MENTAL DETERMINANTS OF DEVELOPMENT OF THE NATIONAL ECONOMY OF UKRAINE

Urgency of the research. For the economic development of any country is important to consider not only economic and political factors, but also the mental features. The need for their identification and study of the impact on the economic system determines the relevance of the research topic.

Target setting. National economic mentality is a basic informal institution formed under the influence of a specific retrospective of the objective natural-geographical and anthropogenic conditions of the nation’s life, which have a significant effect on the prospects of the development of its economic system. The strategy of transforming the structure of the national economy of Ukraine should be based on the peculiarities of the mental determinants of its development. In this context, focus on the successful model of social and economic reforms borrowed from foreign experience can lead to devastating consequences.


Uninvestigated parts of general matters defining. There is a certain scientific vacuum in the field of study of methodological and applied aspects of the knowledge of the peculiarities of the influence of mental determinants on the process of transformation of the structure of the national economy.

The research objective. The purpose of the article is to identify and justify the mental determinants of Ukrainian society to determine their impact on the structure of the national economy.

The statement of basic materials. The article substantiates the importance of taking into account the mental features of society, for the development of the national economy on the basis of a gradual transformation of its structure to an optimal level. In particular, the economic mentality: features related to economic processes, but which by its nature is part of the general mental characteristics of the nation. Among other mental determinants are those that have the greatest impact on economic activity: individualism, paternalism, materialism, economics and anti-oligarchism.

Conclusions. Measures of structural policy of the state in support of certain sectors of the national economy should take into account the existing mental determinants of economic development.

Keywords: national economy; structure of national economy; economic mentality; mental determinants; ethnometry.
Urgency of the research. Problems of development of national economy of Ukraine during the whole period of independence, and especially today, is very difficult. The chaotic reform of property relations, the speed of changes in the main lines of economic reforms, the symptomatic steps to choose the vectors of foreign economic integration, the tense relations with the international regulatory structures (first of all - with the IMF), significantly impede the process of moving towards sustainable positive changes in the national economy. The tensions in the socio-economic situation in the country are aggravated by the recent subjective factors, connected with the annexation of the Crimea and the conflict on the East of Ukraine, as well as the aggravation of the demographic situation, due to the activation of the latent migration of the able-bodied population (especially young people) to the EU countries. However, appealing only to economic and political factors, state-building efforts and attempts to introduce borrowed models of reforms may be a dead end option reforming Ukraine’s economy, without taking into account the specific economic mentality of the population.

Target setting. The development of the national economy is under pressure from a number of factors of different nature, which cannot be taken into account and countered by what is impossible in the modern world. The set of such factors should include the mental determinants of socio-economic development of society, which are objective and together constitute its uniqueness. The mental determinants of society affect all areas of its functioning. The economic system in each country is partly under pressure from these factors, as it affects the behavior of its citizens, decision-making processes by business executives and government officials. The mental space of a nation is formed by a long historical period and is subject to change only in the long run. This position allows us to conclude that the structure of the national economy should be formed taking into account features of mental factors inherent in each particular country. This convergence between mental and economic space society can achieve the desired parameters of the socio-economic development.

Actual scientific researches and issues analysis. The mental features of the functioning of societies and their impact on economic development are discussed in scientific works Artemenka A., Bojko O., Bondarenko O., Vukolovoyi T., Gajdaj T., Kornyeyevoyi T., Ny`lovoyi N., Pruts`koyi O., Prushkivs`koyi E. and other scientists. Only in a small number of scientific works are considered issues of knowing the peculiarities of the influence of mental determinants on the development of the national economy from the standpoint of transformation of its structure. Features of the correlation between basic mental characteristics of society and the development of individual sectors of its economy displayed fragmentary.

Uninvestigated parts of general matters defining. Despite existing scientific achievements in the study of the impact of mental factors on the structure of the national economy, currently there is no clear list of them, or scientific and methodological principles take account of their impact on the process of transformation. Therefore, the issue of identification and substantiation of the mental determinants of the development of the national economy requires a separate study.

Uninvestigated parts of general matters defining. The purpose of the article is to identify and justify the mental determinants of Ukrainian society to determine their impact on the development of the national economy.

The statement of basic materials. The development of the national economy based on a gradual transformation of its structure towards rationality and optimal level is the condition for the prosperity of the nation. Realizing the reform of the national economy through revolutionary measures, as the experience of Ukraine shows, is a complicated task. Adapting the world experience of reform is often ineffective. While their own reform models often produce positive effects, even the reformers themselves do not expect them. This situation emphasizes the importance of conforming reforms to the mental characteristics of the nation.

The mentality of the nation can be described by applying the method of observation and description of the basic features of the cultural development of society. As for economic mentality, attention is concentrated on those mental aspects that directly affect economic processes, but by their nature, are part of the general mental determinants of the nation. National economic mentality is a basic informal institution that is formed under the influence of a specific retrospective of the objective conditions of Ukraine.
the nation's life: 1) natural geography; 2) anthropogenic, which collectively determine the nature of formal institutions that affect the prospect of socio-economic development of the country.

The totality of elements of economic mentality can be legitimately defined as: Values and motivational guidelines; Stereotypes of consumption; Norms and models of social interaction; Propensity to individualism or collectivism in management; Attitude to labor and wealth; Perception of foreign experience; Propensity to integrate into the world economic space; Level of economic confidence; Individual and collective attitude to power. It should be noted that in economics there are separate ethnometric methods for measuring the degree of objective influence of mentality on the development of the national economy. Ethnometry is the direction of ethno-social studies that analyzes the mental characteristics of various ethnic groups using mathematical methods. Its actual founder Geert Hofstede, who started using the technique of quantitative measurement values for identifying the structure of different cultures and values of their constituents. By analyzing the results of surveys that were conducted in different countries and among different corporate groups have been allocated five (later added a sixth) measurements, which can be characterized mentality: 1) the distance of power. Groups where this option is high granted perceived unequal access to power and authoritarian management style. For groups with low power distance, typical of a collective decision-making; 2) Individualism - collectivism. Characterizes the parameter that is responsible for the degree of integration of the individual. Typically, the parameter of individualism is characteristic of societies with a high standard of living; Collectivism, respectively, with a low, corresponding to historical logic; 3) masculinity - femininity. For masculine societies characterized by more rigid, competing, risky values, for feminine - more humane, restrained, safe; 4) rejection of uncertainty. Characterizes the relation to non-standard and unpredictable situations. With a high parameter, the group tries to minimize such cases, through rigid laws and norms, or religious-philosophical concepts. Low, on the contrary, allows you to proceed more effectively from such situations; 5) long-term - short-term orientation. Ability to work for the long term, without getting instant results. In the other case: the ability to solve urgent, tactical tasks, neglecting strategic goals; 6) permission - restraint. Characterizes the ability to enjoy life, to remove psychological and physical stress [5; 6]. For clarity, we suppose an example of using ethnometry to measure the impact of economic mentality on the development of individual countries (Tab. 1).

Table 1

<table>
<thead>
<tr>
<th>Indexes/ Their interpretation</th>
<th>PDI (Measurement of distancing power)</th>
<th>IND (Measurement of distancing power)</th>
<th>MAS (Measurement of distancing power)</th>
<th>UAI (Measurement of distancing power)</th>
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<tr>
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<td>18</td>
<td>63</td>
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<td>76</td>
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<td>Kazakhstan</td>
<td>73</td>
<td>42</td>
<td>52</td>
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* Source: generalized by the author on the basis of content analysis of international studies and using data for [6]

The GLOBE (Global Leadership and Organizational Behavior Effectiveness Research Program) expands the concept of ethnometric research. In particular, the program developed by R. House examines the relationship between national and organizational culture. There are already nine characteristics: avoidance of unpredictability, distance of power, individualism, gender egalitarianism, long-term orientation, humanistic orientation. The methodology of another global study on cross-cultural relations — WVS (World Values Survey) provides two pairs of indicators: "traditional values — rationalistic values" and "sustainable values — values of survival". These indicators are integrative in relation to the two above-mentioned methods. In addition, Fons Trompenaar developed an influential ethnometric concept, which identified seven scales of assessment: universalism — particularism, individualism — collectivism, specific — diffusion, neutrality — emotionality, achievement vs. ascription, sequential — time [12].

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Based on the presented methodological approaches, will try to describe briefly the general mental traits Ukrainian society, and focus on the ones that can influence the transformation of the structure of the national economy. The structure of the national economy, as well as the mental field of its formation, have changed significantly over the last century. Such transformations have contributed to the development of Ukrainian society. The Soviet period gave a powerful impetus to undesirable changes in the structure of the Ukrainian economy and to the modification of the mentality of its population, taking into account the growth of generations of citizens based on a new ideology (communist and partokratism). The consequences of this situation are felt even now.

Note that the individual results of the research of the mental traits of Ukrainian society are rather contradictory. In particular, A. Artemenko observes that respect for the work as a source of material well-being and the value of human life is a principled principle for Ukrainians; Labor justification of inviolability and property rights; Rather mercenary perception of wealth; Detached-critical attitude towards the rich; A realistic-dual attitude to money, generating both good and evil [1, p. 227]. O. Bondarenko in the study of the socio-cultural process in Ukraine notes that unfortunately, among the population of modern Ukraine there are psychological obstacles to the acquisition of the features and qualities inherent in the modern European economic mentality [2, p. 318]. N. Novikova concludes that the following systemic features are inherent in the Ukrainian mentality: the introversion of higher mental functions in the perception of the surrounding reality, the cordocentrism, the superiority of the emotional-sensory over the will and the intellect, the superiority of moral being over the intellectual in relation to existential significance; Anarchistic individualism; Inferiority [4, p. 31]. O. Prutskaya also emphasized that such a position is partly supported by the scholar, and that systematic violence of the totalitarian society and authoritarian education led to passivity, internal lack of freedom, irresponsibility, lack of law-abidingness, and the tendency to live not according to the laws, but according to informal rules. The totalitarian past contributed to the consolidation of trends in paternalism, equalization, the prevalence of vertical ties, a large distance from power, the lack of feedback function in management [8, p. 12]. Indeed, the outlines of the mentality of the development of Ukrainian society to a certain extent influence the functioning of the economic system and, as a result, its transformation. We’ll try to identify the mental economic determinants of Ukrainians.

1. **Individualism** - all scientists are inclined to believe that the Ukrainian individualists is that in most cases interact within their family quite often engaging in various (even political) groups, collectives, etc. With the feature of individualism correlates a sign of kinship that is inherent in Ukrainian society. This characteristic of most citizens of our society is also confirmed by the low level of interaction between Ukrainians, a small number of effectively functioning social entities, the disorganization of people, and their reluctance to join different associations, even for the benefit of their own communities. This led to a significantly weaker workforce in the country compared with other states and the role of the trade unions system.

2. **Paternalism** is a feature of Ukrainian society, which was formed in the Soviet period and is now actively cultivated in society. Paternalism by its nature is a sense of the person that the state must protect it and provide an appropriate level of satisfaction of material goods and social guarantees. In the Soviet period, when basic social services were provided free of charge and financed exclusively at the expense of the state, it was easier to follow such a model, although the quality of the identified services did not always correspond to an adequate level. However, with the transition to the market, the outlined system began to fail, the main reason for which was the critical lack of financing of the social sphere, which cannot be super-profitable. Of course, there are alternatives in the form of individual insurance programs, however, for most citizens are inaccessible because of their value [4, p. 3].

3. **Materialism** -- despite the low level of socio-economic development of Ukraine, the lack of opportunities for citizens to secure their own future through life insurance and pension accumulation mechanisms, Ukrainians by their very nature are materialists who tend to use funds to purchase durable goods (usually imported production). This gives grounds for asserting that the Ukrainian is more concerned about the present, rather than the long-term prospect. Such a feature is quite threatening in terms of economic development. Indeed, as I. Pasinovich notes, we are a country that actively sells...
and produces little. Stimulating domestic demand without development of production will lead to an even greater increase in imports and deterioration of trade balance [8, p. 33].

4. Thriftiness - although Ukrainian by nature is material, it buys modern equipment, but it also lays down part of its wealth. Savings are one of the key features of Ukrainian society. However, such a position does not have a positive impact on the pension and medical provision of citizens. However, citizens’ savings in Ukraine are the main source of the formation of a passive base for commercial banks, which allows them to further develop investment and credit operations.

5. Anti-oligarchism is a new feature of Ukrainian society transformed from the Soviet approach to the condemnation of the bourgeoisie. Oligarchism as a phenomenon was formed in Ukraine in the 90 years of the twentieth century. By purchasing small amounts of attractive enterprises, the oligarchs accumulated considerable resources for the further development of their own business, not always using legitimate methods of accumulation of capital. This led to a negative attitude towards the oligarchs in the Ukrainian society, although a significant number of people have jobs at their enterprises. The negative attitude towards this group of citizens prevails, which is also conditioned by the fact that for a long time the state was guarding the interests of wealthy people, neglecting the rights of vulnerable groups of people, which only deepened the psychological gap between these categories of the population.

I. Pasinovich says that the Ministry of Economy for a long time was an agency that was guarding the interests of large enterprises - metallurgical, chemical, and machine-building. As a result, Ukraine gradually turned into a backward country in the economic sphere, which exported mainly raw materials [8, p. 32]. As a result, the ineffective structure of the national economy, one of the reasons for which is a significant level of oligarchization of the Ukrainian economy.

6. Distrust of the state - Ukrainians totally do not trust the state in the face of state authorities. Such a situation may be related to the Soviet period, which formed the emergence of such negative inclinations of citizens to theft of state property, neglect of established rules in the economic sphere, the possibility of solving problems in an informal way, etc. The society has a stereotype that the state is ineffective, it tries to deceive citizens, among officials who go to the public service for the sake of enrichment, corruption flourishes. By contrast, ordinary citizens, if possible, try not to comply with established rules and violate legislation, which is not properly enforced by public servants.

The distrust of Ukrainians towards the state has reached critical levels, as citizens do not have faith at all in the ability of state authorities to implement truly important reforms in the state. In particular, the Razumkov Center conducted a sociological survey of Ukrainians in order to find out their attitude towards raising the minimum wage to 3200 UAH. From 01.01.2017 [8]. The relative majority of respondents (38.4%) believed that the minimum wages would be raised. A quarter of the respondents (25.2%) claimed that the minimum wages would be raised, but less than planned. 13.7% - were convinced that the minimum wages would not be raised, and 22.7% hesitated to answer. The results of the survey confirm the low level of public confidence in the state, which is threatening to implement economic reforms.

7. Diligence is a feature that permeates all Ukrainian society and has deep historical roots. Despite the years of Soviet power, which partially contributed to the emergence of a negative attitude towards the work of citizens, the strengthening of the formal approach to fulfilling their duties, etc., the Ukrainian nation is always a natural tendency to entrepreneurship and work for their own well-being. Even today, in spite of numerous economic and regulatory difficulties, there is a small business in Ukraine, and there are new projects in this area every year. Taking into account that the Soviet authorities destroyed a large number of entrepreneurs who worked in cities, villages, and their estates were nationalized, yet the spirit of entrepreneurship of Ukrainians is reviving. Diligence for Ukrainians correlates with the inherent genetic level of housekeeping, which has deep historical roots. Ukrainians are accustomed to working on the earth, wanting to be its owners and, if possible, work for themselves. Therefore, representatives of the diaspora in Canada are convinced that their regeneration due to their agro-industrial complex is due to Ukrainians. In addition, the Ukrainian is a universal in the performance of professional duties, which easily mastered several adjacent professions, in difficult situations, is able to find a solution [11, p. 40].
Conclusions. Consequently, of all identified mental determinants, we selected five of them, which in our opinion are most likely to contribute, with their consideration, to the process of development of the national economy and the transformation of its structure; individualism, paternalism, materialism, thrill and anti-oligarchism. The influence of such features is purely conditional, since in quantitative terms it is difficult to calculate it, even using modern ethnometric techniques. However, according to our deep conviction, any state policy measures that have an impact on the change in the structure of the national economy through the support of certain sectors and sectors of the national economy should be focused on the specificity of the mental determinants of the nation. The proposed approach will allow improving of the scientific and methodological basis for conducting socio-economic reforms in Ukraine.

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