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Ostapenko V.M.,
cand. sc. (econ.), lecturer at department of
management of financial services,
Simon Kuznets Kharkiv National University of Economics

FINANCIAL POLICY ON THE PRINCIPLES PUBLIC-PRIVATE PARTNERSHIPS` APPLICATION

Setting the problem. Steady deterioration in macroeconomic indicators and lack of financial resources at all levels of the financial system indicate imperfect management system of public authorities in the field of financial relationships. Mobilization, allocation and utilization of financial resources, optimization of the financial sector, improving financial management system made in the implementation of financial policies. The mechanism of financial policy realization needs to increase efficiency and adapt to the financial and economic conditions of economic development in Ukraine. So, of course, the development and implementation of effective financial policy at the state and local levels is a complex and important issue of Ukrainian economy development at the present time.

Analysis of recent research and publications. A considerable amount of research is devoted to the financial policy, its essence, functions, content and objectives of the organization and formation. In particular, there was been highlighted the work of such scientists as V. Bazylevych [1], B. Boronos [2], A. Vasylyk [3], I. Hrytsiuk [4], V. Latkovska [5], V. Oparin [6], K. Pravdiuk [7], V. Fedosov [8].

Considering the numerous handling scientists in this field, yet the concept of "financial policy" is one of the concepts that today require innovative approaches to learning. Talking about the necessity of determining financial policy at the legislative level, there is a need to develop and adopt the Law "About financial policy," which would include basic provisions, the content and meaning, principles, types and mechanisms regulating this sphere of public relations, as well as tasks and main areas of financial policy.

Setting the objectives. The purpose of study is to deepen the essence of the state financial policy and define her place in the public-private partnerships with the current requirements of the national economy.

The main material of research. Most authors point out that monetary policy is a number of actions that the government has it within its functions and powers in the area of financial activities in order to achieve the objectives and achieve goals. Something different from the above definition is the idea [6], that financial policy is a set of government measures on the use of financial relationships for the state to fulfil its functions. The authors emphasize that monetary policy is a set of measures to financial management or financial resources [2]. It can agreed with authors [4; 5; 6] to determine the financial policy in the part where the concept corresponds with the actions of the state, whose purpose is to meet the needs of society. However, the financial management activity of the state is not a financial policy. As noted in the work of some researchers [1; 3], the main purpose of the state financial policy is to ensure stable development of the financial system. Its implementation is achieved by solving specific problems.

So, in essence financial policy is an activity, the basis of which the legal consolidation principles, ideas, programs and prospects for financial development. Financial policy rationally is been considered due to the financial activities which in general expresses the manifestation of all functions of the state, since the implementation of any function is not possible without appropriate financial security as one of the main mechanisms of public power.

Therefore, in our study, we agree with the economists [1; 2], who believe that financial policy should be seen as an activity of the state to determine the main directions, objectives, main tasks of financial resources for the future. In the development of financial science policy serves as the definition of objectives and implementation of the recommendations of the theory.

However, it should be noted that this definition should be taken into account the fact that in a democratic and legal state is not a "state" determines the content and direction of monetary policy, fiscal policy and primarily, depends on the public choice. Also it is accepted the idea of authors [1], that the content of the financial policy is to develop the concept of development finance, determine the main directions their application and measures aimed at achieving optimal model of redistribution of financial resources. In this definition, much attention is paid to the objective of financial policy.

Some authors [4; 7] the term "financial policy" and "financial management" is identified with the financial mechanism. In our opinion, the financial management is a management of financial relationships that arise in the movement of financial resources that the process of achieving the goal, and influence over the management by using methods and tools of financial mechanism. Financial management is done not for the sake of control, but for the satisfaction of certain objectives, goals and tasks provided financial policies. Financial policies primarily implement the national strategy for economic development, create an appropriate

framework for the implementation of the state of its functions and are designed to support the financial incentives of active economic activity (Fig. 1).

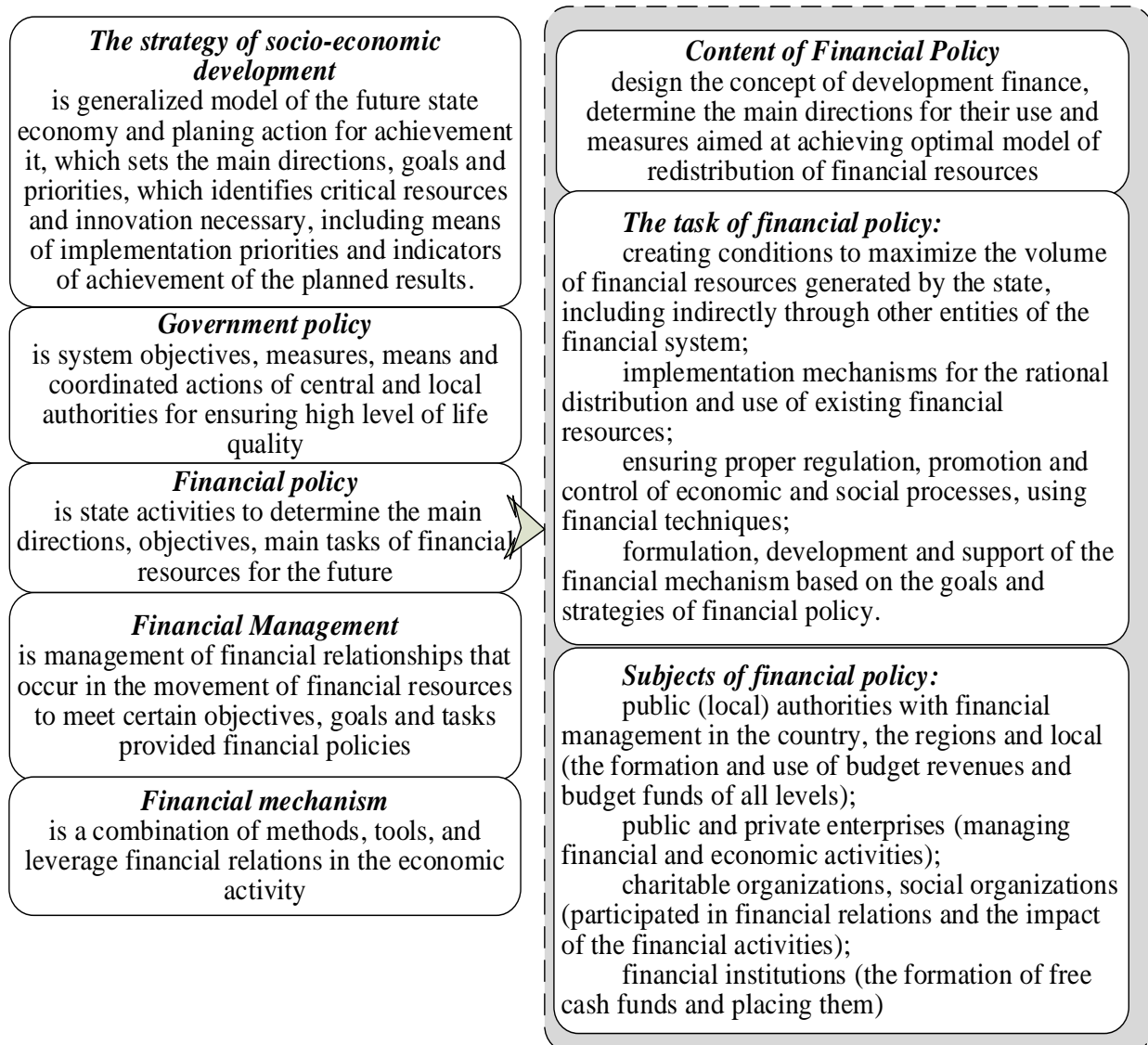


Fig. 1. Structural-logical scheme of financial policy in the system of basic financial concepts

Source: prepared by the author

Historical retrospective of the theoretical concepts of finance and the state's role in implementing the financial policy indicates a lack of sufficient economic conditions for activation of financing and financial resources reproduction effectively that is stands strong argument in favour of the key subject of the formation and regulation of financial processes should be state. However, the objective inability of the state to ensure full implementation of the social functions without the active involvement in this process of private sector resources requires active usage of different types of interaction between state and business.

Cooperation between the state and the private sector in the implementation of public financial policy is not sufficiently developed area of research as fundamental work on these issues. For determination the place of interaction between state and private sector in the implementation of financial policies, consider the evolution of relevant scientific opinions in economics. As it is shown in the table 1, the interaction of the private sector and the state in the economic sphere in general and in the financial processes are quite controversial scientific issue that has evolved under changing type of society in the development of civilization. Organizing scientific views on the role and nature of the cooperation between the state and the private sector in the economy reflects the logical development of scientific views on the nature, direction and tools of cooperation between the state and private sector financial policy states that formed within different scientific schools.

Table 1

**The evolution of scientific views on the cooperation between the state
and the private sector in the financial policy**

Scientific school / theory	Subjects of cooperation between the state and private sector	Directions implementation of cooperation between the state and private sector	Tools interaction between state and private sector
Mercantilists	The close alliance of the government with commercial bourgeoisie	Trade capital was interested in a strong state power to eliminate the outdated feudal restrictions, protection of international trade, conquest and domination of colonies in the world market. State authorities are interested in the development of trade and commercial bourgeoisie to meet the growing needs money	Conducting targeted protectionist trade policy
Classical school of economics	State and entities	Providing "honest partnership" is an important economic function of the state as is necessary for efficient operation of the market mechanism. With the competitive market entities reach different results, guided by their own interests through the use of limited resources to maximize profits	Personal work of people is a natural source of private property protection which is relied on the state
Neoclassical political economy	The interaction of the state and private capital	There is the feasibility of using concession as forms of PPPs law of the state in certain circumstances to recover their property important for public enterprises to continue to monitor and adjust prices for services	The exercise economic control in the form of state monopoly
Keynesianism and neo-keynesianism	Establishing cooperation between the state and the business sector	Direction of investment in productive and social infrastructure, development of public procurement and more. The state should finance most of the non-profit research and scientific and technological developments that can bring income only in the long term	The state's role in financing the venture (risk) companies
Neoliberal theory	-	The theory was based on the principles of strengthening the market mechanism of competition; comprehensive encouraging entrepreneurship; recognition businessman strategic economic actors that deserves full support and protection from the state	Re-privatization of state property
Institutionalism	Contacts between the state and business structures	Cooperation should be based on the principles of social responsibility on a voluntary agreement to implement the recommendations of the state business	Co-funding of social programs, modernization of infrastructure

Source: systematized by author based on [1-5]

We share the view of many economists that in today's state financial policies should be aimed at financing high technology sectors, at least in the medium term, which is achieved primarily by enhancing cooperation between the state and the private sector on the basis of PPPs. This will attract additional financial resources in large-scale government programs to reduce budget spending, stimulate business activity and enterprises more efficient use of budgetary funds. Summarizing all the above said, it can be created a scheme of tasks and areas of financial policy of Ukraine, which may be implemented with PPPs (Fig. 2).

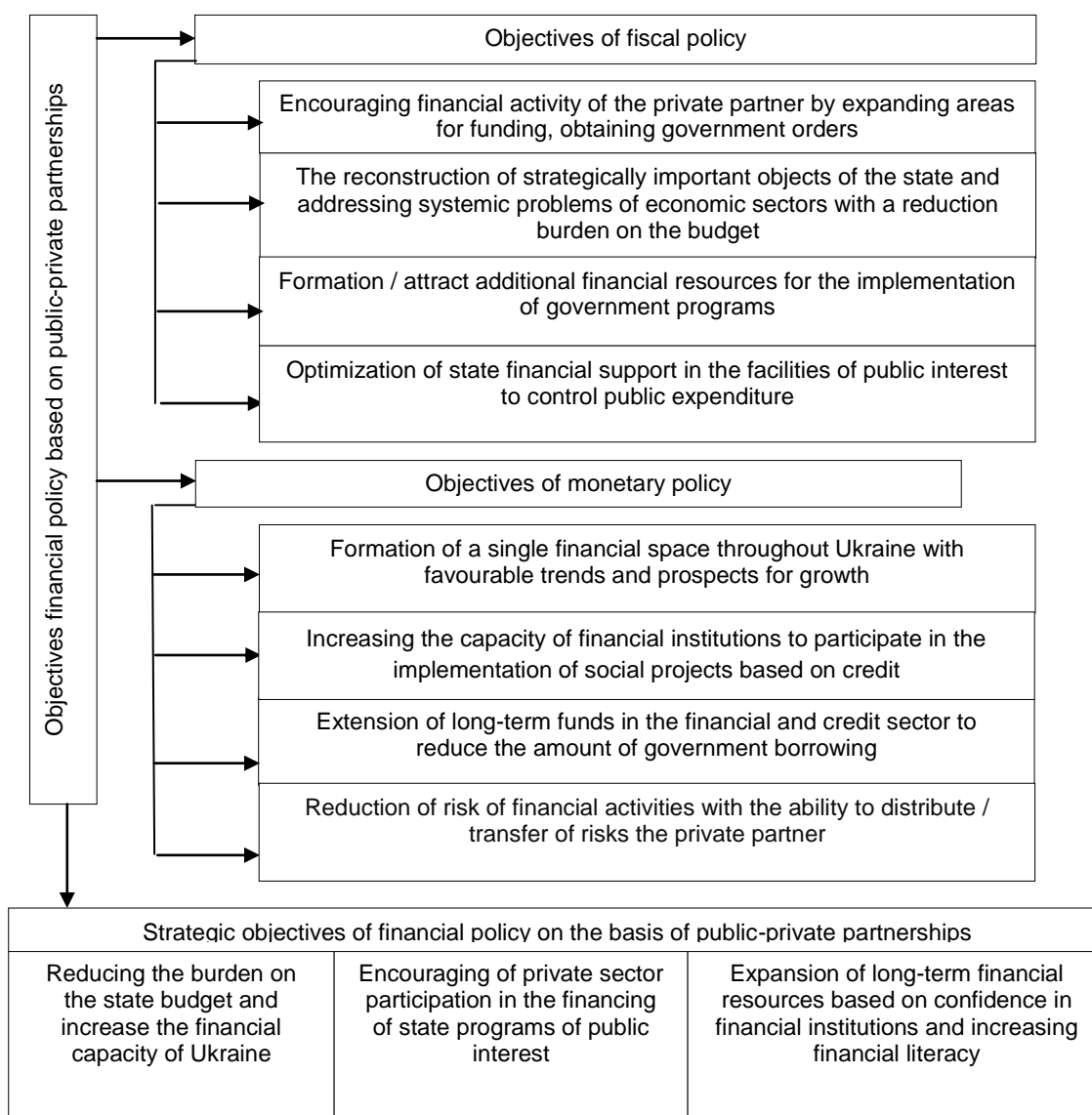


Fig. 2. The strategic objectives of financial policy based on public-private partnerships

Source: prepared by the author

Thus, this study found that at the current time of the national economy development raises the question of reforming the financial system of Ukraine, namely the general government as a permanent state budget deficit, the presence of significant imbalances in the redistribution of financial resources between the different levels and lack of financial self-sufficiency of local community demonstrates the ineffectiveness of the implementation of financial policy.

The interaction of the state and the private sector, in particular through public-private partnership for the evolution of economic thought is reflected in the implementation of financial policy in solving important social and economic issues of financial mechanisms. High efficiency of public-private partnerships as a form of cooperation between the state and private sector experience has been proven in many countries.

Conclusions of the study. Thus, the reform of public financial policy in modern conditions requires implementing state cooperation with the private sector of the economy, which includes institutional, organizational, financial, economic and socio-economic aspects, focused on providing a stimulating environment, both at macro and micro levels.

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Остапенко В.М. ФІНАНСОВА ПОЛІТИКА В КОНТЕКСТІ РЕАЛІЗАЦІЇ ПУБЛІЧНО-ПРИВАТНОГО ПАРТНЕРСТВА

Мета – визначити теоретичні аспекти взаємодії держави та приватного сектора у фінансовій політиці держави та довести необхідність запровадження публічно-приватного партнерства.

Методика дослідження. У процесі дослідження застосовувалися як загальнонаукові, так і специфічні методи пізнання: абстрактно-логічний метод та методи теоретичного узагальнення і системного аналізу (для дослідження змісту й структури фінансової політики держави).

Результати. Розкрито зміст і структуру фінансової політики держави. Доведено доцільність використання публічно-приватного партнерства для реалізації завдань фінансової політики України.

Наукова новизна. Розкрито зміст фінансової політики держави у взаємозв'язку із базовими фінансовими поняттями («управління фінансами» та «фінансовий механізм»), що дозволило узагальнити структуру фінансової політики: складові, рівні, методи, інструменти, важелі. За допомогою аналізу еволюції наукових поглядів на взаємодію держави і приватного сектора та сучасних нормативно-правових документів обґрунтовано низкою використання публічно-приватного партнерства, що забезпечує формування мети і завдань фінансової політики держави.

Практична значущість. Проведена систематизація наукових поглядів на роль і характер взаємодії держави та приватного сектора в економіці дозволяє відобразити сутність, напрямки та інструменти взаємодії держави та приватного сектора у фінансовій політиці держави. Використання таких підходів може слугувати підґрунтям для більш зважених та прорахованих рішень з боку органів державної влади щодо удосконалення завдань фінансової політики держави. Необхідність запровадження публічно-приватного партнерства в Україні підтверджено низкою державних нормативно-правових документів, що може бути використано потенційними учасниками публічно-приватного партнерства (підприємствами, фінансовими установами, органами місцевого самоврядування).

Ключові слова: фінансова політика, публічно-приватне партнерство, еволюція наукових поглядів, державний та приватний сектори, стратегія, державна політика, фінансовий механізм, управління фінансами.

Ostapenko V.M. FINANCIAL POLICY ON THE PRINCIPLES PUBLIC-PRIVATE PARTNERSHIPS` APPLICATION

Purpose is to determine the theoretical aspects of cooperation between the state and the private sector in the financial policy of the government and prove the necessity for the public-private partnerships` application.

Methodology of research. The study is been used a general scientific and specific knowledge of methods, such as abstract logical method and methods theoretical generalization and system analysis (to study the content and structure of the financial policy).

Findings. The content and structure of financial policy are solved. The expediency of using public-private partnership to achievement the objectives of financial policy in Ukraine is proved.

Originality. There is content of the financial policy in relation to the basic financial concepts ("financial management" and "financial mechanism") that is allowed to generalize the structure financial policies, components, levels, methods, tools, instruments. The feasibility of PPPs` using is proved through analysis of the evolution of scientific

views on the interaction of the state and the private sector and current legal documents that form goals and objectives of financial policy.

Practical value. The systematization of scientific views on the role and nature of the cooperation between the state and the private sector in the economy can be shown the nature, trends and tools of interaction between state and private sector in the financial policy of the state. Using such approaches can serve as a basis for more informed and calculated decisions by public authorities on improvement tasks of financial policy. The need for implementation of public-private partnerships in Ukraine is confirmed several public legal documents that can be used by potential participants in public-private partnerships (companies, financial institutions, local authorities).

Key words: financial policy, public-private partnership, the evolution of scientific views, the public and private sectors, strategy, public policy, financial mechanism, financial management.

Остапенко В.Н. ФИНАНСОВАЯ ПОЛИТИКА В КОНТЕКСТЕ РЕАЛИЗАЦИИ ПУБЛИЧНО-ЧАСТНОГО ПАРТНЕРСТВА

Цель – определить теоретические аспекты взаимодействия государства и частного сектора в финансовой политике государства и доказать необходимость внедрения публично-частного партнерства.

Методика исследования. В процессе исследования применялись как общенаучные, так и специальные методы познания: абстрактно-логический метод и методы теоретического обобщения и системного анализа (для исследования содержания и структуры финансовой политики государства).

Результаты. Раскрыты содержание и структура финансовой политики государства. Доказана целесообразность использования публично-частного партнерства для реализации задач финансовой политики Украины.

Научная новизна. Раскрыто содержание финансовой политики государства во взаимосвязи с базовыми финансовыми понятиями («управление финансами» и «финансовый механизм»), что позволило обобщить структуру финансовой политики: составные части, уровни, методы, инструменты, рычаги. С помощью анализа эволюции научных взглядов на взаимодействие государства и частного сектора и современных нормативно-правовых документов обоснована целесообразность использования публично-частного партнерства, обеспечивающая формирование целей и задач финансовой политики государства.

Практическая значимость. Проведенная систематизация научных взглядов на роль и характер взаимодействия государства и частного сектора в экономике позволяет отобразить сущность, направления и инструменты взаимодействия государства и частного сектора в финансовой политике государства. Использование таких подходов может служить основой для более взвешенных и просчитанных решений со стороны органов государственной власти по совершенствованию задач финансовой политики государства. Необходимость введения публично-частного партнерства в Украине подтверждено рядом государственных нормативно-правовых документов, что может быть использовано потенциальными участниками публично-частного партнерства (предприятиями, финансовыми учреждениями, органами местного самоуправления).

Ключевые слова: финансовая политика, публично-частное партнерство, эволюция научных взглядов, государственный и частный сектора, стратегия, государственная политика, финансовый механизм, управление финансами.

* Науковий керівник: Синчак В.П. – д-р екон. наук, професор