

## ABSTRACTS

**Chepeliev M.G.** *Modelling and assessment of economic effects of subsidy policy change in Ukrainian natural gas market.* – P. 25.

In Ukraine natural gas consumption subsidies are widely used as an economic policy measure. According to the IEA estimates in 2012 they amounted to 4,5% of GDP or 16% of Central government budget. And while in general such policy options should address crucial socio-economic issues, in practice they fail to do that. Natural gas subsidies in Ukraine not only create a severe pressure on the public finances but also preferentially allocate money to the high-income households. In particular, households of the richest (X-th decile) receive three times more heat subsidies than the poorest 10% (I-st decile) of public users. In addition this policy distorts market pricing, leads to the inefficient resources allocation, negative environmental effects and energy security decrease.

Considering this issue Ukrainian government has initiated a tariff reform in the energy sector. Within the first stage (2014), residential heat tariffs would be increased by 40%, while average natural gas price for households would rise by 56%. Although this step is of great significance, it generates a lot of practical questions in terms of reform implementation. They include, among others, valuation of the proposed compensation measures efficiency and their influence on the payment discipline, effective distribution of the additionally received funds, and search for the compensation costs recovery sources, etc.

To explore these issues the paper adopts a static computable general equilibrium model with heterogeneous households and extended energy sector. Within this modelling tool, apart from government, final consumers are divided into ten groups according to the income level, producers are represented via 40 economic activities, and separate treatment is given to the investors, retirement and social security funds.

As modeling results show, while in the long term subsidies elimination leads to the moderate positive macroeconomic effects, in the short term households face sensible real income decrease (0,8%-2,2%), which is additionally amplified against the background of existing economic and political predicament.

Progressive taxation proved to be the most effective among the compensation costs recovery options studied. Firstly, it does not adversely influence the government budget. Secondly, it induces positive macroeconomic effects. Finally, it serves as a damper for tariff reform regressive consequences and income inequality.

In the context of mid- and long-term economic growth perspectives and Ukrainian energy security, at least moderated tariff increase for natural gas producers should be a foreground issue, especially considering the opportunities of gas production volumes increase.

*Keywords:* subsidy reform, natural gas, heat, residential consumers, compensation measures, computable general equilibrium model.

**Gavrilenko V.A., Chernikova E.G.** *Identifying impact of shadow economy on financial results of coke-chemical enterprises.* – P. 57.

The paper analyzes and presents the dynamics of net sales and financial performance of chemical-recovery industry of Ukraine for the period from 2007 to 2013. Minor profitability and profit loss indicate the artificial correction of financial performance. The owners of businesses do it in order to evade taxation and withdrawal of assets from economic circulation with the help of optimization schemes.

These schemes include manipulations with prices of raw materials; reception of raw materials with distorted quality indicators; rationing of materials consumption; manufacturing of unaccounted products; profit transfer by illegal means.

Revealed inconsistencies and contradictions that arise under the influence of negative factors are caused by the shadow economy. The relationship between the unreasonably high cost index and a decrease in revenues of income tax is detected. A negative impact of optimization schemes on the financial results of companies is revealed. All this makes it possible to artificially adjust its financial statements.

The reasons and ways of manipulating the cost of production are detected. These include: the complexity of the production technology; the presence of many technological schemes; the production of a wide range of products; the imperfection of fixed and related products; the lack of effective methodologies for material balances. All this can lead to significant deficiencies in the product costing.

The paper reveals a technique of estimation of material balances. It will identify significant reserves to reduce the net cost of production. There are, also, recommendations aimed at strengthening control over the formation of the financial results of coke-chemical enterprises.

The problem of recyclable waste and related products needs a more complex research.

*Keywords:* chemical-recovery industry, shadow economy, financial results, product costing, material balance.

**Koliada T.A.** *Financing of expenditures on economic activity in context of modern state budget policy implementation.* – P. 13.

Relevance of the article is due to the need to find a balance between the amount of legally defined functions of the state and the level of their financial support in terms of structural imbalances and chronic fiscal deficit in Ukraine.

The aim of the paper is to identify the trends in the state budget policy regarding funding allocations for economic activity in the sector and their optimization based on the available macroeconomic and institutional factors influence. The object of the study is the consolidated budget of Ukraine including the economic activities of the state.

To achieve the aim a combination of methods is used in the study: the method of analysis and synthesis as to uncover the essence of the phenomenon, geographic comparative method as to compare the international practice of budgeting; the methods of synthesis and generalization, financial analysis - for strategic decision-making and visual presentation of the research results in the form of tables.

The article proves that during the development of independent Ukraine there have been significant changes in priorities in the budget provision of state functions that meet the pan trends and reflect the internal transformation of the nature and purpose of the welfare state. The differences in the structure of the budgets of the EU and Ukraine are revealed, their causes are determined and the ways to optimization are suggested based on the realities of the current state of the domestic economy.

The expert evaluation of the effectiveness of spending is proposed to finance expenditures of the consolidated budget of Ukraine for economic activity. The irrationality reducing total expenditures in the present conditions because of the increasing negative impact on economic growth is proved. The directions as to optimize the structure of expenditures on economic activity and identify the opportunities for the government budget maneuver are given.

The prospect for further research in this direction is to prove the necessity of legislative procedures for the development of budget consolidation strategy as a tool to balance the budget in terms of adverse long-term trends that will allow the government to agree on the scope of functions of the state of the available financial resources.

**Keywords:** structure of budget expenditures, expenditures on economic activity, functions of state, budget strategy.

**Koverga S.V.** *Concept of balanced development management of manufacturing enterprises.* – P. 43.

The development of the economy of Ukraine and manufacturing enterprises in particular is charac-

terized by the change of tendencies, absence of the strict order and predomination of the crisis over the stable development. The situation can be described as “the system imbalance”. It is the proof that scientific researches that are devoted to the management of the balanced development of manufacturing enterprises are up-to-date.

The research of theoretic, scientific and practical provisions as to the management of the balanced development of manufacturing enterprises as a whole and the increase of the balance of certain aspects of the operation of manufacturing enterprises in particular demands to arrange the main theoretic and methodic preconditions to create the unique system. Thus, it is necessary to set up the unique concept of the management of the balanced development of manufacturing enterprises.

The objective of the article is the development of the concept of the management of the balanced operation and development of manufacturing enterprises.

The available scientific and practical approaches to the management of the balanced development of manufacturing enterprises are studied, their disadvantages are determined. It is proved that the estimation of the imbalance is always subjective (even if it is set in the framework of a certain scientific paradigm, theoretic or practical approach) and the viewpoint of the observer and his aims influence the setting of such an estimation.

It is mentioned that the balance of an economic system can be defined as a measure of conformity of the characteristics of one element of a system to the demands of the other elements of the system and also of the characteristics of the system to the objects of the environment that results in promoting the achievements of an objectives and criteria of the operation and development of a system.

The specification of such notions as “causes”, “instances”, “consequences” of the imbalance is offered. The methods of uncovering the cases of the imbalance, main measures and objectives that are related to the balanced development are classified.

Instances of the balance (the extent of the conformity of the subjective and objective demands and requirements, the extent of resources endow, the extent of the correlation accuracy, and the extent of sufficiency to meet an aim) are given. The concept model of the management of the balanced operation and development of the enterprises is suggested.

**Keywords:** balanced development, imbalance, manifestations of balance, concept.

**Minkovych O.V.** *Model of optimal distribution of workers by type of work by example of energy enterprise.* – P. 66.

In the paper the author's model of evaluation of labor efficiency for each worker is submitted. The model is based on using such criteria as: 1. Professional competency; 2. Creativity; 3. Responsibility; 4. Leadership; 5. Individual features of character; 6. Managerial skills and knowledge; 7. General assessment of health. The results of evaluation of labor efficiency of workers were used in optimal planning of workers assignment by the type of work based on the efficiency criterion. This model was developed for energy enterprise specialized in gas transportation.

*Keywords:* personnel, managerial decisions, efficiency, optimization model.

**Vishnevskaya O.M.** *National economies and national industrial systems in modern world: introduction to the problem. – P. 5.*

The concept of national economy is proposed. It is offered to understand it not as the mechanical set of economic units, but as the evolving organism that has its own history and is characterized by a unique combination of driving forces of development in space and time. It is proved that each national economy represents something special, variant from other economies not only in quantitative aspect (according to numerical characteristics of constituent elements – the population, wealth, income, etc.), but first of all in qualitative aspect formed in space and time under the influence of geographical, socio-biological, language, religious, cultural, and other factors.

All successful national economies in the modern world are externally very similar: they are the mixed units with a certain combination of the state and market, possessing the multilevel monetary, tax and budgetary systems, developed markets of factors

of production, modern industry, infrastructure, etc. However, from the substantial point of view those national economies which have risen quickly in the last decades build their systems of the social and economic relations in a different way than the western democracies. It is visible first of all from geographically and historically caused socio-cultural norms which are the cornerstone of economic transaction and mechanisms of administrative decisions making.

It is proved that national economies are grouped in the economic populations which are forming under the influence of geographical, sociobiological, language, religious, cultural and other factors. This approach, based on evolutionary methodology, is characterized as a methodological populationism.

The traditional typology of national economies also has important analytical value. In the last decades, for example, the concept of a variety of capitalisms has gained popularity in the world, according to which it suggests to distinguish on the basis of one or several signs, for example, Anglo-Saxon, European-continental, Social-democratic, and Asian capitalisms. Such analysis really allows revealing important typical features of certain national economies which are the representatives of different populations. But, in principle, their direct comparison is insufficiently correct and constructive as it is more correct and constructive to compare not the separate social organisms relating to different populations but the organisms of one population or different populations among themselves.

*Keywords:* national economy, national industrial system, economic population, methodological populationism.