

N. Kusik, Bachelor student
V. Kuchmenko, PhD in Ec., As. Prof., research advisor
O. Zghurska, Lecturer, language advisor
Zhytomyr Polytechnic State University

PRINCIPLES AND MECHANISM OF REGULATION OF PUBLIC ECONOMY

Ukraine is currently in a transition period, so defining and researching the mechanism for regulating the state economy is quite a challenge. Based on scientific research in the field of public administration, we find out that countries with transformational economies need state regulation more, since self-organization (namely, it is peculiar to the market) is characterized by stable systems and ineffective in the transformation of systems from one to another. In this period, state regulation should be based on principles that are capable of ensuring the coherence of the economic interests of the entities of society, enterprise and state. Adherence to these principles will be a guarantee of protection against disorderly and destructive interference with the economic mechanism of management.

Nowadays, we do not have a clear definition of what the mechanism of state regulation of the economy is, since this statement should include the fact of the unstable state of the country's modern economy, its dynamism and instability. Therefore, the mechanism of regulation must be exceptional, be ready for any change in the direction, objectives and goals of state economic policy.

In a stable economy, the market mechanism is one of the most important socio-economic processes, and the state regulation of the economy in this case plays a secondary role. The main purpose of the latter is to provide conditions for the market to work, eliminate the negative consequences and solve problems that are not under the power of the market mechanism.

State regulation plays a significant role in the transition economy and, in order to ensure the development of market relations, the state's influence should not be diminished. Excessive state intervention in the economy can lead to negative trends and consequences, and it can lead to a decrease in the state's financial capacity. In order to better reconcile the interests of the entities, realize the economic and social goals of social development, the functioning of the social partnership institution is often involved in the market and state regulation of the economy.

The basic principles of state regulation of the economy are:

- scientific validity
- reconciliation of interests (reconciliation of interests of all subjects of economic life);
- systematic (caused by the activity of the national economy as a multi-level system);
- commitment (achievement of goals);
- priorities (identifying major problems and solving them with minimal use of resources);
- complexity (the state should use all possible means and tools available to it);

- adaptation (continuous analysis of results and impact on economic processes);
- minimum sufficiency;
- efficiency;
- economic and organizational support (use of resources to achieve adequate goals);
- comparison of costs (to provide the state administration apparatus) and the results of state integration into the economy.

Implementation of the principles of state regulation occurs through the proper methods, which are a number of specific means of regulation that affect the interested object to achieve its goals and objectives. The methods are more dynamic than the principles, and some of them may be 'sidelined' when tested, while others may appear to satisfy a specific socio-economic situation. The relationship between the principles of regulatory influence and the methods through which they are implemented is not identical, because the methods of regulation are governed by principles of regulatory influence and not the other way around.

We can conclude that the position of modern Ukraine in a market economy is rather unstable and requires a really effective mechanism of state regulation of economic processes, which would include the changing situation of the market environment, the need for an effective and rapid response to changes in economic processes. Adherence to the system of the abovementioned principles of state regulation in practice will open new opportunities and horizons in the interaction of subjects and objects of state regulation through the mechanism of 'reverse influence'. The implementation of the measures increases the 'pressure' of interest groups on specific state institutions through their representative bodies as structures of civil society. Public authorities, whose functions include regulatory activity, are guided in their actions by economic, institutional, legal, social and organizational methods, which are embodied by appropriate means of regulatory influence within the framework of the regulatory field.

REFERENCES

1. Механізм регулювання в перехідній економіці [Електронний ресурс]. – 2014. – Режим доступу до ресурсу: https://revolution.allbest.ru/economy/00375758_1.html.
2. Особливості державного регулювання економіки в умовах переходу до ринкових відносин [Електронний ресурс] – Режим доступу до ресурсу: https://pidruchniki.com/12780212/politekonomiya/osoblivosti_derzhavnogo_regul_yuvannya_ekonomiki_umovah_perehodu_rinkovih_vidnosin.
3. Принципи та методи державного регулювання економіки [Електронний ресурс] – Режим доступу до ресурсу: https://pidruchniki.com/1566052638685/ekonomika/printsiipi_metodi_derzhavnogo_regulyuvannya_ekonomiki.
4. Методи та принципи державного регулювання економіки України [Електронний ресурс]. – 2015. – Режим доступу до ресурсу: <https://mydocx.ru/10-4277.html>.

