

DRIVING FORCES OF DEVELOPING UKRAINIAN ECONOMY AFTER THE WAR AND CONDITIONS OF THEIR EFFECTIVENESS

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Abstract. *Purpose of the paper is to consider driving forces that are mostly suitable to develop Ukrainian economy in the post-war period.*

Methodology. *Phenomenological analysis allowed disclosing the most general characteristics and features of concepts “restoration” and “development” in relation to the national economy, defining their difference according to the final results of processes of restoration and development concerning the national economy, and focusing an attention on the driving forces of development. The driving forces of the national economy development were identified based on the results of a monographic analysis of the development driving forces that allowed identifying those of them, relying on which can ensure development of the national economy and significantly accelerate it in the post-war period under certain conditions. A critical analysis of identified the most effective for development of the national economy driving forces allowed considering conditions, under which these driving forces are able to really ensure development of the national economy.*

Results. *Development of the national economy, despite all its similarities with recovery of the national economy, cannot be equated with it, because the purpose and driving forces of these processes, conditions of their course, and their participants’ interests are different. Meaning of the concept “the driving force of the national economy development” is disclosed. Importance of identifying the driving forces of the national economy development in the post-war period has been proven. There is a list of issues, the solution of which contributes to identifying such driving forces, outlined in the article. The expediency of using some driving forces of the national economy development is grounded in the post-war period. Such driving forces are contradictions in the national economy, innovations, striving for orderliness and avoidance of imbalance at the economy system. The nature of such driving forces is disclosed. Conditions for the full effect for driving forces of the national economy development in the post-war period are considered. The decisive role of a state in creating conditions for the effect of the driving forces of the national economy development is shown. There are changes that are necessary for the systemic transformation of institutional support for developing the national economy considered in the paper.*

Practical implications. *Results of studying driving forces of the national economy development form the theoretical basis of the developing economic macrosystem of Ukraine in the post-war period. Such results determine attention to considered driving forces while making regulatory and legal documents, the aggregate of which should form the legal field of the national economy development.*

Value/originality. *Studying driving forces of the national economy development was previously carried out fragmentarily in some way (the single driving forces were studied). The issue of finding driving forces became actual due to the most urgent need for developing Ukrainian economy in the post-war period, when it is Ukraine that should make the main efforts even with the help of foreign partners. Like any other process, developing of the national economy should be based on some theoretical provisions, including justifying the choice of development driving forces, disclosing their nature and peculiarities of influence, as well as formulating conditions, under which these driving forces are able to really ensure development of the national economy.*

Keywords: *national economy, post-war period, development, driving forces, conditions, performance.*

JEL Classification: *E66, F02, F20, F43*

1. Introduction

Issues concerning the post-war economy of a State have been becoming more and more actual in ruling circles, scientific and public communities in Ukraine. Both government officials and scientists consider future actions, ways and methods that will be im-

plemented as soon as the active war ends. However, it is necessary to specify what is the actual benchmark that will determine vectors of state policy in the post-war economy, if it should be recovery, reconstruction or development of the national economy. These processes of recovery, reconstruction or development of

the national economy are similar at first glance, because they are carried out due to controlled and purposeful changes in the national economic system. But despite the external similarity, these processes are not the same: they have different semantic load (although some publications make the impression of their identity, for example [1]), they are aimed at achieving fundamentally different results.

Restoration is aimed at the reconstruction of some destroyed (lost, damaged) objects. In fact, "to restore" concerning the economic system is to "return" its main parameters and conditions that preceded processes of its destruction, before the war state (which is not bad in itself), or to improve the economic system state comparing to pre-war period (such improvement can be insignificant).

The result of the national economy development can (and should!) be its qualitative transformation, the shift to a qualitatively new conditions, and ultimately transforming Ukraine into an economically powerful state.

Concepts of "restoration" and "development" are not synonymous, although they are related. Forms of interrelationship for the processes that objectify concepts of "restoration" and "development" are different. Processes of restoration and development can be considered as alternatives, they can be consecutive (at first, everything must be restored in some country's economy, and only then it is possible to start development processes) or parallel, and in this case developing the national economy, based on the results of its recovery, should be carried out at an anticipatory pace.

Our foreign partners understand the difference between recovery and development of Ukraine's economy clearly that is exactly evidenced by their statements about economic help to Ukraine in the post-war period: at first, it should be recovery, and further, when Ukraine meets some requirements, supporting development of the national economy. To confirm this fact, it is expedient to cite the statement of the President of the European Commission Ursula von der Leyen from a speech at the Conference on the Reconstruction of Ukraine in Lugano on July 4, 2022: "Because with our support, our Ukrainian friends can rebuild Ukraine ... This is the foundation on which we are working now to rebuild and reconstruct Ukraine ... But reforms should go hand in hand with investment" [2].

The President of the European Council, Charles Michel, holds a similar opinion. He declared the readiness to restore Ukraine and Ukrainian economy, houses, schools, hospitals, and enterprises at the donor conference in Warsaw [3]. Ukraine and Austria made an agreement on economic cooperation in implementing projects with an estimated cost of 500 million euros. Such projects include construction and equipment of the National Specialized Hospital for children "Okhmatdit", construction and equipment of a modern university clinic in Kyiv, establishing the National Rehabilitation Center in Lviv.

The agreement was signed by the First Deputy Prime Minister of Ukraine, the Minister of Economy Yulia Svyrydenko and the Federal Minister of Labor and Economy of the Republic of Austria Martin Kocher [4]. There is a lot of examples of the foreign partners' readiness to help in reconstructing Ukraine.

Basing on the results of numerous messages about intentions of Ukrainian allies, one can find a clear trend: almost all such messages are about help (really about help) in restoring mostly social objects, while our foreign partners have not spoken yet about developing Ukraine's post-war economy. There are only some very cautious statements about future investments in Ukraine's economy for the purpose of its development, and even under certain conditions.

The position of Ukrainian allies, our foreign partners, that Ukraine is very grateful for, is rational and fully understood one: allies are ready to restore damaged social objects and infrastructure, however Ukraine should take care of the economic development on her own, albeit in cooperation with partner countries.

In the same time, our foreign partners' focus on assistance in the non-production sphere should not mean postponing development of Ukraine's economy immediately after the end of war, without waiting for the restoration of non-production facilities. The experience of the post-war recovery for the majority of European countries after the Second World War has shown that any national economy gains stability and any state obtains the strong financial capacity exactly due to developing its national economy.

In order to develop Ukrainian economy in the post-war period, it is necessary to consider the systematic knowledge about development of a national economy. Such knowledge should cover a unanimous understanding of "development of the national economy" concept, clear view concerning its driving forces and the conditions, under which their influence is effective. Identified driving forces of the national economy development should be operationalized, that is, one should transfer them from a purely theoretical to a practical aspect, in which it is necessary to indicate those changes and transformations that should take place, first of all, in the institutional support for the national economy development.

2. Used methodology of research

There are well-known methods and tools used in identifying driving forces of the national economy development in the post-war period and the conditions, under which they can be relied on in the formation of the state policy for the economic development. Each of such methods and tools has some limitations that make its separate using without other methods and tools impossible.

Therefore, there is monographic analysis (content analysis) of the driving forces of the national economy development used as a medium of summarizing and systematizing the existing knowledge about the driving forces of development, ensuring the integrity

of the holistic view on the driving forces of the national economy development in the post-war period, with the access to a new level of structuring the existing knowledge. Results of such monographic analysis (content analysis) of development driving forces and their compatibility to the conditions of the national economy allowed identifying those of them, relying on which can ensure the national economy development and significantly accelerate it in the post-war period.

Each of the driving forces of the national economy development in the post-war period is characterized by certain limitations including the subjective nature, specific difficulties in using, need for conditions that should be created, etc. That fact caused to impossibility of giving preference to any driving force in general. That is why it became necessary to consider some of them and to focus an attention on the conditions that define the ability of driving forces to ensure the national economy development.

3. Results

3.1. Content, features and character of the driving forces of the national economy development

Development of any object as a general phenomenon is not characterized by recurrent causality.

Any development, as a process, while changes emerge in some object's (system's) state, requires a certain impulse, a certain root cause, a certain push, which are localized in external and internal environment of the object (system). Studying development of the national economy without paying attention to its driving forces and resource base reduces the controllability of development significantly while simultaneously it increases the cause-and-effect uncertainty between managerial influence and development of the national socio-economic system.

Driving force as a concept has an interdisciplinary purpose, and it is used in some social and humani-

tarian sciences. In the most general form, the driving force is considered as a joint interdependent influence of a number of factors, the action of which has a similar character and reinforces mutually.

A driving force of the national economy development should be considered as an aggregated interdependent influence of some factors that form a certain set of them, where these factors combine, cause, strengthen or suppress the influence of each other. It means that such factors are covered by certain interactions and interdependencies (Fig. 1). Reducing driving forces to single aggregated factors is an unjustified simplification of the driving forces of the national economy development. There is the combined interrelated influence of a number of factors that form a phenomenon or process that contribute to the national economy development to a certain extent.

Identifying the driving forces of the national economy development in the post-war period, their active using (or forming) is important due to the following reasons.

First, identifying driving forces, their composition, periodicity, nature and intensity of influence allows forecasting, if not the development of the national economy, but the measure of favorable external and internal conditions for such development, that can reduce necessary costs.

Secondly, understanding the driving forces of development, their nature and intensity of manifestation allows predicting the occurrence of bifurcation points, where even the least influence can change the state of the system significantly (if it is facilitated by a combination of external and internal circumstances that are relative to the system). Development of the national economy as a complex system functioning in a changing and poorly controlled external environment is a non-linear, variable, often irreversible process that contains some number of bifurcation points.

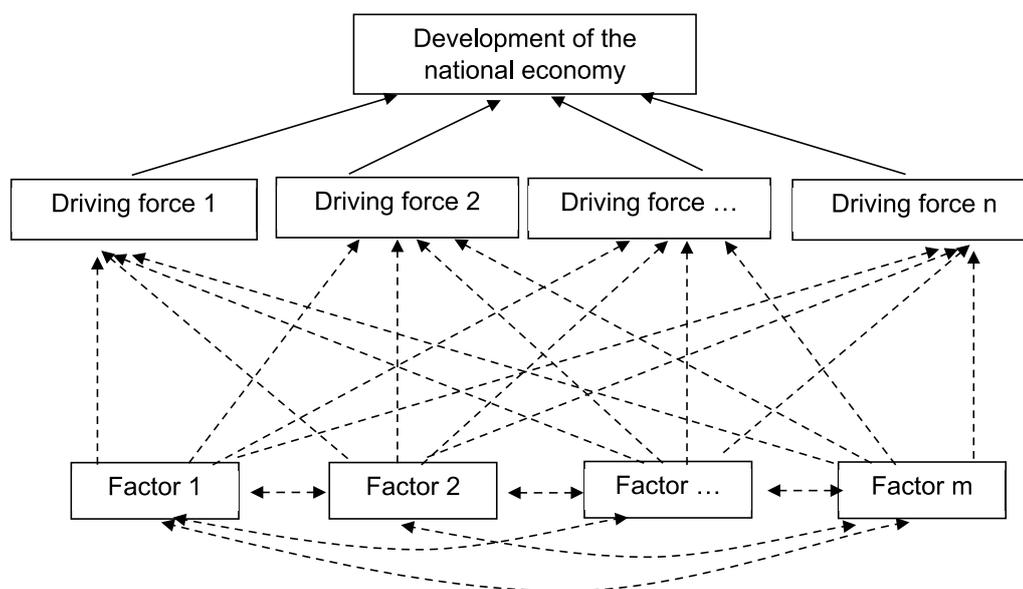


Fig. 1. General view of the driving forces and factors pyramid for the national economy development

Figure 1 is developed by authors

Thirdly, identifying the driving forces of the national economy development is necessary for further detailing those reasons that cause and contribute to development at a less generalized level, as well as studying the influence of various development factors – general and selective, exogenous and endogenous, which significantly affect the process of national economy development and largely determine its outcome.

It is the influence of a set of factors with different intensity that directly shape the national economy development in the form of its driving force, conditions it or contributes to it (Table 1).

Identifying the driving forces of the national economy development in the post-war period presupposes solving the following tasks:

formation of the general set of driving forces of the national economy development basing on the international experience and the experience of de-

velopment of some single countries in the post-war period;

formation of the set of development driving forces that are the most suitable for the national economy according to certain criteria (for example, controllability);

analyzing processes of emergence, formation and intensification for the chosen driving forces of the national economy development, intensity, periodicity and effectiveness of their action and the expected results while focusing the economy development on such driving forces;

identifying the measure of coherence for the driving forces of the national economy development, the possible effect of multicollinearity for them (the same driving force determines development of the national economy directly and simultaneously it contributes to the emergence of other driving forces indirectly).

Table 1

Relationship between intensity of the driving force's influence on the national economy development and its nature

Intensity of driving force's influence	The nature of the driving force's influence on the national economy development
Strong	It shapes development. It determines vector of development, goals, benchmarks etc., defines choosing forms and methods, fills the development strategy with an appropriate content and promotes choosing tools for its implementation
Average (moderate)	It conditions development
Weak	It contributes to development

Table 1 is made by authors

It is necessary to avoid one-sidedness and the piecemeal approach in identifying driving forces of the national economy development. Existence of some driving force does not cause development axiomatically. The national economy development is a complex process, a phenomenon and a law, therefore it is incorrect to consider it as the result of the action of any single driving force, to assert the linear influence of driving forces without taking into account the emergent synergistic effect of such an influence. One driving force can dominate in influencing on the national economy development in the presence of others during some period of time (the intensity of their action is another matter). Intensity of driving forces' influence on the national economy development can hardly be defined in advance.

3.2. Driving forces of the national economy development in the post-war period

Development of the national economy takes place with the simultaneous facilitating effect of several driving forces in the multivariate nature of their action, taking into account different nature, intensity

and periodicity of the influence of each of development driving forces. It is the interaction of driving forces that ensures the national economy development. Therefore, it is necessary to identify exactly the totality of driving forces and to assess the intensity of influence of each (both direct and indirect).

Driving forces of development for any socio-economic system are well-known. It is expendable to pay attention to specific driving forces that are relevant for the national economy development in the post-war period. There are few of them, but they are capable of really moving the national economy to a qualitatively new level:

a contradiction of a content and a form is a well-known driving force for any socio-economic system's development, because as a usual the form is much more rigid than the content for most systems (and any country's national economy is not an exception). Existing contradictions in the national economy are either resolved due to implementation of various measures, or cause a chaotic state of the system and its uncontrolled shift to a qualitatively new state.

Such state is not always better than the previous one, but development can be regressive also;

innovations, the importance and role of which for development is accepted in all economic scientific studies (in neoclassical economics, Keynesianism, neo-Keynesianism, institutional economics, post-Keynesianism, new institutional economics, etc.), therefore innovation can be considered as a universal driving force [5]. Innovations of not only the post-industrial society (third S3 - fifth S5 sectors), but also digital society (sixth S6 and seventh sectors S7) are able to provide new opportunities for the national economy, create advantages in the world economy and contribute to developing the society in the State in general;

the tendency for orderliness/avoidance of imbalance that manifests in instability of the economic system in general and its separate components, prevents changes, even positive ones, causes appearance and strengthening of rigidity and inertia in the national economy.

Each of the driving forces of the national economy development is formed as a some combination of regularity (determinism), randomness and proactive decision. The balance of regularity (determinism), randomness and proactive decision in the nature of each of the driving forces of the national economy development is different, and the connection has a double content, because it characterizes the basis of the driving force and its causal nature simultaneously. For example, a contradiction is generated by determinism (the emergence of contradictions is the basis of dialectics) or by probability, and it is resolved deterministically or due to an initiative decision.

Identified driving forces of the development of the national economy have a high level of abstraction. They can manifest themselves in a variety of situations depending on different conditions. Therefore, it is useful to consider their more detailed description (Table 2).

Table 2

Characteristics for the driving forces of the national economy development

The driving forces of the national economy development	Criteria				
	Manageability	Visibility of manifestation	Nature (local or global)	Probability of development ¹	Immediacy of impact on development
Contradiction	Partially controlled	Low	Local	Average	Proportional to the strength of contradiction
Striving for orderliness/avoidance of imbalance	Uncontrolled	Low	Global	Average	Low
Innovation	Controlled	High	Local	High	High, but proportional to the scale of innovation and support of a state

Table 2 is constructed by authors

Defining the manifestation of each driving force of development in relation to the specific conditions in Ukrainian economy allows moving from an abstract, however necessary generalizing description of the development driving forces to a specified one. Description of the driving forces of the national economy development through their manifestation

is useful while supporting controlled development, finding ways of its intensification due to the possible influence on individual driving forces, eliminating development inhibitors, as well as making the state strategy in the post-war period. Objectified development driving forces in relation to Ukrainian economy in the post-war period are considered in the table 3.

¹ Such a criterion is considered because some driving force does not cause the national economy development definitely, but can only condition such development; probability allows assessing the measure of some development driving force causes the national economy development in general.

Table 3

Driving forces of Ukrainian economy development

Driving forces of the national economy development	Influence of driving forces on Ukrainian economy development
Contradiction	<p>Contradictions between economy of Ukraine and economy of other countries (especially European ones)</p> <p>Contradictions between elements and levels of the socio-economic system in Ukraine: a high measure of centralization and a strong power vertical lead to a conflict of powers between executive power and local self-government bodies.</p> <p>The partially implemented reform of decentralization, which meant the transfer of significant authorities and budgets from state bodies to local self-government bodies, basing on the principle of subsidiarity, did not bring the expected result.</p> <p>Contradiction between the need for changes in the socio-economic system and the desire to maintain a current state of the system</p> <p>Contradiction between the speed of economic needs' change and the speed of change of institutional support for the economy. Institutional support cannot be rebuilt with the same speed as economic needs change. Institutional support is almost always «late» due to its inertia, it strives, but can never «catch up» too dynamic social needs. This fact causes a continuous dynamic contradiction, which can be recognized as the main engine of development at the macro level</p>
Innovation	<p>Revolutionary transformations in the primary (S1) and secondary (S2) sectors of the national economy</p> <p>Significant modernization of the tertiary sector (S3) with precedence of services development in such industries as transport, finance, insurance, medicine and education</p> <p>Making and the most active using effective forms of stimulation and encouragement for the operationalization of scientific researches in the quaternary sector of the economy, which are necessary for making products from natural resources (S4)</p> <p>Increasing the share of the fifth sector of the economy (S5), that means the growth of the service sector for population. Such growth requires a high level of personnel qualification (education, medicine, scientific researches that are necessary to make products from natural resources)</p> <p>Improvement of the sixth sector (S6): improving quality of information services, supporting users with software products, carrying out information activities in defined by law form to bring information products to consumers in order to satisfy their information needs</p> <p>Transforming business from traditional firms to networked ones in seventh sector (S7): creation of supporting infrastructure (hardware and software, telecommunications, networks, etc.), expansion of electronic businesses (or e-businesses) and electronic commerce (distribution of goods via Internet) that causes transformation of business processes, creation and sale of new products and services, forming a new structure of domestic enterprises and their large-scale IT transformation, convergence of computer and communication technologies in Internet networks and a reverse flow of information and technologies. All mentioned stimulate developing electronic trade and large-scale changes in the organizational structure [6, p. 317]</p>
Striving for orderliness/avoidance of imbalance	<p>The national economy as a complicated socio-economic system accumulates the potential independently. Such potential is used as a tool to resolve contradictions both internally and in relations with the external environment under certain conditions. The national economy as a system strives for some level of orderliness (such level is not necessarily the best and the most complete one), which is ensured by forming institutional memory and establishing some organizational culture as the procedural basis for state institutions.</p>

Table 3 is formed by authors

The impact of considered driving forces on the national economy development is not linear, but dialectical one. That is why increasing the intensity of some driving force will not necessarily accelerate development or improve its character. Rather, intensity of the influence of each driving force within certain limits will promote development, but intensity of the influence of such a driving force beyond such limits will suppress development. It is impossible to talk about the absolute intensity of influence concerning all the mentioned driving forces, because intensity of their influence can be different in specific conditions that can exist in the national economy.

The action of the driving forces of the national economy development is manifested in changes that can be predictable or unpredictable, controlled or independent (or little dependent) on the influence of state institutions, visible or initially implicit, hidden, etc. Changes that emerge because of various reasons can accumulate. According to the law of the dialectic concerning the transformation of quantitative changes into qualitative ones, as well as concepts of the theory of catastrophes and synergy (the presence of bifurcation points and the trajectory of development), any change that is initially relatively insignificant and hardly noticeable can significantly change the state of the national economy in some time – such change can improve its state (progressive development) or worsen it (regressive development).

Of course, if it is necessary to involve the specified driving forces as much as possible (however, Ukraine has no alternative, otherwise it will turn into a ruined and poor country that will not be able to rely on constant foreign aid), it is obvious that changes in

Ukrainian economy must be revolutionary, systemic and controlled by the state.

3.3. Conditions for the full-fledged action of the driving forces of Ukrainian economy development in the post-war period

Both state authorities and economic agents – market subjects – should participate in the maximally total using of considered driving forces for developing the national economy. Each of them has its own role concerning the necessary changes in Ukrainian economy:

state authorities must ensure the systematic transformation of institutional support for developing the national economy;

business, due to its inherent mobility, flexibility, absence of many formalities in spending funds (spending budget funds is the most formalized and the most bureaucratized traditionally) is capable of non-traditional and innovative usage of available resources, creative solutions in making competitive advantages, as well as directing its potential to the best level of meeting requirements of the external environment.

State authorities play the main role in implementing the necessary changes for the national economy as a whole and controlling their implementation. After all, no matter how creative and productive the national business is, it is extremely difficult (and in most cases it is impossible) to implement its inherent advantages without the state participation, because of absence of necessary institutions and “rules of the game”.

There are required for the systemic transformation of institutional support for the development of Ukrainian economy changes shown in fig. 2.

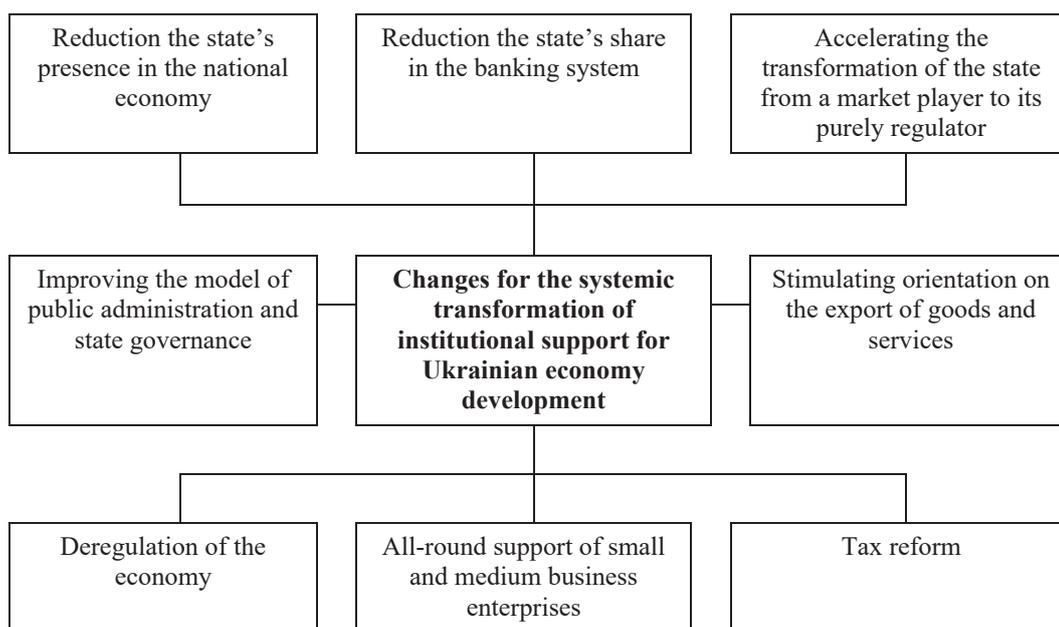


Fig. 2. Changes for the systemic transformation of institutional support for developing Ukrainian economy

Figure 2 is built by authors

First of all, it is about reducing the role of the state in the economy, changing it as soon as possible from a market participant to its purely regulator that is possible due to corporatization of state-owned, in particular, strategic enterprises (however, they will remain state-owned) and the continuation of privatization.

At autumn 2021, according to the Ministry of Economy of Ukraine, the specific weight of the state sector in Ukrainian economy was slightly more than 10% [7]. It seems to be not so much, but only by the specific weight indicator. Quantitatively, there are almost 3,500 enterprises that work less effectively than non-state enterprises do.

The idea that high-quality management at state-owned enterprises is able to ensure their high profitability “does not work”. That is because managers of such enterprises even sometimes unconsciously always rely on the State support, while owners and a management of non-state enterprises do not expect such support (unless some single government business support programs, which are unlikely to happen, taking into account measure of damage in Ukraine). Non-state enterprises rely only on their own resources.

The State share is especially large in one of the most important spheres of the national economy – the banking system. This fact does not correspond the market economy model. After the nationalization of the systemic banks, PrivatBank and Ukrgazbank, the state’s share became almost 50% (by the way, according to the pre-war plans of the Ministry of Finance there was an intention to increase it to 25% in 2025 [8]). Such situation with the dominating share of the State in Ukrainian banking system can be considered as normal and even justified one for the period of war, but it should be changed in the post-war period.

To activate driving forces for the Ukrainian economy development is desirable to improve the framework of the model of public administration and state governance in Ukraine, despite the skeptical attitude of scientists to the potential of public administration concerning implementing positive structural changes in the national economy. This opinion has been convincingly refuted by Charles Sable (Columbia Law School) and David Victor (University of California, San Diego) on the example of solving one of the most difficult problems of our time – climate change – in public administration [9]. Charles Sable and David Victor called this type of government “experimental”. Its content is the following: the dichotomy “state-market” loses its sense, the state and business complement each other, their division into two camps, whose interests are diametrically different and even opposed ones, becomes irrelevant, moreover the model of the state regulation “from top to bottom”, “principal-agent” ceases to operate.

There should be the following components of the effective model of public administration and state governance:

all kinds of welcome, stimulation and support of innovative business activities, due to public-private partnership. There should be the highest priority for an innovative work, active and quick commercialization of its results at all levels of the socio-economic system of the state;

building a trust relationship between private and state structures;

making an agreement with a big and systematic non-state business, whose economic interests and circumstances of activity differ from the state’s perception significantly;

making the balance between the state and business – none of them should have dominant overall control over the process of the national economy development. Otherwise, development may be inhibited (if the state dominates) or business interests will dominate (if business the only control the significant part of development processes without any limitations and restrictions);

searching for ambitious, albeit sometimes not very well formulated, program goals in some sectors of the national economy, especially in the fifth, the sixth, and the seventh ones. Clear and understandable incentives for finding solutions should be provided in these business programs, because, unfortunately, such incentives are hardly used in the current model of public administration and state governance. The state should balance the measure of regulating business activity, such incentives and support for business initiatives.

An effective model of public administration and state governance can hardly be built using the existing tax system. If it preserves, then such a model will be ineffective most likely. In general, the need for tax reform in Ukraine has matured, such a need is obvious and urgent. In response to this need, some political forces made draft laws on tax reform. Such draft laws have been submitted to the Verkhovna Rada of Ukraine. But it is obvious that further considering such draft laws should be in the post-war period.

Deregulation is also a ripe problem in Ukrainian economy. We do not even consider market liberalization, the set of measures of which includes, in addition to deregulation of the economy, changing the attitude of the state to the market players and their actions. The state has so many regulatory functions in Ukraine today that their implementation began to slow down the national economy. Such regulatory functions include excessive regulatory restrictions and ineffective control procedures, excessive licensing, outdated systems of certification, monitoring, making an expertise and other restrictions for business.

The deregulation reform in Ukraine started at the beginning of 2015 (the Decree of the Cabinet of Ministers of Ukraine [10]), and continued according to the directions that were established according to the Decree of the Cabinet of Ministers of Ukraine [11].

However, despite some positive achievements (making starting business easier, protecting the rights of minority investors, ensuring the fulfillment of contracts, etc.), the regulatory environment in Ukraine remains complex, sometimes contradictory, and also it has many outdated norms that do not make sense both from an economic point of view, and from the point of view of common sense.

Deregulation of Ukrainian economy should be aimed not so much at reducing state control over the making business activities, as at reducing the administrative pressure on business. Such administrative pressure on business emerges because of large number of regulatory and legal documents dating back to Soviet times remains in force and legitimacy. Today, number of legal documents – Laws, Decrees, Orders, etc. in the state regulation of the economy is approximately 78 thousand. Often requirements of a large number of paper documents remain relevant even after the declared refusal from them. There is an excessive regulation in the administration of paying taxes, etc.

Deregulation of Ukrainian economy can be actively facilitated by the principle of “regulatory guillotine”. According to the principle of “regulatory guillotine” all previously valid documents containing mandatory requirements that are not specially approved or changed by a certain date, automatically lose their legislative power. Such approach allows getting rid of inefficient and redundant requirements that create obstacles in the business structures’ activity [12].

Building a trust relationship between private and state structures in the effective model of public administration and state governance should involve focusing on small and medium-sized businesses as well as increasing their contribution to the GDP of Ukraine. Some steps towards the practical implementation of this orientation have already begun. Thus, implementation of non-refundable grants program for creation and development of processing enterprises had started since July 1, 2022. The procedure of financial support for such grants is defined in the Decree of the Cabinet of Ministers of Ukraine [13]. The size of such grant cannot exceed UAH 8 million per one applicant.

Applicants of considered grants must meet the following requirements:

Ukrainian citizenship (for individuals) and public registration in Ukraine (for legal entities);

no economic relations to the Russian Federation, the Republic of Belarus, and temporarily occupied territories of Ukraine;

absence of debt to the budget;

no criminal prosecution for a corruptive action;

absence of being in the bankruptcy procedure.

An application for receiving a grant is made by the recipient personally or at a branch of an authorized bank using the Diya Portal in an arbitrary form that is suitable for perceiving its content.

On June 21, 2022, the Cabinet of Ministers of Ukraine approved three programs of non-refundable

grant support for small and medium-sized businesses called “eRobota” with a total size of UAH 16 billion [14]:

micro-grants of up to UAH 250,000 for persons who wish to start a new business (20,000 grants per year for a total of UAH 5 billion);

grants for partial compensation of costs for creating greenhouses (3 thousand per year for a total of UAH 7 billion);

grants to support horticulture, berry growing and viticulture (300 to 400 thousand UAH per 1 hectare of gardens).

Ukrainian national economy development should be based on export model. Before the war, export was approximately 35% of GDP, and raw materials were mainly exported (75% of the entire national export) [15]. To provide national economy development in Ukraine, it is necessary to increase export to at least 50% of GDP. Moreover, 75% of these 50% of GDP should contain goods and services with high value added [16]. Such results can be achieved because of investments in innovations, researches and development, in physical capital and in human capital, that is especially relevant, taking into account significant emigration of the economic active Ukrainian population of working age abroad). It is the government defines the policy that is directed for achieving such results. This policy can include promoting innovations in the form of tax credits (example of the USA [17]), tax schemes “patent boxes” in Ireland, US and EU grants for researches, protection of intellectual property and investments into the education system [18].

Thus, considered changes, the implementation of which should ensure the systemic transformation of institutional support for Ukrainian economy development, are both numerous and diverse. Such changes require significant efforts and an almost complete reorientation of public administration and state governance. But in the absence of such changes or lack of attention by the state authorities to their implementation, one cannot expect Ukrainian economy development. In such a case, Ukrainian economy will revive and recover anyway, but its development will be slow and sluggish one. Moreover, results of such development are unlikely to contribute to the qualitative transformation of the national economy system.

4. Conclusions

In the post-war period Ukraine has solid reasons to rely on economic assistance from foreign partners who supported the country in the fight against Russian aggression.

European countries, the USA, Canada, Japan and other countries are ready to help Ukraine in restoring economy and in getting rid of Soviet infrastructure. Ukraine has reasons to rely on significant assistance from developed countries in a form like well-known Marshall’s Plan (officially named as European recovery plan), if only because a lot of countries are highly interested in a stable state in the center of Europe. Ukraine can become a country of hope for Europe.

It is clear that expected significant investments will be followed by the most serious and comprehensive control (unfortunately, the problem of corruption in Ukraine, which has not been resolved for years, has significantly hindered cooperation with both investors and international financial organizations). Ukraine should finally have the rule of law, a significant reduction of corruption manifestations, an independent court, etc.

However, while developing the national economy, Ukraine will have to rely on own capabilities, resources and existing advantages mostly. From the point of view of the national economy development, Ukraine has good enough prospects due to initial conditions,

especially readiness of other countries to support and to assist Ukraine. In the same time, it is very important not to let the national economy develop without focused influence and spontaneously.

Development of the national economy should be with the active participation of the state (exactly participation, but not control or management). National business should become the main partner of state in common efforts concerning developing Ukrainian economy. It is partnership relations between the state and the national business that will allow using the driving forces of the national economy development that are considered in the paper.

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