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SOCIO-ECONOMIC PROBLEMS OF SOCIAL INFRASTRUCTURE AND ALTERNATIVE WAYS OF SOLVING

Розглянуто проблеми ресурсного забезпечення розвитку соціальної інфраструктури. Визначена роль таких альтернативних інституціональних форм, як соціальний діалог, державно-приватне партнерство в інвестиційній підтримці соціально важливих галузей.

Рассмотрены проблемы ресурсного обеспечения развития социальной инфраструктуры. Определена роль таких альтернативных институциональных форм, как социальный диалог, государственно-частное партнерство в инвестиционной поддержке социально важных отраслей.

Are examined the problems of the resource guarantee of development of social infrastructure. Defined the role of alternative institutional forms, such as social dialogue, public-private partnership in the investment support of socially important sectors.

Ключові слова. Соціальна інфраструктура, багатоканальне фінансування, соціальний діалог, державно-приватне партнерство.

Ключевые слова. Социальная инфраструктура, многоканальное финансирование, социальный диалог, государственно-частное партнерство.

Keywords. Social infrastructure, multi-channel funding, social dialogue, public-private partnership.

Introduction. Social infrastructure is directly related to the process of economic modernization and its effective functioning in a globalized market. The potential strategic course of modernization and involvement in social infrastructure sectors it is far from exhausted. The former methods by which evolved social infrastructure is inadequate. Refers to the sources of budget financing of socially important industries.

Research results. The current modernization needs of institutional and technological upgrades. If macroeconomic stabilization as the main condition for modernization is not directly associated with organizational measures to improve the management of social infrastructure sector, the technological modernization associated with significant investments in its field.

Technological development means the elimination of the backlog in the level of logistics, providing updated technology, equipment and organizational structures require significant investment.

Assessment of the minimum budget provision of social infrastructure is more than 50% of the existing volume of financing. It takes into account, in addition to protected items (wages, taxes, and others), the cost of household needs and investments, including the renovation of fixed assets, as well as funds that are needed to reform infrastructure. The results of calculations of the new trend of increased costs presented in the following graph. However, data from the Ministry of Finance of Ukraine and World Bank recommendations.

Image data (Fig. 1) show that the cost of developing infrastructure sectors have equal 19-20% instead of 11-12% of GDP.

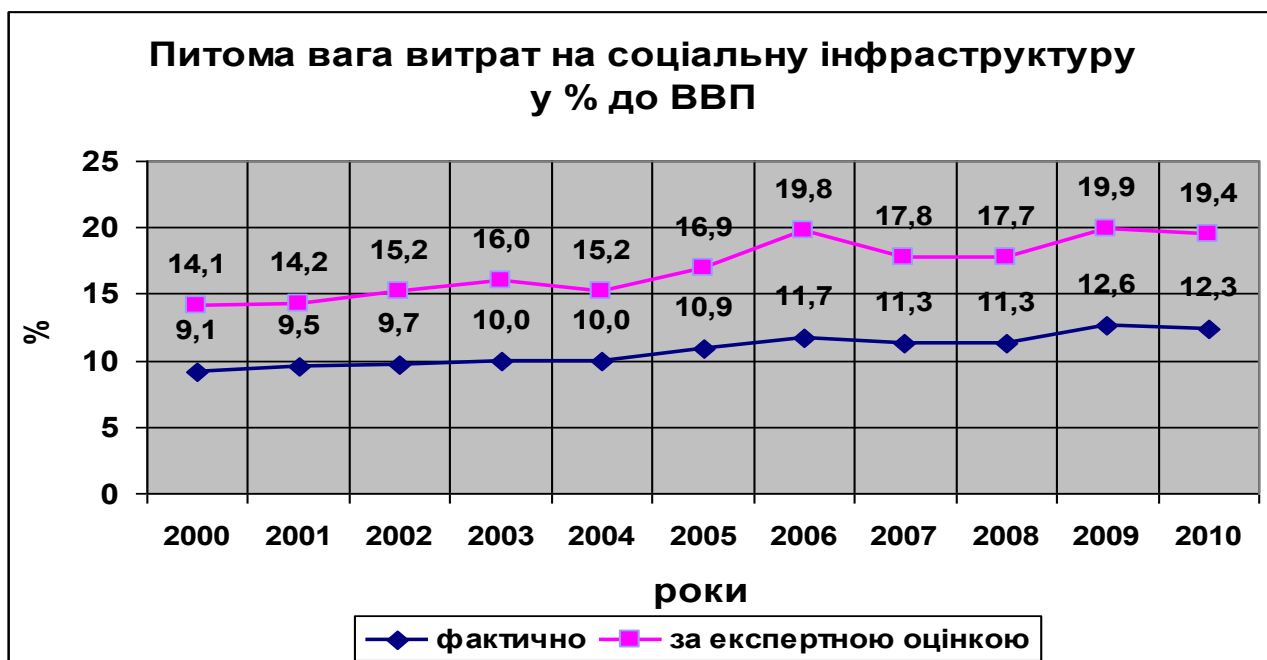


Figure. 1. The share of spending on social infrastructure in GDP.

Retrospective analysis of budget expenditures on the development of social infrastructure does not give grounds to hope that in the future government financial support for social sectors improved. In these circumstances, corporate social responsibility is becoming increasingly popular as a system of investment sources of social infrastructure and providing public access to socially important services. Therefore, the behavior of modern business has to overcome existing among its members one-sided focus on achieving profit. It is about the fact that some of the profits that businesses receive as a result of favorable market conditions, should be used for social purposes. The current international practice is guided by ethical, moral and legal approach to economic activity. These respected institutions like the United Nations, the International Labor Organization, the Organization for Economic Cooperation and Development, focusing more attention on the investment banks and corporations in the development of social infrastructure: healthcare, education, entertainment, environment, safety.

Mechanisms of interaction with the social environment multifaceted than motivation, and on prevalence. To develop and enhance corporate philanthropy governments are resorting to measures of state regulation of conduct socially responsible business. In the world there were two models of regulation which impose mandatory requirements to business. In Europe, companies and banks to apply public pressure forced a form on which oblige the last follow established legal standards of social responsibility.

In the UK, Holland, Germany, Sweden, the state established rules of social reporting, which define the content and frequency. In the European area are two options for managing social behavior: obligatory and recommended. However, each of them uses the legal rules that businesses must comply.

In the U.S., unlike the European approach are more liberal ("open" in the terminology of rows scientist) approaches to the regulation of corporate social performance. Meanwhile, in Europe, the U.S. government sets minimum standards for social business.

In order to motivate socially oriented policies adopted several documents: codes of corporate governance, environmental laws at the federal and local levels. One of the fundamental is the Law (Act) Public investment, which obliges companies and banking institutions to carry out investment activities in their business.

In Ukraine the situation is unfavorable to investment in social infrastructure, except retail, which is focused on the fast circulation of capital, economic science has set a number of complex methodological and applied problems. The need for the development of multi-channel financing mechanism is one of the areas of research, which crosses a number of problems: social dialogue, public-private partnerships, improving the functioning of the institutional infrastructure and social issues related to budgeting.

Social dialogue within which negotiations going on with various socio-economic issues, is the institutional structure where possible to determine the financial situation, which correlates with the current level of business activity for the development of social infrastructure. However, inadequate social dialogue as an organizational form of negotiating and reconciling the interests of investors and the government does not provide pooling their features to attract financial resources to the development of social infrastructure. The reason for this lies in the different levels of social dialogue. At regional level, social dialogue is not fully represented employers and employees in the local areas. This applies, for example, small business.

For example, the Law of Ukraine "On the organization of employers' does not apply to associations of entrepreneurs and employers of different status, established and operating in accordance with other laws of Ukraine. Not clearly defined procedures for the participation of sectoral and regional employers' associations in the parent similar organizations.

Unregulated industrial relations negotiations between the parties and between employers in small business shows limited ability to influence the mechanism of social dialogue on the development of social infrastructure.

Multi-scale financing is largely dependent on the prevalence of social dialogue at territorial level. Interests institutions of social infrastructure, especially those that operate on the basis of budget funding mechanism is most consistent with the interests of local authorities. The real effectiveness of social dialogue is a manifestation of the fact that at the regional level is possible to take into account the specific investment problems and social infrastructure sectors combine industry interests with the socio-economic situation in the regions. However, the under-utilized potential of social dialogue on local budgeting, union on a contract basis of communal ownership, co-financing.

Obviously, existing in Ukraine parity model tripartite social dialogue required vector regional-sectoral focus. Through the mechanism of distribution of industry standards to the local level, regional fixed-sectoral agreements, which are the subjects of all aspects of social dialogue (employers, local authorities, institutions, social infrastructure), will the socio-economic feasibility of multi-channel financing and public-public partnerships.

Problems of implementation of infrastructure projects through the mechanism of public-private partnership are as follows: gap in time between the project and the ability to finance its budget implementation; unrecorded specific investment project, there are no clear mechanisms for tracking its implementation, lack of mechanisms to ensure the continuation of ongoing projects in the coming years.

To improve the investment climate in developing a network of social infrastructure provides improved institutional mechanism adoption and implementation of public-private partnerships (Fig. 2).

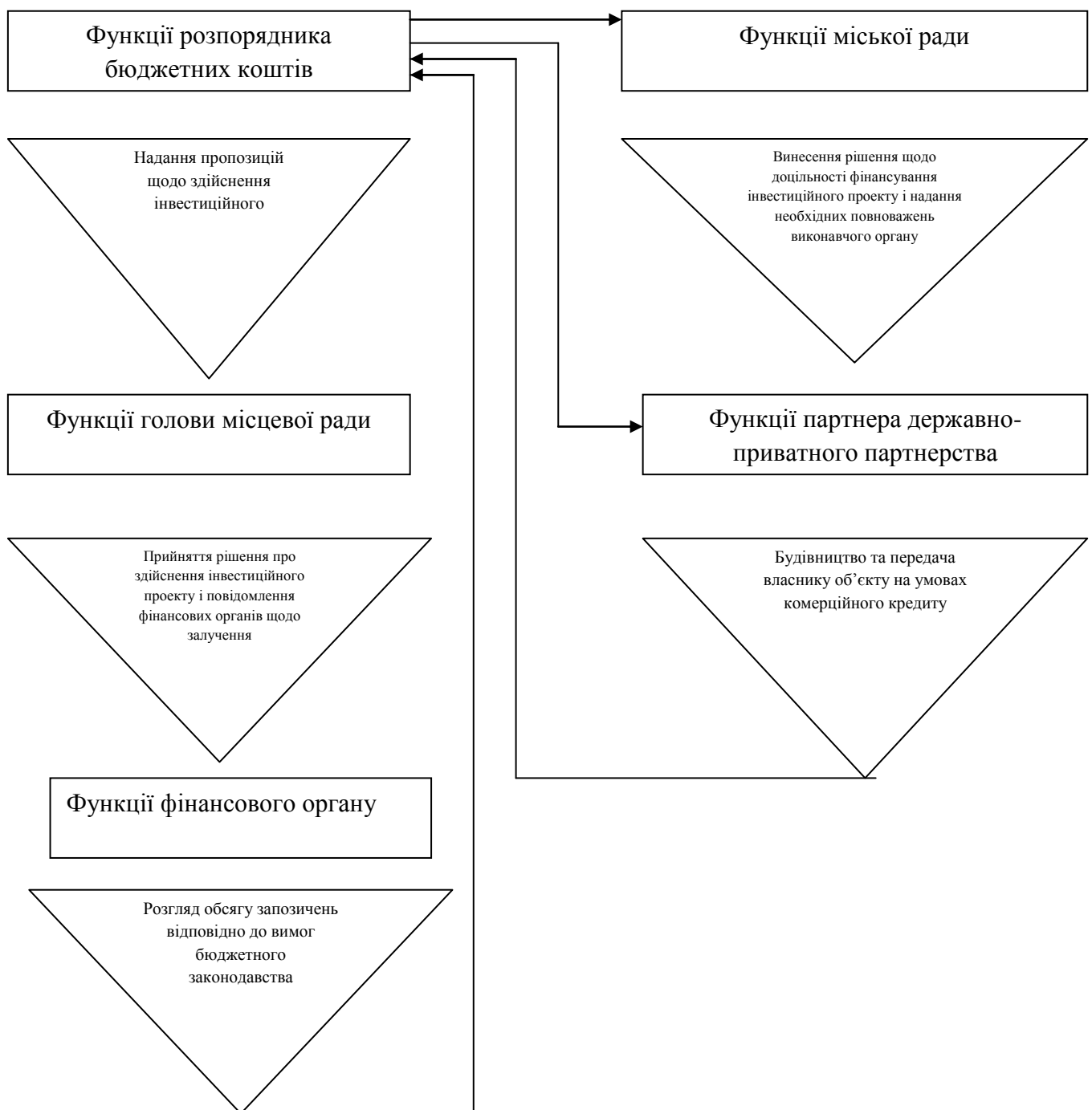


Figure. 2. Organizational mechanism of public-private partnerships.

Conclusions. For the development of public-private partnerships should:

First, determine the status of the law of obligations of governments to arise under the contract on public-private partnership, and therefore a low level of interest and the protection of the private partner;

Secondly, to introduce the practice of making conditional obligations governments, i.e. obligations those become valid upon the occurrence of certain conditions, such as transfer of ownership of the finished object;

Thirdly, to provide guarantees for the return of funds in future budget periods for the transferred object;

Fourth, implement mechanisms channeling funds saved by the project, to make payments to investors;

Fifthly, to ensure extrajudicial collection of self-government at the expense of the development budget;

Sixth, unified standards, in which there are conflicts and the possibility of dual understanding of certain legal provisions.

Due to problems arising in the current legislation to make proposals to the Budget Code in order to create a legal foundation for the efficiency and transparency of the mechanisms of public-private partnership.