, which provides 27% of the industrial production of the state generating about 40% of foreign exchange earnings in Ukraine and more than 10% of government revenue, is of great importance. Ukraine is one of the leading countries - producers of ferrous metals in the world in terms of steel production and the volume of exports of steel products. By-product-coking Industry Enterprises of Ukraine is an integral component of metallurgical industrial complex, which also has close connection with other industries. The aim of this study is to determine promising ways of increasing the efficiency of coke plants by modernizing the production.

The structure of the effectiveness of by-product coke enterprises of Ukraine is based on the performance criteria. The measures of increasing the efficiency of production of by-product coke enterprises are developed by example of Private Joint Stock Company "Makiyivkoks".

The basic direction of innovative activity in the area of blast-furnace production is the restructuring of fuel base by the replacement of part of coke by less expensive sources of energy.

Two projects are offered: the reconstruction of separation distillation of crude benzene, and reconstruction of resinification processing plant.

Implementation of the project of reconstruction of separation distillation of crude benzene will considerably reduce energy costs, which will cut down the cost of manufactured products, and significantly improve the quality of products of the Private Joint Stock Company "Makiyivkoks".

Implementation of the project for the reconstruction of resinification processing plant will allow the company to expand production assortment, and

significantly improve product quality at the Private Joint Stock Company "Makiyivkoks".

Keywords: efficiency of activity of an enterprise, competitiveness, by-product coke plants of Ukraine, modernization.

Voronkova A.E., Yatsentyuk S.V. *Theoretical approaches to essence of brand for products of industrial enterprises.* – P. 147.

The theoretical aspects of understanding the essence of the brand of enterprise in historical perspective are considered, and the stages of the brand theory development are defined. The authors' explanation of the essence of brand based on the analysis of interests of major stakeholders of an enterprise is proposed. The logical model of categorization of industrial enterprise contactors is developed.

Keywords: brand, industrial enterprise, stakeholders, contactor, customer, model.

Zhovtanetsky V.I., Zablotsky B.F. *Policy of structural economic optimization in converged model of region development.* – P. 156.

The concept of convergent model of regional development in the system of structural restructuring of the national economy is grounded. It is emphasized that the region in the form of territorial-administrative organization of management is an organized part of Ukraine functioning on the basis of objective economic laws, the legislation of the state, and central government decisions. The priorities of the government policy are defined, in particular selection of personnel from management macroeconomic financial and investment processes, programming and strategic planning of development of Ukraine and its regions, formation of innovation and investment resources and their protection guarantees. Staffing from management by the region, finance and investment in the region, formation of targeted regional programs for industries and special economic zones development, investment in regional scientific potential and specialization of production are the priorities of policy of regional state administrations. Regional companies carry out policies of training and attraction of experts in management by enterprises, corporations, and cooperatives, making business plans for enterprises development in competitive environment, investing in restructuring of capital, labor and product, and the protection of nature. Production results of consistent policies government, regions and enterprises are proved: rising productive labor, capital returns, and production efficiency, reducing the total cost. The price stability, reduction of budget deficits of government and Ukraine's regions, reduction of the rate of intermediate consumption, and growth of value added norm are among the expected financial results.

Keywords: structure of economy, economy of region, economic policy of government, regional economic policy, effective activity of enterprises, balance of interests.

Zemliankin A.I., Pidorycheva I.Yu., Chekina V.D. *On the issue of the state of scientific sphere and its financial provision in Ukraine.* – P. 117.

In the article the scientific and technical potential of Ukraine and Donetsk region as one of the leading regions is analyzed by the level of development of science, education and production sphere. It is determined that currently Ukraine has a powerful intellectual potential with ability to generate scientific ideas of world level. In spite of this, the extent of influence of scientific and technical potential on economic growth remains insignificant. The problem of manufacturing application of scientific achievements has become one of the burning issues for the Ukrainian science. One of the reasons of such problems is the absence of an appropriate level of financial provision at the all stages of innovation process: generation, distribution and consumption of knowledge in the economy. The actual expenditures of the state budget on science are almost six times less than the legally fixed ones. In terms of such a financing the science in Ukrainian society performs primarily cognitive and socio-cultural functions although in the world practice it is well known that the possibility of the science to influence on the level of economic development occurs when its funding is more than 0.9% of GDP. Underfunding of the scientific sphere leads to the outflow of scientific personnel by travelling abroad, precipitous decline in the current logistical and equipment base of research, use of the "catching up" model of economic development, and growing role of foreign investors.

Under the conditions of new world realities the development of the national economy is possible by the restoration of scientific sphere for self-breakthroughs in innovation, firstly in the narrow field of natural or inherited advantages of national industry. At all levels a clear understanding should exist that without a radical increase in government contributions to the education and science nothing really innovative will appear in Ukrainian economy.

Therefore the competitiveness of the scientific sphere and its influence on economic development should be strengthened, including through the implementation of such activities: increase in the share of budget funding for science; improve the legal base in the sphere of scientific and technical activities; use fiscal instruments to attract private sector to the field of science; develop the innovation infrastructure for the system of scientific institutions etc.

Keywords: scientific activities, scientific and technical activities, funding for science, knowledge intensity of GDP, innovations.