

digital economy and what are the key factors affecting its effectiveness and impact on economic stability?

The vital advantage of digital transformation is global connectivity, i.e. the digital economy facilitates global connectivity, facilitating collaboration and market expansion across geographic boundaries. Main disadvantages and problems lie under cybersecurity risks. Increased connectivity exposes organizations to cybersecurity threats, including data breaches and malicious attacks. Positive developments and achievements in Ukrainian financial practice is that Ukraine has made progress in e-Government by introducing electronic services for filing tax returns, public procurement and other financial transactions (E-Government Initiatives) [2].

Thus, the integration of global trends into the public sector requires, in our opinion, constant monitoring, search for weaknesses and implementation of the world's best practices in the field of financial technologies and digital transformation [3]. First, through the creation of a national digital financial strategy [4]:

Argument: A comprehensive national strategy is essential to create a clear roadmap for digital financial transformation.

Implementation Mechanism: Establish a working group of industry experts, policy makers and technology leaders to develop and implement the strategy.

For instance, Singapore's Smart Nation Initiative (Time Period: 2014 - Present) [5]:

Insight: Singapore has strategically integrated technology into various sectors, including finance, through its Smart Nation initiative.

Feasibility for Ukraine: Lessons from Singapore's experience can become the basis for developing a comprehensive digital strategy that would meet Ukraine's ambitions for technological progress.

Or also good example could be E-Government Success in Estonia (Time Period: 2000s - Present): [6]

Insight: Estonia's effective e-government model, including digital identity and online services, has streamlined various processes.

Feasibility for Ukraine: the implementation of e-government elements in Estonia can increase the efficiency, transparency and accessibility of the provision of financial services.

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TAX COMPETITION AND TAX HAVENS: CURRENT EMPIRICAL EVIDENCE

Tax dynamics influence economic strategies, fiscal policy and global relations in today's interdependent world. Tax competition, the use of tax policy to attract business, is a key factor. Lowering tax rates stimulates investment and economic growth. It often involves creating favourable tax conditions for foreign investors, which benefits underdeveloped countries.

Governments' tax rate cuts affect global tax systems in two ways: some countries become "tax havens" with low or zero taxes, while others follow suit to remain competitive [5].

Tax competition emerged due to the free flow of global capital markets in the late 1970s. Investors, companies, and governments sought after after-tax profits, leading to a proliferation of tax havens. This raised concerns about a "race to the bottom", prompting governments at various levels, from the European Union to global organisations, to step up their efforts to combat this phenomenon [5].

The debate on tax competition has many nuances. While there is concern about a "race to the bottom", in practice, tax revenues have remained stable. Tax competition restrains increases in capital taxes, preventing excessive burdens [3].

Over the past 30 years, many tax avoidance schemes have been developed and implemented. According to rough estimates by the OECD, between USD 5 and 7 trillion have been moved to tax havens. Almost half of these funds came from transition and developing countries. According to other data, "unclean" international transactions account for 2/3 of the capital whose owners want to avoid paying taxes, and the remaining 1/3 is related to money laundering. Accordingly, developing countries lose an average of about \$385 billion annually to tax evasion in tax havens and offshore zones. The Tax Justice Network estimates that \$427 billion in tax is lost every year to tax havens.

Because of the unattractiveness of doing business in countries with high tax rates, governments are trying to lower rates and create excessive international tax competition, leading to a "race to the bottom" [7].

The New York Times has investigated and covered tax havens and offshore companies cases. One of the well-known cases published in May 2021, entitled "After Tax Pressure, Apple Found a New Haven for Its Profits" by Drucker and Bowers, highlights Apple's tax avoidance practices [2].

In May 2013, a Senate report revealed that Apple had attributed billions to Irish subsidiaries that had no tax residency. Apple operated these units from California to avoid Irish tax residency, while US law considers them US tax residents if they are incorporated there. Apple's desire to avoid paying taxes through offshore companies has drawn criticism.

Under pressure from the international community, the Irish finance minister announced that Irish companies would declare their tax residency, but Apple has already

made more than \$128 billion in offshore profits over the past decade, largely untaxed in the US [13].

The Irish government is trying to introduce new laws and restrictions on offshore companies, but at the same time, new tax avoidance schemes are emerging [4].

Thus, these cases indicate that large companies are looking for tax havens and using complex structures to minimise their tax liabilities.

The Organisation for Economic Cooperation and Development (OECD) has been leading the global fight against tax evasion since 2013. The Action Plan on Base Erosion and Profit Shifting (BEPS) has encouraged countries to implement anti-avoidance measures, such as regulation of controlled foreign corporations, patent stitching rules and transfer pricing protocols.

Developing countries that rely heavily on corporate income tax from multinationals need to actively participate in international tax standards to meet their unique needs.

In 2009, G20 leaders stepped up efforts to promote information exchange, focusing on calls for tax havens to enter into tax information exchange agreements.

A common reporting standard facilitates the automatic exchange of financial data, which has led to a significant reduction in bank deposits in tax havens and an increase in tax revenues for OECD and G20 member countries.

The Anti-Tax Haven Law, which will come into force on 1 January 2022, aims to combat tax evasion, tax optimisation and prevent unfair tax competition by imposing penalties for business relationships with non-EU jurisdictions, aligning with the list of non-EU countries and introducing various measures, including increased taxation and withholding tax on certain payments. Companies are advised to monitor such relationships and maintain standardised documentation of transactions with non-EU jurisdictions.

CONCLUSIONS: International tax competition is an ongoing concern, with a focus on the "race to the bottom". Tax havens are key players, and while governments have attempted to regulate their activities, success is uncertain. Tax havens are motivated by tax cuts, privacy and investment opportunities. The distinction between "harmful" and "benign" tax competition, as highlighted by the OECD, remains an unresolved issue.

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THE ROLE OF BLOCKCHAIN IN ENABLING SUSTAINABLE AGRICULTURE

Sustainable agriculture is a growing trend in the food industry as consumers become increasingly aware of the environmental problems. Food traceability is becoming increasingly important as consumers want to be sure that the food they buy comes from an environmentally safe source and has been handled responsibly. Blockchain technology is being used to help ensure traceability of food, helping to reduce waste and ensure the sustainability of agriculture [1].

Blockchain technology offers many advantages for sustainable agriculture tracking. For example, it can help reduce the risk of mislabeling and fraud, as all data is stored in an immutable ledger accessible to all stakeholders. In addition, blockchain technology can be used to create a decentralized network that connects manufacturers, wholesalers, retailers and consumers, enabling real-time information exchange. This helps to ensure that the food comes from sustainable sources and that it has been handled responsibly. In addition to improving traceability, blockchain technology can also be used to reduce food waste. Data stored on the blockchain can be used to monitor the freshness of food, helping to reduce spoilage. This can help reduce costs associated with food waste and help to improve the sustainability of agriculture [2].

The agriculture industry is particularly well-suited to the use of blockchain. For starters, blockchain can provide a secure, immutable record of a product's origin and movement. This could improve the visibility of food origin and quality, as well as reduce the risk of fraud and mislabeling. By creating a secure and transparent platform, this technology can improve interactions between manufacturers, processors and retailers for pricing, compliance and supply chain management. Additionally, blockchain can be used to facilitate smarter decision-making. By providing real-time data, agriculture operators can gain a better understanding of their operations and identify areas for improvement. At the same time, blockchain-based tracking systems can help protect the environment. This technology can be used to monitor and record the use of pesticides, fertilizers and other resources, and to record any potential impact on the environment. As the aquaculture industry looks to the future, blockchain can play an important role in improving traceability and transparency. When approached correctly, technology can provide a safe and efficient way to track food and ensure quality, safety and sustainability [1].