

**Ministry of Education and Science of Ukraine  
Chernihiv National University of Technology (Ukraine)  
Ptoukha Institute for Demography and Social Studies  
of the National Academy of Sciences of Ukraine  
Scientific-Research Centre of Industrial Development Problems  
of the National Academy of Science of Ukraine  
Ivano-Frankivsk National Technical University of Oil and Gas (Ukraine)  
NGO «Chernihiv European» (Ukraine)  
Vienna University of Economics and Business (Austria)  
Academic Society of Michal Baludansky (Slovakia)  
Technical University of Kosice (Slovakia)  
University of Central Europe (Slovakia)  
University of Mishkolts (Hungary)  
Warsaw Management University (Poland)  
Tsenov Academy of Economics (Bulgaria)  
Sokhumi State University (Georgia)  
Batumi Shota Rustaveli State University (Georgia)  
Batumi Navigation Teaching University (Georgia)  
Fil. Dr. Jan-U. Sandal Institute (Norway)**

**UKRAINE – EU.  
MODERN TECHNOLOGY,  
BUSINESS AND LAW**

*APRIL 3–8, 2017*

*SLOVAKIA-AUSTRIA-HUNGARY*

**COLLECTION OF INTERNATIONAL SCIENTIFIC  
PAPERS**

**PART 1  
MODERN PRIORITIES OF ECONOMICS  
SOCIETAL CHALLENGES**

Chernihiv 2017

UDK 330(477)+330:061.1ЄС(08)

U31

Published by Academic Council Decision of Chernihiv National University of Technology (Protocol № 3, February 27, 2017). The Collection has been included into the international scientometric database eLIBRARY.RU.

**Ukraine – EU. Modern Technology, Business and Law** : collection of international scientific papers : in 2 parts. Part 1. Modern Priorities of Economics. Societal Challenges. – Chernihiv : CNUT, 2017. – 190 p.

ISBN 978-966-2188-73-8

The collection includes abstracts of the Third international scientific and practice conference «Ukraine – EU. Modern Technology, Business and Law». (Part 1. Modern Priorities of Economics. Societal Challenges).

The actual issues and aspects of collaboration between Ukraine and European Union in economic and social spheres are highlighted. The priority directions, innovative approaches and modern views on the prospects of the development of economics, social work, philosophy, psychology and sociology are considered.

The publication is oriented on scientists, academicians, postgraduates, students and people who are interested in the prospective collaboration between Ukraine and European Union.

Збірник містить тези доповідей Третьої міжнародної науко-практичної конференції «Ukraine – EU. Modern Technology, Business and Law» (Частина перша. Сучасні пріоритети економіки. Соціальні виклики).

Висвітлено актуальні питання та аспекти співпраці між Україною та Європейським Союзом у економічній та соціальній сферах. Розглянуто пріоритетні напрями, інноваційні підходи та сучасні погляди щодо перспектив розвитку економіки, соціальної роботи, філософії, психології та соціології.

Видання орієнтоване на науковців, освітян, аспірантів, студентів та людей зацікавлених перспективами співпраці між Україною та Європейським Союзом.

**UDK 330(477)+330:061.1ЄС(08)**

***Chief Editor:***

**Andrii Shevtsov**, Doctor of Pedagogical Sciences, Professor

***Deputy Chief Editor:***

**Serhiy Shkarlet**, Doctor of Economics, Professor

***Editorial Board Members:***

**Ella Libanova**, Doctor of Economics, Professor

**Liliana Horal**, Doctor of Economics, Professor

**Dmytro Dzvinchuk**, Doctor of Philosophy, PhD in Public Administration, Professor

**Mykola Kyzym**, Doctor of Economics, Professor

**Michal Varchola**, Doctor of Sciences, Professor

**Miroslav Badida**, Doctor of Sciences, Professor

**Jozef Mindiash**, Doctor of Sciences, Associate Professor

**Pawel Czarnecki**, Doctor of Sciences, Professor

**Ivan Marchevski**, Doctor of Economics

**Larisa Takalandze**, Doctor of Economics, Professor

**Ketevan Goletiani**, Doctor of Technical Sciences, Professor

**Natela Tsiklahsvili**, PhD in Economics, Professor

**Badri Gechbaia**, Doctor of Economics, Associate Professor

**Jan-Urban Sandal**, Doctor of Philosophy, Professor

ISBN 978-966-2188-73-8

© Chernihiv National University of Technology, 2017

**Alona Revko**, PhD in Economics,  
Honorary Research Fellow Fil. Dr. Jan-U. Sandal Institute, Finstadjordet, Norway  
Chernihiv National University of Technology, Chernihiv, Ukraine

**INVESTMENT POTENTIAL OF HOUSEHOLDS IN THE REGIONS OF UKRAINE  
IN THE CONTEXT OF EUROPEAN INTEGRATION PROCESSES**

Financial activities and, consequently, the amount of available investment potential of the population, which can be considered as an important source of human development, depends on what amount of financial resources remains at the disposal of households after satisfaction of their basic needs.

The investment potential of the population is available financial resources of households (first of all savings) that can be transformed into investment resources. It should be taken into account that essential condition is wants and willingness of the population to invest.

Many factors affect the propensity of the population to save. It lies in the ratio between income, expenditure, consumption and savings.

The five main problems impeding the development of the investment potential of the population can be identified in Ukraine today. They are the following:

- 1) lack of domestic investment resources in the households;
- 2) retarded the development of the securities market;
- 3) an insufficient level of coverage of the population financial services;
- 4) low level of population's confidence to financial and banking system;
- 5) significant scale of stratification of the population by the level of current income.

The economic crisis has exacerbated the sharpness of the problems mentioned above. Today, without their solutions we cannot talk about human development and modernization of the economy at all [1, p. 209-210].

In the conditions of new quality of human development in the region, based on the needs of the innovation economy, the money income of households as the basic investment resources should be considered in two-component measurement:

- Firstly, as one that provides simple reproduction (the expenditures of food, clothing, shelter, safety, i.e. for satisfaction of basic needs of life);
- Secondly, the ability to serve as a measure of investment in human development.

Nowadays, discussion about the role of wages in the country economy are becoming more and more important. At the national level the final result of increasing or decreasing wages depends on the direction and relative magnitude its impact on the consumption and investment of the households. In the euro zone wages play a crucial role as a crucial component of the overall strategy to combat poverty and inequality. Therefore, wages are the reflection of the living standards and welfare of the population.

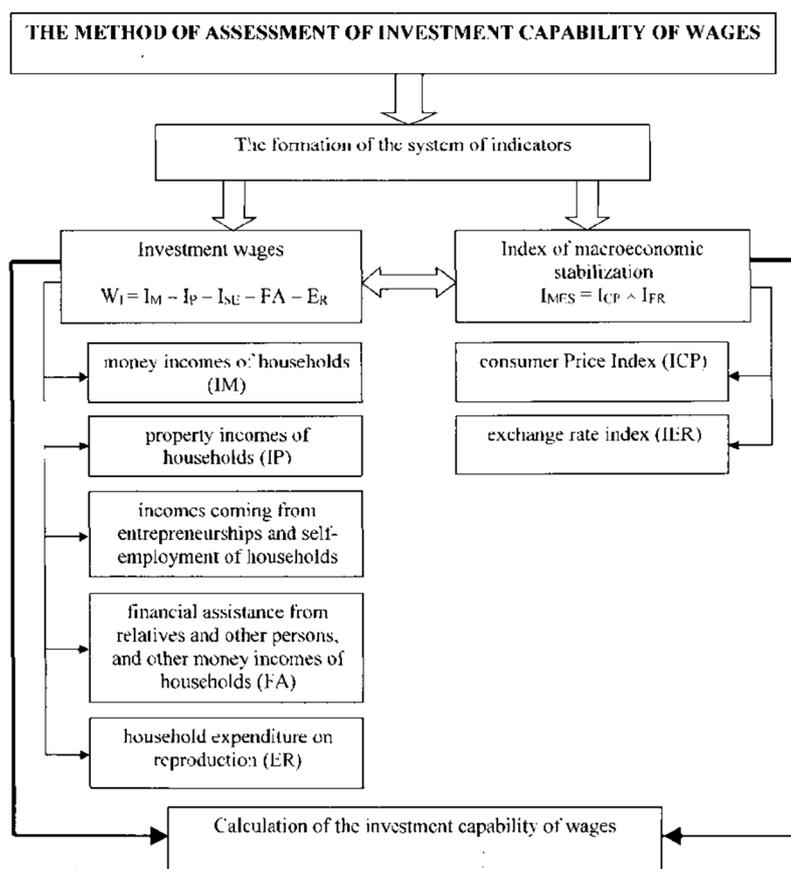
According to it, the main measure of investment potential of the population, in our opinion, is wages of the population in the regions of Ukraine. In particular, its components, such as the expenditures which direct to the construction, purchase of durable goods and home appliances, as well as savings [2, p. 102].

We have developed the author's method to assess the impact of wages on the formation of investment potential of household in the regions of Ukraine and some European countries. It is based on the use of indicators characterizing investment capacity of wages in the European region (pic. 1).

Indicator of investment capacity of wages allows to investigate how the investment component of wages is changed in the structure of household incomes. This component can be directed to the formation of an investment potential of household in the regions of Ukraine.

The calculation results of integral indicator of investment capacity of wages in some European countries in 2010-2012 (average per month per household in terms of USD) are shown that in 2012, the investment capacity of wages in some European countries has ranged from 177.18 USD in Bulgaria to 604.30 USD in the Czech Republic. During 2010-2012. in the Czech Republic and Poland, a decrease of this indicator by 12.9% and 9.5% respectively, but it remains at a much higher level than in Ukraine [2, p. 244].

The research of investment capacity of the population of European region gives the reason to conclude that the level of investment capability of wages in Ukraine lags far behind European and other developed countries that have the same transformational opportunities. This shows the limited financial resources of Ukraine's households and lack of propensity to invest in human development [3, p. 108].



*Pic. 1. The algorithm estimates the investment capability of wages\* developed by author*

Increasing the investment potential of households as sources of forming human development and economic modernization should be done by:

- 1) decreasing of economically unreasonable differentiation in incomes of the population;
- 2) advancing growth of employment incomes as the main source of income and investment resources of households;
- 3) development schemes of attracting funds targeted at different segments of the population [4, с. 214, 216].

The direction of our country for integration into the European community requires new approaches towards the use of economic tools and especially the human development as a determining factor of innovation and investment development of the state and its regions. Only effective reforms in Ukraine can guarantee the formation of the investment potential of households and strengthening financial position of the country in the international arena.

### References

1. Людський розвиток в Україні: соціальні та демографічні чинники модернізації національної економіки (колективна монографія) / [Лібанова Е. М., Макарова О. В., Курило І. О. та ін.]; за ред. Е. М. Лібанової. – К. : Ін-т демографії та соціальних досліджень ім. М.В. Птухи НАН України, 2012. – 320 с.
2. Бутко М.П., Ревко А.М. Соціальні імперативи якісного розвитку продуктивних сил регіонів України : монографія / М.П. Бутко, А.М. Ревко; під заг. наук. кер. д-ра екон. наук, проф. М.П. Бутка. – Чернігів : Черніг. нац. технол. ун-т, 2016. – 276 с.
3. Revko A. The Role of Human Potential for Sustainable Development in Chernihiv Region, Ukraine / Revko A. // *Studia Periegetica* : Wydawnictwo Wyższej Szkoły Bankowej, Poznan, Poland, №1(15), 2016. – р. 89-103.
4. Інституційні засади формування економічної системи України : теорія і практика / За ред. З. Ватаманюка. – Львів : «Новий Світ-2000», 2005. – 648 с.