

Ministry of Education and Science of Ukraine
Vasyl Stefanyk Precarpathian National University

ISSN 2311-0155

Journal
of Vasyl Stefanyk
Precarpathian National University

SCIENTIFIC EDITION

Series of Social and Human Sciences

Integration: Economic, Political and Legal Dimensions

Vol. 5, No. 3-4, 2018

Ivano-Frankivsk
2018

Journal of Vasyl Stefanyk Precarpathian National University

SCIENTIFIC EDITION

Vol. 5, No. 3-4, 2018

Recommended for publication by Scientific Council of Vasyl Stefanyk Precarpathian National University
Certificate of State Registration KB No 20385-10185P

EDITORS

Tsependa Igor, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Political Sciences), (Editor-in-Chief),
Zagorodnyuk Andriy, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Functional Analysis), (Editor-in-Chief),
Hurak Ihor, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Political Science), (Volume Editor),
Yakubiv Valentyna, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Management and Business Administration), (Volume Editor).

EDITORIAL BOARD

Adamczyk Arkadiusz, *Jan Kochanowski University in Kielce, Poland* (Political Science),
Andrievskij Rostislav, *Russian Academy of Sciences, Russia* (Nanostructured Materials Science),
Artemovych Orest, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Algebra and Number Theory),
Balanyuk Ivan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Economics and Management of National Economy, Economics and Business Management),
Biletska Yuliia, *Karabuk University, Turkey* (Political Science),
Blahun Ivan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Economic and Mathematical Modelling),
Budnyk Olena, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Pedagogy of Primary Education),
Budzulyak Ivan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Solid State Physics, Physics and Chemistry of Surface),
Chekalenko Liudmyla, *Diplomatic Academy of Ukraine, Ukraine* (Political Science),
Cherepanyn Myron, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Theory and History of Culture),
Chornobaj Yuriy, *National Academy of Sciences of Ukraine, Ukraine* (Ecology),
Cynarski Wojciech J., *Rzeszów University, Poland* (Physical Culture),
Doroshko Mykola, *Taras Shevchenko National University of Kyiv, Ukraine* (Political Science),
Drinóczi Timea, *University of Pecs, Hungary* (Law),
Duda Jan, *«AGH» University of Science and Technology, Poland* (Information Technologies, Mathematical Modelling),
Dymchenko Olena, *Beketov National University of Urban Economy in Kharkiv, Ukraine* (Business Administration and Regional Development),
Filevych Petro, *Vasyl Stefanyk Precarpathian National University, Ukraine, Ukraine* (Mathematical Analysis),
Filip Paulina, *University of Rzeszow, Poland* (Finance),
Fris Pavlo, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Criminal Law and Criminology, Criminally Executive Law),
Gasyuk Ivan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Solid State Physics, Physics and Chemistry),
Gbuova Marcela, *Pavol Jozef Safarik University in Kosice, Slovak Republic* (Political Science),
Goian Igor, *Vasyl Stefanyk Precarpathian National University, Ukraine* (History of Philosophy),

Gracon David, *Eastern Illinois University, United States* (Communication Studies),
Greshchuk Vasyl, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Philological Sciences),
Grygorchak Ivan, *Lviv Polytechnic National University, Ukraine* (Solid State Physics, Physical Engineering),
Hrytcenko Pavlo, *Institute for the Ukrainian Language of the NAS of Ukraine, Ukraine* (Philological Sciences),
Irtysheva Inna, *National University of Ship-Building named after Admiral Makarova, Ukraine* (Management),
Ivashkovych Serge, *University Lille 1, France* (Mathematical Analysis),
Karpiński Mikołaj, *University of Bielsko-Biala, Poland* (Security of Information Technologies),
Khlivna Iryna, *University of Educational Management of National Academy of Educational Sciences of Ukraine, Ukraine* (Economics, Entrepreneurship and Management),
Khorob Stepan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Philological Sciences),
Klymychyn Ivan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Astrophysics),
Kobetska Nadiya, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Landed Law, Agrarian Law, Ecolaw, Natural Resource Law),
Kogut Igor, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Solid State Electronics),
Kononenko Iryna, *University of Warsaw, Poland* (Ukrainian and Polish Language),
Kononenko Vitaliy, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Philological Sciences),
Korobeynikov Georgiy, *National University of Physical Education and Sport, Ukraine* (Physiology of Man and Zoons),
Kosarevych Rostyslav, *Karpenko Physical-Mechanical Institute of the National Academy of Sciences of Ukraine, Ukraine* (Automated Systems, Advanced Information Technology),
Kosiewicz Jerzy, *Józef Piłsudski University of Physical Education in Warsaw, Poland* (Philosophy),
Kotyk Tetyana, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Theory and Methodology of Teaching),
Kozak Ihor, *Vasyl Stefanyk Precarpathian National University, Ukraine; The John Paul II Catholic University of Lublin, Poland* (Ecology, Landscape Ecology and Modeling),
Kozak Stefan, *Warsaw University, Poland* (Philological Sciences),
Kozlenko Mykola, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Computer Systems and Components),
Kruhlashov Anatolii, *Yuriy Fedkovych Chernivtsi National University, Ukraine* (Political Science and Public Administration),
Krul Petro, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Theory and History of Culture),
Kugutiak Mykola, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Ethnology),
Kulyk Oleksii, *Ukrainian National Academy of Sciences, Ukraine* (Probability Theory, Mathematical Statistics),
Kurta Sergiy, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Chemical Technology),
Kuzmyn Oleh, *Lviv Polytechnic National University, Ukraine* (Economics and Management),
Kyiak Sviatoslav, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Philosophy of Science, Philosophy of Education, Religious Studies, Ukrainian Studies),
Lazarovych Mykola, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Elements and Devices of Computer Facilities and Control Systems),
László Kákai, *University of Pecs, Hungary* (Political Science),
Łebkowski Piotr, *«AGH» University of Science and Technology, Poland* (Automation and Robotics, Operational Researches, Information Technologies),
Lendel Myroslava, *Uzhhorod National University, Ukraine* (Political Science),
Levytsky Andriy, *Taras Shevchenko National University of Kyiv, Ukraine* (German Language),
Lopushansky Oleh, *Rzeszow University, Poland* (Mathematical Analysis),
Lushchak Volodymyr, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Biochemistry),
Lytovchenko Volodymyr, *V. Lashkaryov Institute of Semiconductor Physics of NAS of Ukraine, Ukraine* (Physics of Semiconductors and Dielectrics),

Mach Zdzisław, *Jagiellonian University, Poland* (Political Studies),
Makarewicz Edwin, *University of Technology and Life Sciences, Poland* (Chemical Technology),
Makcymenko Sergii, *Institute of Psychology of G.S. Kostyuka NAPN of Ukraine, Ukraine* (Philological Sciences),
Malashkevich Georgii, *National Academy of Sciences of Belarus, Belarus* (Optics, Laser Physics),
Marchuk Vasyl, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Political Science),
Mykhailenko Valerii, *Bukovyna State University of Finance and Economics, Ukraine* (German Language),
Mykhalskyi Ihor, *Luhansk Taras Shevchenko National University, Ukraine* (World History and Political Science),
Myronyuk Ivan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Physics and Chemistry of Surface),
Novosyadly Stepan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Solid State Electronics),
Nykyforchyn Oleh, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Geometry and Topology),
Nykyruy Lyubomyr, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Physics of Semiconductors and Dielectrics),
Ostafiychuk Bohdan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Solid State Physics, Physics and Chemistry of Surface),
Ostapovych Oleh, *Vasyl Stefanyk Precarpathian National University, Ukraine* (German Language),
Osypchuk Mykhailo, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Probability Theory, Mathematical Statistics),
Parpan Vasyl, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Forestry, Ecology),
Perepelytsia Hrihorii, *Taras Shevchenko National University of Kyiv, Ukraine* (Political Science),
Petryshyn Lubomyr, *Vasyl Stefanyk Precarpathian National University, Ukraine; «AGH» University of Science and Technology, Poland* (Computer Systems and Components),
Plichko Anatolij, *Cracow University of Technology, Poland* (Mathematical Analysis),
Purici Ștefan, *Stefan cel Mare University of Suceava, Romania* (World History),
Pylypenko Andrii, *Ukrainian National Academy of Sciences, Ukraine* (Probability Theory, Mathematical Statistics),
Pylypiv Volodymyr, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Solid State Physics, Physics and Chemistry of Surface),
Reginia-Zacharski Jacek, *University of Lodz, Poland* (Political Science),
Reient Oleksandr, *Vasyl Stefanyk Precarpathian National University, Ukraine* (History of Ukraine),
Roach R. Ron, *East Tennessee State University, USA* (Social Sciences),
Rudenko Svitlana, *Yuriy Fedkovych Chernivtsi National University, Ukraine* (Ecology),
Rudnytzkyi Leonid, *La Salle University, USA* (Philological Sciences),
Sajdak Anna, *Jagellon University, Poland* (Pedagogical Sciences),
Salii Yaroslav, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Physics and Chemistry of Surface),
Salyha Taras, *Ioan Franko Lviv National University, Ukraine* (Theory of Literature),
Sannikov Stanislav, *Russian Academy of Sciences, Russia* (Forestry, Ecology),
Sharyn Sergii, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Mathematical Analysis),
Shyjchuk Oleksandr, *Vasyl Stefanyk Precarpathian National University, Ukraine; University of Technology and Life Sciences, Poland* (Physics and Chemistry of Surface),
Sirenko Gennadiy, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Powder Metallurgy and Composite Materials),
Starosta Paweł, *University of Lodz, Poland* (Economics and Sociology),
Szarota Zofia, *Pedagogical University of Cracow, Poland* (Pedagogical Science),
Tkachuk Iryna, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Finance, Money and Credit),
Tymkiv Bogdan, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Decorative and Applied Arts),
Ušiak Yaroslav, *Matej Bel University, Slovak Republic* (Political Science),

Vasylieva Valentyna, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Civil Law and Process, Domestic Law, International Private Law),
Velukochyi Volodymyr, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Historiography, History of Ukraine, Source Studies),
Vovk Myron, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Theory and History of Pedagogy),
Wysokińska Zofia, *University of Lodz, Poland* (World Economy and European Integration),
Zahrai Larysa, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Social Psychology),
Zatorskyi Roman, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Mathematical Logic, Theory of Algorithms, Discrete Mathematics, Algebra, Number Theory),
Zavgorodnya Tetyana, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Pedagogy and History of Pedagogy),
Zhuk Olha, *Vasyl Stefanyk Precarpathian National University, Ukraine* (Management and Business Administration).

Editorial address:
Vasyl Stefanyk Precarpathian National University,
57, Shevchenko Str.,
76018, Ivano-Frankivsk, Ukraine
Tel.: +380 (342) 59-60-50
E-mail: jpnu@pu.if.ua
<http://jpnu.pu.if.ua/>

CONTENTS

Rudko Serhii	
<i>The Status of Northern Ireland after Brexit: Probable Models</i>	9
Holubiak Nataliia	
<i>External Factors of System Transformation in Poland</i>	16
Mykhalskyi Ihor	
<i>The Violence Based on Religion as a Factor of the Distribution of the World Political Process</i>	25
Yakubiv Valentyna, Boryshkevych Iryna	
<i>Strategic Analysis of the Development of Renewable Energetics in the World and in Ukraine</i>	33
Dymchenko Olena, Beliavtseva Victoria, Rudachenko Olha, Tararuev Yurii	
<i>Theoretical Background of Competitiveness Index Determination in Regions</i>	44
Pylypiv Nadiya, Piatnychuk Iryna	
<i>Essential Strategic Management Accounting Tools Used for Making Investment Decisions at Enterprises in EU</i>	50
Zhuk Olha	
<i>Tax Control in the System of Taxes Administration</i>	57
Redko Andriy	
<i>Western Ukraine in the Context of Disintegration and Integration Processes During the 1930s-1940s (historical and legal aspect)</i>	62
Mykhailyshyn Lilia, Lelyuk Yulia, Korovchyk Yurii	
<i>On the Problem of Corporate Strategies of Development for Human Resources</i>	70
About the Authors	78
Author Guidelines.....	79

UDC 327 (4)

doi: 10.15330/jpnu.5.3-4.9-15

THE STATUS OF NORTHERN IRELAND AFTER BREXIT: PROBABLE MODELS

SERHII RUDKO

Abstract. The article highlights one of the main issues related to the UK's withdrawal from the European Union, Northern Ireland's new status, in particular, the status of the border between NI and the Republic of Ireland. It has been an "apple of discord" from the first stage and during the last stage of the Brexit negotiations. The future "hard" or "soft" Irish-British border is not a problem in the negotiations between the United Kingdom and the European Union only, but is also a serious domestic political challenge for Theresa May's government. The article explains possible models of the future status of Northern Ireland. The most probable solutions are: a "reverse Greenland", a "reverse Cyprus" and a "German version".

Following the Good Friday Agreement of 1998, the EU invested heavily in supporting border communities for the development of small business and industry, which improved the economic situation in the area of the former conflict and facilitated border dialogue. However, it led to the fact that many enterprises were oriented towards the EU market or border trade. The article concludes that the "reverse Greenland" model would enable Northern Ireland to remain in the single market and customs union apart from the rest of Great Britain, which would prevent the establishment of a tight boundary between both Irelands. The author outlined the possible implications of the "reverse Cyprus" model, which suggests that the United Kingdom would technically remain a part of the EU, and that the EU's legislation would be suspended only on its separate parts (that is, Wales and England). The researcher emphasizes that the "German version" could be applied in the case of future reunification of both Irelands, then Northern Ireland would remain a part of the EU until its new status on the referendum have been resolved.

The article summarized that no examples above provide a precise analogy, since Brexit is unprecedented event. The most likely models of the Northern Ireland's future are the "reverse Greenland" and the "reverse Cyprus".

Keywords: Brexit, models, the British-Irish border, border control, custom union, single market.

1. INTRODUCTION

The results of the referendum on Brexit on June 23, 2016, provoked a series of the unprecedented events. England (53.4%) and Wales (52.5%) supported Brexit. Northern Ireland (55.8%) and Scotland (62%), in contrast, voted against Brexit [1]. These results exposed the fault lines between the parts of the United Kingdom once more. Both Scotland and Northern Ireland voted to remain. The several factors

had an impact on it. Brexit is particularly problematic for Northern Ireland, which is closely linked to the Republic of Ireland, and for which it has strong economic and political difficulties.

The United Kingdom seeks to avoid any physical infrastructure on the Irish border, although Northern Ireland will be a member of the EU after Brexit. Britain and Ireland have repeatedly stated their reluctance to establish border control. However, the situation is tricky due to the fact that London intends to leave the customs union. Thus, the problem of the British-Irish border has become a key one at Brexit, especially on its first stage.

The United Kingdom and the EU are required to protect and support the progress of various institutions established under the Trustee Agreement of 1998. For the United Kingdom, it is important that there is no regulatory divergence from the rules of the single market and the customs union that the future North-South cooperation may need. If the Good Friday Agreement was violated, Britain would be forced to pay the high political price for an unsuccessful peace process. Therefore, it is necessary to consider the future situation of Northern Ireland as a part of the United Kingdom and, at the same time, its possible membership in the EU. The purpose of the article is to analyze the future status of Northern Ireland after Brexit.

The problem of relations between Ireland and Northern Ireland during and after Brexit is the object of analyses by Ukrainian researchers, such as Vladislav Kudryk and Serhii Rudko. Some aspects are covered in the world media publications (*BBC News, the Guardian, Independent, Belfast Telegraph, Irish Times*) by Caoilfhionn Gallagher, Elin Hofverberg, Carolyn Quinn, Jennifer Rankin, Denis Staunton, Pat Leahy, Jon Stone, Joe Watts, et al.

2. RESULTS

In January 2017, in the speech on UK's withdrawal Teresa May outlined the key tasks the British government would work on. She talked about a confident and controlled withdrawal from the EU without legal problems but with the maintaining of the Common Travel Area in common with Ireland. The tasks are also an immigration control and ensuring the rights of both the EU citizens in the UK and the British in the EU. May gave special importance to a participation in the single market through a comprehensive free trade agreement, signing the new trade agreements, and continuation of a cooperation with the EU in the field of security [2].

The first stage of the negotiations on the withdrawal of the United Kingdom from the EU lasted from June 19 to December 15, 2017. London hoped to prioritize financial issues, but Brussels wanted to solve other problems firstly. Northern Ireland's issue was a sharp one [3].

Northern Ireland has a specific state situation during and after Brexit. It is the only part of the UK with a land border with an EU-member state with almost no physical infrastructure. A significant integration of cross-border markets and the Common Travel Area for the citizens of the UK and Ireland for a free movement are also the arguments to be proved. Besides, the citizens of Northern Ireland are eligible for having both British and Irish passports. There is a special status of international law in the coverage of the Good Friday Agreement, which is crucial in supporting the peace process.

If the UK left the Customs Union and the single market, the EU would insist on tighter border controls. As a result, the contradictions between supporters and opponents of the idea of a united Ireland could again spill over in Northern Ireland. To save the peace process the technological migration control without the border crossing points could be applied. However, it is difficult to say whether this would not lead to a political crisis or even to the security crisis in Northern Ireland [4].

Even if there were the conclusion of a comprehensive agreement with the EU and the application of Brexit's "soft plan" for further participation in the single market, the regime for crossing the border between Ireland and the UK would require new solutions as it has long been open due to the presence of both states in the EU [5]. The European Parliament stressed that the circumstances on the Ireland Island are unique and should be considered "in full compliance with the Good Friday Agreement, aligned with the areas of cooperation and legislation of the European Union to ensure the continuity and stability of the peace process in Northern Ireland" [6].

Based on the examples in the history of the EU, we distinguish three possible models of the future of Northern Ireland after Brexit. They are: a “reverse Greenland”, a “reverse Cyprus”, and a “German version”.

The “reverse Greenland” model allows Northern Ireland to remain in the single market and the customs union separately from the rest of Great Britain. This alternative is referred to in paragraph 8 of the European Parliament resolution on October 3 2017 [6].

The case of the Kingdom of Denmark is a good example for Great Britain. It shows how a sovereign state contains territories with different formal and practical status of interaction with the EU. The similar points are in the UK [7].

The scholars offered the “reverse Greenland” model right after the referendum on June 23, 2016. Its gist is that only the separate parts of Great Britain will leave the EU, not the entire country. This is not a fantastic and an unrealistic possibility. There are currently 25 so-called Overseas Countries and Territories (OCTs) of the EU member states that are not the parts of the Union but are the parts of the member states.

In 1972, Greenland as a part of Denmark joined the European Economic Community. In 1979, the island received more sovereignty and, in 1982, voted for withdrawal from the EEC on the national referendum. In 1985, Greenland left the EEC and received the status of the Overseas Country and Territory.

Thereafter, Greenland and the EEC revised the fishing agreements. The states-members of the EEC got the same access to Greenland’s territorial waters as when Greenland was the part of the Community. Greenland got duty-free access to the Community fishing market as a payment. The island also received the EU funding in addition to Denmark’s financing [8]. Nowadays the Programming Document for Sustainable Development of Greenland provides granting Greenland estimated EUR 233.6 million for four years. The Fisheries Partnership Agreement concluded between the EU and Greenland covers the period up to 2020 [9].

Since 1923, a single migration zone has existed between Ireland and the United Kingdom. The length of the border between the Republic of Ireland and Northern Ireland is about 500 kilometers [10]. Many people cross the border freely for tourism purposes, shopping, and even on the way to work [11]. To prevent the problems in future Northern Ireland might remain in the single market and the customs union while the United Kingdom will leave it [12]. The EU agents and the Irish PM think that the only way to prevent a tight border between the two Irish states is the UK withdrawal from the single market and the customs union [13].

In August 2017, Teresa May announced she would like to maintain a transparent border “without hindrance” in the form of customs and border posts. The EU’s main negotiator, Michel Barnier, said that trade relations with non-EU countries provide barriers. Donald Tusk, the President of the European Council, said if London’s offer was contradicting the interests of Ireland, it would be unacceptable for the whole of the EU [14].

When the “reverse Greenland” model was applied, Northern Ireland apart from the United Kingdom would retain the following: the membership in the customs union and the single market, free movement of people and goods on the Ireland Island, the open non-physical land border between Ireland and Northern Ireland. The EU border with customs and inspections would operate in the Irish Sea between Great Britain and Northern Ireland.

As in Greenland’s case, the exit of the part of the UK from the EU has to be made in an agreement between the United Kingdom and the EU. It is likely that the Free Trade Agreement between the United Kingdom and the EU and/or between Ireland and the United Kingdom would be important for facilitating trade through the Irish Sea. This option would allow avoiding a tight land border within the United Kingdom but practically it could have an impact on the status of Scotland [15, p. 59].

The “reverse Cyprus” model implies the United Kingdom remains in the single market and the customs union. This is the first result mentioned in paragraph 8 of the European Parliament resolution on October 3 [6]. The rest of the United Kingdom could halt the *acquis* while promoting the movement of people and goods within the UK.

This model is similar to the one in Cyprus. Cyprus is a member state of the EU but in the uncontrollable by the government part of its territory, the work of the Community has suspended. European Council's resolution 866/2004 determining people and goods that could cross the actual border within Cyprus is called the "Green Line". Herewith the actual border is not the external border of the EU [16].

Due to this model, the UK would technically remain a part of the EU. The EU general legislation would be suspended only onto its separate parts, i.e. England and Wales. Northern Ireland would remain a part of the single market and the customs union, which would facilitate the free movement of people and goods on the Ireland Island. An open non-physical land border between Ireland and Northern Ireland would allow working within the Common Travel Area freely. Subsequently, the movement of people and goods within the United Kingdom could be agreed upon by domestic law or determined by the European Council without the introduction of a common EU tariff for exports and imports. A free trade agreement between the EU and the United Kingdom could also help to move goods.

An introduction of the "reverse Cyprus" model would de facto create a customs border (not the EU's external border) in the Irish Sea and, perhaps, the land border between England and Scotland. On the example of Cyprus, its the government-controlled part remains under the law of the EU and is responsible for policing work and personal data checks at the border. The police surveillance at the Irish Sea border would likely divide between the Northern Ireland authorities in the west and the British authorities in the east [15, p. 58].

The "German version" provides different ways to protect Northern Ireland from the negative consequences of Brexit. Northern Ireland would remain a part of the EU until its future status was resolved through a referendum, accompanied by a referendum in the Republic of Ireland. This is an alternative to any of the models above but it would rely on a possible unification to save Northern Ireland within the EU.

According to the former Prime Minister of Ireland Andy Kenny, it is time for the United Kingdom to start preparing for a possible referendum on the unification of Ireland. He stated that if there were the clear evidence that the majority of Northern Ireland would want to stay in the EU and leave the United Kingdom, a referendum is needed. Kenny was supported by the party's leader, Sinn Fein Gerard Adams, who said Brexit had opened up new constitutional opportunities for Ireland. In his opinion, there is "a great opportunity to achieve unity" in the context of the referendum [17].

According to the former British Prime Minister Tony Blair, the membership of the United Kingdom and Ireland in the EU and the open border with Northern Ireland were fundamental things for the Good Friday Agreement. It was signed by representatives of all the parties of the negotiations on April 10, 1998. The deal helped to put an end to the bloody clash of Catholics and Protestants, the opponents and the supporters of the region's independence from the United Kingdom. It implies London's rejection of direct government in the region and the transfer of power to local self-government bodies created on a coalition basis [18, p. 99]. One of the points was about the creation of the ministry of the North/South Ministerial Council for the establishment of cooperation between the Republic of Ireland and Northern Ireland. The document also states, "The European Council recognizes that, according to international law, the whole territory of the united Ireland may be a part of the European Union (in the case of the Irish association)" [19].

In this regard, the prospect of introducing the so-called "hard" border after Brexit creates the problems for stability. On BBC broadcaster on December 3, 2017, Tony Blair said, "If there is a tight bound for the end, then obviously it will trigger tension. This does not mean that you need to abandon the Good Friday Agreement, but it creates a real threat to it" [20].

On April 29, 2017, at the first Brexit summit, the 27 leaders of the EU member states unanimously approved a statement stating that the "whole territory" of a united Ireland would become a part of the EU in the event of a successful future referendum on unification, and that decision would "comply with international law" [21]. This statement is intended to ensure the future accession of Northern Ireland to the EU in the event of its reunification with Ireland.

Some British politicians condemned this declaration, accusing the EU of trying to endanger the future of the UK, using Northern Ireland as a pressure factor in the Brexit deal. The former secretary of Northern Ireland, Owen Peterson, argued that the EU was interfering with problems that “were not their affairs”. A British parliamentarian from the Tory, the co-chair of the British-Irish Parliamentary Assembly Andrew Rosindell said, “The statement about the united Ireland is another funny blank threat from the EU leaders who still cannot agree with the choice of British voters in the historic referendum” [22].

The EU declaration does not look strange. It is based on the consent in jurisdictions of both Northern Ireland and the Republic of Ireland and takes into account the provisions of the Good Friday Agreement. The withdrawal agreement must reflect this and ensure the integration of Northern Ireland back into the EU in the case of united Ireland.

The withdrawal agreement implies that in the case of future unification of Northern Ireland and Ireland, Northern Ireland would be able to integrate into the EU without application of the Article 49 of the Lisbon Treaty. This could be a similar way to the approach of the GDR, agreed in 1990, but on the principle adopted in advance in the withdrawal agreement.

Of course, a transitional treaty will be possible, according to which Northern Ireland temporarily remains a member of the EU for referendums on both sides. It would be legally possible for such a procedure for Northern Ireland temporarily to remain a part of the EU, pending a referendum in an uncertain future [15, p. 61–62].

However, a recent poll showed 62% of Northern Ireland residents would vote to remain in the UK, only 22% favor union with Ireland. Asked if they voted in a referendum, if the price of the unification of Ireland were EUR 9 billion per year, only a third of the respondents answered “yes”. One-third is ready to vote sharply against, and the rest are not determined [23].

3. CONCLUSIONS

The Irish border problem remains the central one to Brexit. Its solution will be on the agenda right up to Britain’s withdrawal from the EU. We have mentioned the “reverse Greenland” and the “reverse Cyprus” models among the most probable forms of Northern Ireland’s future. It provides the presence of the certain parts of a sovereign state in the single market and the EU customs union. In this case, the UK’s border will de facto pass along the Irish Sea. Residents of Northern Ireland would be both British and the EU citizens in any case, as they are eligible for the second Passport of the Republic of Ireland which will remain a member of the EU.

No examples above provide a precise analogy since Brexit is an unprecedented event. All of them relate to the certain parts of the states’ withdrawal from or staying outside of the EU, but not an entire country.

REFERENCES

- [1] EU referendum results. Available at: <https://www.electoralcommission.org.uk/find-information-by-subject/elections-and-referendums/past-elections-and-referendums/eu-referendum/electorate-and-count-information#section-menu>
- [2] Theresa May’s Brexit speech in full. *The Telegraph*, January 17 (2017). Available at: <http://www.telegraph.co.uk/news/2017/01/17/theresa-mays-brexit-speech-full/>
- [3] Rudko S. The Irish border problem at the first stage of Brexit. *Political life*, 2 (2018), 140–145. doi: 10.31558/2519-2949.2018.2.23 (in Ukrainian)

- [4] Kudryk V. What could prevent the UK from leaving the EU. What will London and Brussels agree on, and whether they will negotiate at all. The main questions Brexit. *Apostrophe*, March 31 (2017). Available at: <https://apostrophe.ua/article/world/europe/2017-03-31/chto-mojet-pomeshat-velikobritanii-pokinut-es/11369> (in Russian)
- [5] The Common Travel Area: Prospects After Brexit. Constitutional Conundrums, January (2017). Available at: http://crossborder.ie/site2015/wp-content/uploads/2017/01/The_Common_Travel_Area_Prospects_After_Brexit_Jan2017.pdf
- [6] European Parliament resolution of 3 October 2017 on the state of play of negotiations with the United Kingdom (2017/2847(RSP)). Available at: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2017-0361+0+DOC+XML+V0//EN&language=EN>
- [7] Pram Gad U. Could a “reverse Greenland” arrangement keep Scotland and Northern Ireland in the EU? Available at: <http://blogs.lse.ac.uk/euoppblog/2016/07/07/reverse-greenland-arrangement/>
- [8] Quinn C. UK and the EU: How to make a Brexit. *BBC News*, January 5 (2016). Available at: <https://www.bbc.co.uk/news/uk-politics-35233683>
- [9] Hofverberg E. Trade Implications of Brexit: Lessons from Austria’s Accession and Greenland’s Withdrawal. *The Library of Congress*. Available at: <https://www.loc.gov/law/help/brexit/greenland.php>
- [10] Reality Check: Ireland’s border and Brexit. *BBC News*, (2017). Available at: http://www.bbc.com/news/uk-politics-40949424?intlink_from_url=http://www.bbc.com/news/topics/c734j9d772gt/irelanduk-border&link_location=live-reporting-story
- [11] Brexit and the border: Views of Donegal Protestants. *BBC News*, January 2 (2018). Available at: http://www.bbc.com/news/uk-northern-ireland-foyle-west-42491577?intlink_from_url=http://www.bbc.com/news/topics/c734j9d772gt/irelanduk-border&link_location=live-reporting-story
- [12] Only solution for Irish border will be UK remaining in EU single market: Jonathan Powell. *Belfast Telegraph*, July 28 (2017). Available at: <http://www.belfasttelegraph.co.uk/news/northernireland/only-solution-for-irish-border-will-be-uk-remaining-in-eu-single-market-jonathan-powell-35977560.html>
- [13] Stone J. Brexit: European Parliament to propose Northern Ireland stays in single market. *Independent*, September 28 (2017). Available at: <https://www.independent.co.uk/news/uk/politics/brexit-northern-ireland-border-guy-verhofstadt-single-market-customs-union-european-parliament-a7972596.html>
- [14] Watts J. Brexit: Ireland says it has EU backing to push Theresa May for further concessions on border dispute. *Independent*, November 27 (2017). Available at: <http://www.independent.co.uk/news/uk/politics/ireland-border-brexit-eu-support-theresa-may-concessions-block-talks-negotiations-simon-coveney-a8078116.html>
- [15] Report on how designated special status for Northern Ireland within the EU can be delivered. Available at: https://www.doughtystreet.co.uk/documents/uploaded-documents/NI_Special_status_report_161017_FINAL.pdf
- [16] Council Regulation (EC) No 866/2004 of 29 April 2004 on a regime under Article 2 of Protocol 10 to the Act of Accession. Available at: <http://data.europa.eu/eli/reg/2004/866/2015-08-31>
- [17] “Brexit will destroy Good Friday Agreement,” says Adams. *BBC News*, January 2 (2017). Available at: <http://www.bbc.com/news/uk-northern-ireland-38704311>
- [18] Rudko S. *Foreign policy of Western European countries during post-bipolar period*: Textbook for the Course. The National University of Ostroh Academy, Ostroh, 2012. Available at: https://lib.oa.edu.ua/files/funds/vudavnutstvo/Posibnyk_Rudko.pdf (in Ukrainian)
- [19] Northern Ireland Peace Agreement (The Good Friday Agreement). Available at: https://peacemaker.un.org/sites/peacemaker.un.org/files/IE%20GB_980410_Northern%20Ireland%20Agreement.pdf
- [20] Tony Blair: Brexit puts NI peace process at risk. *BBC News*, December 3 (2017). Available at: <http://www.bbc.com/news/uk-42213623>
- [21] Staunton D., Leahy P. Brexit summit: EU accepts united Ireland declaration. *The Irish Times*, April 29 (2017). Available at: <https://www.irishtimes.com/news/world/europe/brexit-summit-eu-accepts-united-irelanddeclaration-1.3066569>
- [22] Gallagher C. Northern Ireland is EU’s business in Brexit negotiations. *The Irish Times*, May 15 (2017). Available at: <http://www.irishtimes.com/opinion/northern-ireland-is-eu-s-businessin-brexit-negotiations-1.3082781>

- [23] Rankin J. Europe could allow a united Ireland to join EU after Brexit. *The Guardian*, April 28 (2017). Available at: <https://www.theguardian.com/uk-news/2017/apr/27/eu-to-debate-recognising-united-ireland-to-allow-swift-return-for-north>

Address: Serhii Rudko, The National University of Ostroh Academy, 2, Seminarska Str., Ostroh, 35800, Ukraine.

E-mail: serhii.rudko@oa.edu.ua

Received: 10.07.2018; **revised:** 17.10.2018.

Рудько Сергій. Статус Північної Ірландії після Brexit: можливі моделі. *Журнал Прикарпатського університету імені Василя Стефаника*, 5 (3-4) (2018), 9–15.

У статті висвітлено одне з головних питань, пов'язаних із виходом Великої Британії з Європейського Союзу – новий статус Північної Ірландії, зокрема, статус кордону між нею та Республікою Ірландія. Саме він став яблуком розбрату на першому етапі й залишається ним на останньому етапі обговорення Brexit. Проблема майбутнього “жорсткого” чи “м'якого” ірландсько-британського кордону є проблемою не лише в перемовинах Сполученого Королівства і Європейського Союзу, а й серйозним внутрішньополітичним викликом для уряду Терези Мей. У контексті цього питання розкрито можливі моделі майбутнього статусу Північної Ірландії. Зазначено, що найбільш імовірними рішеннями можуть бути “обернена Гренландія”, “обернений Кіпр” або “Німецький варіант”.

Після Угоди Страсної п'ятниці 1998 р. ЄС інвестував значні кошти у підтримку прикордонних спільнот із метою розвитку малого бізнесу і промисловості, що покращило економічну ситуацію в зоні колишнього конфлікту та сприяло прикордонному діалогу. Але це привело до того, що багато підприємств орієнтувалися саме на ринок ЄС чи прикордонну торгівлю. У статті резюмовано, що модель “оберненої Гренландії” дасть можливість Північній Ірландії залишитися в єдиному ринку і митному союзі окремо від решти Великої Британії, що дозволить запобігти встановленню жорсткого кордону між двома ірландцями. Автор окреслив можливі наслідки моделі “обернений Кіпр”, яка передбачає, що Сполучене Королівство технічно залишиться частиною ЄС, а діяльність загального законодавства товариства буде призупинено лише на окремих її частинах (наприклад, Уельсі й Англії). Дослідник акцентує на тому, що “Німецький варіант” може бути застосовано у випадку майбутнього воз'єднання обох Ірландій, а Північна Ірландія залишатиметься частиною ЄС, поки не буде вирішено її новий статус на референдумі.

У статті підсумовано, що жоден із наведених вище прикладів не може забезпечити точну аналогію, оскільки сам Brexit є безпрецедентним, а найбільш імовірним моделями майбутнього Північної Ірландії визначено варіанти “обернена Гренландія” та “обернений Кіпр”.

Ключові слова: Brexit, моделі, ірландсько-британський кордон, прикордонний контроль, митний союз, єдиний ринок.

UDC 327.35 (438)
doi: 10.15330/jpnu.5.3-4.16-24

EXTERNAL FACTORS OF SYSTEM TRANSFORMATION IN POLAND

NATALIIA HOLUBIAK

Abstract. The author analyzed a new perspective on democratization processes, by analyzing the role of external dynamics in the transformation Poland. The academic research only recently started to focus on the external factors, and the influenced agents were mainly the political elites and institutions. The first part examines the theoretical foundations of transformation, a combination of external and internal factors that have influenced the processes in Central and Eastern Europe. For example, the model, presented by the researcher Edmund Wnuk-Lipiński shows the sequence of five phases of transition from the old system to the new one in Poland. In the next part, author describes “transformation through integration” and analyzes the effect of the overlap of the systemic transformation process on accession processes. In conclusion, membership in the EU is considered as an opportunity to further develop, the factor of increase foreign direct investment and the choice of civilization for Polish society.

Keywords: transformation, accession to the EU, integration, “external factors of transformation”.

1. INTRODUCTION

The transformation period is particularly important for Poland and all of Europe. Thanks to the changes taking place in Central and Eastern Europe, many nations have gained freedom, sovereignty and, therefore the ability to shape the surrounding reality.

After the collapse of communism, East-Central European countries found themselves in differing situations, especially in the economic, political, and social senses. The publicly circulated evaluation of the Polish transformation has always been and still is much diversified. When communist rule collapsed in 1989, Poland differed from the other Soviet Bloc countries in next major respects. The first factor was the strong position of the Catholic Church, symbolized by the pontificate of John Paul II and the communist authorities’ conciliatory policy towards the clergy throughout the 1980s. The numerical strength of the democratic opposition made for the next distinction. At the end of the 1980s more than 20,000 people were actively involved. The next difference was the scale of the economic crisis: it was deeper than in the other Soviet Bloc countries and had been deteriorating steadily since the late 1970s [4].

Today it can be argued that there was, and is, no single model of change in post-communist East-Central Europe. The course of change in fact depended, and still depends, on numerous internal and external premises, e.g., countries’ own statehood traditions, democratic traditions, the quality of

political elites, the ethnic composition of society, the political culture, relations with Western culture, the level of civilizational development, etc. [6, p. 377].

As history shows, the system transformation took place according to a certain pattern, passing subsequent stages. In particular, some researchers defined three types of processes, which contributed to the systemic transformation in Poland, such as global tendencies; general changes in the former communist bloc and changes specific to Polish processes [19, p. 37]. However, their “transformational power”, understood as the ability to cause such changes, after which the old system loses the ability to maintain a functional balance.

The aim of our study implies analysis of external factors of democratization in Central and Eastern Europe, especial the impact of EU on the result of Polish transformation. Let us try answering the following questions: What factors were contributed systemic transformation in the countries of Central and Eastern Europe? Why is the European Union important for Poland, especially in the transformation process? Europeanization or transformation, isn't it true? What are the chances of EU membership for Poland?

2. CONCEPTUAL UNDERSTANDING OF “EXTERNAL FACTORS OF TRANSFORMATION”

What does the term “transformation” mean? This concept relates to political transformations in Latin America in the 1970s – 80s. Democratic transformation was viewed as a transition from authoritarian rule toward democracy. Later on, the historical experience of many states in transition that did not reach real democracy or even moved backwards enabled political scientists to review the concept of democratic transition and broaden it by adding a new necessary condition – democratic consolidation. So transformation means “(...) the transition from a centrally planned economy to a market economy involving a change in the political system and creating market conditions for the functioning of all economic entities” [14, p. 6].

As the history of international relations shows, what determines the position, place, and role of a state in the international order is its political system, its economic, scientific, and technical potential, its foreign policy, and many other factors that are decisive for its quality, attractiveness, and efficiency.

However, a more recent discussion done by scholars like Samuel Huntington (1991), Geoffrey Pridham (1991) or Lawrence Whitehead (2001) focused on the international aspects of democratization. These authors acknowledged that there were some international elements and dynamics that influenced the political process of the newborn democracies. Some of these elements involved pressure from great democratic powers (like the USA or the EU), international business, international trade among nations, and transnational values or ideas. Nevertheless, these scholars always stressed that the internal processes were more important and relevant to the democratization debate than the international phenomenon [9; 13; 18].

There are many international dynamics that we could bring into the discussion. There are, for the importance of external conflicts or culture [9], the role of great powers“ pressure [18], or the importance of Western business, governments and NGOs [20].

Lawrence Whitehead distinguished three ways in which the international context was able to influence democratic processes: contagion, control and consent. The first formula predicted that democratization would advance spontaneously from country to country, mainly through the fluxes of information and communication exchanged between countries. The second hypothesis saw democratization expand in the form of pressure of one state towards another, through economic sanctions or support; and the last assumption through a convergence of goals between domestic and external actors [18, p. 3–25].

Some scholars indulged in studying the influence of the international context upon civil societies. Richard Youngs focused his research on Western influence over the new-born democracies from Eastern Europe, especially the USA and EU. In his study, he divided that Western influence in three groups: states, international business, and NGOs, and the relation of the last group with civil societies. Youngs said that the 1990s saw the rise of a denser and more plural global civil society, permeable to

the new inflows of information and communication [20, p. 138]. Youngs stated that in Eastern Europe specifically, many NGOs (embedded in the Western values) were crucial in changing the mentalities and perceptions of the majority of the population, and in exporting the Western model of political and economic organization to the USSR, having later assisted some governments in policy-making activities and in structuring their new regimes [20, p. 137–144].

For our cases in particular, East-Central European countries, it is important to highlight the research of M. A. Vachudova “Europe Undivided: Democracy, Leverage, and Integration After Communism” (2005). In her study, she determined that the fall of communism was destined to creating complex puzzles about the relative importance of domestic and external factors in explaining policy and regime outcomes over time. The revolutions in East Central Europe were about emulating and joining the West. In a handful of states, these were extraordinary, joyful moments of regime change, with the leitmotif of the “return to Europe” carrying the day [16, p. 523].

Already in 1989 democratization was much more externally driven—by changes in Moscow and by inspiration from the West— than any of the existing theories expected. Scholars turned to explaining the hugely divergent political outcomes that followed the end of communist rule. By the mid1990s, this included studying the causal mechanisms that translated the actions and assistance of external actors into domestic political change.

After 1995, the EU exerted active leverage on the domestic politics of credible future members through the enlargement process. The benefits and requirements of EU membership, combined with the structure of the EU’s pre-accession process, interacted with domestic factors to improve the quality of political competition and to accelerate political and economic reforms in candidate states. The enlargement of the EU has thus promoted a convergence towards liberal democracy across the region [15].

If we talk about Poland, many researchers point out that the greatest “transformation power” was in endogenous, specifically Polish factors that helped initiate the change process. However, they could have only begun to take effect after the collapse of the Soviet bloc, that is, the change of “boundary conditions”. On the other hand, the collapse of communism and the opening of Poland to external influences allowed for the formation of the Polish transformation not only by endogenous factors, but also by global tendencies or external factors [19, p. 53–54].

Polish sociologist E. Wnuk-Lipiński proposed 5 transition stages: initial stage, intersystem stage, advanced stage, post revolutionary stage and consolidation stage. But he proposes a different explanation to the problem of transition [19, p. 56].

Initial phase means one in which processes characterized by “transformational power” are started. It is initiated by the emergence of an alternative to the old system, which has a real chance of entry into force. The author writes that the internal factors alone would not be enough to carry out a radical change of the one-party system. Only a clear change in external conditions triggered the internal strength of the country to overthrow the regime. Also, external factors alone are not enough to launch and carry out the first phase of radical change. Only a combination of internal and external factors is able to launch the discussed change.

It is also worth noting that initiating the first phase of radical social change does not mean that it will be fully realized. At this stage, it is not yet known whether the representatives of the former regime will take over or whether there will be a definite and lasting change [19, p. 57].

The intersystem phase began around 1990, as a result of the introduction of radical market reforms. It was characterized by a situation when the old rules were still working and the new ones were not clearly defined. Groups of interests are created, the aim of which is to achieve large profits in a short time using the unclear rules of the game.

The next phase called the advanced phase is characterized by the fact that the process of transition from “real socialism” to the democratic system exceeds the point beyond which there is no longer a return to the old system. The external stage also has an influence on the advanced phase of the transformation, as well as on the initial one. They may include the requirements of the International Monetary Fund, directed at the country's economic reforms. When the IMF's requirements are too

strict, this may lead to social unrest, but when they are too “soft”, they can contribute to the failure of a radical change and preservation of old group interests.

The post-revolutionary phase, initiated by the legal takeover of power by the post-communists, was characterized by an increase in support among the masses for stabilization. There is a definitive separation of legitimacy for the system from legitimization for a political party. It is worth noting that if this phase is prolonged, it increases the likelihood of a transformation failure. Even if the transformations are satisfactory, there is unfortunately a “hard restaurant” threat. Entering the post-revolutionary phase is just the beginning of building a new order and moving to the consolidation phase [19, p. 58].

3. EFFECT OF EUROPEANIZATION IN THE PERIOD OF TRANSFORMATION

Three levels of institutionalization of international connections can be specified, which are particularly important for research on post-communist transition, and at the same time differentiate the status of individual countries of Central and Eastern Europe.

The manifestation of such relations are:

- a) participation in the European integration process, in particular association agreements with the European Union and relations with the Council of Europe;
 - b) membership in the Organization for Economic Cooperation and Development (OECD);
 - c) cooperation with the North Atlantic Treaty Organization (applying for membership in NATO)
- [10, p. 68].

The most important factor should be the transformation of the political and economic order subordinated to integration with the EU. For this reason, it can be described as “transformation through integration”, because one of the main goals of all political forces has become the political slogan “return to Europe”, based not only on similar institutional solutions, but on achieving full membership in the European Union. The researchers of transformation often distinguish in post-communist countries. [7, p. 104].

In addition, the membership was seen as a chance to consolidate the market economy and democratic institutions. Modernization through integration brought hope not only to facilitate the transformation process and to enter the next phase of modernization (mainly thanks to access to new markets and structural funds, as well as foreign investments and technologies), but also to Poland's finding itself in the processes of globalization.

We can conditionally divided transformations into a system transformation stage, which based on the market destruction of the old system with equally spontaneous creation of a new one and a “mixed” transformation stage, which was implemented “under the pressure of foreign institutions as a specific program to adapt the economic and political system to the standards of the European Union” [11, p. 76].

A feature of changes taking place after the collapse of the communist system is a very close relationship between the processes of systemic transformation and the institutionalization of international obligations, including in particular the process of enlargement of the European Union and NATO. The relationship between these processes is such that systemic changes have allowed to deepen and accelerate the process of new institutionalization of external relations, and at the same time have conditioned further transformation processes [10, p. 57].

However, it is worth pointing out some of the most characteristic elements of the post-communist transformation, which were related to external institutional requirements. First of all, modern political transformations were not of a holistic nature, contrary to the transformation taking place in the countries of Central and Eastern Europe. Poland and other post-communist countries believed that EU membership would be a sufficient remedy for all difficulties. This situation imposes the strategies of “modernization through internalization” for this region and increases their dependence on the actions of external actors (Western governments, international financial institutions, foreign investors, etc.).

Systemic transformation in Central and Eastern Europe is the first attempt at the simultaneous transition to a market economy and liberal political democracy [1].

At the beginning of the 1990s, Poland signed the European agreement in which it expressed the will to integrate with the European Union. The association agreement did not provide Poland with any guarantee of future membership, it constituted the foundation for the further development of relations with the EC because it established an institutional and legal framework for long-term economic, political, social, and cultural cooperation.

The success of the „shock treatment“ reform depended very much on the reaction of big state enterprises, on how fast and how deeply would they be able to adjust to the new situation. This pro-European orientation emerges as one of the key sources of success, key engines for positive evolution of the system. Firstly, the association agreement, with all its *acquis communautaire* mobilized political will to reform, helped stem natural resistance to change, increased the level of policy discourse in the country. Secondly, intensified contacts with the EU provided a massive inflow of policy related know-how. Last, but not the least, the association status finally (after some years of hesitation) resulted in a not insignificant increase inflow of FDI into Poland [1].

Poland has been frequently quoted as an example of successful reforms. High economic growth rates and general consistency of economic policy earned a reputation of one of the frontrunners in the process of transition. Both statistical data and political facts, such as Poland's admission to the OECD in 1996, NATO membership in 1999 and the EU accession in 2004, confirm this positive assessment.

4. THE IMPACT OF FOREIGN INVESTMENT ON THE RESULT OF TRANSFORMATION

Foreign direct investments are considered one of the main important elements of European integration and co-operation. Their beneficial aspects are especially important in countries in transition, like Poland, as they provide additional capital necessary to achieve the higher level of development. Also they are an important channel through which Poland gained access to better managerial and technological solutions [2, p. 78].

Foreign direct investment (FDI) has increased in the past twenty years, to become the most common type of capital flow needed for the reconstruction, stabilization of the CEE economies and economic growth. The volume of FDI inflows has grown rapidly, as the Governments of the CEE countries have officially encouraged FDI and developed a FDI promotion programs providing substantial incentives for foreign companies [17].

The transformation leaders have managed to obtain strong external support and attract considerable private capital. However, the flow of foreign capital to the countries of the region indicates that external capital was not so much the cause but rather the effect of successful reforms.

Poland is attracting for its foreign investments thanks to its successful stabilization program and a quick exit from the recession. The World Bank's report confirms this regularity: “official support of international financial institutions and assistance of individual countries are usually higher, in relation to the population or GDP, for those countries whose reforms are more advanced” [5, p. 512].

Since its transformation in 1989, Poland has been a very attractive country for foreign direct investors. Over the past years or so, PLN 666 billion has been invested in the country – PLN 27.7 billion a year on average. In the past century, foreign investment in Poland accelerated twice: in 1995-2000 and in 2004-2007. Immediately after the collapse of communism, companies from Western Europe and the US started investing in the country, mainly with the intention of satisfying consumer demand at a time when entry barriers. As the country joined the EU, it saw another wave of acquisitions, mergers and greenfield investments. It was also when foreign investors started to put more capital into the services sector, especially telecoms, financial companies and producers of machinery and other goods used by business. In 2016 the influx of FDI to Poland accelerated again. The biggest share of the new investments flowed from the USA, France and Germany [3, p. 9–11].

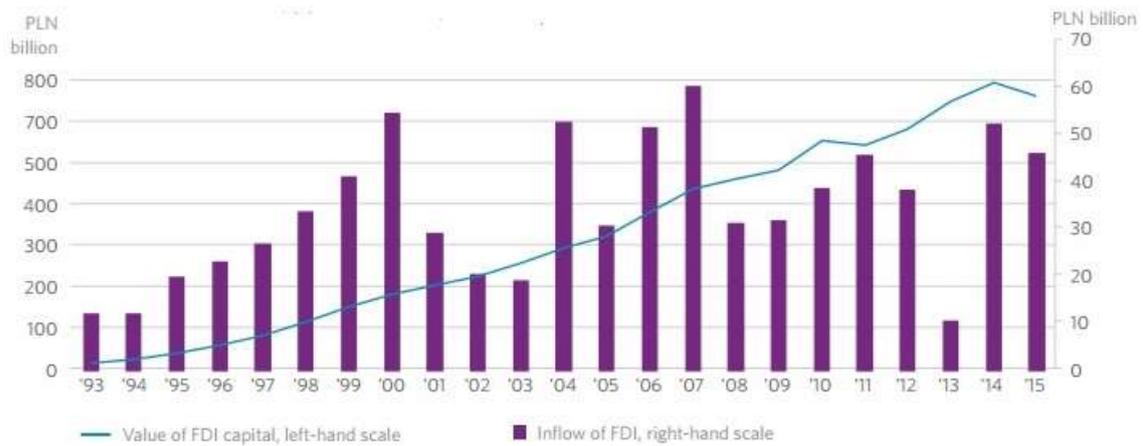


Fig. 1. How did the inflow of direct investment come to Poland (constant prices as of 2010) [3, p. 11].

5. ISSUES WHICH RAISE ARGUMENT IN PUBLIC DEBATE ON SYSTEM TRANSFORMATION

Membership in the EU has given Poland an opportunity to further develop, but this requires activeness on the part of Poland's elites and the development of strategy. The elites are not exempt from responsibility for the future of the country and should not pass all power to EU institutions. On the other hand, accession has caused Poland to follow certain fixed rules, which constitute a broad framework—not solely in the economic sense—for the country's development. Although Poland changed the context of its international alliances, it has not freed itself from peripheral status and this means that it has little influence on key decisions taken within the EU system of governance. There is a tension between the opportunities created by European integration and the limitations it imposes. Poland, like other EU member states, was given a historic chance to improve its international position, i.e., an opportunity to get promoted from the periphery to the so called semi-periphery of Europe [6, p. 9]. Membership in the European Union is not just a matter of foreign policy or the best option for financing economic modernization. Its importance is not limited to decisions on the abolition of customs borders and barriers to personal traffic. For the Polish society, the Union is primarily a comprehensive choice of civilization.

We can see the attitude of Polish society to the European Union. Acceptance of Poland's membership in the EU is almost universal today. In the Special Eurobarometer survey for the European Parliament of autumn 2018¹, more than two thirds of EU citizens (68%) believe that their country overall benefits from EU membership, the highest score since 1983; 87% of Polish respondents think also that joining the European Union is beneficial for Poland [12].

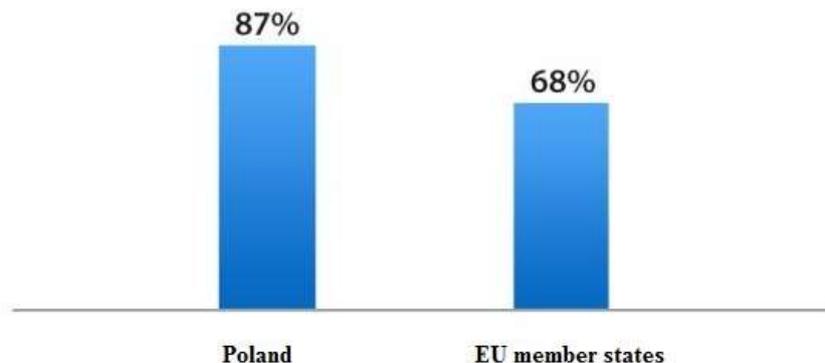


Fig. 2. Conviction about the benefits of belonging to the European Union [12].

¹ Background to the survey. The fieldwork of this survey was carried out between 8 and 26 September 2018 among 27 474 Europeans aged 16 or more, interviewed face-to-face by Kantar Public in all 28 Member States.

According to Polish respondents, Poland benefits from membership because the European Union contributes to economic growth in the country (46%), provides Polish citizens with new employment opportunities (42%) and improves standard of living (36%). Also important for Poles are the EU role in maintaining peace and strengthening security (19%) and the positive impact of EU membership on bilateral relations between Poland and other Member States (17%) [12].

6. CONCLUSIONS

Therefore, both in the political and economic dimensions, external factors should be seen as modifiers of change, not as causative factors that produce specific effects. For example, the inflow of foreign direct investment should be considered as a result and not as a reason for successful economic reforms. Similarly, belonging to international organizations is almost always conditioned by meeting certain requirements. Countries seeking international acceptance and recognition first have to make efforts themselves to convert their economies to market and to democratize their political systems in order to be able to benefit from economic aid and political support later.

International integration accelerates the growth of productivity, trade, income, which in turn attracts foreign capital. Thus, expanding the impact of international factor on the one hand, directs states to the path of an open and liberal economy, on the other, imposes certain solutions in their domestic politics. Membership or promise of membership in international organizations facilitates the building of internal institutions and their adaptation to standards and laws applicable at the supranational level.

In general, international factors have played a key role in the democratization process in Central and Eastern Europe. They have had a decisive impact on all stages of change: deconstruction of the old regime, transfer of power and consolidation of the new institutional system. The international context of post-communist transformation consists of many different dimensions, including, among others, changing East-West relations, the collapse of the political and economic structures of the Soviet bloc, the formation of a new system of relations between the countries of Central and Eastern Europe. The entire range of international actors - states, international organizations, transnational social movements and non-governmental organizations, transnational corporations, multilateral financial institutions, etc. - plays peculiar roles, exerting influence on the course of events in post-communist countries.

REFERENCES

- [1] Belka M. Lessons from Polish Transition. Lessons and challenges in transition. Conference Hall of the Czech National Bank, 22 September 2000. Available at: http://www.cnb.cz/cs/verejnost/pro_media/konference_projevy/konference/download/mmf_belka.pdf
- [2] Clausing K., Dorobantu C. Re-entering Europe: does European Union candidacy boost foreign direct investment? *Economics of Transition*, **13** (1) (2005), 77–103. doi: 10.1111/j.1468-0351.2005.00208.x
- [3] Czerniak A., Blauth K. *The impact of Foreign Direct Investment. Contribution to the Polish economy in the past quarter century*. Polityka Insight, Warszawa, 2017.
- [4] Dudek A. The Consequence of the System Transformation of 1989 in Poland. European Remembrance Symposium, 2012-16. Publication (2015). Available at: <http://www.enrs.eu/sk/articles/1516-the-consequence-of-the-system-transformation-of-1989-in-poland>
- [5] Ekiert G. Prawidłowości transformacji w Europie Wschodniej. *Studia Socjologiczne*, **1** (200) (2011), 501–526. (in Polish)
- [6] Fiszer J.M. From Political Transformation to Europeanization and Democracy in the New European Union Member States: An Attempt to Review Results. *Polish Sociological Review*, **3** (195) (2016), 373–388.

- [7] Fiszer J.M. Efekty transformacji ustrojowej i integracji państw Europy Środkowo-Wschodniej z Unią Europejską. *Myśl Ekonomiczna i Polityczna*, 2 (53) (2016), 97–124. (in Polish)
- [8] Rodrigo Gomes Quintas da Silva. *Democracy, civil society, and the importance of the international context: the cases of Poland and Czechoslovakia*. 2016. Available at: <https://repositorio.iscte-iul.pt/bitstream/10071/12601/1/Disserta%C3%A7%C3%A3o%20de%20Mestrado.pdf>
- [9] Huntigton P.S. Democracy's Third Wave. *Journal of Democracy*, 2 (2) (1991), 12–34.
- [10] Jasiołkowski K. Wpływ instytucjonalizacji powiązań międzynarodowych na procesy transformacji ustrojowej w Europie Środkowej i Wschodniej. *Studia Europejskie / Centrum Europejskie Uniwersytetu Warszawskiego*, 1 (1997), 57–72. (in Polish)
- [11] Lubbe A. Transformacja, modernizacja czy po prostu normalizacja? W: Morawski W. (red.) *Modernizacja Polski. Struktury, agencje, instytucje*. Wydawnictwa Akademickie i Profesjonalne, Warszawa, 2010. (in Polish)
- [12] Parlametr 2018 – Podjęcie Wyzwania: Od (Cichego) Poparcia Do Udziału W Wyborach. Available at: <http://www.europarl.europa.eu/at-your-service/pl/be-heard/eurobarometer/parlemetr-2018-taking-up-the-challenge> (in Polish)
- [13] International influences and democratic transition: problems of theory and practice in linkage politics. In: Pridham G. (Ed.) *Encouraging Democracy: The International Context of Regime Transition in Southern Europe*. St. Martin's Press, New York, 1991, 1–28.
- [14] Prohntich E. Comparative analysis of the modes of transition in Hungary and Poland and their impact on the electoral systems of these states. *CEU Political Science Journal. The Graduate Student Review*, 1 (3) (2006), 5–10.
- [15] Vachudova M.A. *Europe Undivided: Democracy, Leverage, and Integration after Communism*. Oxford University Press, Oxford, 2005. doi: 10.1093/0199241198.001.0001
- [16] Vachudova M.A. External Actors and Regime Change: How Post-Communism Transformed Comparative Politics. *East European Politics and Societies: and Culture*, 29 (2) (2015), 519–530. doi: 10.1177/0888325415571411
- [17] Vaknin S. *Eastward, Ho - Global Recession and Foreign Direct Investment (FDI) in Central and Eastern Europe (CEE)*. UPI, 2007. Available at: <http://samvak.tripod.com/brief-fdicee01.html>
- [18] Whitehead L. Democracy and Decolonization: East-Central Europe. In: Whitehead L. (Ed.) *The International Dimensions of Democratization: Europe and the Americas*. New York, Oxford University Press, 2001. doi: 10.1093/0199243751.003.0013
- [19] Wnuk-Lipiński E. Zmiana systemowa. W: Wnuk-Lipiński E., Ziółkowski M. (Red.) *Pierwsza dekada niepodległości. Próba socjologicznej syntezy*. Instytut Studiów Politycznych Polskiej Akademii Nauk, Warszawa, 2001, 21. (in Polish)
- [20] Youngs R. *International Democracy and the West: The Role of Governments, Civil Society and Multinational Business*. Oxford University Press, Oxford, 2004. doi: 10.1093/0199274460.001.0001

Address: Nataliia Holubiak, Vasyl Stefanyk Precarpathian National University, 57, Shevchenko Str., Ivano-Frankivsk, 76025, Ukraine.

E-mail: holubiakn@gmail.com

Received: 21.08.2018; **revised:** 12.12.2018.

Голуб'як Наталія. Зовнішні фактори системної трансформації в Польщі. *Журнал Прикарпатського університету імені Василя Стефаника*, 5 (3-4) (2018), 16–24.

Проаналізовано нову перспективу процесів демократизації шляхом аналізу ролі зовнішньої динаміки трансформації Польщі. Академічні дослідження лише зовсім недавно почали

зосереджуватися на зовнішніх факторах трансформації, натомість переважали акценти щодо курсу політичних еліт та діяльності інституцій. У першій частині статті розглядаються теоретичні основи трансформації, які поєднують зовнішні та внутрішні чинників перетворень в Центральній та Східній Європі. Для прикладу використана модель польського дослідника Едмунда Внука-Ліпінського, який розробляє послідовність п'яти фаз переходу від старої системи до нової в Польщі. У наступній частині описується етап “трансформації через інтеграцію” та аналізуються наслідки накладання процесів системного перетворення на процеси вступу до Євросоюзу. Підсумовується значення членства в ЄС як можливості подальшого розвитку, фактору збільшення прямих іноземних інвестицій та цивілізаційного вибору польського суспільства.

Ключові слова: трансформація, вступ до ЄС, інтеграція.

UDC 323.28

doi: 10.15330/jpnu.5.3-4.25-32

THE VIOLENCE BASED ON RELIGION AS A FACTOR OF THE DISTRIBUTION OF THE WORLD POLITICAL PROCESS

IHOR MYKHALSKYI

Abstract. The article deals with the role of political violence in the modern world through the prism of exacerbation of cultural-religious contradictions. Based on the analysis of statistical data, the tendencies of the spread of confrontation on religious grounds have been revealed, such as discrimination and impairment of the rights of religious communities, ethnic-confessional conflicts, and the spread of transnational religious terrorism. It is concluded that the politicization of religions is a significant factor of social and political destabilization both at the regional and global levels.

Keywords: political violence, political conflict, religion, civilization, ethnoconfessional contradictions, Islamism, transnational terrorism.

1. INTRODUCTION

One of the main destructive trends of the modern world is the general destabilization of the socio-political space. This process is conditioned by a whole range of factors, among which - the aggravation of global problems: ecological, demographic, resource, energy, cultural and civilization, etc. In the first place, destabilization is realized in the rise of the level of political violence. Existing mechanisms for securing peace and security, formed within the framework of the Yalta-Potsdam system of international relations, proved to be ineffective in the new conditions that arose after the collapse of the bipolar order. Consequently, efforts to establish a collective security system on a global scale, the primary role of which is played by the United Nations, have failed. This is clearly indicated by the rapid increase of the number of political conflicts in many regions, the evolution and improvement of the forms of confrontation, the build-up of armaments, and the increase of the human casualties within the civilian population against the background of the inactivity of international structures.

2. ANALYSIS AND DISCUSSION

An important measure of the intensification of violence around the world is the intensification of the confrontation on the religious-confessional foundation. The leading role of the religious factor in inter-civilizational relations and conflicts was emphasized by S. Huntington. The scientist noted that "of all the objective elements that determine civilization, the most important, however, is religion ... The

main civilizations in human history were largely identified with the great religions of the world, and people of common ethnicity and common language, but different religions, can lead a bloody war ...” [8, p. 49].

The analysis of the dynamics of the current confrontation shows that zones of permanent instability are formed in almost all regions of the world, which cover rather wide locations. Such zones exist in Africa, the Middle East, South and South-East Asia, and Latin America. The main leading actors in these processes is the religious communities and organizations, among which a special role belongs to Islamist groups and states. An important factor in the activation of radical religious movements is globalization, which by compressing the socio-political space through the development of communications, informatization, the formation of a single market, creates transparent borders, brings together and intensifies contacts between different ethno-national, religious, and cultural communities.

The significant measure of politicization of religions and general destabilization is the intensification of persecution or discrimination on religious grounds. According to a study by the “Pew Research Center”, reflected in the “Trends in Global Restrictions on Religion” report, in 2014, 16 out of the 198 countries had “too high” levels of religion constraints. These countries were China, Egypt, Uzbekistan, Turkey, Indonesia, Iran, Syria, Saudi Arabia, Kazakhstan, Azerbaijan, Turkmenistan, Laos, Malaysia, Maldives, Russia, Tajikistan. The number of countries with a high level of religious restrictions has decreased from 37 (in 2013) to 32 (in 2014), and with moderate restrictions, on the contrary, increased from 45 to 57 [11, p. 13].

Regarding the dynamics of direct religious violence, the analysis shows that the most intense religious violence in 2014 was illustrative of 11 countries (against 17 countries in 2013), namely: Israel and the Palestinian territories, Iraq, Syria, Yemen, Pakistan, Sri Lanka, India, Afghanistan, Lebanon, Nigeria. Among macroregions, the worst indicators of religious tolerance are demonstrated by the Middle East and the Maghreb, where the average index of religious restrictions is 5,4, while in the Asia-Pacific region it is 3,7, Europe – 2,5, sub-Saharan Africa – 1,6, and America – 1,6 [11, p. 14, 22].

The most persecuted religious communities were Christians and Muslims as the most numerous, while in the second place were Hindus and Jews. In particular, Christians were persecuted in 108 countries (in 102 countries - in 2013), Muslims - in 100 countries (in 99 countries - in 2013). Antisemitic spirits are growing. Jews, which make up 0.2% of the world’s population, have been subjected to direct violence or discrimination in 81 countries (in 2013 - 77, 2012 - 71 countries). Also, the level of tolerance to the Indians, which were pursued in 14 countries (in 2013 - 9 countries), has grown. Facts of Buddhist discrimination were recorded in 12 states. The total number of countries where the facts of religious persecution were recorded was 159 [11, p. 20].

According to studies of the Heidelberg Institute for the Study of International Conflicts, systemic and ideological contradictions, including religious ones, are the most widespread reason for conflicts in the modern world. They give way to such acute factors as the struggle for resources or power, ethnonational contradictions, secession, interstate strife, territorial claims. Among the total number of conflicts in 2017 (385, of which 222 were violent ones), 148 contradictions as the main or secondary factor had the oppositions on the systemic and ideological basis. In addition, systemic-ideological conflicts are often characterized by high intensity, that is, they tend to grow into war [1, p. 16].

S. Huntington considered the dominant form of violence in the modern world the conflicts with the participation of Muslim adherents, linking it with the strengthening and articulation of the religious identification of Muslims. According to him, “the Islamic revival is in general a response to modernization and globalization, and in most cases this answer is quite constructive”, since the very purpose of Islamist organizations is to meet the social, economic, humanitarian, spiritual and cultural needs of the Muslim communities, to uphold their interests before ineffective, corrupt or repressive governments [7].

In addition, the scientist calls the factors of activism of Islamism: the desire to resist the cultural-informational and economic expansion of the West; the influence of structural and socio-political features of the traditional patterns typical of most Muslim societies, namely tribal, religious, ethnic, cultural differences; rivalry for the influence of various doctrines within Islam itself (first of all Sunni

and Shiite); a demographic surge that has led to a sharp increase in the number of young people, especially young men who are replenishing the ranks of radical groups.

Radical fundamentalist circles perceive an interpenetration of cultures as a threat to their own identity, responding to this aggravation of aggression, activation of terrorist activity. The representatives of traditional and orthodox societies associate globalization and the universalization of values based on a liberal world outlook with moral degradation, the loss of its own system of values and cultural models, the decline of the role of religion, the collapse of communities, the departure of sources of Islam, the "offense" of Muslims from Western society, economic crisis. There is also growing tension within the Muslim world itself, due to the imbalance in socio-economic development, the confrontation between the secular and fundamentalist outlook, the attempts to reconstruct the traditional order inherent in early Islam, and the contradictions between representatives of different areas of Islam, in particular Shiites and Sunnis.

In this case, modern science determines the trend of "politicizing Islam", and Islam becomes a sign of political and ideological doctrine. Islamic and Islamist organizations are actively involved in politics and are a powerful force that affects both internal political processes within the states and geopolitical transformations.

Consequently, in the context of the destabilization of the socio-political environment, Islamism, as a radical variant of Islam, is a powerful conflict-making factor. Unlike traditional Islam, it has a number of peculiarities. In particular, A. Petrukhina defines the following specific features: an appeal to the restoration of primary Islamic values; traditionalism and statism, expressed in the offer of "the ideal version of society ... and of a state based on Sharia law, social justice, with a strong ruler", which essentially means the introduction of the theocratic regime; propagating the idea of jihad and justifying terror by extremist forces [9, p. 103].

The most fierce struggle with Islamist groups or ethnoconfessional communities is currently taking place in the Central African Republic, Nigeria, Cameroon, Chad and Niger, Somalia and Kenya, Sudan (Sub-Sahara Region); Afghanistan, Syria and Iraq, Libya, Yemen (Middle East and Maghreb); Myanmar and the Philippines (Asia-Pacific) [1, p. 13].

In particular, in the Central African Republic, the confrontation is between Christian and Muslim communities, the first of which is represented by the pro-government forces united into the organization of Anti-Balaka, the second - the Muslim groups "Seleka". Nigeria, Cameroon, Chad and Niger are covered by the war with the terrorist Islamist organization Boko Haram, known for mass killings and kidnappings. In Somalia, with the participation of Kenya, there is a confrontation with another radical Islamist group Al-Shabaab. High-intensity violence takes place in Sudan, where the rivalry between the Muslim Arab forces and the indigenous Negro people continues within the Darfur conflict.

There are several "hot spots" for a long time in the Middle East. The civil war in Afghanistan, the main actor of which is the Islamist Taliban movement, does not subsist. The struggle with the "Islamic State" continues in the context of civil wars in Syria and Iraq. In Yemen, there is a Shiite-Sunni internationalized conflict involving Saudi Arabia. There is a high level of tension between Israel and the Palestinian territories, where the interests of the latter are the radical Islamist movement of Hamas and other Salafist groups. Large-scale collective violence takes place in Myanmar, where the Buddhist majority discriminates and persecutes Muslims of the Rohingya people, who constitute an ethnic minority. In the Philippines, Islamists "Abu Sayyaf" and "Maute" are struggling with government forces.

We also should pay attention on the current conflict in Myanmar, which has recently become a sign of genocide. Violence here has several dimensions – ethnoconfessional, economic, demographic. The state of Rakhine, mostly populated by Muslims of the Rohingya people, is the poorest in the country. Of the over one million Burmese rochindia, about 800,000 live in the state of Rakhine. The main part of the population here is below the poverty line. In addition, a frankly discriminatory policy is being introduced at the state level regarding the Muslim minority. This is reflected in the restriction of freedom of movement, discriminatory barriers to access to education and workplaces, the refusal of

Rochinga in the citizenship of the state. Rochinga is the bearer of its own - not only a confessional, but also ethno-national identity, different from the identity of most of the Buddhist population of Myanmar. Due to this they consider themselves and the state of the country as the part of Bangladesh and Bengal culture with historical, cultural, linguistic perspectives. Consequently, the conflict has a significant historical background and can be considered through the prism of the cultural and civilization context. The escalation of the conflict began in 2012, when discrimination has intensified and cases of direct physical violence against rochinga by ultranationalist Buddhist extremists and the forces of the official government have become more frequent. The Buddhist majority of Myanmar's population demonstrates an extremely intolerant attitude towards the Muslim minority of the Rochinga, considering them as a threat to their own identity, economic prosperity, and competitors in job placement.

The problem of restriction of movement is especially acute. As stated in the official report of the Office of the United Nations High Commissioner for Human Rights, "the Rohingya face severe restrictions on their freedom of movement. In nRS, they require official authorization to move between, and often within, townships (for example, a village departure certificate is required to stay overnight in another village.). The procedures to secure travel are onerous and time-consuming, and failure to comply with requirements can result in arrest and prosecution. Restrictions routinely lead to extortion and harassment by law enforcement and public officials. Since the outbreak of violence in Rakhine in June 2012, a curfew was imposed in nRS, which offers broad discretionary powers to the authorities, including the case of limitations on assembly and prohibiting movement between dusk and dawn. This curfew remains in place, having been extended in the wake of the 9 October events referred to below" [2, p. 6].

Thus, it is easier for the Muslim population to cross the border with Bangladesh than to move within its own country. However, neighboring Bangladesh refuses rochinga asylum and does not accept them as refugees on their territory. Despite this, about 66 thousand people illegally crossed the border of a neighboring country. The result of this discriminatory policy is that 22,000 people are internally displaced persons, and in aggregate, almost 90,000 people have been affected by external or cross-border displacement. In addition, hundreds of people are complaining about direct violence by ultra-nationalists or representatives of power structures. Observers record numerous cases of murders, mutilations, beatings, rapes (including children), the destruction of property or sources of food [2, p. 6–7, 9–10].

An important indicator of the spread of violence on religious grounds is the activation of transnational terrorist organizations, the absolute majority of which represent the fundamentalist Islamist religious doctrine. The most active radical extremist groups today include the Islamic State, Al-Qaeda, Boko Haram, Taliban, Hamas, Hizballah, Muslim Brotherhood, the Union of Islamic Jihad, Palestine Islamic Jihad and so on. Such organizations are actors of socio-political destabilization both at the regional and international levels. The network structure and powerful funding flows allow them to carry out their devastating activities not only in countries that are in or out of their direct influence, but also in remote, stable regions, in particular, Europe.

Mortality from terrorism in recent years is estimated by tens of thousands of victims. According to "Global Terrorism Index 2017", in 2016 25,673 people were killed by terrorists. For many years, a number of Muslim countries, such as Afghanistan, Nigeria, Syria, Pakistan and Iraq, have been leading the terrorist threat, where about three quarters of all deaths by terrorists take place. In these countries the largest terrorist organizations of the day are: in Nigeria and its neighboring countries - Boko Haram, in Afghanistan and Pakistan - the Taliban, in Iraq and Syria - the Islamic State. Since 2002 in eight of the nine regions of the world (except North America) there is an increase in the level of terrorism, and this process is particularly intensive in the countries of the Middle East [5, p. 4].

One of the most active terrorist organizations whose activities are of a regional scale are Boko Haram, who swore allegiance to the "Islamic State". The group defends the most radical fundamentalist stance, opposed to Western education, lifestyle and world outlook. Activation of the group's activities took place in 2010 after the death of leader Mohammed Yusuf. The new leader,

Abubakar Shekau, proclaimed jihad against the Nigerian authorities and the West. Since then, its terrorist activity has intensified. In 2014, the number of victims of the organization exceeded 6000 people. In general, more than 20,000 people were killed in the fighting between terrorists and Nigerian forces, about 2.6 million became internally displaced persons or migrants. However, due to the combined efforts of the governments of Nigeria, Cameroon, Niger and Chad, terrorist violence has been substantially limited. And already in 2016, the number of victims of the "Boko Haram" fell to 1079 people who died as a result of 192 attacks (against 454 attacks in 2014) [3, p. 4; 5, p. 74; 10].

The activity of terrorists in Afghanistan, by contrast, is increasing. The Taliban movement, which arose in 1994, uniting Mujahideen groups and Pashtun tribes, has been struggling with the government and international forces (NATO) since 1996 to restore control over the country. Today, the Taliban controls about 11% of the territory and is the main subject of the civil war in Afghanistan. The victims of the Taliban in 2016 were 3,586 people killed as a result of 848 terrorist attacks. The controversy, which has been around for almost 40 years, is a source of persistent instability in the region and affects neighboring territories, in particular Pakistan. The Taliban and Al Qaeda branches in Pakistan control the border area of Waziristan, that is why violence spreads across the country. Thus, the total number of victims of the terrorist attacks in Pakistan during the fifteen years (2000-2015 gg.) reached 14 953 people [4, p. 28; 5, p. 74].

The most widespread network of cells is Al Qaeda, which carries out terrorist attacks in a number of African, Middle Eastern and other regions (Algeria, Bangladesh, Burkina Faso, Côte d'Ivoire, Kenya, Mali, Nigeria, Pakistan, Somalia, Syria, etc.). The organization has a large number of affiliates in many countries around the world. The most famous divisions in its structure are Al Qaeda on the Arabian Peninsula, Al Qaeda in Iraq, Al Qaeda in the Islamic Maghreb, Al Qaeda in the Indian Subcontinent. In 2016, this terrorist organization killed 1349 people by 539 terrorist attacks [5, p. 75].

Al Qaida, through its affiliated structures, is involved in many regional and local conflicts, especially in those regions where its influence extends. For example, Al Qaeda in the Islamic Maghreb has played one of the main roles during the Tuarez uprising (2012-2013), and also plays in the current confrontation between the government and the Islamist factions in Mali. The Tuarez uprising began as a typical separatist conflict between the official government and the Tuareg tribes in northern Mali, aimed at proclaiming the independence of the region of Azawad, a place of compact residence of the Tuaregs. Islamists, including Al Qaeda, initially being on the side of the rebels, after capturing Azavade, intercepted the initiative and proclaimed in the region their own rules, based on the Shari'a system. After the intervention of the French forces, the resistance was suppressed, but the conflict with the participation of Islamists continues, and a tense situation and a high level of political violence remains in the country. Islamist forces continue partisan, terrorist struggle and sabotage against the government.

One of the youngest terrorist multinational organizations of the present day is the "Islamic State" (according to various sources, it appeared in 2004 or 2006). The group has rapidly strengthened its position and in the short term turned into the most deadly organization of the world. "The Islamic State" is one of the main actors in the Syrian and Iraqi conflicts, which entered into confrontation with both the government and the opposition. The group is one of the main Salafist forces fighting both secular orders of the western model and the Shiite branch of Islam. In particular, the Salafist-Shiite opposition is one of the main dimensions of the struggle of the "Islamic State" in Iraq and Syria, where there are significant Shiite communities, and in the latter case, the Shiite community is represented at the state level by the government of the Syrian President Bashar al-Assad. Like Al Qaida, the "Islamic State" has cells in many countries and carries out terrorist attacks around the world. According to 2016, it is the leader in the number of attacks and deaths. On its account in that year, 1,932 victims and 1132 terrorist attacks in at least 15 countries (Belgium, Georgia, Yemen, Indonesia, Iraq, Jordan, Lebanon, Malaysia, Germany, the Philippines, the Russian Federation, Saudi Arabia, Syria, Tunisia, Turkey), and its network covers at least 32 states. The total number of its victims is tens of thousands. In particular, in 2015, during the fighting of the "Islamic State" with the governments of Iraq, Yemen and Syria in 2015, more than 27,000 people were killed [4, c. 51; 5, p. 73].

Thus, a network structure, an extensive system of funding (both from public and private sponsors, and through criminal activity, asymmetric and irregular strategies involving the means of a small war (partisan, sabotage, terrorist actions) - all of this makes transnational terrorism a powerful factor in destabilization of world situation. In addition to a direct terrorist threat, the main danger of the existence of such organizations is that they have all the resources and opportunities to qualify for the status of the state. Transnational networking actors ignore and neutralize the norms of national and international law, reject the existing political order and seek to destroy, disintegrate existing states, create their own entities in their territories. These political entities have their own systems of institutions, the power apparatus, the dominant totalitarian ideology, legal and financial systems. The economy of such quasi-holders does not depend entirely on financial flows by the sponsors of terrorism, but is also capable of autonomous financing through the control of the resource themselves, in particular oil and other minerals, the organization and control of drug trafficking, the taking of hostages for the purpose of extortion, trafficking in persons or the replenishment of their own demographic resources. All this allows maintaining power, introducing own government and providing grounds for further expansion and seizure of new territories. Prior to the organized resistance by regional and international coalitions, successful attempts were made to create alternative quasi-state entities by such organizations as Boko Haram, which controlled vast territories in northern Nigeria, the "Islamic State" that seized the entire provinces in Iraq and Syria, The Taliban, which actually seized power in Afghanistan from 1994 to 1996, now controls Waziristan.

The ideology of Islamist fundamentalism finds support of very large sections of the population in the poorest states and countries in which the traditional structure of society has survived. Islamists act as a force capable of mobilizing people to confront a corrupt and ineffective government, or to combine rumored interpersonal and tribal quarrels among the population. The mentioned organizations are groups of ultra-conservative Salafite direction, which adhere to common doctrinal-ideological principles. The basis of their work is the idea of restoring Islam in its original form, fighting secularism in all its manifestations, overthrowing secular governments in Muslim countries, establishing a Sharia law-governed system, and fighting the West as a hostile Islamic civilization, which in aggregate actually means close to a totalitarian socio-political system regime that excludes the principle of primacy of human rights and freedoms, tolerance and pluralism.

The ideological foundations of Islamist fundamentalism can be seen from the Hamas ideology, which was established in 1987 as the main force for the struggle against Israel for the liberation of the Palestinian lands. The document, known as the "Hamas Charter", contains a direct call for jihad against all those who encroach on Muslims sacred to the land of Palestine. In Art. 15 "Charter" it is said that "the day that enemies usurp part of Moslem land, Jihad becomes the individual duty of every Moslem. In face of the Jews' usurpation of Palestine, it is compulsory that the banner of Jihad be raised. To do this requires the diffusion of Islamic consciousness among the masses, both on the regional, Arab and Islamic levels. It is necessary to instill the spirit of Jihad in the heart of the nation so that they would confront the enemies and join the ranks of the fighters" [6].

It emphasizes the need to involve the widest sections of the population, in particular the intelligentsia, in jihad in order to transform the mass consciousness through cultural institutions, educational institutions, media, political, religious, and cultural leaders so that every Arab, Muslim, Palestinian gets up to fight against invaders, interventionists, which are understood as the Jewish population of Israel, and the West and Christians in general. Particular attention is paid to the system of education of young people, since even school programs need to be modified in such a way that "to cleanse it of the traces of ideological invasion that affected it as a result of the orientalists and missionaries who infiltrated the region following the defeat of the Crusaders..." [6].

As we see, the focus is not even on direct armed resistance, but on ideological instruments of influence on the widest strata of the population in order to mobilize the masses, to strengthen the Islamic identity and to impose extreme nationalism and fundamentalism. And the leading role in these processes is given to religious upbringing and confrontation: "It is necessary to instill in the minds of

the Moslem generations that the Palestinian problem is a religious problem, and should be dealt with on this basis" [6].

3. CONCLUSIONS

Thus, the politicization of religion is a global trend of the present. Ethnic confessional differences are used by interested forces as a powerful source of incitement to interethnic, interreligious and interstate hostility. Violence on a religious basis is a universal destructive phenomenon and is one of the most intense forms of confrontation. Such conflicts do not subsist for a long time, accompanied by great sacrifices, by virtue of their nature – primarily among the civilian population, and greatly destabilizing the socio-political space.

One of the most important components of the problem is transnational terrorism, the danger of which is determined by its transboundary, network and irregular nature. It is not only a powerful disintegration and destabilizing factor, but also it is a threat to the existence of states, their legitimacy, unbalancing national and international systems to create their own, alternative model of world order and cultural environment.

REFERENCES

- [1] *Conflict Barometer 2017: disputes non-violent crises violent crises limited wars wars*, 26. Heidelberg Institute for International Conflict Research, Heidelberg, 2018. Available at: <https://hiik.de/conflict-barometer/current-version/?lang=en>
- [2] *Flash Report: Report of OHCHR mission to Bangladesh. Interviews with Rohingyas fleeing from Myanmar since 9 October 2016*. United Nations Human Rights Office of the High Commissioner. 3 February 2017. Available at: <http://www.ohchr.org/Documents/Countries/MM/FlashReport3Feb2017.pdf>
- [3] *Global Terrorism Index 2015*. The Institute for Economics and Peace, 2015. Available at: <http://economicsandpeace.org/wp-content/uploads/2015/11/2015-Global-Terrorism-Index-Report.pdf>
- [4] *Global Terrorism Index 2016*. The Institute for Economics and Peace, 2016. Available at: <http://economicsandpeace.org/wp-content/uploads/2016/11/Global-Terrorism-Index-2016.2.pdf>
- [5] *Global Terrorism Index 2017*. The Institute for Economics and Peace, 2017. Available at: <http://visionofhumanity.org/app/uploads/2017/11/Global-Terrorism-Index-2017.pdf>
- [6] Hamas Covenant 1988. *The Avalon Project. Documents in Law, History and Diplomacy*. Yale Law School. Lillian Goldman Law Library. Available at: http://avalon.law.yale.edu/20th_century/hamas.asp
- [7] Huntington S. *The Age of Muslim Wars*. Newsweek, 2002. Available at: <http://www.novsu.ru/npe/files/um/1412/bg/shell/arh/istoch/Хантингтон%20С.%20Век%20мусульманских%20войн.htm> (in Russian)
- [8] Huntington S. *The Clash of Civilizations*. "Publishing House ACT", Moscow, 2003. (in Russian)
- [9] Petrukhina A.A. The Theory and Practice of Islamism. *Bulletin of the Peoples' Friendship University of Russia. Ser. Political Science*, 2 (2011), 102–109.
- [10] Radical Islamism in sub-Saharan Africa. Available at: <http://russiancouncil.ru/extremism-africa> (in Russian)
- [11] Trends in Global Restrictions on Religion. *Pew Research Center*, June 23, 2016. Available at: <http://www.pewforum.org/2016/06/23/trends-in-global-restrictions-on-religion/>

Address: Ihor Mykhalskyi, Luhansk Taras Shevchenko National University, 1, Gogol Square, the City of Starobilsk, Luhansk Region, 92703, Ukraine.

E-mail: csaf8385@gmail.com

Received: 25.06.2018; **revised:** 07.11.2018.

Михальський Ігор. Насилля на релігійному ґрунті як фактор становлення світового політичного процесу. *Журнал Прикарпатського університету імені Василя Стефаника*, 5 (3-4) (2018), 25–32.

У статті розкрита роль політичного насилля в сучасному світі крізь призму загострення культурно-релігійних суперечностей. На основі аналізу статистичних даних виявлені тенденції розповсюдження протиборства на релігійному ґрунті, як-от: дискримінація та утискання прав конфесійних спільнот, етноконфесійні конфлікти, поширення транснаціонального релігійного тероризму. Зроблено висновок, що політизація релігій становить вагомий фактор суспільно-політичної дестабілізації як на регіональному, так і на глобальному рівнях.

Ключові слова: політичне насилля, політичний конфлікт, релігія, цивілізація, етноконфесійні суперечності, ісламізм, транснаціональний тероризм.

UDC 338.45:621.311
doi: 10.15330/jpnu.5.3-4.33-43

STRATEGIC ANALYSIS OF THE DEVELOPMENT OF RENEWABLE ENERGETICS IN THE WORLD AND IN UKRAINE

VALENTYNA YAKUBIV, IRYNA BORYSHKEVYCH

Abstract. The article analyses tendencies in changes in power supply volumes in world countries for the last years. We identified tendencies in changes of power supply volumes in the context of different sources of its production. We studied the tendencies of development of renewable energetics in the world and in Ukraine. We based the potential of the development of renewable energetics in the world and in Ukraine. We conducted complex analysis of strategic perspectives of the development of renewable energetics in Ukraine on the basis of PEST-analysis. We also based the main trends of strategic changes in the industry in the framework of the most powerful external factors of influence the development of renewable energetics. We offered the complex of strategic measures within the limits of the most influential environmental factors within PEST-analysis.

Keywords: renewable energetics, strategic analysis, PEST-analysis, external factors, renewable sources of energy.

1. INTRODUCTION

European integration processes taking place in Ukraine presuppose the necessity of changes at different levels. In order to achieve expected positive results of European integration for Ukraine it is very important to adjust and participate in main economy-wide and social transformations that take place in European Union countries. In terms of that on the background of worldwide tendencies in changing power balance EU countries are developing quite rapidly. Quick pace of exhaustibility of world oil and gas supplies forces EU countries to develop renewable energetics. It is very important for Ukraine nowadays to establish active development of energy branch within the framework of world and European tendencies.

Renewable energetics is an important strategic niche of national economics of Ukraine able to affect energy security of the country, create new workplaces and ensure the growth of economic potential in general. Besides it plays an important role in development of gross domestic product. While investigating present state of the development of renewable energetics in Ukraine it is worth mentioning that this branch should be considered in the context of open system of cooperation with external factors. Under these conditions the enterprises associated with power generation with the aid of renewable sources should apply optimal, up-to-date management methods with the aim of their further adjustment to all external factors that are constantly changing. That is why it is necessary to

conduct complex strategic analysis of the perspectives of the development in order to evaluate present state of the development of renewable energetics and forecast actions crucial for its further effective development.

Nowadays the perspectives and problems of the development of renewable energetics are studied by a lot of scholars as in the context of technological innovations for the development of this branch [1, 2, 3], so as in the context of investigation economic and management preconditions of the establishment of renewable energetics [4, 5, 6, 7, 8]. At the same time strategic prerequisites of the development of the given branch have not been studied sufficiently, in particular external factors of influence the establishment perspectives of renewable energetics.

2. RESULTS

Rapid growth of world economics is accompanied by the increase of power consumption. Thus, according to the data from BP Statistical Review of World Energy power consumption has gone up for the last 10 years by 1922.8 Mtoe; the average power consumption volume increases annually by 1.0-1.9 %. Just in 2017 world oil consumption increased by 1.9 %, natural gas – by 0.4 %, coal – by 1.8 %, nuclear fuel – by 1.6 % [9].

According to the data from analytical sources world reserves of explored exhaustible energy sources will deplete in 40 years, the unexplored – in 10 – 50 years at current power consumption pace. It is obvious that these negative tendencies forced developed world countries to intensify the development of energetics from renewable sources.

Within the last decade the renewable energetics has grown up in the world. Thus, in 2017 world amount of Total Primary Energy Supply (TPES) was 13.700 Mtoe (Figure 1).

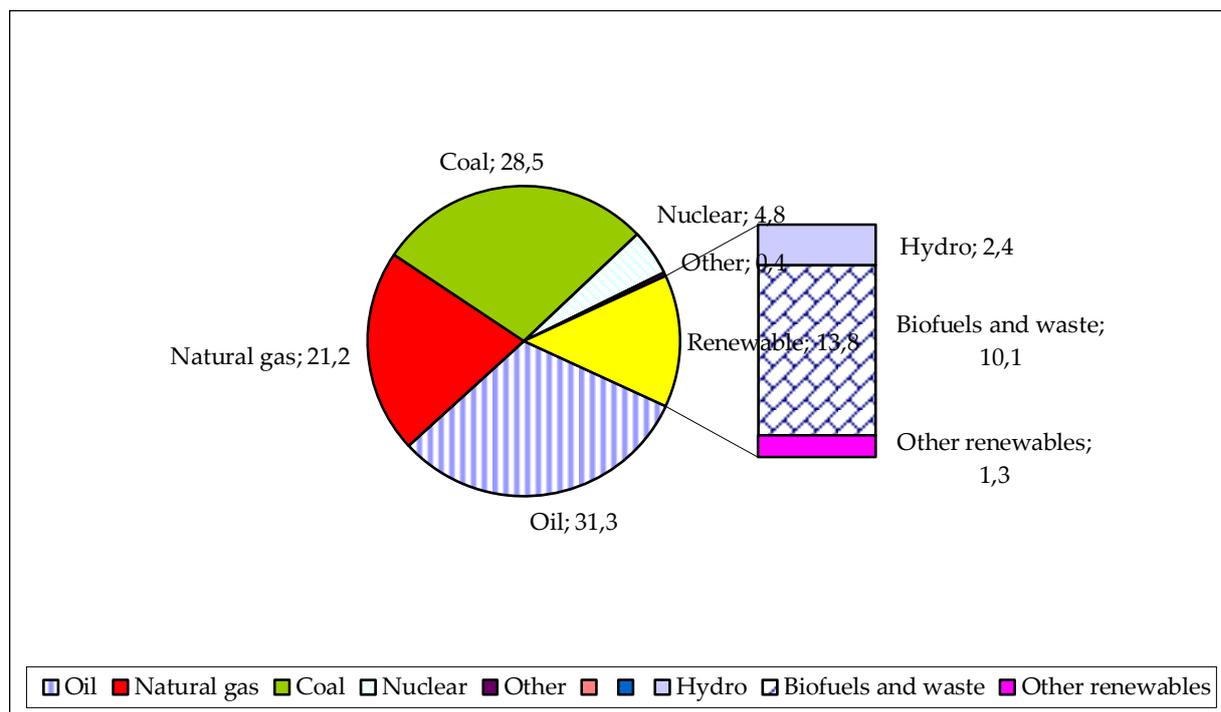


Fig. 1. Fuel shares in world total primary energy supply. *Source: [10].

Figure 1 describes that 13.8%, or 1.894 Mtoe, was produced from renewable energy sources. The main components of renewable resources are: biofuels and waste, geothermal and wind resources (Figure 2). Since 1990, renewable energy sources have grown at an average annual rate of 2.2%, which is slightly higher than the growth rate of world TPES, 1.9% [10].

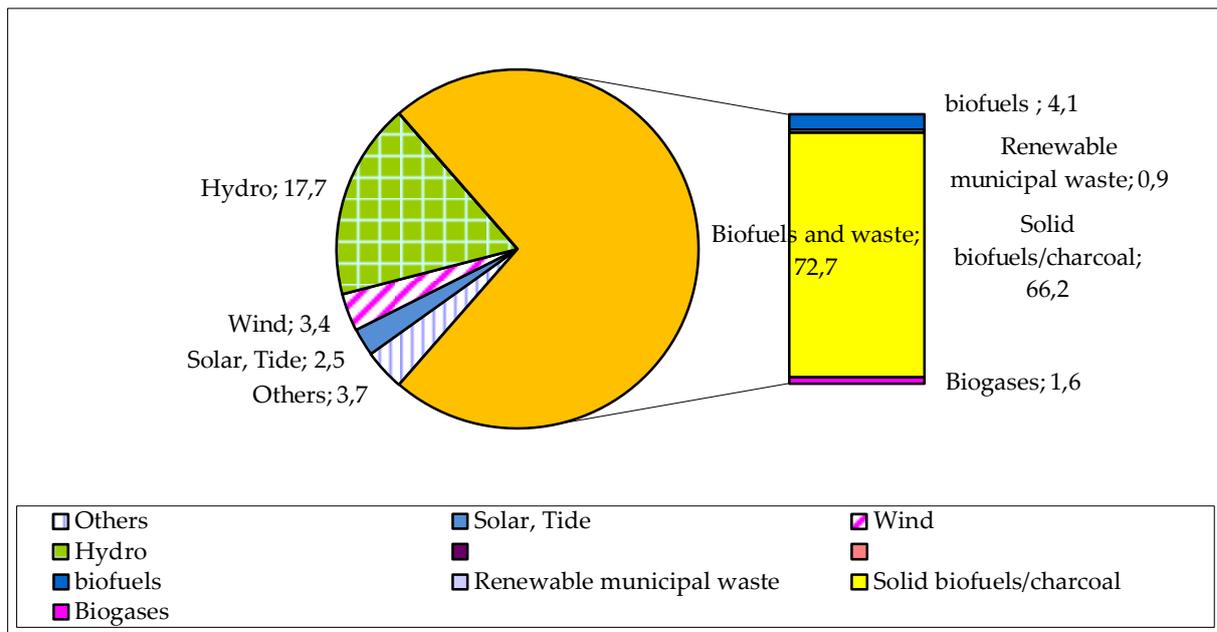


Fig. 2. Product shares in world renewable energy supply. *Source: [10].

During 1990 – 2017, renewable energy sources have grown at an average annual rate of 2.2%, which is slightly higher than the growth rate of world TPES, it is – 1.9%. The quickest growth rates of power generation from renewable sources was in the branch of solar energy, where production volumes has grown up by 46.2 % for 15 years, wind energy – by 24.3 %, and bioenergetics – by 13.2%.

While investigating the tendencies of development of renewable energetics in different world countries striking difference in tendencies and pace. Thus, there has been sustained tendency within the last years to active growth of the development of renewable energetics in the countries that are members of Organization for Economic Cooperation and Development (OECD). 34 countries are the members of OECD, namely: most European Union countries, the USA, Australia, Switzerland, Norway, South Korea, Japan and some others. These are developed countries with high human development index. At the same time we observe the growth of the gap between these countries and other countries in terms of energy production from renewable sources.

Ukraine has intensified power production processes from renewable sources for the last several years. Thus, within the period of 2015-2018 the capacity of renewable energetics objects (without taking into account temporarily occupied territory of AR Crimea), having “green” tariff has increased by 408 MW (from 967 MW to 1375 MW), among them put into operation [10]:

- 1) in 2015 – 30 MW of output;
- 2) in 2016 – 121 MW of output;
- 3) 2017 – 257 MW of output.

As of the end of 2017 Ukraine has 376 operating objects of renewable energetics that have “green” tariff, with total output of 1375 MW, among them [10]:

- 1) 193 SPS with total output of 742 MW;
- 2) 20 WPS with total output of 465 MW;
- 3) 136 SHPS with total output of 95 MW;
- 4) 6 power biomass stations with total output of 39 MW;
- 5) 21 biogas power stations with total output of 34 MW.

Just in 2017 the objects of renewable energetics that have “green” tariff produced 2096 mln kWh of electrical power, among them: – 974 mln kWh by wind power stations; by solar power stations – 715 mln kWh; small hydropower stations – 212 mln kWh; power biomass stations – 94 mln kWh (fig. 3).

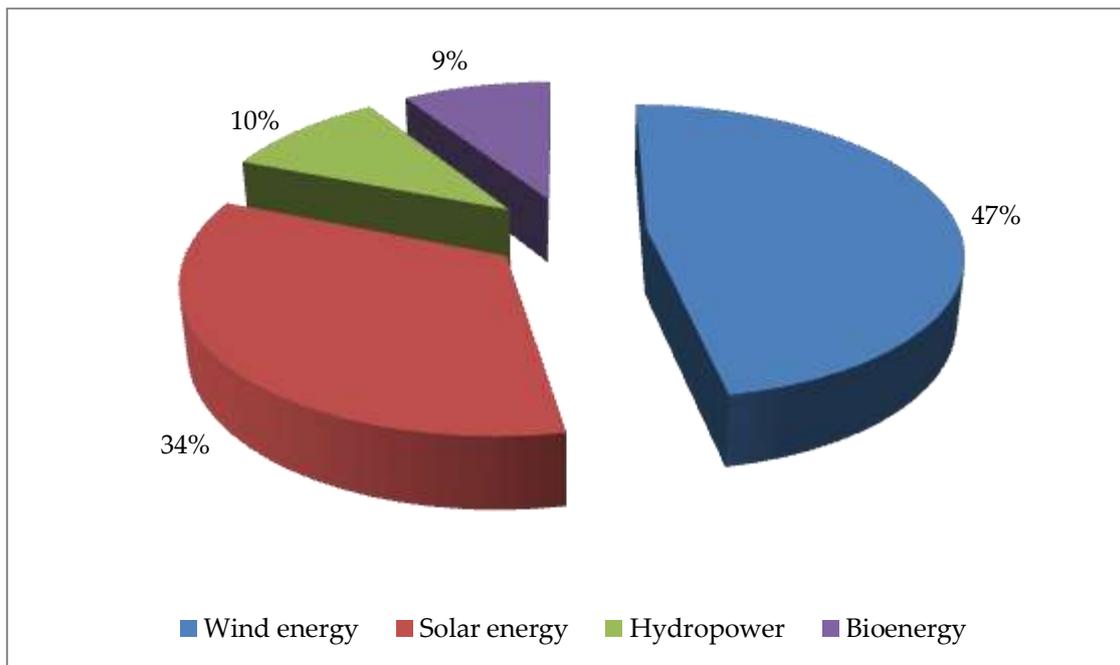


Fig. 3. Structure of production of renewable energetics in Ukraine in 2017. *Source: [11].

According to the data from Government agency on energy saving and power saving in Ukraine, Ukraine possesses considerable technically-achievable potential in production of energy sources from renewable sources of energy and alternative fuels that constitute over 98.0 mln t c.f. per year (table 1).

Directions of exploration of renewable energy sources	Annual technically-achievable power potential	
	bln kWh/year	mln t c.f./year
Wind power engineering	79.8	28.0
Solar power	38.2	6.0
Small hydropower	8.6	3.0
Bio-energetics	178	31.0
Geothermal power	97.6	12.0
Environmental power	146.3	18.0
Overall volumes of substitution of conventional energy sources	548.5	98.0

Tab. 1. Power potential from renewable sources in Ukraine. *Source: [12].

Taking into account the presence of positive tendencies in the development of renewable energetics in Ukraine and the potential of increase the volumes of this kind of production it is very important to investigate key factors that influence this process as from beneficial side so as from the negative one. That is why make reference to strategic analysis of internal factors that influence the prospects of the development of renewable energetics in Ukraine.

According to the statement of T. I. Dyoloh "strategic analysis – is the analysis of complex and dynamic set of factors that if generalized could be divided into inner primary and secondary, external basic, external immediate factors that in their complex unity influence the efficiency of the activities of an enterprise" [13, p. 47].

L. V. Nosonova defines strategic analysis as "the investigation of positive and negative factors that affect or may affect economic conditions of an enterprise in the future" [14, p. 548].

In terms of strategic analysis the evaluation of external and internal environment is conducted. External environment – is a set of political, economic, social, cultural, ethnical factors and the distinctions of its interconnection with partners, competitors, consumers, government bodies, mass media etc. The environment may not be affected by an enterprise or may be slightly affected. The internal environment, on the contrary is under immediate influence of the management of an enterprise.

Economics literature differentiates several tools of strategic analysis: PEST-analysis (the analysis of four groups of factors of macro environment: political, economic, socio-cultural and technological), SWOT-analysis (the analysis of weak and strong sides, possibilities and threats), strategic groups map (diagramed representation of the competition in the brunch), GE/McKinsey matrix (matrix “Attractiveness in the brunch / Position in competition”), Shell/DPM matrix (matrix of direct policy), PIMS-analysis (the analysis of the effect of market strategy on income) etc.

In order to analyze the key factors of external environment the world practice uses the technology of PEST-analysis. PEST-analysis (sometimes marked as – STEP) – is one of the tools of strategic analysis meant for defining political (P – political: governmental stability, law-making and market regulations, fiscal policy, labor law), economical (E – economical: product design, interest rates, inflation rates, unemployment rate, salary rate, prices for energy sources and other production factors), social (S – social-cultural: demographic tendencies, consumer habits, lifestyle, income distribution, education system) and technological (T – technological: state and private investments into innovations and development, patent protection, technologies transmission rates) environmental aspects that influence the activities of enterprises [15, p. 142]. Each several factor is beyond the limits of direct control of the organization. While making an analysis it is necessary to define the factors that have the most effect on an enterprise and estimate them. Thus, external possibilities can be found that the enterprise should use and probable threats that should be avoided.

While conducting PEST-analysis one should remember that:

- 1) the analysis of strategic factors of each element should be systematic enough as in life all the components are interconnected;
- 2) the activities of any enterprise in external environment also depend on its own set of basic factors that influence its development the most.

The process of PEST-analysis can be conventionally divided into several stages:

- 1) defining factors for analysis that may affect sales and income of an enterprise in prospect of 3-5 years;
- 2) the estimating of the probability of factor change;
- 3) defining the level of factor;
- 4) defining windowed estimate of real weight of factors;
- 5) making-up summary table of PEST-analysis;
- 6) making-up final table of PEST-analysis.

Every next stage is closely connected to the previous one and complements it.

In order to estimate the probability of emerging factors of PEST-analysis and defining their level the experts in renewable energetics have been questioned as well as the scholars that investigate the problems of the development of this brunch.

System analysis of external environment factors of renewable energetics in Ukraine, their incidence and expert evaluation of the probability of factor change are generalized in table 2.

		Factors description	Success rate <i>(amounting to = 1)</i>	Incidence <i>(from 1 to 5, where 1 – minimum success rate, 5 – maximum)</i>	Windowed estimate
1	2	3	4	5	6
	1.	Stability of political power and present government	0.06	4	0.24

Political	2.	Positive changes in law in terms of regulations of the activities of an enterprise in renewable energetics branch	0.1	5	0.5
	3.	Positive changes in environmental protection legislation	0.09	4	0.36
	4.	Positive changes in competition and labor legislation	0.09	3	0.27
	5.	Positive changes in branch production tools legislation	0.07	4	0.28
	6.	State support intensification of renewable energetics branch	0.2	5	1.0
	7.	Qualitative and quantitative limitations on export-import of energy (customs system reorganization)	0.07	4	0.28
	8.	Taxation policy reorganization (tariffs relief and the increase of benefits)	0.07	5	0.35
	9.	Elimination of red tape obstacles in doing business	0.1	4	0.4
	10.	Termination of military situation in the country	0.15	5	0.75
			The incidence of political factors	1.0	X
Economical	1.	Business climate improvement in the country	0.12	5	0.6
	2.	Activation of entrepreneur cooperation with foreign partners	0.11	4	0.44
	3.	The growth of investment attractiveness of the country	0.07	4	0.28
	4.	The growth of investment attractiveness of the brunch	0.12	5	0.6
	5.	Strengthening of competitive positions and pressure reduction from the competitors side	0.09	5	0.45
	6.	Stabilization of main currencies exchange rate	0.08	4	0.32
	7.	Banning inflation processes which complicate exchange of commodities with foreign partners	0.07	4	0.28
	8.	Reduction of interest rates on credits in national currency	0.06	3	0.18
	9.	The increase of investments attraction volumes to power engineering branch	0.13	5	0.65
	10.	Strengthening of export-import operations with European countries	0.15	4	0.6
		The incidence of economic factors	1.0	X	4.4
Socio-cultural	1.	Improvement of population income rate (purchasing power)	0.1	4	0.4
	2.	Increase in population growth, increase in energy demand	0.1	3	0.3
	3.	Relaxation of migration processes, namely migration of high qualified personnel	0.08	5	0.4

	4.	Severization of requirements to energy market	0.2	4	0.8
	5.	Growth of public attention to the renewable sources development	0.19	4	0.76
	6.	Presence of powerful human and scientific resources for the development of renewable energetics	0.16	5	0.8
	7.	Positive changes of lifestyle and power supply of population	0.17	4	0.68
		The incidence of socio-cultural factors	1.0	X	4.14
Technological	1.	Presence of technical and technological production capacities	0.25	5	1.25
	2.	Presence of inventions, patents for innovative designs	0.1	3	0.3
	3.	Activation of the development of high-technology production	0.2	4	0.8
	4.	Activation of scientific-technological parks operation	0.25	4	1.0
	5.	Development of scientific investigations and technical designs	0.2	5	1.0
		The incidence of technological factors	1.0	X	4.35

Tab. 2. PEST-analysis of the perspectives of development of renewable energetics in Ukraine.

*Source: personal investigations of authors.

The conducted analysis showed that the perspectives of the development of renewable energetics in Ukraine principally depend on political factors (influence coefficient 4.4). Technological and socio-cultural factors play somewhat less part (influence coefficients 4.35 and 4.14 respectively).

Let us summarize the most valuable factors according to the descending rating into summary table (table 3).

Factors		Factors	
Political factors	Impact	Economic factors	Impact
State support intensification of renewable energetics brunch	1.0	The increase of investments attraction volume to power engineering brunch	0.65
Termination of military situation in the country	0.75	The improvement of business climate in the country	0.6
Positive changes in legislation in terms of regulation of the activities of enterprises in renewable energetics brunch	0,5	The increase of investments attraction of the brunch	0.6
Elimination of red tape obstacles in doing business	0.4	Strengthening of export-import operations with European countries	0.6
Positive changes in environmental protection legislation	0.36	Strengthening of competitive positions and pressure reduction from the competitors side	0.45
Social-cultural factors		Technological factors	
Severization of requirements to energy market	0.8	Presence of technical and technological production capacities	1.25
Presence of powerful human and scientific resources for the development of renewable energetics	0.8	Activation of scientific-technological parks operation	1.0

Growth of public attention to the renewable sources development	0.76	Development of scientific investigations and technical designs	1.0
Positive changes of lifestyle and power supply of population	0.68	Activation of the development of high-technology production	0.8
Improvement of population income rate (purchasing power)	0.4	Presence of inventions, patents for innovative designs	0.3

Tab. 3. Summary table of PEST-analysis of the development of renewable energetics in Ukraine.

*Source: personal investigations of authors.

Final step of the analysis is shaping all the calculations into matrix. All the factors are placed downwards according to their significance in the final PEST-analysis table (table 4).

Factors	Changes in brunch	Strategic actions
Political factors		
State support intensification of renewable energetics branch	The increase of business profitability, expectable growth of the number of enterprises	Increase of production at the cost of different governmental programs and subventions
Termination of military situation in the country	Stabilization of doing business, the increase of international cooperation	Finding international partners and international expansion
Positive changes in legislation in terms of regulation of the activities of enterprises in renewable energetics branch	The increase of brunch profitability and the volumes of production	The increase of social responsibility level of enterprises (namely in terms of taxation), increase of wages
Elimination of red tape obstacles in doing business	Business environment simplification for agricultural enterprises	Following rules of fair business
Positive changes in environmental protection legislation	Better level of environmental protection	Construction and operation of sewage treatment plants, the development of high technologies, land erosion control
Economic factors		
The increase of investments attraction volumes to power engineering branch	The increase of production volumes and productive capacities	Concentrating attention to the quality, production of high quality goods
Business climate improvement in the country	The increase of number of agricultural enterprises	Innovative development, attraction of domestic and foreign investments
The increase of investments attraction volumes to power engineering branch	The increase of investments earnings into branch	Production quality upgrading, build-up competitive benefits in order to attract investments
Strengthening of export-import operations with European countries	New possibilities for agricultural enterprises	Goods quality upgrading, design of a new program of product distribution
Strengthening of competitive positions and pressure reduction from the competitors side	The development of "healthy" competition in the branch	Finding ways to consolidate positions in the branch
Social-cultural factors		
Severization of requirements to energy market	The growth of amount of competitive enterprises	Upgrading products and service level, boosting

		competitive positions
Presence of powerful human and scientific resources for the development of renewable energetics	The growth of number of competitive enterprises	Stimulating innovative activities
Growth of public attention to the renewable sources development	The increase of cost of energy production from alternative sources	Concentrating attention at cutting population costs at the expense of power production from alternative energy sources
Positive changes of lifestyle and power supply habits of population	Growth of attention to power production from alternative sources	Promoting public awareness as to the possibilities of power production from alternative sources
Improvement of population income rate (purchasing power)	Growth of branch profitability	Growth of companies output rate, variety growth
Technological factors		
Presence of technical and technological production capacities	Increase of output capacities of the branch	The use of technical and technological capacities in order to obtain maximum possible production output
Activation of scientific-technological parks operation	Activation of innovative activities of the branch	Producing scientific-technical ideas to raise competitiveness of the enterprises
Development of scientific investigations and technical designs	Modernizing the branch	The use of "smart programs", modern IT-technologies
Activation of the development of high-technology production	Positive trends of the development of the branch	Upgrade of equipment, technological advancement of production
Presence of inventions, patents for innovative designs	Modernizing the branch	Design and implementation of innovations into production activities

Tab. 4. Final PEST-analysis table of the perspectives of development of agricultural enterprises in Ivano-Frankivsk region. *Source: personal investigations of authors.

The conducted PEST-analysis testifies different impact level of the factors analyzed at perspectives of the development of renewable energetics in Ukraine. The owners of this business and potential investors should foremost pay their attention at those factors that are the most influential ones. Thus, we have defined the changes that are taking place within the branch under the influence of different significant factors and outlined strategic measures to be taken by the enterprises of this branch.

3. CONCLUSION

Thus, the conducted investigation proves that the world power consumption volumes are constantly increasing, which is caused by quick pace of the growth of production capabilities of different branches. On the background of quick exhaustibility of natural resources available for power generation the present state is getting acute year after year. It forced world countries to develop energy production from renewable sources. The most dynamic pace of development of renewable energetics is observed in the countries belonging to Organization of Economic Development and Cooperation (OECD), but it is obvious that other less developed countries (incl. Ukraine) possess the prerequisites

for development of this perspective branch. According to the results of conducted PEST-analysis it has been defined that Ukraine has favorable conditions for the development of power production from alternative energy sources, but there exist some obstacles on the way of activation of this process. We have offered a set of certain strategic measures in order to overcome the barrier of changes in the branch of renewable energetics in terms of the most influential strategic environmental factors.

REFERENCES

- [1] Prokopiv V.V., Nykyruy L.I., Voznyak O.M., Dzundza B.S., Horichok I.V., Yavorskyi Ya.S., Matkivskyi O.M., Mazur T.M. The Thermoelectric Solar Generator. *Physics and Chemistry of Solid State*, **18** (3) (2017), 372–375. doi: 10.15330/pcss.18.3.372-375
- [2] Mamur H., Ahiska R. A review: Thermoelectric generators in renewable energy. *International Journal of Renewable Energy Research (IJRER)*, **4** (1) (2014), 128–136.
- [3] Liu W., Hu J., Zhang S., Deng M., Han C.G., Liu Y. New trends, strategies and opportunities in thermoelectric materials: a perspective. *Materials Today. Physics*, **1** (2017), 50–60. doi: 10.1016/j.mtphys.2017.06.001
- [4] Timmons D., Harris J.M., Roach B. *The Economics of Renewable Energy*. Global Development And Environment Institute, Tufts University, Medford, 2014.
- [5] Apergis N., Danuletiu D.C. Renewable energy and economic growth: Evidence from the sign of panel long-run causality. *International Journal of Energy Economics and Policy*, **4** (4) (2014), 578–587.
- [6] Jacobsson S., Bergek A., Finon D., Lauber V., Mitchell C., Toke D., Verbruggen A. EU renewable energy support policy: faith or facts? *Energy policy*, **37** (6) (2009), 2143–2146. doi: 10.1016/j.enpol.2009.02.043
- [7] Hurmak N., Yakubiv V. Efficiency of intermediary activity of agricultural enterprises: Methods and assessment indicators. *Bulgarian Journal of Agricultural Science*, **23** (5) (2017), 712–716.
- [8] Yakubiv V., Zhuk O., Prodanova I. Model of Region's balanced agricultural development using the biomass energy potential. *Economic Annals-XXI*, **3-4** (1) (2014), 86–89. Available at: http://soskin.info/userfiles/file/2014/3-4_2014/1/Yakubiv_Zhuk_Prodanova.pdf
- [9] BP Statistical Review of World Energy 2018. Available at: <https://www.bp.com/content/dam/bp/en/corporate/pdf/energy-economics/statistical-review/bp-stats-review-2018-full-report.pdf>
- [10] Renewables 2018 Global Status Report. Available at: http://www.ren21.net/wp-content/uploads/2018/06/17-8652_GSR2018_FullReport_web_final_.pdf
- [11] Information on power and volumes of electricity production by renewable energy companies, which have a “green” tariff (as of December 31, 2014). Available at: <http://sae.gov.ua/sites/default/files/IV%202017.pdf> (in Ukrainian)
- [12] Potential of renewable energy sources in Ukraine. Available at: <http://sae.gov.ua/uk/activity/vidnovlyuvana-enerhetyka/potentsial> (in Ukrainian)
- [13] Dyolog T.I. Strategic analysis of enterprise environment. *Investytsiyi: praktyka ta dosvid*, **15** (2013), 46–48. Available at: http://nbuv.gov.ua/UJRN/ipd_2013_15_11 (in Ukrainian)
- [14] Nosonova L.V. Determination of the level of strategic potential of machine-building enterprises. *Economy and Society*, **9** (2017), 547–555. (in Ukrainian)
- [15] Koriniev V.L. Estimation and planning of financial activity of the enterprise. *Derzhava ta Rehiony. Seriya: Ekonomika ta Pidpryyemnytstvo*, **4** (2011), 142–146. (in Ukrainian)
- [16] Wisz G., Nykyruy L., Yakubiv V., Hryhoruk I., Yavorskyi R. Impact of advanced research on development of renewable energy policy: Case of Ukraine (review). *IJRER*, **8** (4) (2018), 2567–2584. Available at: <https://www.ijrer.org/ijrer/index.php/ijrer/article/view/8688>

Address: Valentyna Yakubiv, Iryna Boryshkevych, Vasyl Stefanyk Precarpathian National University, 57, Shevchenko Str., Ivano-Frankivsk, 76018, Ukraine.

E-mail: yakubiv.valentyna@gmail.com, ira.boryshkevych@gmail.com

Received: 07.08.2018; **revised:** 18.12.2018.

Якубів Валентина, Боришкевич Ірина. Стратегічний аналіз перспектив розвитку відновлювальної енергетики в світі та в Україні. *Журнал Прикарпатського університету імені Василя Стефаника*, 5 (3-4) (2018), 33–43.

У статті проаналізовано тенденції змін в обсягах споживання енергії в країнах світу за останні роки. Встановлено тенденції змін в обсягах споживання енергії в розрізі різних джерел її виробництва. Досліджено тенденції розвитку відновлювальної енергетики в світі та в Україні. Обґрунтовано потенціал розвитку відновлювальної енергетики в Україні. Проведено комплексний аналіз стратегічних перспектив розвитку відновлювальної енергетики в Україні на основі застосування методу PEST-аналізу. Обґрунтовано основні тенденції стратегічних змін в галузі в межах найбільш впливових зовнішніх факторів впливу на розвиток відновлювальної енергетики. Запропоновано комплекс стратегічних дій в межах найбільш впливових факторів зовнішнього середовища в межах PEST-аналізу.

Ключові слова: відновлювальна енергетика, стратегічний аналіз, PEST-аналіз, зовнішні фактори, відновлювальні джерела енергії.

UDC 332.14

doi: 10.15330/jpnu.5.3-4.44-49

THEORETICAL BACKGROUND OF COMPETITIVENESS INDEX DETERMINATION IN REGIONS

OLENA DYMCHENKO, VICTORIA BELIAVTSEVA, OLHA RUDACHENKO, YURIY TARARUEV

Abstract. It is determined in the article, development and implementation of methods to justify management decisions to be essential when concerning the increase of competitiveness and investment attractiveness of the regions. Based on the European and local experience in the regions rate determination analysis, the basic principles and stages of calculating the regional rating were formed. The index numbers included in the rating are characterized and the necessity of their use is justified. The calculation procedure and method of the regions index of competitiveness is offered.

Keywords: competitiveness, region, aggregate indicator, development level of a region, competitive advantage.

1. INTRODUCTION

Currently, improving the competitiveness level of regions is an up-to-date issue. The country's economy is constantly developing at priority rates, it is the key for the development and further functioning of the state.

Thus, one of the most important current regional management problems in conditions of limited economic resources is the necessity to develop and implement new modern methods of administrative decisions motivation concerning increase of regions competitiveness. This problem's solution is relevant for all countries, regardless of their development level, as the growth of regional competitiveness determines the competitive status of the country in the world.

2. RESULTS

As of today the majority of the economic activity processes are directed to the competition. At the current stage, regional competition increase in importance, it is one of the most important factors in the regions development and interaction between them.

It is certainly worth it to mention that region competitiveness is defined as a territory's ability to manufacture goods and to furnish services on condition of effective use of existing factors of production (economic strength), attraction of existing and creation of new competitive advantages, preservation (increase) of a living standard while meeting international economic standards.

Competitive advantages of the regions are provided by the availability and use of natural resources, favorable conditions for goods manufacturing, the presence of qualified manpower, a developed academia, the level of education and health care, etc.

However, the competitiveness analysis makes sense only when comparing the state of the object (region) at different times (intervals), or when comparing the object (region) with other objects–competitors (other regions). Thus, the competitiveness level of the region can be estimated by applying an integrated assessment of the competitiveness of the region, comparing it with an integrated assessment of the competitiveness of the region – standard. As a reference region, it is appropriate to use the region, which has the best competitiveness characteristics.

Today the issues related to the study of the “competitiveness” concept are one of the current research objectives, it is due to the several factors.

Firstly, the impact of globalization processes, which resulted not only in intergovernmental relations, but also between countries and regions. Secondly, there are new factors in the global economy that have been able to displace leaders in their traditional markets. Thirdly, the economic activity globalization has exacerbated the struggle for markets, foreign investment, innovations and new technologies.

Table 1 presents interpretations of the “competitiveness” concept of the different scientist’s views [1, 2].

Definition	Author
Competitiveness – is a synthesis of quality and a possibility of successful production sale of products in a competitive local or international market at a certain time by achieving competitive advantages	T. Grinko
Competitiveness – is an ability to provide a better position than a competing enterprise	B. Karloff
Competitiveness – is the economic, social and political position of a country or an individual producer in the local and foreign markets	M. Porter
Competitiveness – is the result of the maintenance creation over a long period of time and the total assessment of competitive advantages	N. Drobitko
Competitiveness – is an aggregate of advantages and ability of the subject in comparison with similar, seeking to attain the goal, specific to them, under the conditions of the law hold in a particular environment (system)	A. Dementieva
Competitiveness – is a property of the object that characterizes the degree of real or potential satisfaction of a specific need in comparison with similar objects presented in a particular market	R. Fatkhutdinov

Tab. 1. Definition of interpretation of the “competitiveness” concept

In order to get an accurate understanding of the competition nature and role, table 2 shows its main types [1, 2].

By genetic characteristic	By structure	By the level of products interchangeability (services)	By manifestation forms
- perfect; - oligopoly; - imperfect; - monopoly;	- sectoral; - intersectoral;	- trademarks competition; - industry competition; - formal competition; - general competition; - unfair competition;	- pricing; - non-pricing;

Tab. 2. Competition types

It is widely known that the competitiveness of any kind of economic activity is controlled by the state. Statutory regulation is carried out primarily by the Verkhovna Rada of Ukraine through the adoption of relevant laws [3].

Thus, one latterly observes a competition increased between regions in different markets of goods and services, that provides the relevance of the evidence-based proposals development on the order and method of the competitiveness index of regions calculation.

Nowadays, there are a lot of methods of index of regional competitiveness calculating, which depends on many factors (the conditions of monitoring, the method of calculating the composite indices of regional development indicators, the availability of initial information, the specificity of the object of study, etc.).

However, among the indicators groups that reflect the level of economic development of the regions, the condition of infrastructure, awareness of regional governance structures, the most problematic is the set of indicators that reflect the characteristics of the institutional environment of the region. It is directly related to the complexity of identifying and measuring institutions that affect regional competitiveness. In fact, it is necessary to fully evaluate the quality of the institutional environment and the effectiveness of interaction between the authorities and management, business community engaged in the economy, have a significant impact on the competitiveness of the economy. Such an approach overcomes the narrow framework of the functional format in the study of competitiveness and establishes the priority of analysis from the perspective of business entities.

Comparison of integrated level of competitiveness evaluation obtained by the selected methods allows us to conclude that in the current context it is essential to subsequently improve the methodological tools for evaluation of the regions competitiveness. Necessary adjustments and justifications of the indicators list that characterize the region competitive advantages, as well as improving approaches to the calculation of the integral indicator [4, 5].

Based on the results of the authors' analysis of the European and native experience in determining the regions rating, it is useful to formulate basic principles and stages of calculating the regional rating [4].

The principles of the proposed rating formation include:

1. Usage of public information.
2. Accounting of European experience.
3. Refusal to conduct surveys and use their results.
4. Application simplicity.
5. The integrated nature of the rating.

It is worth noting that the calculation of the regions competitiveness rating in Ukraine is carried out in order to analyze main trends of regional development to justify the decisions concerning: a) state financing volumes of regional development; b) definition and development of priority sectors of the economy of the regions in the conditions of limited public funds c) the attraction and use of foreign investment for the development of regional infrastructure, etc. The competitiveness of regions rating is determined annually by the results of the necessary statistical and other information analysis, since such a periodicity, when accumulating sufficient amount of information, allows to use a significant number of indicators and get a full concept of the main trends and patterns of regional development in modern economic conditions. What is more, in order to improve the efficiency and objectivity rating level, it makes sense as well to calculate the main and additional rating indicators on a quarterly basis. Nowadays all regions are included in a single rating, as it is practiced in European countries (views on practicality of comparing different regions, regardless of the country of location, have acquired a special prevalence). But if necessary, it is possible to detect and take into the account the specifics of the Ukraine's regions, in accordance with the priorities of their development, which is consistent with the objectives of the development Strategy of Ukraine until 2020, the State strategy for regional development for the same period and other equally important documents. Particularly, increasing the competitiveness of the regions of Ukraine is one of the priorities of the State strategy for regional development. And one of the ways to achieve this goal is to ensure effective specialization of the

regions. Taking into the account the main areas of the strategy implementation, among the regions of Ukraine one can distinguish:

- industrial;
- agricultural;
- touristic;
- innovational;
- focused on the priority education and science development;
- those to have a high investment attractiveness, or (and) developed infrastructure, etc.

Such a regions classification, depending on their specialization, requires a particular study and may be one of the areas of refinement of this rating, which is based on the European trends, as it is already noted.

International organizations with experience in the field may also be involved in determining the regions competitiveness rating of Ukraine. Such an approach provides displaying of trends and patterns of Ukraine's regions development, taking into the account the world's and European experience in this field.

Thereby, below one presents the calculation of the regions competitiveness with the definition of the corresponding integral indicator – the index of competitiveness of regions (GCE), that is determined by the implementation of the following stages:

1 stage. Justification of indicators and groups formation

2 stage. Calculation of indicators by competitiveness groups.

Formulas for calculating the indicators [5, 6] are represented below, they are formed using absolute and relative indicators.

$$I_{ABC} = \frac{A_P/A_K}{H_P/H_K}, \quad (1.1)$$

$$I_{BIDH} = \frac{B_P}{B_K}, \quad (1.2)$$

where I_{ABC} , I_{BIDH} – indicators, evaluated based on the use of absolute and relative indicators, unit fraction;

A_P , A_K – the absolute value, for the region and the country as a whole, respectively;

B_P , B_K – the value of the relative indicator, for the region and the country as a whole, respectively;

H_P , H_K – the number of permanent population of the region and the country as a whole, measured in thousands of people [7, p. 26–27]

3 stage. The competitiveness of regions rating by groups.

The formula for rating of regions determination in the context of groups can be given as follows:

$$IKP_i = \frac{1}{n} \sum_{j=1}^n I_j, \quad (1.3)$$

where IKP_i – index of regional competitiveness for the group, unit fraction;

n – indicators number in the group i ;

I_j – j -th group i indicator, unit fraction.

4 stage. The calculation of the regions competitiveness rating.

To determine the integral indicator of the regions competitiveness, it is essential to combine the previously calculated indicators into the one indicator and it is proposed to complete using the “radar method”. It is widely known, that this method involves comparing the area of the polygon (which depends on the actual values of the competitiveness of the enterprise or region) with the area of the circle of a predetermined maximum diameter. We believe such an approach particularly underestimates the results obtained. Therefore, it is proposed to compare the “radar” regions with the maximum of the calculated values.

Taking into the account, that 9 groups of factors have been created, $\sin(40^\circ)$ is used to determine the radar area, which is reduced while calculation. In such a manner a formula for determining the integral indicator of regional competitiveness can be given as follows:

$$IKP = \frac{a_1a_2+a_2a_3+\dots+a_9a_1}{A_1A_2+A_2A_3+\dots+A_9A_1} 100, \quad (1.4)$$

where a_1, a_2, \dots, a_9 – regions competitiveness indicators on groups, unit fraction;
 A_1, A_2, \dots, A_9 – the maximum value of the hypothetical region competitiveness, unit fraction.
 Multiplication by 100 in this case is necessary for the convenience of displaying the results.

Consequently, it is proposed to include 10 groups in the competitiveness rating:

1. Natural wealth.
2. Ecology and environmental protection
3. Culture.
4. Infrastructure.
5. Macroeconomic environment.
6. Health, social protection and safety.
7. Education.
8. Economic activity.
9. Business.
10. Innovation activity.

Along with this, however, the method proposed by the team of authors is based on the processing of a large amount of basic data. It is a consequence of the fact that the competitiveness index of the particular region results from the analysis of nine groups of indicators, while each has from two to ten components that are bounded to the population of the region. Such a calculation amount significantly complicates regions index of competitiveness determination, and demands efforts and resources expense.

What is more, the indicators used to evaluate the competitiveness of the region are heterogeneously to compound, that reflects the proposed methodology complexity and affirms the information completeness, which displays the resulting index of the regions competitiveness. For this reason, in the future it is advisable to assign calculations for each individual group to specialists in each particular field for rating determination. It is needed as a specialist in the field of "Health Protection" cannot properly calculate the indicators for the group "Macroeconomic environment", etc. Thus, it is necessary to involve various specialists for the region competitiveness index calculation, it leads to the cost increase while using technique, as along with the cost of finding and hiring such specialists, there are costs, necessary for conducting seminars for explaining how to apply the technique of calculating the competitiveness index of the region.

At this rate, for the in time and correct regions competitiveness determination it is worth to attract a contracting agency with a list of functions including search of specialists for each field of assessment, their study, conducting evaluation and results analysing. As a disadvantage of this approach one considers the increase in the services cost of such organizations. In the framework of the issue according to the analysis results, the team of authors revealed that the cost of competitiveness indices calculating for all regions of Ukraine does fluctuate from one hundred and fifty to one hundred and eighty thousand hryvnias. This value sums from the costs of wages, social security payments, general expenses and the profit. It is also worth noting that a significant share of the work cost to determine the competitiveness rating of the regions is the last two elements. Yet their size to a large extend depends on the pricing policy of the contracting agency.

3. CONCLUSIONS

Thus, according to the authors, the proposed method of calculating the regions competitiveness indices is relevant and accessible from the standpoint of obtaining initial data, that is confirmed with

usage of data sources to the calculation of modern statistical and other publications, information is widely available.

REFERENCES

- [1] Kuzmin O.Ye. *Management of international competitiveness on the enterprise*. Kompakt-LV, Lviv, 2005. (in Ukrainian)
- [2] Piddubnyi I.O., Piddubna A.I. *Management of international competitiveness on the enterprise*. INZHEK, Kharkiv, 2004. (in Ukrainian)
- [3] Zakharchenko S.V. Competitiveness of the regions of Ukraine: assessment, forecast and mechanism of increase (according to the methodology of the international Institute of management development). Abstract thesis of PhD: 08.00.05. Chernihiv, 2013. (in Ukrainian)
- [4] Bezugla V.O. Integrated assessment of the regions competitiveness of Ukraine. *Municipal Economy of Cities*, **70** (2006), 53–60. (in Ukrainian)
- [5] Artemenko V. Indicators of regions sustainable socio-economic development. *Regional Economy*, **2** (2006), 90–97. (in Ukrainian)
- [6] Antonyuk L.L. The way of Ukraine's integration into the global innovation system. In: Lukianenko D.H. (Ed.) *Common EES: harmonization of mega-regional contradictions*. KNEU, Kyiv, 2007. (in Ukrainian)
- [7] Annoni P., Kozovska K. *EU Regional Competitiveness Index 2010*. Available at: http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/2010_competitiveness_index.pdf

Address: Olena Dymchenko, Victoria Beliavtseva, Olha Rudachenko, Yurii Tararuev, O. M. Beketov National University of Urban Economy in Kharkiv, 17, M. Bazhanova Str., Kharkiv, 61001, Ukraine.

E-mail: dymchenkoov@gmail.com, polkin87@ukr.net

Received: 25.08.2018; **revised:** 14.11.2018.

Димченко Олена, Белявцева Вікторія, Рудаченко Ольга, Тараруєв Юрій. Теоретичні основи визначення показників індексу конкурентоспроможності регіонів. *Журнал Прикарпатського університету імені Василя Стефаника*, **5** (3-4) (2018), 44–49.

У статті визначено необхідність розробки та впровадження методів обґрунтування управлінських рішень, що стосуються підвищення конкурентоспроможності та інвестиційної привабливості регіонів. За результатами аналізу європейського та вітчизняного досвіду визначення рейтингу регіонів були сформовані базові принципи та етапи розрахунку регіонального рейтингу. Охарактеризовано показники, що входять до складу рейтингу та обґрунтовано необхідність їх використання. Запропоновано порядок та методичку обрахування індексу конкурентоспроможності регіонів.

Ключові слова: конкурентоспроможність, регіон, інтегральний показник, рівень розвитку регіону, конкурентна перевага.

UDC 657

doi: 10.15330/jpnu.5.3-4.50-56

ESSENTIAL STRATEGIC MANAGEMENT ACCOUNTING TOOLS USED FOR MAKING INVESTMENT DECISIONS AT ENTERPRISES IN EU

NADIYA PYLYPIV, IRYNA PIATNYCHUK

Abstract. Slow current modernization reforms in the economic sector have significantly weakened the competitiveness of enterprises in EU; therefore, there is a great need for new tools in the managerial decision-making process. Information provision of the decision-making process on expediency of investment activity in the form of capital investments is formed within the limits of strategic management accounting. In the research except for various analytical methods (analysis, synthesis, comparison, grouping, etc.) a “decisions tree” method is used for choosing a reasonable solution. In the study, strategic management accounting has been defined as a separate kind of management accounting, which involves generation of high-quality information. Certain tools may be applied within it for the decisions made by managers, based on established business partnership with successful implementation of business strategy. Five most widespread groups of tools of strategic management accounting are cost accounting; planning, monitoring and evaluation of effectiveness; strategic decisions; competitor accounting; customer accounting. It is recommended to complete the list of instruments integrated within the five groups by a separate group – a specific category of supplier accounting that would contribute to the generation of more complete and qualitative information provision for the process of making managerial decisions on the appropriateness of capital investments in the investment activity of the enterprise in EU. The research made it possible to reach the following conclusions. Important components should be taken into account in order to fulfil strategic management accounting of the company in a proper way. Those are data sources choice, collecting and processing of information, choice of instruments of strategic management accounting, formation of internal regulation of strategic management accounting, development and supply of accounting and analytical information; process of solutions development, and the choice, which can provide generation of necessary information for competitive managerial decisions made by managers. Application of advanced tools for strategic management accounting, which give information to meet issues related to the characteristics of consumers, competitors, suppliers, project costs, assessment of investment feasibility in the project, is caused by the necessity of competitive decision-making with the help of the above-offered decisions tree tool usage.

Keywords: strategic management accounting, organization, tools, strategic management decisions, investment of the enterprises in EU.

1. INTRODUCTION

Under the current conditions of slow economic reforms, which have significantly weakened the competitiveness of the enterprises in EU, the need to use new tools in the process of making managerial decisions is quite mature. Prior to the onset of economic instability in the country a strategy of enterprises development was focused on finding new business directions by improving the infrastructure that required increase in the number of personnel. Now the strategy is aimed at optimizing business processes and significantly improving their efficiency. In the process of making economically grounded decisions it forces managers of different levels to use an information base which would give an answer to the questions like "What will happen if: to expand production, to open new production areas, to use free areas aimed at production, to recover, improve or buy new production equipment?".

At the same time it is advisable to find answers to the above-given questions based on alternative solutions. Regarding that, by means of some strategic accounting tools selection, it is possible to form qualitative and complete information support for the process of their adoption. The set of tools is characterised by flexibility of its application and high level of subordination.

The issue of strategic managerial accounting at the enterprise was studied by such Ukrainian scientists as: Brukhanskyi R. F. [1], Vlasova O. Ye. [2], Yershova N. Yu. [3], Matiukha M. M. [4], Shevchuk V. R. [5] and others. However, more thorough research was carried out by foreign scientists: Bromwich M. (1990) [6], Cadez S., Guilding S. (2008) [7], Cinquini L., Tenucci A. (2010) [8], Cuganesan S., Dunford R., Palmer I. (2012) [9], Juras A. (2014) [10], etc.

Paying tribute to the importance of scientists' achievements, we should admit that in today's economic conditions the questions of strategic management accounting connected with formation of necessary information support for the purpose of the decisions made by managers in the part of investment activity need further studying and remain open.

The purpose of the article is to study the set of tools of strategic management accounting, which in the process of making of managerial decisions would ensure creation of such an information base used by managers of the enterprise in EU for the appropriateness of investment activity in the form of capital investments.

2. ANALYSIS AND DISCUSSION

Strategic management accounting plays an important role in strategic planning for the enterprise in EU. When top executive managers focus on making major strategic decisions such as: appropriateness of investment in new equipment or restoring the existing one, it predetermines necessity of the requisite information, prepared by accountants, to form variable solutions. Therefore, it is required to use a number of tools that will ensure generation of accounting and analytical information range meeting management needs.

We believe, the necessity of consideration of two varieties of managerial accounting (traditional and strategic) requires further research of possibilities of appropriate techniques usage they have, in order to form an information base for the managerial decisions made by managers according to the hierarchical levels of management. Instead, in the domestic scientific literature scholars who explore possibilities of application of strategic management accounting tools mean only traditional ones accordingly causing shallowness of usage of their information potential. Therefore the level of adaptability to modern conditions at domestic enterprises in EU is not high.

Due to our former research, we believe that strategic management accounting should be understood as a separate type of management accounting, which involves arrangement of qualitative information through the application of tools distinguished within it for the decisions made by enterprise managers. It is based on established business partnership and aims at successful implementation of enterprise strategy in EU.

We agree with S. Kadesh and S. Gilding [7, p. 838–839] as for the five groups of strategic management accounting tools singled out that will facilitate proper selection of correspondent instruments within each of them: 1) cost accounting; 2) planning, monitoring and evaluation of efficiency; 3) making strategic decisions; 4) competitor accounting; 5) customer accounting which will enable to form economic basis for making competitive management decisions.

However, due to the study of practical activities of business entities we have revealed that in the generation of accounting and analytical information about competitors and customers (consumers) the tools of strategic management accounting do not allow to take into account information about such business partners as suppliers. Therefore, in order to resolve the problem, it is offered to supplement the list of instruments combined within five groups by a separate group – supplier accounting, including such instruments as: supplier positions monitoring, supplier assessment, market situation of procurement and channels of resources distribution efficiency evaluation. It will depend not only on the quality of manufactured products but also on the continuity of the production process itself (Table 1). We think that such a group of strategic management accounting tools will contribute to the formation of more complete and qualitative information provision in the process of making managerial decisions dealing with the appropriateness of capital investments in the investment activity of the enterprise in EU.

№ n/p	Groups of tools of strategic management accounting	Tools of strategic management accounting
1	2	3
1	Cost accounting	Calculation of the prime cost of products by the type of activity
		Calculation of the life cycle of the product
		Quality-based calculation
		“Target-cost”
		Value-based chaining calculation
2	Planning, monitoring and evaluation of effectiveness	Benchmarking
		Integrated assessment of efficiency / Balanced Scorecard
3	Managerial decisions making	Strategic cost accounting (strategic cost management)
		Strategic pricing
		Brand rating (budgeting and monitoring)
4	Competitors accounting	Estimated costs of competitors
		Competitors’ positions monitoring
		Evaluation of competitor's performance
5	Customer accounting	Profitability / customer cost analysis
		Real-time customer profitability analysis
		Evaluation of customers as an asset
6	Supplier accounting*	Suppliers’ positions monitoring
		Evaluation of suppliers’ performance
		Estimation of procurement of the market and resources distribution channels

Tab. 1. The main tools used in the system of strategic management accounting.*

* Suggested by the author. Source: based on [10].

Implementation of strategic management accounting tools itself is possible on condition there is the choice of sources of information both from the outside and from the internal environment as well as organization of collection and processing of information.

In addition to the above mentioned first two components there are those ones no less important and represented by formation of internal regulations concerning organization of strategic management accounting; generation and submission of accounting and analytical information; process of solution development and its selection.

The characteristics of important components of strategic management accounting regarded to be necessary for the generation of more complete and high-quality information in the context of product range, individual customers, suppliers and competitors, which is presupposed to be used by managers of the enterprise in the process of making managerial decisions, is shown in Fig. 1.

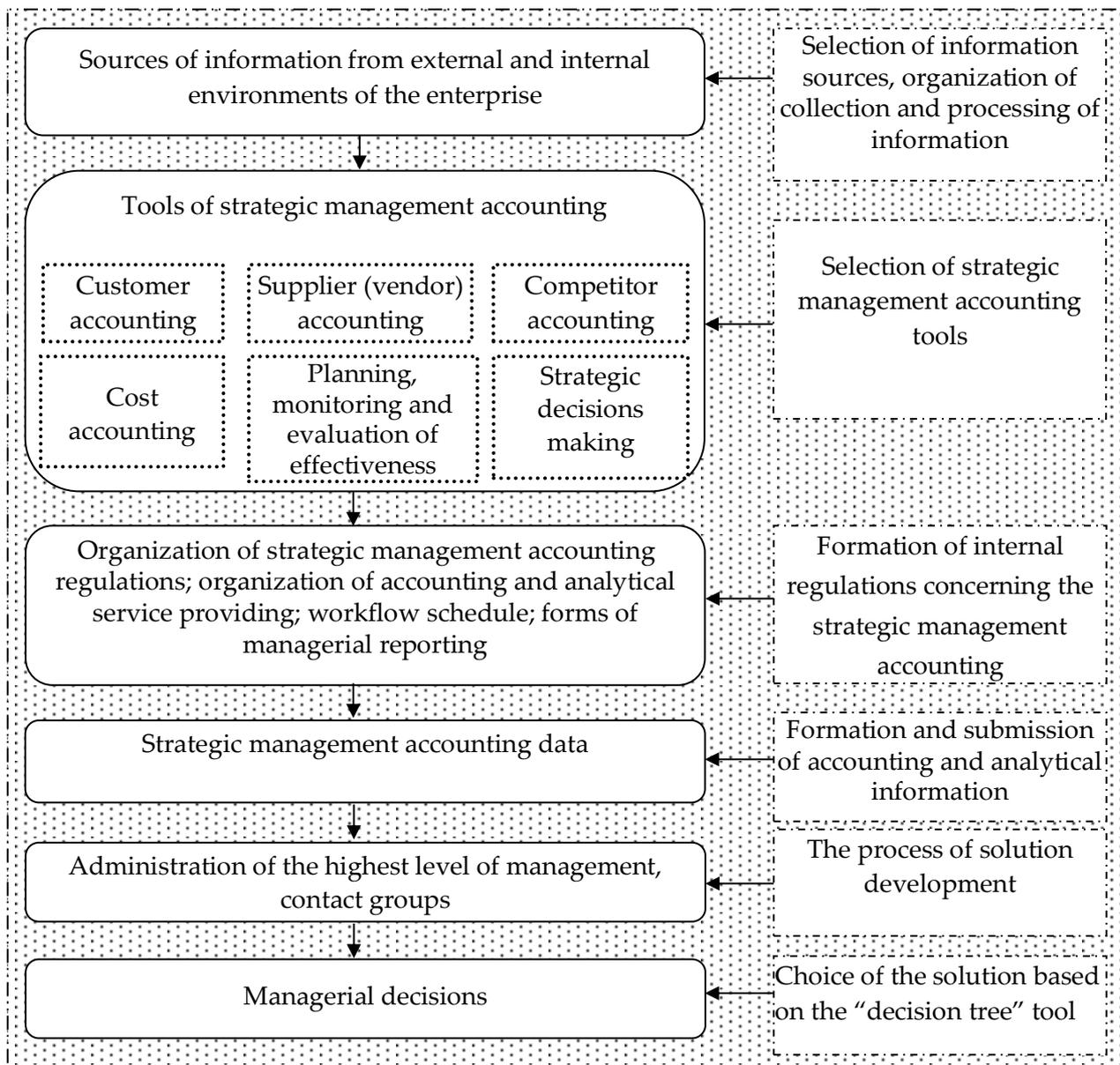


Fig. 1. Important components of strategic management accounting used for reaching competitive management decisions. Source: author's design.

It is worth noting that the source of such information generation is a kind of marketing research, which is reflected in the developed business plan of the investment project based on its feasibility and a financial plan. In our opinion, creation of a business plan for the investment project at an enterprise

should involve contact groups, which include representatives of important departments (accounting, marketing, financial, production, legal, etc.).

In order to make a managerial decision on the appropriateness of investing in the form of capital investments, it is important to make a choice with the help of the tool called “decisions tree”, developed and recommended by the author, for its practical application. It is shown in Fig. 2.

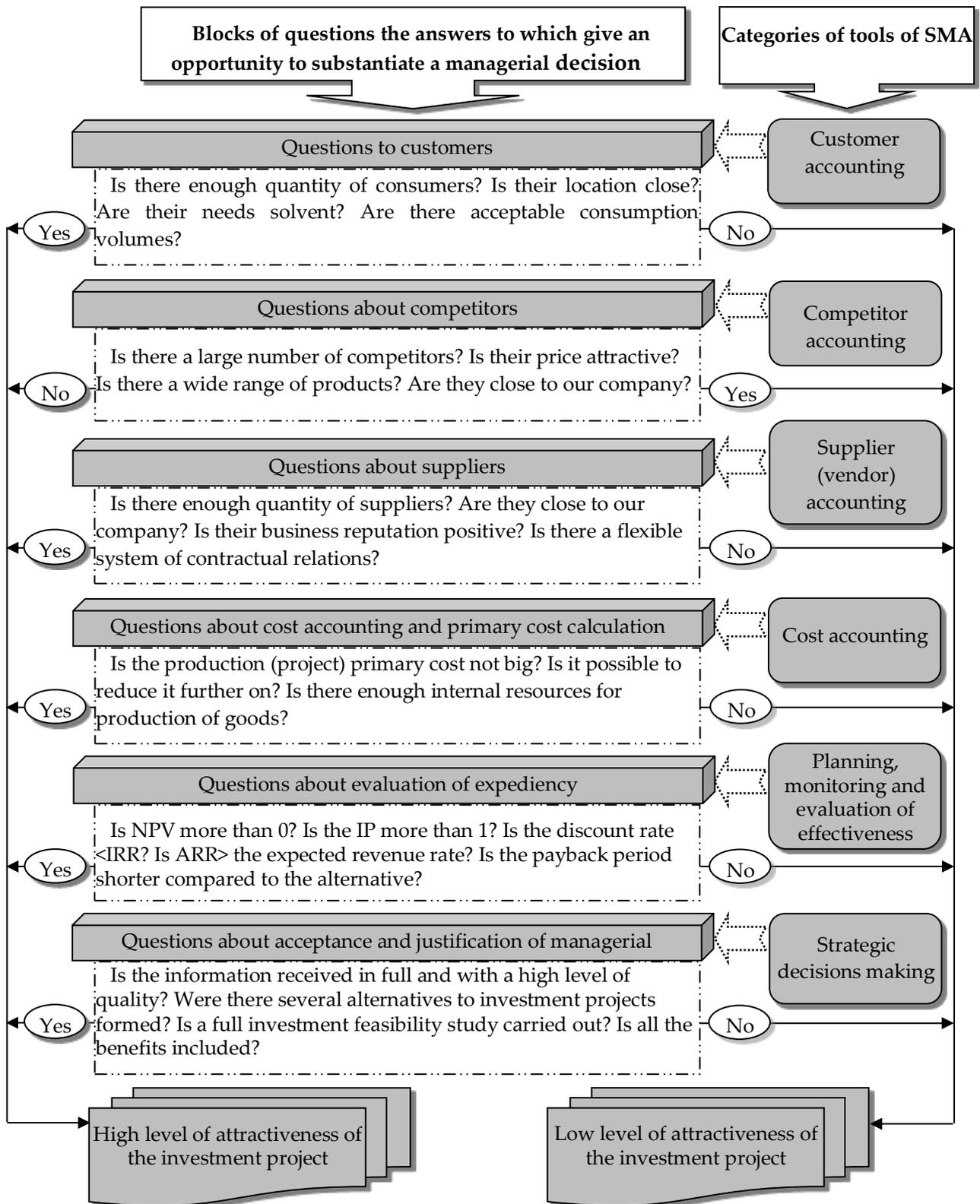


Fig. 2. Adoption of a managerial decision on investment activity in the form of the “decisions tree” tool through the usage of established strategic management accounting information base. Source: author’s development.

It will be possible to use existing information provision giving answers to the questions about consumers, competitors, suppliers, costs of the project, assessment of feasibility of investment project implementation for competitive managerial solution making.

Consequently, application of such a decision-making tool as a “decisions tree” allows one to determine a high or low level of attractiveness of an investment project by raising questions and looking for the answers to them, moving from the top to the bottom.

3. CONCLUSIONS

Thus, the study made it possible to formulate the following conclusions.

1. For the purpose of correct management of strategic accounting at an enterprise in EU, it is necessary to take into account such important components as: selection of sources of information, collection and processing of information; choice of tools (methodical techniques) of strategic management accounting; formation of internal regulations for conducting strategic management accounting; generation and submission of accounting and analytical information; the process of decision making, as well as its choice, which will provide necessary information for making managerial decisions.

2. Application of progressive strategic management accounting tools for the formation of qualitative information support that provides information for the issues solved, related to the characteristics of consumers, competitors, suppliers, project cost, investing feasibility estimation in the project is caused by the necessity of managerial decisions making with the help of offered decisions tree.

REFERENCES

- [1] Brukhanskyi R.F. Construction of methodology of strategic management accounting at enterprises. *Accounting and Auditing*, **9** (2014), 27–36. (in Ukrainian)
- [2] Vlasova O.Ye. Scientific and methodological principles of organization of strategic management accounting within the framework of the system of accounting and analytical support of enterprise management. *Communal Economy of Cities. Series: Economic sciences*, **115** (2014), 105–110. (in Ukrainian)
- [3] Yershova N.Yu. Identification of the subject and method of strategic management accounting. *Scientific Bulletin of Uzhhorod University. Series "Economics"*, **1** (45) (2015), 148–152. (in Ukrainian)
- [4] Matyukha M.M. Features of managerial reporting on total income (expenses). *Economic Annals-XXI*, **1-2** (2) (2013), 45–48. (in Ukrainian)
- [5] Shevchuk V.R. Strategic management accounting system promoted as a competitive business strategy. *Visnyk Natsionalnoho Universytetu "Lvivska politekhnika". Seriya: Menedzhment ta pidpriemnytstvo v Ukraini: etapy stanovlennia i problemy rozvytku*, **722** (2012), 281–284. (in Ukrainian)
- [6] Bromwich M. The case for strategic management accounting: the role of accounting information for strategy in competitive markets. *Accounting, Organizations and Society*, **15** (1-2) (1990), 27–46. doi: 10.1016/0361-3682(90)90011-I
- [7] Cadez S., Guilding C. An exploratory investigation of an integrated contingency model of strategic management accounting. *Accounting, Organizations and Society*, **33** (7-8) (2008), 836–863. doi: 10.1016/j.aos.2008.01.003
- [8] Cinquini L., Tenucci A. Strategic management accounting and business strategy: a loose coupling? *Journal of Accounting & Organizational Change*, **6** (2) (2010), 228–259. doi: 10.1108/18325911011048772
- [9] Cuganesan S., Dunford R., Palmer I. Strategic management accounting and strategy practices within a public sector agency. *Management Accounting Research*, **23** (4) (2012), 245–260. doi: 10.1016/j.mar.2012.09.001

[10] Juras A. Strategic management accounting – What is the current state of the concept? *Economy Transdisciplinarity Cognition*, 17 (2) (2014), 76–83.

Address: Nadiya Pylypiv, Iryna Piatnychuk, Vasyl Stefanyk Precarpathian National University, 57, Shevchenko Str., Ivano-Frankivsk, 76025, Ukraine.

E-mail: npylypiv@gmail.com, irynapy@gmail.com

Received: 15.08.2018; **revised:** 05.12.2018.

Пилипів Надія, П'ятничук Ірина. Основний інструментарій стратегічного управлінського обліку для прийняття інвестиційних рішень на підприємствах в ЄС. *Журнал Прикарпатського університету імені Василя Стефаника*, 5 (3-4) (2018), 50–56.

У статті досліджено інструментарій стратегічного управлінського обліку. Виокремлено важливі складові стратегічного управлінського обліку на підприємстві в ЄС, які сприятимуть формуванню повного і якісного інформаційного забезпечення процесу прийняття управлінських рішень. За результатами проведеного дослідження запропоновано прийняття конкурентоспроможного управлінського рішення щодо доцільності здійснення інвестиційної діяльності здійснювати у вигляді дерева рішень через використання сформованої інформаційної бази стратегічного управлінського обліку, що сприятиме визначенню привабливості інвестиційного проекту, який пропонується менеджментом підприємства в країнах ЄС.

Ключові слова: слова: стратегічний управлінський облік, інструментарій, організація стратегічного управлінського обліку, стратегічні управлінські рішення, інвестиційна діяльність підприємств країн ЄС.

UDC 336.225.673
doi: 10.15330/jpnu.5.3-4.57-61

TAX CONTROL IN THE SYSTEM OF TAXES ADMINISTRATION

OLHA ZHUK

Abstract. The article deals with the features of tax control in the system of tax administration. The main stages and peculiarities of implementation of tax control are highlighted on each of them. The principles and functions of tax control which will ensure the efficiency and effectiveness of this process are determined. The main forms and peculiarities of tax control are described.

Keywords: tax control, checks, accounting of taxpayers, regulatory authorities, tax administration.

1. INTRODUCTION

Control is an important element in any management area. Tax control is an independent kind of state control focused on the implementation of the tax legislation by taxpayers, detecting, preventing and eliminating tax offenses.

As the part of the tax administration system the tax control has to perform the tasks of reducing tax debts of the taxpayers and to ensure its full and well-timed payments into budgets and state trust funds.

The questions related to the tax control held by the organization and its conducting are described in the works of home and foreign scientists, such as: O. D. Vasylyk, L. K. Voronov, M. M. Veselsk, L. O. Zazvonova, G. V. Pukhalska, T. V. Lytvynchuk, L. M. Kasianenko, M. P. Kucheryavenko, A. N. Kozyrina, A. I. Krysovatyj, A. Y. Kizymy, V. V. Karpova, O. P. Cherniavskyj, V. P. Khomutenko, V. V. Nemchenko and others. However constant changes in tax legislation require constant researches on the effectiveness of tax control.

2. RESULTS

Tax control which is the part of the system of tax administration and fees has to ensure the link between taxpayers and public administration authorities who has the rights in all questions of taxation. In the system of tax administration, fees and payments the tax control is proceeded in the process [1]:

- keeping accounting of taxpayers;
- keeping an operational accounting of taxes, fees and customers payments;
- administration of the system of acceptance and computer processing of tax reporting;
- determination of the tax and monetary obligations of taxpayers, fees and payments;

- inspections and checks in accordance to the requirements of the Tax Code as well as the checks in the compliance with the legislation, the control over all of it is entrusted to the controlling authorities;
- administration of the taxpayer's tax debt.

Tax control as an element of the system of the tax administration and fees provides not only the completeness of tax revenues to the budget and state trust funds, but also the responsibility of all the participants of the legal relationship for compliance with tax legislation

According to the Tax Code of Ukraine tax control is defined "as a system of actions taken by the controlling authorities in order to control the correctness of the charge, completeness and timeliness of payment of taxes and fees, as well as compliance with the legislation on the regulation of cash flow and cash operations, patenting, licensing and other legislations, the control of which is entrusted to the control authorities" [2].

Tax control is held by the supervisory authorities within their authority which are defined by the tax law.

Control authorities are the state fiscal authorities - the central executive body, which ensures the formation of a single tax state, state customs policy in the taxes administration and fees, customs payments and implements state tax, state customs policy, ensures the formation and implementation of a state policy on administering a single payment, ensures the formation and implementation of state policy in the combating offenses in the tax and customs legislation as well as the law surrenders for single payment, and its territorial bodies [2].

General and specific principles of control activity form the basis for the organisation of tax control in Ukraine. The general principles are: implementation, competence, professionalism, determination of the subject of control, coordination and interaction of control bodies, as well as completeness [3].

The following are specific principles of the organisation of tax control: compliance with the procedural form, presumption of innocence of taxpayers, presumption of the rights of taxpayers, compliance with tax secrecy, ensuring the optimal combination of fiscal and regulatory direction of tax control (the principle of preventing damage to taxpayers). Compliance with these principles of tax control ensures its efficiency and effectiveness [3].

In addition, tax control has the following functions [4]:

- accounting function - providing accounting of taxpayers, subjects of taxations, proper payments to budgets and state funds;
- preventive function - termination and prevention of offenses in the tax sphere;
- informational function, tax control serves as a source of information for making managerial decisions;
- the control function of the tax control results may increase the amount of revenues to budgets and state funds.

Tax control is realised in stages.

At the first stage of the control planning, some inspections should be done in accordance with the tasks of control to detect tax offenses in the activities of the organisation.

The second stage involves preparing for effective control measures through analysis to identify tax risks in the activities of the taxpayers.

The next stage is related to the control and verification of the performance indicators of the business.

At the final stage based on the results of the control an act of verification is created. In this act the offenses are displayed if they are detected, or they make a special certificate instead of its absence.

Tax control is realised by:

- keeping records on taxpayers;
- information and analytical support of the activity of controlling organisations;
- inspections [5].

The tax accountancy is the tax policy defined by the tax authorities regarding the registration, re-registration and withdrawal of persons for tax accountancy purposes, as well as the activities of tax authorities for the conduct of the Unified State Register of Taxpayers.

Accounting of the taxpayers is realised in order to create conditions for the control authorities to monitor the accuracy of accrual, timeliness and completeness of taxes, accrued financial sanctions, compliance with tax and other legislation, the control of which is entrusted to the control authorities.

Information and analytical support for the activities of the controlling bodies is a set of measures coordinated by the central executive body, which ensures the formation and implementation of the state financial policy regarding the collection, processing and use of information which is necessary for the performance of functions entrusted to the control authorities [2].

For informational and analytical support of the activities of the controlling body information is used:

- from taxpayers and tax agents;
- from bodies of executive power, bodies of local self-government;
- from banks and other financial institutions - information about the presence and movement of funds on accounts of the taxpayer;
- from authorities of other states, international organisations or non-residents;
- the consequences of tax control;
- published in accordance with the law [6].

The main form of tax control in Ukraine are checks. This form of control is the most effective in terms of detecting and recovering arrears, providing tax revenues to the budgets.

Within regards to the tax check, one must understand the right of the tax authorities to verify compliance with tax legislation by comparing taxpayer's reporting data with the actual state of his financial activity in order to establish the correctness of the calculation and timely payment of taxes and fees, the determination of the tax liability, the identification of facts indicating the commission offenses in the field of tax relations.

The controlling bodies have the right to have the following types of tax inspections: footage-based; documentary (scheduled or unscheduled, outgoing or non-existent); actual checks.

A footage-based check is a check realised in the building of the controlling authority just on the basis of data which is in tax declarations (calculations) of the taxpayer and data of the system of electronic administration [2].

The purpose of the check is to show:

- presence of required payment documents;
- making tax declarations and settlements;
- accounting of total amounts of tax liabilities payable to the corresponding budget;
- observance of the established terms of payment of taxes and fees;
- the correctness of the application of tax rates and tax breaks;
- the correctness of displaying the indicators necessary to calculate the tax base.

The documentary check is a check the subject of which is the timeliness, reliability, completeness of the accrual and payment of all taxes and fees provided for by the Tax Code as well as legislation of the control of which is entrusted to the controlling bodies [2].

The purpose of documentary verification is to show:

- timeliness, authenticity, completeness of accrual and payment of all taxes and fees provided by the Tax Code;
- compliance with currency legislation;
- observance of other legislation the control of which is entrusted to the controlling bodies;
- compliance by the employer with the labor legislation in regard to the employment of hired employees.

Documents checks can be scheduled and unscheduled, outbound checks and non-outbound checks. Scheduled documents check is held in accordance with the schedule of inspections.

The unscheduled documents check is a check that is not in the schedule but there are appropriate grounds that give control authorities the right to do it.

A documentary outbound check is a check held at the taxpayer's location or location.

A documentary non-outbound check is a check held at the place of the controlling authority.

To all intents and purposes it is a check held at the place of actual performance of the taxpayer, the location of the property of a taxpayer. Such verification is carried out by the supervisory authority in compliance with the legislation on the regulation of cash circulation, the procedure for taxpayers to settle transactions, cash operations, the availability of licenses, certificates, compliance with employer legislation on the issue of employment relations with employees [2].

In summary it should be noted that the controlling bodies consider the documentary out-of-schedule control as the most effective form of tax control. This kind of verification allows the supervisory authorities to identify the biggest violations of tax legislation and enables the tax authorities to reimburse to the budget a significant part of those tax payments that the taxpayer has declined to pay.

For each type of verification the Tax Code defines the terms in which it must be conducted. Each form of tax control has its methods. They are chosen according to the specific tasks that control bodies are facing. The correct selection of both the form and the methods of tax control allows to achieve the greatest efficiency in the process of tax control.

The most common methods are the direct and indirect methods. Direct methods of tax control include: observation, survey, inventoring, accounting of taxpayers, expertise.

The application of all of the above methods, as a rule, aims for one to familiarise oneself with the state of the tax activity of the business, as well as the verification and examination of documents submitted by the taxpayer and their compliance with actual taxation data, which is measured for its accuracy, completeness and the timeliness of taxpayers' transfers to the budget.

Indirect tax control methods differ from direct sources of information about the taxpayer, which include:

- analysis of statements of banks from accounts of the taxpayer;
- research of information of suppliers or consumers;
- analysis of results of counter inspections of third enterprises;
- comparison of the taxpayer's activities with the average levels for his industry and in the region in which he undertakes his economic activities.

Consequently, direct tax control methods involve the use of information directly related to the tax returns, records and other documents provided by the taxpayer.

In contrast to direct methods, indirect methods are used to determine taxpayers' tax obligations by comparing taxpayer activity information received from other sources with taxpayer's accounting records.

3. CONCLUSION

Tax control is an independent direction of state control, which has a clearly defined purpose and is fulfilled by keeping records of taxpayers, information and analytical support and carrying out inspections.

The tax control is held in several stages each of which must comply with the norms of the law, be conducted in a certain sequence and be focused on achieving the necessary results which are the detection of overuse of taxation and taking actions for their avoidance in the future.

The choice of the form of control will depend on the purpose and tasks of the controlling authority.

REFERENCES

- [1] Bechko, P.K., Lusa N.V. *Tax Management*. Tsentr uchbovoi literatury, Kyiv, 2009. (in Ukrainian)
- [2] Tax Code of Ukraine from 23.12.2010, № 2856-VI. Available at: <http://sfs.gov.ua/nk/> (in Ukrainian)

- [3] Ivanov Yu.B., Krysovaty A.I., Kizyma A.J., Karpova V.V. *Tax Management*. Znannya, Kyiv, 2008. (in Ukrainian)
- [4] Cherniavsky O.P., Homutenko V.P., Nemchenko V.V. *The Organization and Methods of Tax Audits*. Kyiv, TsNL, 2004. (in Ukrainian)
- [5] Melnyk M.I., Leshchukh I.V. *Tax Control in Ukraine: Problems and Priorities for Increase Efficiency*. State Institution "Institute of regional research named after M.I. Dolishniy of NAS of Ukraine", Lviv, 2015. (in Ukrainian)
- [6] Khomutenko V., Lutsenko I., Khomutenko A. *Administration of Taxes, Fees, Payments*. Atlant, Odessa, 2015. Available at: <http://dspace.oneu.edu.ua/jspui/handle/123456789/3150> (in Ukrainian)

Address: Olha Zhuk, Vasyl Stefanyk Precarpathian National University, 57, Shevchenko Str., Ivano-Frankivsk, 76025, Ukraine.

E-mail: oi82@i.ua

Received: 12.07.2018; **revised:** 05.12.2018.

Жук Ольга. Податковий контроль в системі адміністрування податків. *Журнал Прикарпатського університету імені Василя Стефаника*, 5 (3-4) (2018), 57–61.

У статті досліджено особливості податкового контролю у системі адміністрування податків. Висвітлено основні етапи та особливості здійснення податкового контролю на кожному з них. Визначено принципи та функції податкового контролю, дотримання яких забезпечить ефективність та результативність даного процесу. Охарактеризовано основні форми та особливості проведення податкового контролю та визначено його важливість.

Ключові слова: податковий контроль, перевірки, облік платників податків, контролюючі органи, адміністрування податків.

UDC 341(091)(477.8+438)
doi: 10.15330/jpnu.5.3-4.62-69

WESTERN UKRAINE IN THE CONTEXT OF DISINTEGRATION AND INTEGRATION PROCESSES DURING THE 1930s-1940s (HISTORICAL AND LEGAL ASPECT)

ANDRIY REDKO

Abstract. In this article the disintegration and integration processes in Central and Eastern Europe and their influence on the legal status of Western Ukraine are researched. Disintegration correlates with the Soviet occupation of Western Ukraine, and integration correlates with the process of its joining the USSR. The historical and legal dimension of Ukraine in the European context is conceptualized by distinguishing the stages of these processes.

Keywords: Western Ukraine, Poland, USSR, disintegration, integration, legal status.

At the current stage of development, Ukraine is on the way to the European integration. By doing so, it restores historical justice, since a part of the ethnic Ukrainian lands belonged to Poland and Romania, and was culturally influenced by them. However, the World War II radically changed this geopolitical situation.

Western Ukraine in the 1930's and 1940's was simultaneously involved in both the disintegration processes during the Soviet Union occupation of the parts of the ethnic Ukrainian lands on the territories of Poland, and the integration processes during the period of the Western Ukrainian lands becoming part of the USSR.

Researching the political and legal grounds of the administrative-territorial changes in Western Ukraine and their international and legal consolidation during the World War II, it should be emphasized that the territory of Western Ukrainian at the beginning of the World War II, specifically 1920-1939, was divided among three countries: Poland, Romania, Czechoslovakia [1, p. 36].

Majority of the Western Ukrainian territory was a part of Poland (139.3 thousand sq. km, 8.3 million people). Due to the administrative-territorial division, it was divided into the following provinces: Polissia (without two districts) - 37,462 sq. km, 879 thousand people, according to the census of 1921; Volyn - 30 228 sq. km, 1438 thousand people; Lviv - 27 024 thousand sq. km, 2718 thousand people; Stanislaviv - 18 468 sq. km, 1339 thousand people; Ternopil - 16240 sq. km, 1428 thousand people; Lublin (6 Ukrainian districts of the Kholm region) - 9984 sq. km, 520 thousand people [2, p. 332]. Five provinces – Volyn, Lviv, Polissia, Stanislaviv, and Ternopil – all together they comprised 35% of the territory and 30% of the population of Poland [3, p. 223].

In September 1939 the borders of Poland were 5529 km long, including 1912 km of the border with Germany, 1,412 km of the border with the Soviet Union, 984 km of the border with Czechoslovakia, 507

km of the border with Lithuania, 347 km of the border with Romania, and 121 km of the border with the Free City of Gdańsk, and 106 km of the border with Latvia, with the fact that the sea border was 140 km. However, only the borders with Romania and Latvia, as well as the maritime boundary, did not cause controversy [4, p. 77]. Due to the territorial disputes, Poland was included in the circle of influence of Eastern Europe. On the 23rd of August 1939, a Soviet-German non-aggression treaty was signed in Moscow.

The result of the implementation of one of the conditions of the secret protocol to the Soviet-German Non-Aggression Pact from the 23rd of August 1939, according to which western lands of Ukraine to the River San were included into the circle of influence of the USSR, was that on the 17th of September 1939, parts of the Red Army crossed the Polish-Soviet border and soon occupied the territory of Eastern Galicia.

The Red Army attack, planned in advance by Stalinist leadership, was unexpected for the Poles, the amount of active labor and equipment involved in this company, the volume of military mobilization, the large area of the military operations (almost 200 sq. km), and, finally, the tight interaction of the connections of the Red Army with the Wehrmacht played a fundamental role in the demoralization and the final defeat of the Polish armed forces and the fall of the Polish state. Consequently, the proclaimed German-Polish and undeclared Soviet-Polish wars became components of a unified process of the "fourth division of Poland" and the beginning of the World War II [5, p. 342].

According to V.S. Makarchuk, the entry of the Soviet troops to the territory of Eastern Poland in a legal sense is justified, based on the view of the need to protect the vital interests of the USSR, the apparent aggressiveness and unpredictability of the behavior of Hitler's leadership. The Ribbentrop-Molotov Pact could not be regarded as an effective peace guarantee. V.S. Makarchuk reminds us that Hitler had had exactly the same pact with Poland, torn apart by Berlin just four months before the World War II [4, p. 115].

Overall, during the Soviet-Polish war, the Red Army moved forward to the west from the old Soviet borders at the distance of 250 to 350 km [5, p. 348].

The border on the Bug meant that the Soviet side refused from having the territory of the Warsaw and Lublin provinces inhabited by the Poles. For this, Germany refused from Lithuania, which became a circle of interests of the USSR [6, p. 27].

At the end of October 1939, the border troops of the NKVD of the Ukrainian SSR and the Belarusian SSR were commanded to set up a secure at a new western border of the USSR in a short time and ensure proper order there. At the same time, it was proposed to study carefully the locality and population both in its border zone and on the opposite side, to set up the simplest technical barriers, to introduce the border service with the reinforced units, to organize secret service and military intelligence [7, p. 114].

The process of demarcation of the border between the USSR and Germany on the ground lasted several months and was very coherent. The German military did not prevent topographical surveys of Soviet specialists and demarcation of the border, which took place in the autumn and winter periods. On the 27th of February 1940, according to the Central mixed (USSR and Germany) Border Commission, the establishment of the border signs for almost 1500 km of the Soviet-German border was completed. In total, almost 2820 border posts were installed [7, p. 114].

The entry of the Red Army to the territory of Eastern Poland in 1939 was accompanied by the creation of legitimate grounds for the introduction of the Soviet regime and sovietisation of the western Ukrainian lands [8, p. 349].

On the 6th of October 1939, the Military Council of the Ukrainian Front, in accordance with the resolution of the Central Committee of the All-Union Communist Party established from the 1st of October 1939, the 22nd of October as the day of elections to the National Assembly of Western Ukraine, as well as the day of their convocation on the 26th of October 1939. At the same time, the Military Council approved the "Directive on the elections to the Ukrainian Assembly of Western Ukraine", according to which the elections were to be held on the basis of general, equal, direct election law, by secret voting on a single official list. The same council approved the Election Committee. It consisted of:

M. G. Matsko - head, V. D. Maliukh - Deputy, P. I. Lukin - secretary, members of the committee – M. S. Grechukha, O. S. Korniiukh, M. V. Grulenko, L. S. Gryshchuk, V. A. Begma, F. I. Eremenko, S. M. Gorbatenko, A. E. Karmazyn, Y. F. Zavadka, I. A. Soroka, M. N. Didek, V. M. Bilan, M. I. Pancyshyn, V. O. Barvynskiy. Of the 17 committee members, only 8 were from Western Ukraine.

The direct organizers of the preparation and conduction of the elections were workers sent from Moscow and Kyiv. Therefore, from Moscow to Western Ukraine, 1,000 communists and 500 komsomol members were directed. The Central Committee of the Communist Party (B) led about 2 thousand communists and komsomol members. Other power authorities also sent their representatives. More than 10 thousand visiting agitators participated in the preparation of the election, and 7 350 people took part in the work of election commissions [9, p. 236].

At the same time, it is important to note that the organization of the elections itself was not exclusively a matter of the “army of occupation”. Local residents comprised 77% of agitators – 40 649 people out of the total amount of 51 725, and 85% of members of election commissions – 41 653 persons out of the total number of 49 003 [19, p. 125]. According to the official estimates, 4 433 997 people participated in the elections, hence 92.83% of those who had the right to vote. Of this number, 4 032 154 persons, or 90.93%, voted for the candidates to the National Assembly. Soviet propaganda also successfully used the fact that only 46.6% of voters voted in the elections of the Polish Sejm in 1935 [4, p. 125].

In the Lviv region (former province) out of 1 345 561 voters, 1 232 466 people participated in voting, or 91.59% of all voters. 1 088 371 people, or 88.30% , participated in the voting, voted for the candidate in the ballot. There were 14 631 ballots that were found invalid. There were 129 464 ballots in which the names of the candidates were crossed out.

Out of 268 382 voters in Lviv, 256 802 people participated in voting, or 95.68% of all voters. 240 068 people, or 93.48%, participated in the voting, voted for the candidate in the ballot. There were 1 631 ballots, which were found to be invalid, there were 15 103 ballots in which the names of candidates were crossed out.

In Tarnopil region (former province) out of 1 074 387 voters, 945 748 or 88.03% of all voters participated in the voting. 875 169 of people or 92.53%, participated in the voting, voted for the candidate in the ballot. There were 33 566 ballots that were found invalid. There were 37 013 ballots in which the names of the candidates were crossed out.

Out of 27 317 voters in Tarnopil, 25 493 people participated in voting, or 93.32% of all voters. 24 567 people, or 96.36% of those who participated in the voting, voted for the candidate in the ballot. There were 382 ballots, which were found to be invalid, there were 544 ballots in which the names of candidates were crossed out.

In Stanislav region (former province) out of 979 735 voters, 941 830 or 96.13% of all voters participated in the voting. 877 851 people or 93.2%, participated in the voting, voted for the candidate in the ballot. There were 6 045 ballots that were found invalid. There were 57 934 bulletins in which the names of the candidates were crossed out.

Out of the 27 317 voters in Stanislav, 49 990 people participated in voting, or 92.72% of all voters. 43 671 people, or 94.21% of those who participated in the voting, voted for the candidate in the ballot. There were 42 ballots, which were found to be invalid, there were 2640 ballots in which the names of candidates were crossed out.

In Lutsk region (former province) out of 1 376 592 voters, 1 313 953 or 95.44% of all voters participated in the voting. 1 190 763 people or 90.62%, participated in the voting, voted for the candidate in the ballot. There were 21 683 ballots that were found invalid. There were 101 507 ballots in which the names of the candidates were crossed out.

Out of 31 075 voters in Lutsk, 28 431 of people participated in voting, or 91.49% of all voters. 26 308 people, or 92.53% of those who participated in the voting, voted for the candidate in the ballot. There were 170 ballot, which were found to be invalid, there were 1953 bulletins (ballots) in which the names of candidates were crossed out.

Red Army soldiers, commanders and political workers of the Ukrainian Front units, located on the territory of Western Ukraine, did not take part in the voting.

Out of 1 484 elected deputies, there are 1 245 men and 239 women [10, p. 39–42].

The first meeting of the National Assembly of Western Ukraine took place in Lviv on the 26th – 28th of October 1939. The deputies approved a declaration on the establishment of Soviet power throughout the territory of Western Ukraine and its entry into the Ukrainian SSR. In the “Declaration of the People’s Assembly of Western Ukraine on the Establishment of Soviet Power in Western Ukraine” dated from October 27, 1939, it was reported:

“By revealing the unanimous will of the liberated people of Western Ukraine, following the example of the people of the Soviet Union, the Ukrainian People’s Assembly proclaims the establishment of the Soviet power throughout western Ukraine. From now on, all power in Western Ukraine belongs to the working people of the city and the village in the person of the Soviets of Deputies of Workers” [11, p. 30].

And in the “Declaration of the People’s Assembly of Western Ukraine on the Entry of Western Ukraine into the Ukrainian Soviet Socialist Republic”, on October 27, 1939, it was stated:

“Ukrainian People’s Assembly, as an expression of the unwavering will and aspirations of the people of Western Ukraine, adopts:

To ask the Supreme Soviet of the USSR to accept Western Ukraine as a member of the Union of Soviet Socialist Republics, to include Western Ukraine as a part of the Ukrainian Soviet Socialist Republic, and to unite the Ukrainian people in a single country, to end the eternal separation of the Ukrainian people” [11, p. 32].

On the 1st of November 1939, the extra fifth session of the Supreme Soviet of the USSR, after hearing the statement of the Commission of the People’s Assembly of Western Ukraine, adopted the Law approving the request of the National Assembly of Western Ukraine and the inclusion of Western Ukraine in the USSR, uniting it with the USSR.

On the 29th of November 29 1939, the Decree of the Presidium of the Supreme Soviet of the USSR on the receiving the Soviet citizenship by residents of western Ukraine was adopted – a step that had special legal consequences for the local citizens. Thus, the inhabitants of western Ukraine were granted equal rights and responsibilities with other citizens of the USSR: they began to receive Soviet degrees and awards, run for offices of local and central authorities, etc. The voluntary use of their civil rights and the silent consent to perform the duties were treated by the Soviet authorities as proof of the will of the entire Western Ukrainian population to “unite” and “to have socialist path of development” [4, p. 130].

On the 4th of December 1939, (there was issued)the Decree of the Supreme Soviet of the USSR “On the formation of the Volyn, Drohobych, Lviv, Rivne, Stanislav, Tarnopil regions as a part of the Ukrainian SSR” was issued. This document affirmed the formation of the following areas in the Ukrainian SSR:

1. Volyn region with center in Lutsk.

To include the following in Volyn region: Lutsk and the districts: Volodymyr-Volynskiy, Gorokhiv, Kamin-Kashyrskiy, Lutsk, Lyuboml with the inclusion of the settlements of Bobrynskiy and Drogychynskiy districts of the Belorus SSR, which became part of the Ukrainian SSR to the Kamin-Kashirskiy district.

2. Drohobych region with center in Drohobych city.

To include the following in Drohobych region: Drohobych and districts: Drohobych, Dobromil (in the new borders), Zhydachiv, Lyskovets (in the new borders), Mostyska, Peremyshl, Rudkiv, Sambir, Stryi, Turka.

3. Lviv region with a center in the city of Lviv.

To include the following in Lviv region: Lviv and districts: Bibrka, Brody, Gorodok, Zhovkva, Zolochiv, Kamensky, Lyubachiv (in the new borders), Lviv, Peremyshliany, Rava-Ruska, Radekhiv, Sokal, Yavoriv.

4. Rivne region with a center in the city of Rivne.

To include the following in Rivne region: Rivne and districts: Dubno, Zdolbuniv, Kostopil, Rivne, Sarny, with the inclusion of the Pinsk and Stalin districts of the Belorus SSR, which were settled (became part of the Ukrainian SSR).

5. Stanislav region with a center in Stanislav.

To include the following in Stanislav region: Stanislav and districts: Gorodenka, Dolyna, Kalush, Kolomyia, Kosiv, Nadvirna, Rogatyn, Snyatin, Stanislav, Tlumach.

6. Tarnopil region with center in Tarnopol.

To include the following in Tarnopol region: Tarnopol and districts: Berezhany, Borshchiv, Buchach, Zalischytsky, Zbarazh, Zboriv, Kremenets, Kopychyntsi, Podhaisi, Skalat, Tarnopol, Terebovlia, Chortkiv [12, p. 37].

Their total territory amounted to 88 thousand sq. km. It was home to 8 million people, including 7.5 million Ukrainians [13, p. 24].

By Decree of the Presidium of the Supreme Soviet of the USSR from the 24th of December 1939, the Decree of the Supreme Soviet of the Ukrainian SSR "On the delimitation of regions between the Ukrainian Soviet Socialist Republic and the Belarusian Soviet Socialist Republic" was approved from the 27th of November 1939.

On the 7th of March 1940, the People's Commissar of Internal Affairs of the USSR L. Beria sent a directive to the border troops of western District to begin the preparations for the eviction of residents of the border line. The transmigration had to be completed by the 20th of April, and resettlement – by May 1940. According to the plan of eviction from the border line in western regions of the Ukrainian SSR in April-May 1940, it was foreseen to transmigrate 80 185 and resettle 22 615 people. The eviction of more than 100 thousand people reminded the military operation of the border troops under the leadership of the party and the Soviet authorities. Its organizational unit was personally assigned to the secretaries of the regional executive committees and secretaries of the regional committees of the CP (b) in western regions. Leaders of the border units and troops provided them with a variety of support. Roles were distributed during the meeting in Lviv on the 13th of March by the head of the CPC of the Ukrainian SSR L. R. Korniets. It was foreseen to provide the rail and road transport, transport of buildings, and financial assistance to the settlers. It was a passive, preparatory stage of resettlement, primarily related to the need to refrain from negative affect on the social mood of western Ukrainian population before the elections to the Supreme Soviets of the USSR and the Ukrainian SSR, scheduled for Sunday, the 24th of March. Its active stage began in April.

On the evening of the 7th of April 1940, the new western border of the USSR was tightly blocked with the occupied bays and manoeuvre groups. The party and Komsomol assets of the border units mobilized for the deployment of explanatory work among the population to prevent the outbreak of anti-Soviet demonstrations. Such work was to convince the need to strengthen the border and the availability of better conditions for farming in that areas [7, p. 115].

The border, which was formed as a result of the division of Poland between the USSR and Germany, divided a lot of relatives and acquainted people. During the resettlement on the Soviet side, residents of the German zone, called the residents of Ukrainian villages to themselves or offered to hide for a while. The NKVD authorities recorded a lot of cases when the Wehrmacht soldiers dispersed the crowds of sympathizers on the territories seized by Germany. In those days, according to the information from the border troops of the NKVD of the Ukrainian SSR, the Soviet-German border was crossed by 124 persons [7, p. 116]. Their number could be larger, but spring floods became insurmountable barriers for people forced to resettle. Fugitives became the largest anti-Soviet agitators. According to their stories, it turned out that western Ukraine was conquered by Russians, that there were no Ukrainians in the Red Army, and the Ukrainian population did not get the expected freedom.

A fast resettlement from the 800-meter board line lasted until the 25th of April 25, when the massive sowing campaign began. Thereafter, due to the lack of means of transportation much less peasants moved to the new places [7, p. 116]. Part of them, having not received the promised land and household buildings, returned to their villages. Administrative pressure was used against the "returnees", about which some of the local newspapers informed implicitly.

The plan for eviction from the border line was completed at the beginning of June 1940.

Germany started the protection of the border since the 1st of January 1940, at the same time the border regime intensified, although Germans concealed their intentions, denying the existence of a special state on the German-Soviet border.

The USSR began to build its western border a year before the start of the Soviet-Nazi war, having previously negotiated with Germany. On the 10th of June 1940 in Moscow a convention on the procedure for resolving conflicts and incidents at the state border, established by the Soviet-German agreement on friendship and the border from the 28th of September 1939 was signed. The ease and emphasized friendly atmosphere of this and other agreements demonstrated once again that Hitler had no intention of keeping to them, and that the Soviet side was trying in every possible way to win time [7, p. 117].

On the basis of the decree of the Presidium of the Supreme Soviet of the USSR on the receiving of citizenship of the USSR by residents of western regions of the Ukrainian and Belorussian SSR in the spring of 1940, the passportization of the population began here. Some Poles received passports with so-called 11th paragraph, which restricted freedom of movement and choice of place of residence [7, p. 121].

The first period of the international legal consolidation of administrative-territorial changes in Eastern Galicia lasted from the 17th of August 1939 to the 10th of June 1940. In the second period, between the 30th of July 1941 and the 16th of August 1945, the state-legal status of western Ukrainian lands, according to V. S. Makarchuk, should be considered ambiguous or controversial. He proves this by the fact that the Soviet Union, on its own initiative, announced its readiness to reconsider the line of the prewar western border (the 30th of July 1941), to recognize the Polish citizenship of some of the population of western Ukrainian, Western Belorussian and Lithuanian lands, which had Polish roots, agreed to mobilize them in the ranks of the Polish Army and even promised to pass to Poland all the areas where the ethnographic advantage of the Polish population would be. This was said, in particular, by Stalin in Tehran. On the other hand, in this period, statements about the possibility of settling the territorial issue through the revision of the Soviet-Polish border line of 1939 after the end of the World War II were made by the leaders of the Polish emigrant government (S. Mikolajczyk in March and October 1944) and by the Polish Committee of National Liberation (PCNL) and the Provisional Government of National Unity (PGNU) [4, p. 310].

On the 4-11th of February 1945 in Yalta, western border of the USSR was determined along the "line of the Curzon" with small biases in favor to Poland, Eastern Galicia was devoted to the USSR, and Belostok - to Poland [13, p. 156]. This border actually existed from 1944, and was officially approved on the 16th of August 1945 by the Polish-Soviet agreement in Moscow. Poland handed over to the USSR all the Ukrainian and Belorussian lands that were part of it at the beginning of the World War II. The border line almost coincided with the "Curzon line" of 1919, although it was slightly changed from it in favor to Poland. Poland retained Przemysl in Galicia, and the Ukrainian SSR annexed Rava-Ruska. East Prussia was divided between the USSR and Poland. The northern part with Königsberg, which became Kaliningrad, was annexed by the USSR, and the southern part was annexed by Poland. It was bordered almost by the Braunsberg-Holdap line. In the west, all the German territories to the east from the Oder, in its downhill and its tributaries of the Nese, or Nysa-Luzhytska, which flows through Zgorzelec (Gorlitsy) and Gubin (Guben), went off to Poland. Port of Stettini (Szczecin), as well as Swinemünde, went to the Poles. Thus Poland gained 524 kilometers of the Baltic coast and controlled the Oder and Wisla (the Vistula) estuaries. It also received Pomerania and Silesia. Its common borders with Germany were considerably reduced. In general, the territory of Poland has decreased from 338,000 sq. km to 310,000 sq. km More than 2 million Germans were evicted from the annexed territories, and the Poles began to colonize their former settlements: about 2 million Poles were repatriated from the territories transferred to the USSR [15, p. 391–392]. The exchange of ratification documents took place only on the 4th of February 1946, and by that time, from the point of view of international law, the border that was defined by the Riga Treaty from the 28th of March 1921 [4, p. 248]. The borders of Poland were moved from east to west for more than 200 km. [16, p. 166].

The international-legal consolidation of the Soviet-Polish border was received in a number of Paris Peace treaties from the 10th of February 1947, with Bulgaria, Hungary, Romania, Finland and Italy. The peace treaties confirmed the inclusion of Western Ukrainian lands to the USSR [17, p. 60–61]. The Verkhovna Rada of the Ukrainian SSR ratified these treaties on the 13th of September 1947 [18, p. 337–338].

On the 15th of February 1951, the agreement between the Polish Republic and the USSR on the exchange of areas of state territories, which completed the international legal consolidation of western border of the USSR was signed. The parties exchanged the territories with the total area of 480 sq. km. The territory of the Ukrainian SSR included the Belz and Sokal districts, and Poland received the territory of the same size in the area of Ustrzyki Dolne. This allowed the USSR to open several new coal mines near Krystynopol (Chervonograd); and Poland - to build a dam in Solin on the Sian, as well as to complete the development of almost exhausted oil fields in the specified area [4, p. 285–286].

Thus, in the opinion of V. S. Makarchuk the international legal consolidation of administrative-territorial changes in Eastern Galicia in the terms of the World War II can be divided into three stages:

- at the first stage, which lasted from the 17th of August 1939 until the 10th of June 1940, the state-territorial status of the West Ukrainian lands was determined, western border of the USSR was outlined because of the entry of western Ukraine to the Ukrainian SSR and the USSR;
- at the second stage, covering the period from the 30th of July 30 1941 until the 16th of August 1945, the state-legal status of western lands due to the World War II became uncertain;
- at the third stage, which lasted from the 16th of August 1945 to the 15th of February 1951, the final international legal consolidation of western border of the USSR and the state-territorial status of the West Ukrainian lands took place.

These three stages can be reduced to two, bringing the periodization of the process of international legal consolidation of the state-territorial status of Western Ukrainian lands with the periodization of the process of their sovietization into conformity. The first stage in this case takes the period from the 17th of August 1939 to the 10th of June 1940, and the second one – from the 16th of August 16 to the 15th of February 1951.

REFERENCES

- [1] Kosyk V. *Ukraine and Germany in the Second World War*. NTSh, Lviv, 1993. (in Ukrainian)
- [2] Zastavnyi F.D. *Geography of Ukraine*. Svit, Lviv, 1994. (in Ukrainian)
- [3] Kulchytskyi V.S., Tyschuk B.Y. *History of the State and Law of Ukraine*. Atika, Kyiv, 2001. (in Ukrainian)
- [4] Makarchuk V.S. *State and Territorial Status of Western Ukrainian Lands during the World War II (1939–1945). Historical and Legal Research*. Atika, Kyiv, 2007. (in Ukrainian)
- [5] Grynevych V.A. Red Army in the wars and military conflicts of 1939–1940: military-political, ideological and socio-psychological aspects. *Issues of History of Ukraine: Facts, Opinions, Search*, **10** (2003), 340–372. (in Ukrainian)
- [6] Koval V.S. *Soviet-German Pact of 1939*. Institute of History of the USSR, Kyiv, 1989. (in Ukrainian)
- [7] Danilenko V.M. The liquidation of the Polish state and the establishment of the Soviet regime in Western Ukraine. *Ukrainian Historical Journal*, **3** (2006), 111–125. Available at: http://resource.history.org.ua/publ/journal_2006_3_111 (in Ukrainian)
- [8] Kondratiuk K., Kondratiuk S. Formation and nature of Soviet power in western Ukraine (September 1939–June 1941). *"Naukovyi i kulturno-prosvitnii kraieznavchyi chasopys "Halychyna"*, **5-6** (2001), 347–356. (in Ukrainian)
- [9] Soroka Y.M. Formation of the Soviet totalitarian system in western Ukrainian lands. 1939 – 1941. *Bulletin of Taras Shevchenko National University of Kyiv. History*, **77-79** (2005), 136–138. (in Ukrainian)

- [10] Gudzenko P. (Ed.) *Reunification of the Ukrainian People in the United Ukrainian Soviet State (1939 – 1949)*. Derzhpolitvydav URSR, Kyiv, 1949. (in Ukrainian)
- [11] *Soviet Subcarpathian 1939 – 1959. Documents and Materials*. Karpaty, Uzhgorod, 1964. (in Ukrainian)
- [12] Yaremchuk D.A. *Socialist Transformations in Western Regions of the Ukrainian SSR. 1939 – 1979*. Naukova Dumka, Kyiv, 1980. (in Ukrainian)
- [13] Velykochyi V.S. *Galicia in the World War II*. Plai, Ivano-Frankivsk, 2001. (in Ukrainian)
- [14] Gregory P. *The Political Economics of Stalinism*. ROSSPEN, Moscow, 2008. (in Russian)
- [15] Duroselle J.B. *Histoire Diplomatique de 1919 à Nos Jours*. Translated into Ukrainian by Marichev Ye. (et al.). Osnovy, Kyiv, 1995. (in Ukrainian)
- [16] Dylağowa H. *Historia Polski 1795–1990*. Translated into Ukrainian by Kirsenko M. Publ. House “Kyiv-Mohyla Academy”, Kyiv, 2007. (in Ukrainian)
- [17] Potemkin V.P. *History of Diplomacy; Vol. 5*. Politizdat, Moscow, 1974. (in Russian)
- [18] Kolotukha Y.Y. (Ed.), Burchak F.G. *Collection of Laws of the Ukrainian SSR and Decrees of the Supreme Soviet of the Ukrainian SSR. 1938–1973*. Politvydav, Kyiv, 1974. (in Ukrainian)
- [19] Varetskyi V.L. *Socialist Transformations in the Western Regions of the Ukrainian SSR (pre-war time)*. AN URSR, Kyiv, 1960. (in Ukrainian)

Address: Andriy Redko, Vasyl Stefanyk Precarpathian National University, 57, Shevchenko Str., Ivano-Frankivsk, 76025, Ukraine.

E-mail: anred2008@ukr.net

Received: 17.07.2018; **revised:** 08.11.2018.

Редько Андрій. Західна Україна в контексті дезінтеграційно-інтеграційних процесів 30-40 рр. XX ст. (історико-правовий аспект). *Журнал Прикарпатського університету імені Василя Стефаника*, 5 (3-4) (2018), 62–69.

В статті досліджуються дезінтеграційно-інтеграційні процеси в Центральній і Східній Європі та їх вплив на правовий статус Західної України. Дезінтеграція співвідноситься з радянською окупацією Західної України, інтеграція із процесом її входження до складу СРСР.

Шляхом виокремлення етапів зазначених процесів концептуалізується історико-правовий вимір України в європейському контексті.

Ключові слова: Західна Україна, Польща, СРСР, дезінтеграція, інтеграція, правовий статус.

UDC 658.5: 338.242.2
doi: 10.15330/jpnu.5.3-4.70-77

ON THE PROBLEM OF CORPORATE STRATEGIES OF DEVELOPMENT FOR HUMAN RESOURCES

LILIA MYKHAILYSHYN, OLGA LELIUK, YURII KOROVCHYK

Abstract. The article defines the theoretical aspects of the formation of corporate development strategies of human resources and the research features of the development system of human resources at the Academy DTEK. Conceptual approach to providing continuous professional development of human resources of the enterprise is offered.

Keywords: human resources, staff development, role model, employee development programs, school of managers, internships, graduation projects.

1. INTRODUCTION

Considering realities of modern development of social and economic systems it is proved that problems of management of human resources become more and more important, as human resources are the central component and driving force of any of them. One of the most important components of a control system of human resources is development of human resources. The organizations of any forms of ownership and fields of activity in this sphere act up considerably both on functional and tactical levels, as well as on the strategic level of their functioning.

2. ANALYSIS AND DISCUSSION

The founder of the theory of systems L. von Bertalanfi wrote that a system is a set of elements which interact with each other and with the environment, and this is considered a standard definition of a system as a notion.

Classifications of systems can be carried out on various bases, however the main one is grouping into three subsystems: technical, biological and social and economic.

The technical subsystem includes machinery, equipment, computers and other products which have instructions for a user. A number of decisions and resolutions in a technical system is, as a rule, limited, and consequences of decisions are usually predetermined.

The biological subsystem comprises flora and fauna of the planet, including rather closed biological subsystems. This subsystem has a large number of aspects of appliance, than technical. A number of decisions in a biological system is also limited because of slow evolutionary development of fauna and flora. However consequences of decisions in biological subsystems often are unpredictable.

The social and economic subsystem is characterized by presence of a human in integrity of interconnected elements. It is possible to illustrate the given system by any organization and its staff. These subsystems are significantly more advanced in functioning and variety than biological ones. All the decisions in a social and economic subsystem are characterized by great dynamism in their quantity and means, as well as implementation methods. It is explained by the high rate of changes in consciousness of the person and by different nuances of his reactions to identical or similar situations [2].

Thus, the driving force of development of any social and economic subsystem is a person, who is characterized by a certain set of qualities, knowledge, skills, experience and so forth.

In the modern world almost all types of activity in any community are carried out by people who work with each other. Most of them either are hired workers or work independently or in small enterprises, getting their income depending on a personal contribution to general activity. [5, p. 5]

Taking this into account, quality of human resources comes to the forefront in any organization which employs people. Consequently, development of human resources is an instrument of achievement of a necessary quality of human resources in the organization.

If the organization pays special attention to training, vocational training and development of human resources in all the spheres of its activity, it always results in a noticeable advantage. If employees are used to studying, developing, sharing knowledge and if "the culture of training" is created in the organization, it provides a more beneficial position for the organization as it allows to quickly react on changes of the environment. For example, an enterprise can release a new product or react to change of consumer demands quicker than its competitors and that will allow it to gain competitive advantage or to satisfy a given demand of the market.

For a certain type of people professional training and development at work make up a very important condition, as the "all-life job" situation occurs less and less often these days. In present conditions employment becomes less stable and that leads to more frequent change of the place of work and therefore people change a type of activity they do to earn the living much more often during their working years [4, p. 91].

Even if a person continues to work for one organization for a long period it still means training as the organization develops as technologies develop or the person receives new spheres of responsibility. Additionally it should be noted that organizations become "flatter" on the structure therefore more various skills and abilities are necessary for workers to perform complex tasks [4, p. 92].

Consequently, insufficient attention of the organization management to development of human resources leads to the following consequences:

- losses of profit of the organization;
- inability to react to changes of the external environment;
- restrictions in duties delegation to one another;
- discontent of workers caused by desire to learn new;
- lack of knowledge for performance of new tasks;
- high turnover of staff.

Many scientists support opinion that the most effective means for overcoming negative phenomena connected with development of human resources in organizations is to use of the theory of "the self-training organization". The founder of this theory is an American scientist, a director of the Center of organizational training at the school of management of MIT Sloan Peter Senge.

Peter Senge defines the term "self-training organization" as an organization where people constantly expand their opportunities to achieve results which they really want to reach, where they develop newer and better ways of thinking, where the collective aspiration is free and where people learn to see the general perspective all the time.

According to the scientist, increase of uncertainty in the sphere of business, economic and political shocks, growing interdependence of the world markets and world corporations became a push to radical changes: society grows to understand that current tendencies of consumption growth and environmental pollution together with growing disintegration and uncontrollability pose an

unprecedented threat for the future in general. Today many managers recognize the necessity to learn more, because the approach to studying provided by traditional authoritative and hierarchical organizations can suffice no longer [9, p. 10].

P. Senge's concept is based on five "abilities of the organization".

The first "ability" is a skill of personal improvement. Despite the fact that a lot of energetic and vigorous people join businesses, very few of them remain "at their best" for a long time. Majority of them start to save their energy and when they are around 30-40 they start losing their devotion, feeling of the personal importance and inspiration. However only few organizations encourage their employees to move forward, as a result other organizations are stuck with unused potential of their labour resources.

The second "ability" is intellectual models. Models as stereotypes concerning various administrative situations are already predetermined for us, as well as purely household models. This is the reason why there are a lot of positive administrative ideas that remain unrealized.

The third "ability" is a general vision. Many managers and executives do not give enough significance to the fact that their personal vision of development of the organization is not clear and is not shared by all employees. According to P. Senge, it is because of a general vision that people study because they really want to, not because they are ordered.

The fourth "ability" is group training. However this case is not only about trainings or seminars, but also about free exchange of views in groups – a kind of a dialogue. P. Senge considers that dialogue between employees leads to such discoveries which are absolutely inaccessible for everyone of them separately.

The fifth "ability" is systematic thinking. All other abilities remain separate methods, a fashionable novelty of management science without this discipline. At the same time it is vital that all five "abilities" are developed not separately but as a system [6].

Usage of all the given above components in a complex leads to the creation of a developed organization which is capable of self-studying. Such organizations are better than their competitors "evolutionary".

In 1991 an American psychologist Mike Pedler singled out signs of "the self-training organization":

1. Improvement of personal skills, as far as it is a prime necessity to develop personal abilities and knowledge for development of the organization.

2. Flexibility in elaboration of a strategy. A strategy is not viewed as something invariable, set once and for all and a task to perform, but as a constantly changing matter that responds to changes and circumstances which arise.

3. Employees participate actively in a process of development of strategies and tactics of an organization, that means that ideas, values and purposes are introduced not only by top management, but also by all personnel.

4. Free access to information. An organization is open to receive information from the outside and it easily provides information on itself. Both external and internal information is used to make decisions.

5. Control and accountability contribute to the development of the organization. Systems of accounting and control are built on this principle and they have a training function.

6. Flexible system of perks. The concept of "reward" is understood more widely, than "payment". At the same time reward depends on a worker's contribution to general results; forms of possible rewards are agreed and accepted by staff and their experience.

7. The structure of the organization opens opportunities. A working place is not something constant, they are viewed as conditions, options for development and growth which can be changed rather easily. Departments, regulations and procedures can be changed.

8. An atmosphere promotes training and studying. Corporate culture at its heart encourages workers to continue professional growth and development, at the same time it recognizes their right to make mistakes and provides them with enough time to study.

9. Opportunities for self-development of employees. Training is the most important part of a career of a worker, it is planned and supported [10].

As any of subsystems, “the self-training organizations” can be classified. The classification of “the self-training organizations” was developed by American scientists Michael McGill and John Slokum. Its adapted version is given in Table 1.

Activity aspect	Type of an organization			
	Organization that knows	Organization that understands	Organization that thinks	Organization that studies
Philosophy and ideology	“Best way” approach. Predictability and control.	Importance of significant cultural values. Belief in main myths.	Business is a series of situations and problems. “Inaccuracies” are dismissed.	Study and development of any relevant experience, including methods of its gaining.
Practice of management	Control according to manuals and instructions	Explanation, noting, strengthening of the organizational culture	Identifying of the problem, gathering data for its solution	Experiment, innovations and initiatives encouragement (“constructive objection”), examples, failure acknowledgement
Colleagues	Sticking to the rules without questioning them	Use culture and organization values as a behaviour model	Study and use standard solutions that appeared in the process of successful problem solving	Gather and use information, support “constructive skepticism”
Clients	Should trust the company	Should believe that company’s values guarantee positive experience	Think that every problem can be solved	Are learners together with employees; a part of an open and never-ending dialogue
Changes	Gradual; settings for the “best way” realization	Within the framework of main myths, values of the organizational culture	Programmes, problems solving, the best way to fight failures	A part of a never-ending process “experience-analyses-assumption-experiment-experience”

Tab. 1. Classification of self-studying organizations after M. McGill and J. Slokum [7].

The knowing organizations are the oldest type. They are successful in the conditions of stability of the market, and they do not particularly need to study and train. To be more precise, training takes place only when required and has an adaptive character.

The organizations which understand and think, can be placed among transitional types of organizations, the latter ones being “self-training” by their nature.

This conception helps to change the relations and induces people to recognize importance of training. It helps people to understand that they need to control training themselves, but not to perceive it as something others impose on them, when they are sent to study.

It must be said that specialists did not come to a common decision on whether it is possible to perceive organizations, which have learning capability, as self-training organizations. However this concept itself is useful as it helps to understand the matter of training which is carried out in an organizational context, and also factors promoting and interfering initiatives of managers which encourage and implement training activities in the organization [4, p. 101].

It is important to emphasize that the concept of the self-training organization is considered as a template or model which the operating organizations can copy, but which cannot be fully reached.

It is possible to distinguish certain organizations which have certain features of “the self-training organizations” among domestic organizations. One of them is the largest private vertically integrated energy company of Ukraine DTEK, within which the corporate university – DTEK Academy successfully functions.

The management of DTEK considers qualified specialists and managers the key factor providing their competitive advantage therefore training of this category of personnel is the most important instrument of development of the company. The academy is a centralized control center over the system of knowledge in all enterprises of the company. Corporate university includes educational programs which cover all important spheres of administrative activity work and are aimed at teaching employees to approach and solve professional tasks systematically, and give them knowledge and skills necessary in daily working activity. The conception of DTEK Academy is based on the “role model” which comprises development of four IQs: IQ (formal and logical), EQ (emotional), LQ (training and studying) and SQ (social). All staff of the corporate center and ITR of personnel of the DTEK enterprises can benefit from implementation of programs for development of competences (“Energy of Knowledge”, “Energy of the leader”) which are focused on improvement of knowledge, skills necessary for work in a modern business organization.

“Energy of Knowledge” is a program intended for the employees selected in a talent pool. Training is focused on increase in personal efficiency in human resources management and business processes management, on revelation of EQ (emotional intelligence) capacity. Top management of the company acts as teachers, famous domestic business coaches and invited speakers of the international business schools also participate in the program. The Energy of the Leader program is intended for the managers of DTEK participating in the TOP-50 program (selection and training of successors on senior positions). The program is aimed at development of abilities, which allow implementing innovative cross-functional projects with a large number of various resources. Classes for participants of the program are conducted by heads of DTEK and professors of the international business schools. All programs and projects which were implemented and are implemented from the moment of creation of DTEK Academy are presented in Fig. 1.

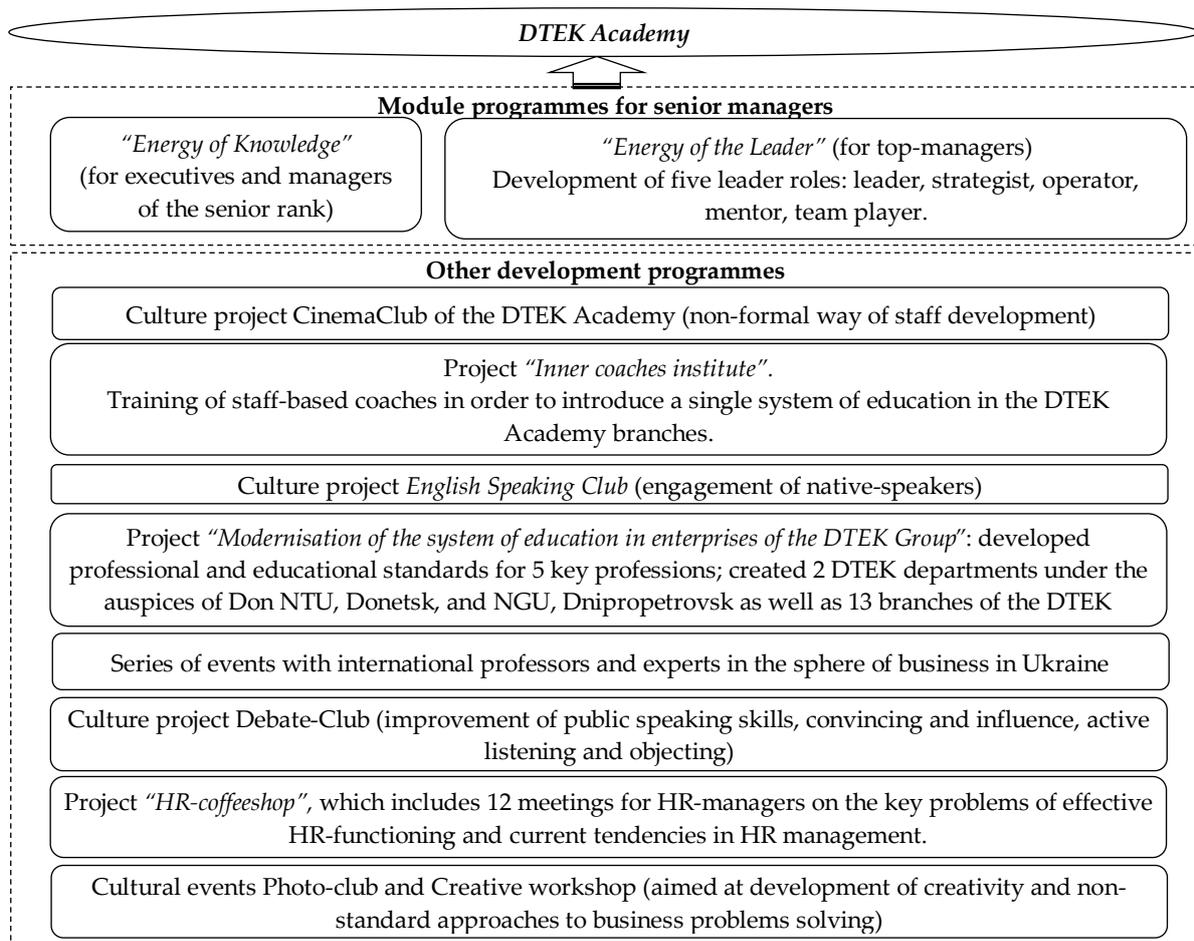


Fig. 1. Programmes of staff development, put into practice by the DTEK Academy since 2010 [1].

The management of DTEK strives to achieve those level and quality of education which can be received and compared to training in the MVA program in the best business schools. [8]

Another enterprise, which pays much attention to development of the human resources the Metallurgical Complex Branch of CJSC “Donetskstal” steel works. The system of development in this enterprise is carried out according to conceptual approach to ensure continuous professional development of human resources of the enterprise (Fig. 2).

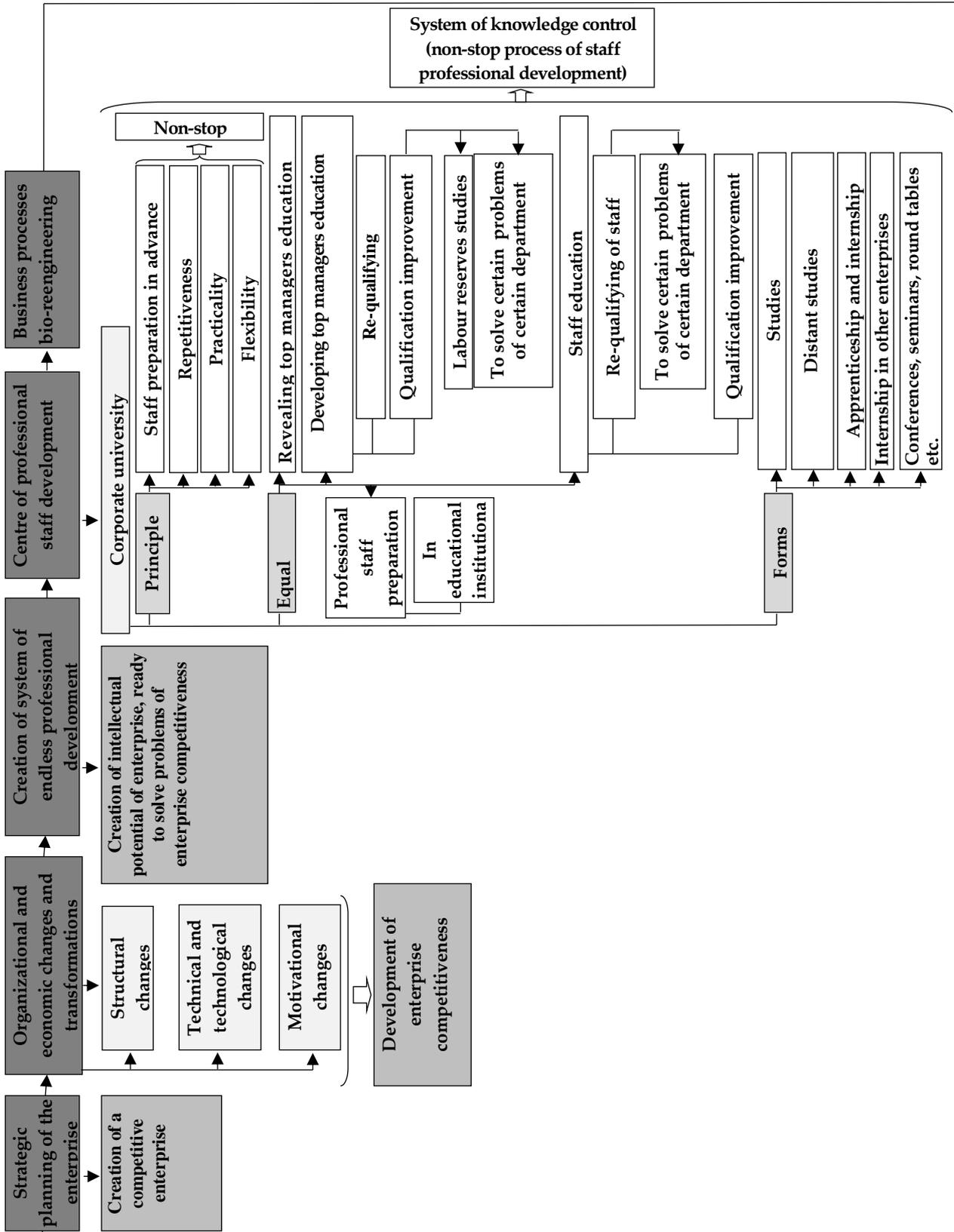


Fig. 2. Conceptual approach to providing continuous professional development of human resources of the enterprise [3, p. 287]

Within this approach there was created the School of managers the purpose of which is preparation and professional development of the workers who are a part of a talent pool on senior positions.

Components of process of training at School of managers are stated in Fig. 3.

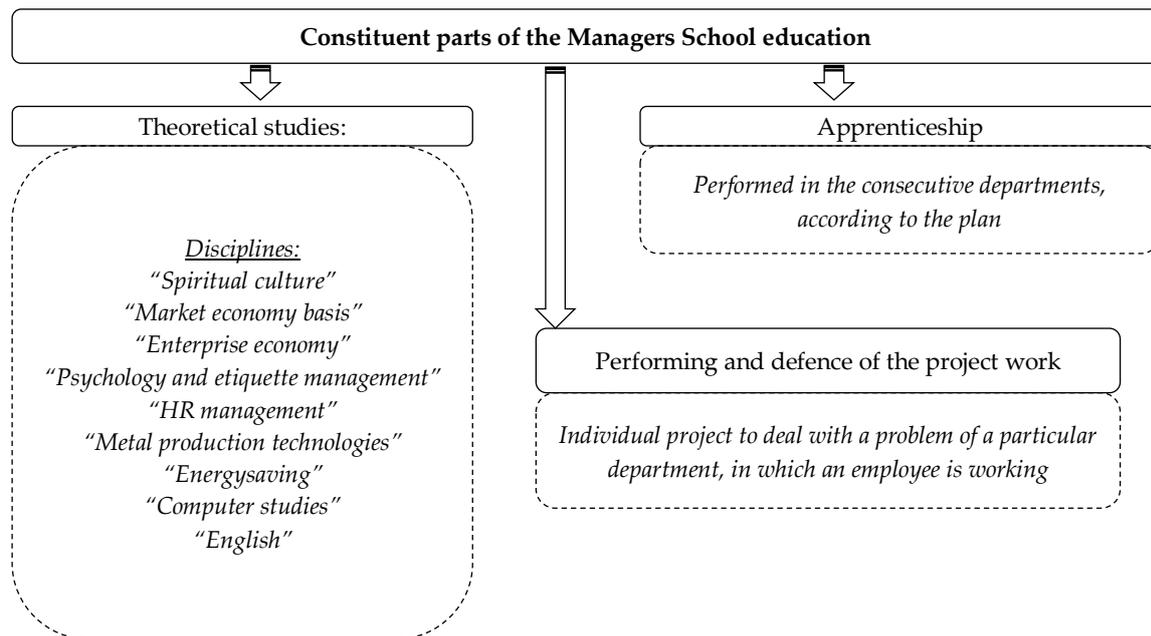


Fig. 3. Components of the studying process at the School of Managers.

The school of managers gives theoretical knowledge on various subject matters, such as disciplines of economic orientation (fundamentals of market economy, economy of the enterprise), disciplines on psychological aspects of administrative activity (management of human resources, psychology and ethics of management) and also special technological disciplines on the example of their own production technologies (technology of metallurgical production, energy saving, the mechanical equipment of the enterprises of ferrous metallurgy) and various aspects corporate of cultures of the enterprise (bases of spiritual culture).

Knowledge gained at the School of managers allows not only to broadening horizons of reservists, removing them out of limits of the structural division, to understanding logic and schemes technological and business processes of the enterprise, but also gives separate tools and skills for effective administrative activity: ways of the solution to conflict situations in collective, psychological aspects of motivation of personnel, project management, holding production meetings, conducting business negotiations and so forth.

3. CONCLUSIONS

The following conclusions can be drawn on the basis of the above given information:

1. Human resources are the mobile force of functioning of social and economic systems.
2. Special attention of the organizations to training, vocational training and development of human resources always provides noticeable advantages of an organization over its competitors.
3. One of the most effective means to provide organizations with qualitative labor forces is to use the main ideas of the concept "self-training organization" that will allow preventing emergence of the negative phenomena caused by development of human resources in the organizations.
4. Among the striking examples of domestic enterprises, which put programs of development of human resources into practice one can find the DTEK company and Metallurgical Complex Branch of CJSC Donetskstal steel works. The increase in the level of professional and personal skills of employees

of these organizations allows them to beat their competitors in the long run, if changes in functioning of social and economic systems are taken into account.

REFERENCES

- [1] DTEK academy. Available at: https://en.wikipedia.org/wiki/DTEK_Academy
- [2] Crisis management by the enterprise (2005). Available at: <http://library.if.ua/book/60/4207.html> (in Ukrainian)
- [3] Kalinina S.P., Kovalevska V.V., Lanska S.P. *Formation of Quality of Labor in a Control System of Human Resources*. MONMS Ukrainy, Donets. Nats. Un-t, Donetsk, 2010. (in Ukrainian)
- [4] Book 1: Introduction to management. In: Golubkin V.N. (Ed.) *Management in Operation*. MIM LINK, Zhukovsky, 2013. (in Russian)
- [5] Book 2: Management of people and organizations. In: Golubkin V.N. (Ed.) *Management in Operation*. MIM LINK, Zhukovsky, 2013. (in Russian)
- [6] The studying organization. *Management of Knowledge*. Available at: <https://sites.google.com/site/upravlenieznaniami/obucausaasa-organizacia> (in Russian)
- [7] Orchakov O.A. *Theory of the Organization*. Tsentr distantsionnykh obrazovatelnykh tekhnologiy MIEMP, Moscow, 2010. Available at: <https://online.muiv.ru/media/lib/books/teoriya-organizatsii/xbook031/book/index/index.html> (in Russian)
- [8] Official site of the DTEK company. Available at: <https://dtek.com/en/>
- [9] Peter Senge. *The Fifth Discipline. The Art and Practice of the Learning Organization*. Kharkov, 2006. Available at: https://www.e-reading.club/bookreader.php/112324/Pyataya_disciplina.pdf (in Russian)
- [10] Short course of lecture of the discipline "Management". Available at: https://studme.com.ua/105405036519/menedzhment/obuchenie_organizatsii.htm (in Ukrainian)

Address: Lilia Mykhailyshyn, Yurii Korovchuk, Vasyl Stefanyk Precarpathian National University, 57, Shevchenko Str., Ivano-Frankivsk, 76018, Ukraine;
Olga Leliuk, Vasyl' Stus Donetsk National University, 21, 600th Anniversary Str., Vinnytsia, 21021, Ukraine.

E-mail: Lilya-M@ukr.net, yuriha@ukr.net, leliuk.olga@gmail.com

Received: 25.08.2018; **revised:** 14.11.2018.

Михайлишин Лілія, Лелюк Ольга, Коровчук Юрій. До питання про корпоративні стратегії розвитку людських ресурсів. *Журнал Прикарпатського університету імені Василя Стефаника*, 5 (3-4) (2018), 70–77.

У статті визначено теоретичні аспекти формування корпоративних стратегій розвитку людських ресурсів, досліджено особливості формування системи розвитку людських ресурсів в Академії ДТЕК. Запропоновано концептуальний підхід до забезпечення безперервного професійного розвитку людських ресурсів підприємства.

Ключові слова: людські ресурси, розвиток персоналу, рольова модель, програми розвитку співробітників, школа менеджерів, стажування, випускні проекти.

ABOUT THE AUTHORS

Beliavtseva Victoria, Phd in Economics, Lecturer of the Department of Enterprise Economics, Business Administration and Regional Development (O. M. Beketov National University of Urban Economy in Kharkiv),

Boryshkevych Iryna, teaching assistant of the Management and Business Administration Department (Vasyl Stefanyk Precarpathian National University),

Dymchenko Olena, Professor, Doctor of Economics, Head of the Department of Enterprise Economics, Business Administration and Regional Development (O. M. Beketov National University of Urban Economy in Kharkiv),

Holubiak Nataliia, PhD in Political Science, Assistant of the Department of International Relations (Vasyl Stefanyk Precarpathian National University),

Korovchyk Yurii, Lecturer of the Department of International Economy (Vasyl Stefanyk Precarpathian National University),

Leliuk Olga, Postgraduate Student (Vasyl' Stus Donetsk National University),

Mykhailyshyn Lilia, Doctor of Economics, Professor; the Head of the Department of International Economy (Vasyl Stefanyk Precarpathian National University),

Mykhalskyi Ihor, Doctor of Historical Sciences, Professor, Head of the Department of World History and International Relations (Luhansk Taras Shevchenko National University),

Piatnychuk Iryna, PhD in Economics, Department of Management and Business Administration (Vasyl Stefanyk Precarpathian National University),

Pylypiv Nadiya, Doctor of Economics, Professor; the Head of Theoretical and Applied Economics Department (Vasyl Stefanyk Precarpathian National University),

Rudachenko Olha, Phd in Economics, Lecturer of the Department of Enterprise Economics, Business Administration and Regional Development (O. M. Beketov National University of Urban Economy in Kharkiv),

Rudko Serhii, PhD in History, Associate Professor, the head of the Department of Regional Studies, (The National University of Ostroh Academy),

Redko Andriy, PhD in Legal Sciences, Associate Professor, Department of Management and Business Administration (Vasyl Stefanyk Precarpathian National University),

Tararuev Yurii, Phd in Economics, Lecturer of the Department of Enterprise Economics, Business Administration and Regional Development (O. M. Beketov National University of Urban Economy in Kharkiv),

Yakubiv Valentyna, Doctor of Economics, Associate Professor, Head of the Department of Management and Business Administration (Vasyl Stefanyk Precarpathian National University),

Zhuk Olha, PhD in Economics, Associate Professor at the Department of Management and Business Administration (Vasyl Stefanyk Precarpathian National University).

«Journal of Vasyl Stefanyk Precarpathian National University» is an academic periodical journal of Precarpathian National University, the main task of which is a publication of new original scientific matters, survey and problem articles, in mathematical, economic, medical, human and social sciences.

Every issue of journal refers to such series: "*Series of Natural and Mathematical Sciences*" and "*Series of Social and Human Sciences*".

Journal is issued since 2014 with regularity 4 issues per year.

Author Guidelines

The article should include: the title of the article, the authors and the main information about them (institutional name, email address and contact details), an abstract and keywords in English and Ukrainian languages. All articles are published in English only. The article submitted on the provided UDC, PACS numbers or 2010 Mathematics Subject Classification.

List of references is made as follows:

-BOOK (original in English)

[1] Author1 A.A., Author2 B.B., Author3 C.C. *Title of the book*. PublishingHouse, City, Year.

-BOOK as part of a series of publications (original in English)

[2] Author1 A.A., Author2 B.B., Author3 C.C. *Title of the book*. In: Editor1 A.A., Editor2 B.B. (Eds.) *SeriesTitle*, Number. PublishingHouse, City, Year.

-BOOK (original Ukrainian or Russian)

[3] Author1 A.A., Author2 B.B., Author3 C.C. *English translation of title of the book*. PublishingHouse, City, Year. (in Ukrainian) or (in Russian)

-ARTICLE (original English) (required indicate doi, if available)

[4] Author1 A.A., Author2 B.B., Author3 C.C. *Title of the article*. *Title of the Journal*, **Volume** (Number) (Year), PageF-PageL. doi:xxxxxxx

-ARTICLE (original Ukrainian or Russian) (required indicate doi, if available)

[5] Author1 A.A., Author2 B.B., Author3 C.C. *English translation of title of the article*. *Title of the Journal*, **Volume** (Number) (Year), PageF-PageL. doi: xxxxxx (in Ukrainian) or (in Russian)

-CONFERENCE ABSTRACT

[6] Author1 A.A., Author2 B.B. *Title of abstract*. In: Editor1 A.A., Editor2 B.B. (Eds.) *Proc. of the Intern. Conf. "Title of the Conference"*, City, Country, Month DateF-DateL, Year, PublishingHouse, City, Year, PageF-PageL.

The submission file should be in MS Word or TeX.

The text is single-spaced; uses a 10,5-point font Palatino Linotype; and all illustrations, figures, and tables are placed within the text at the appropriate points, rather than at the end.

SCIENTIFIC EDITION

Journal of Vasyl Stefanyk
Precarpathian National University

Vol. 5, No. 3-4, 2018

Series of Social and Human Sciences

Computer Editing, Layout and Design by
Liubov Atamaniuk
(*e-mail*: atamanyukl10@gmail.com)

“Terytoriya druku”,
128, Galytska Str., Ivano-Frankivsk, Ukraine.
Tel.: +38(0342) 58 04 32, e-mail: gsm1502@ukr.net