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Development of partnership relations of state and banking sector

It is noted that the modern world experience shows the importance of establishing partnership relations between the state and the banking sector. Ultimately, both parties are interested in such relationships: for the banking sector it is a way of obtaining favorable business conditions from the state and securing a guaranteed profit from participation in profitable joint projects, and for the state the partnership with the banking sector is a way to attract private capital to finance nationally significant projects and give it a social orientation. The development of new principles of cooperation between the state and the banking sector is manifested in the formation of the institutional foundations of these relationships within the framework of the acceptance by banks of social responsibility for the results of their activities. At the same time, banks not only participate in solving problems of society, but also receive certain benefits from this activity. Corporate social responsibility begins to function as a sustainable social institution, it is rational and effective, which distinguishes it from traditional charity.

It is determined that the institutional framework of the mechanism of partnership between the state and the banking sector includes a set of the following interrelated elements: the goals and objectives that are set and solved jointly by the state and the banking sector; the sphere and area of their mutual interests; the forms and ways of cooperation between the state and the banking sector; the powers of each of the parties, that is, the rights and obligations stipulated by them, related primarily to the division of property rights, which serve as the institutional basis for their interactions; the mutual responsibility for adherence to the established rules of the game and a measure of responsibility for their violation for one reason or another and the confidence of these entities to each other in the context of the stated goals and objectives of partnership, that is, the principles of partnership.

Keywords: *state; banking sector; public-private partnership; state regulation; partnership relations.*

Relevance of the research. It is essential for the development of the partnership between the state and the banking sector to create a single legal space that regulates these issues. No matter how diverse the methods, means and forms of partnership between the state and the banking sector are, it is first and foremost, it's task is to meet the needs of the end users (society, the population of specific regions) as much as possible. Naturally, such needs are determined by state and local structures on the basis of the legislative and regulatory framework that they have developed and adopted.

All this emphasizes the need for the formation of mutually beneficial and balanced partnership relations between the state and the banking sector in the coming years and for the purpose of a more adequate implementation of the national goals and local projects. In the long run, economic development and economic growth depend on the stability of the state economic policy and the quality of established institutions - formal and informal rules of doing business in the banking sector and mechanisms that ensure their compliance. Inconsistency and lack of system in the development of programs that stimulate the development of these institutions, today slow down the economic development of the country, requiring improvement of the mechanism of state regulation in the sphere of the banking sector and the creation of better partnership relations between the state and the banking sector. Thus, it is necessary to determine the concept and factors of success of public-private partnership at the present stage of development of the national economy of Ukraine.

Analysis of recent research and publications. The works of Brailovskyi I., Harbarinina V., Zaskalkin A., Kobychева O., Panasenko O., Semenog A. and others are devoted to the research of the problems of development of partnership relations between the state and the banking sector. The analysis of previous research and publications on this issue indicates that the authors, as a rule, explored only certain aspects.

The purpose of the article is to consider the further development of partnership relations between the state and the banking sector

Statement of the research. Market economy in its present form includes the following main tasks: the diversity of ownership; the economic mechanism in which the market self-organization of the economic system and its state regulation are organically combined; the presence of a unified direction and purpose for the entire economy as a whole.

Obviously, the benefits of market-based economic principles can be complemented by mechanisms of state regulation and control. For this reason, the state cannot be regarded as a passive observer of social and economic

processes. The state plays a key role in regulating spontaneous market forces, correcting the negative consequences of the functioning of the market economy, in other words, the state acts as a guarantor of freedom of business activity, it aims at protecting the rights of owners and consumers, market competition, plays an important role in the external environment capable of enhancing the competitiveness of the entire national economy.

It is the creation of conditions for competitiveness that plays an important role in the formation of regular and permanent relations between the state and the banking sector in the national economy [5]. In the first place, this is achieved through the formation of legislative and regulatory frameworks by the state structures to create an effective public-private partnership, since the bank may respond with a specific initiative to this process, as the goal, expressed in ensuring a balance of interests, the owners of the institution, its management, shareholders and other financial stakeholders, is formed in the very spirit of corporate governance,

It should be noted that the partnership between the state and the banking sector follows from the mutual benefit of the interests of both parties of this relationship, when each participant of the partnership aims not only at increasing their own income, but also at increasing public welfare. For the state, the partnership creates the conditions for sustainable economic growth, taking into account promising interests. For the banking sector, the partnership with the state allows to achieve favorable conditions of doing business, forms a reliable scope of using capital, guarantees a profit.

According to Zaskalkin A. «Today in Ukraine large-scale modernization projects in different sectors of the economy require significant investment resources and bank funds can become a powerful source for those resources, while at the time of post-crisis development the interest of business to the state support is increasing, which will reduce the risks of private investment, to increase the reliability of investment projects for credit institutions» [3].

The growing influence of the large banking sector in the economy makes it a leading entity of socio-economic development of the country, which causes it to participate equally in partnership with the state on a mutually beneficial basis. Therefore, the involvement of the banking sector in the development of partnership relations with the state can only be realized in the process of creating a stable system of relations based on social responsibility of both the state and the banking sector.

The changes that have taken place have led to the need for a radical revision of scientific views on the state, business and their relations in the economy both in Ukraine and around the world [1]. For Ukraine, it is time to choose strategy and development for many years, and for the national science - to develop their own views on these processes.

Direct borrowing of theories, methods and terminology from foreign researchers is often unacceptable because it leads to the neglect of many features of Ukraine. It is necessary to develop an own position in relation to the changes that are happening in order to become full and independent participants. This directly relates to the problem of interaction between the state and business, authority and property.

According to the analysis of existing scientific sources, the relations between the state and the banking sector are perceived as one of many important, but nevertheless, peripheral problems that stand apart from the main directions of economic science - state market regulation, the formation of market structures and their development in the conditions of globalization [4]. But in the context of these problems, the relationship between the state and the banking sector is of strategic importance.

The experience of other countries shows that the countries interested in supporting their banking sector become active participants in economic relations in the world market and ensure the economic security of the country at a decent level [6].

According to Harbarinina V., «the successful development of partnership relations between the state and the banking sector as a mechanism for intensifying investment activity and attracting private investments in strategically important for the state areas is possible only if the balance of interests of the state and the banking sector is ensured. This requires the introduction of a new conceptual framework for state regulation of the issue of cooperation between the state and banks as private investors in the implementation of investment projects and an appropriate model, which provides for the return on public investment, the generation of investment resources for further financing of investment projects, the realization of national priorities and generally targeting the focus on the capitalization of the economy and public goods» [2].

The institutional framework of the mechanism of partnership between the government and the banking sector includes a set of interrelated elements:

- the goal and objectives set and solved jointly by the government and the banking sector;
- the sphere and areas of their mutual interests;
- forms and ways of cooperation between the state and the banking sector;
- the powers of each of the parties, that is, their rights and obligations, which are primarily related to the division of property rights that serve as the institutional basis for their interactions;

- mutual responsibility for adherence to the established rules of the game and a measure of responsibility for their violation for one reason or another and the confidence of these entities to each other in the context of the goals and objectives of partnership, that is, the principles of partnership.

It should be noted that the mechanism of interaction between the state and the banking sector and the mechanism of their partnership should not be identified. The first one is much broader and includes the second one.

Serving the needs of the real sector of the economy is a strategic perspective for the development of the country's banking system. However, forcing the development of relations with real production is unacceptable, as it will lead to an accumulation of internal problems and a new banking crisis. The fundamental approach in the process of developing the operations with enterprises and organizations is that the stability of the banking system should not be reduced. Appropriate conditions and incentives are needed to develop banks and the real sector. The important reason for deterring credit operations is the high risk. It should be noted that the creation of a favorable «credit climate» is one of the main tasks for the state at the current stage of transformation of the banking activities.

First of all, this is a series of legislative decisions. The development of credit activity of banks will be facilitated by the adoption or modern revision of the whole block of laws: on bank credit, on collateral, on state archive of credit histories, on bank holdings, on composition of expenses included in cost of products (works, services) and the order of formation of financial results. that are taken into account when calculating the tax base, including credit institutions. In the future, it is anticipated to develop and adopt the Banking Code. This cumulative document will bring together the laws functioning and define the legal field of activity of the banking sector. Undoubtedly, the Banking Code will help to restore the banking sector of Ukraine.

Conclusions and prospects for the further research. Therefore, the institutional basis of the mechanism of partnership between the government and the banking sector includes a set of interrelated elements: the goal and objectives that are set and solved jointly by the government and the banking sector; the sphere and areas of their mutual interests; forms and ways of cooperation between the state and the banking sector; the powers of each of the parties, that is, the rights and obligations stipulated by them, related primarily to the division of property rights, which serve as the institutional basis for their interactions; mutual responsibility for compliance with the rules of the game and the degree of responsibility for their breach for one reason or another and the confidence of these entities in each other in the context of the stated goals and objectives of the partnership, that is, the principles of partnership.

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Стаття надійшла до редакції 05.02.2020.