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## **LIBERALIZATION OF ENTREPRENEURIAL ACTIVITY IN UKRAINE**

**Articulation of issue.** Entrepreneurial activity provides bases for economic and social growth, solving of social issues, poverty reduction and providing of high living standards for citizens.

That is why every country has high priority issues, such as creation of appropriate conditions for development of amenable to Government business, socially responsible business, focused on solving of ongoing or long-term business issues.

Such business activity foresees solving of great number of difficult tasks, controversial problems based on interests' disagreements between government and local states and also activities of different socio-economic groups.

**Releases and research analyses.** Liberalization's problems of entrepreneurial activity and entrepreneurial development had been researched by great number of local scientists, who discovered social, integrational, institutional problems of current issue. These scientists are Amohsa O., Gayduk V., Grin'ko T., Daciy O., Korolivska N., Lyapin D., Malchik M., Melnikova M., Osadcha N., Pavlenko I., Sazonetc I., Yastrems'ka O. etc.

**Highlighting of unsolved issues of general problem.** Nowadays, in Ukraine entrepreneurs close their small and big businesses. Big companies make optimization of workers numbers. In its turn, this process negatively reflects on the

job market and jobless rate. National scientists made a great research of problems which deals with authorization system of Entrepreneurial activity, control of current activity, questions due to the business taxation.

We have to note, that authors didn't study following questions that deal with social safety of entrepreneurs and providing of pension for them.

The aim of this article is the research of scientific works due to the liberalization of entrepreneurial activity.

**Introduction.** Quest for personal liberty was peculiar to all nations in all the times. Meaningful liberal movements appeared at the Age of Enlightenment, in France, England and colonial America. Adam Smith developed a theory that existence of moral life and economic activity is possible without Government directions and that all nations which may express their own initiative are the most powerful and strongest ones. He called to bring the end of the feudal and mercantilist system, patents and monopolies which were appeared because of the Government patronage. In the "Theory of moral feelings", 1759, he developed motivation theory that merges finance interest with uncontrolled social order [1]. In his work "Research of nature and reasons of Wealth of Nations" (1766), Adam confirmed that due to current conditions, free market may carry out self-regulation and may achieve more productivity, then market with lots of limits [2].

**Presentation of main research material.** Liberalization of entrepreneurial activity is the one of main condition of its stable development. In common, Liberalization is an issue of stepping-up of economic liberty, the liberty of all kinds of business entities of any forms of governments, ease or minimization of political, juridical and administrative restrictions of private initiative [3]. Mr. Gayduk V. makes following conclusions due to the liberalization of entrepreneurial activity: state policy has to provide improving contribution of business environment in which representatives of small business work.

Priority tasks:

1. Liberalization of entrepreneurial activity in Ukraine and minimization of regulatory role of State.

2. Providing of transparent and consistent regulatory environment by implementation of Legislation of Regulatory Policy. There is a great disadvantage for business, that Legislation has double representation that is used by persons who check the business.
3. Review and reducing of tax concessions and merging of all social funds into the common one for balancing of taxation system and social transfers.
4. Improvement and accepting of Internal Revenue Code.
5. Creation of effective system of public administration though the disclosure of local authorities.
6. Lodging of security of a right of ownership by means of legislation improvements in current sphere and creation of out-of-court remedial devices of ownership legislation, control for authority's activity and governmental institutions [4]. Mr. Gayduk gives pride of place to creation of social funds and balanced social transfers that consist of pension contributions.

Mr. Lyapin notes that theoretically state policy is defined as “a unity of contest, forms and methods of execution of public authority in specific field of state activity. Also it has certain characteristics of independent existence, homogeneity and repetition. Any judicial, civilized government implements its policy by means of legal regulations. From another hand, inconsistency and mutual action contradictory of a state or government allows to confirm, that Ukraine doesn't have state policy due to the economic and small business development [5].

Mrs. Korolevska notes that entrepreneurship needs relevant linearization and improvement of regulatory state policy simultaneously with incitement of innovative enterprise activity. It will give a great opportunity to provide totally new conditions for development of small and big businesses, and create principles for their future strategic and innovational growth.

Due to it, all small businesses may direct their activity basing on the technical and technological growth of big businesses with postindustrial developing economy. There are following main directions and significant steps of liberalization of entrepreneurial activity:

- improvement of permitting activities of business environment
- improvement of the system of public administration by means of administrative control, providing of transparent and open checking procedure into the business environment, changing over to implementation of prevention measures in order to create a control.
- to grow a role of technical control in the safety system of internal market and improving of standardized system due to EU's and international requirements.
- Optimization of tax burden and creation of favorable financing conditions and financial credit policy that satisfies the conditions of development of business activity in Ukraine.
- Providing of State support of export business of enterprise.
- Infrastructure formation of enterprise support, stimulation of investment or innovational processes [6]. In directions that were proposed by Mrs. Korovelska, there is no social dimension of liberalization of entrepreneurial activity.

**Conclusions:** on the bases of the study, analysis and thoughts of soviet scientists we may make following conclusions:

1. Liberalization and development of entrepreneurial activity are the most important directions for improving of economic system and economic growth in Ukraine.
2. National scientific economic school formed identical opinion for directions of liberalization of entrepreneurial activity.
3. Widen social dimension on the process of liberalization of entrepreneurial activity, we always have to take into consideration the importance of scheme realization of pension coverage for the enterprises. Enterprises are the people that create a group of employees who depend from market and stoking system of pension coverage. Problems of pension coverage of enterprises haven't solved yet, even in the advanced countries. That is why it is important to solve these problems very carefully in the fields of science and legislation.

### **Booklist**

1. Adam Smith. “Theory of moral feelings”. – M.: Respublika, 1997. – (Volume: Library of ethnic opinion) – 352 p.
2. Adam Smith. Research of nature and reasons of Wealth of Nations. – M.: Eksmo, 2007. – (Volume: Anthology of economic opinion) – 950 p.
3. Saks D . Market economy. – M.: Infra – M., 1994.
4. Gayduk V., Estimation of modern level of economic growth and problem of competitive Ukrainian enterprises / Gayduk V.// Effective economy: online business publication. – 2010. – № 4 [Online course]. – <http://www.economy/nauka/com>.
5. Lyapin D. Liberalization of economy and growth of small enterprise in Ukraine/ Lyapin.D. // Visnuk KNTU : – 2009. – № 5. – p. 66–74.
6. Korolevska N. Directions of development and liberalization of enterprise in Ukraine. / Korolevska N.D. // Management of projects and development of enterprise. – 2011. – № 3 (39). – p. 1 – 7.