

## AN IMPROVEMENT OF MANAGEMENT UKRAINIAN NATIONAL DEBT

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In the conditions of forming and functioning of market economy a role and value of such component of public finances as a national debt is increasing considerably. On the modern stage there is an increase of amount of debt instruments in control system by the national debt of Ukraine. For Ukraine by priority there must be the rational use of the borrowed money, especially from an external creditor, but not for the simple financing of precise needs and deficit of budget.

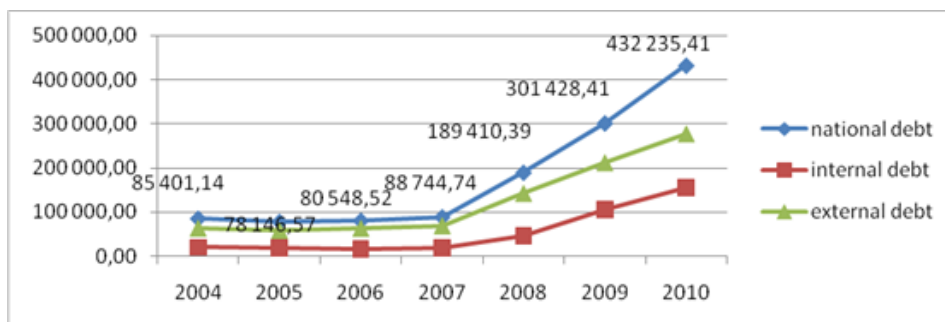
Such scientists investigated the theoretical and practical questions of national debt: V.A. Andrushhenko, O.I. Baranovs'kyj, Z.O. Ljutyj, O.V. Plotnikov, N.V. Zrazhevs'ka, Ja.V. Onyshhuk, V.V. Kozjuk, Ju.K. Aleksjejev et al [1, p.197].

The aim of writing this article is a study of the statistic estimation of indexes of national debt of Ukraine in the system of statistics of public finance. It requires the concordance of indexes of national

debt of Ukraine in comparison with the international standards; determination of influence of economic crisis on the policy of the state - debtor.

Reasons for formation of national debt are: deficit of the state budget; inexecution of obligations by the borrowers before creditors after loans under state guarantees; absence of the self-weighted promissory policy of the state; political instability [2, p.52-59].

The promissory method of coverage of deficit of budget in Ukraine began to be used from 1995. To this time a fiscal deficit was financed due to emission money by NBU that resulted in high inflation. On the modern stage of development of the promissory policy in Ukraine became more self-weighted, sent to non-admission of uncontrolled increase of national debt [3, p.24-26].

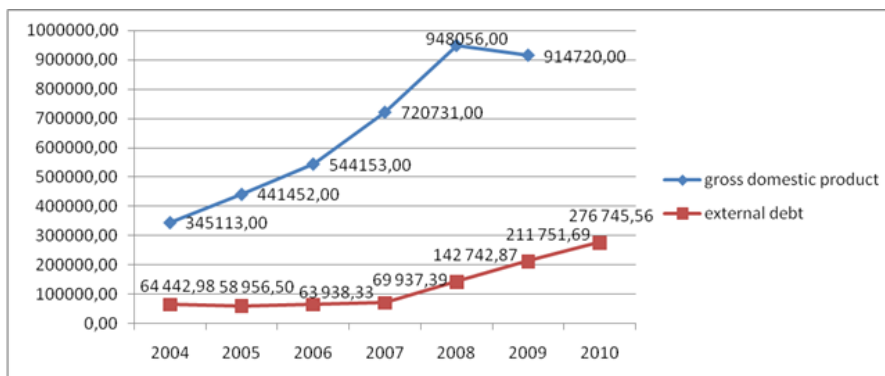


**Рисунок 1 – Dynamics of national debt of Ukraine, in mln.hrn.**

Source: Official site of Ministry of finance in Ukraine [5].

A level of Ukrainian national debt at the same time is high but is not critical. According to the international standards, critical size of debt of the state is under 60% of GDP. On 01.01.2010, a stake of debt in Ukrainian GDP was 33% [5].

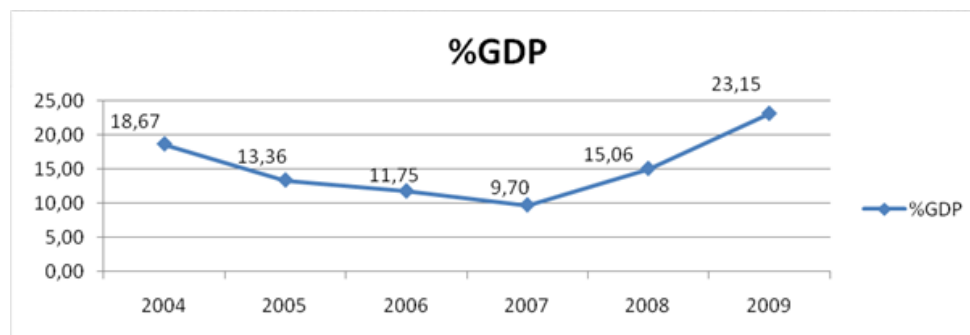
In Ukraine, there is a tendency of predominance of external debt kept above an internal debt. Due to the information of Ministry of finance of Ukraine from 2007, a national debt (pic.1) has significantly increased.



**Рисунок 2 – Dynamics of GDP and external debt, in mln.hrn.**

Source: Official site of State Committee of Statistics in Ukraine [5].

During an economic world crisis from 2007, part of the external borrowing grew almost by 2 times, and a percent from GDP of external debt grew almost by 3 times (9.7-23.15%). In 2008, a national debt grew on 100 milliard hryvnia, or more than 2 times (pic.2, pic.3). Thus, a national debt increased on all directions: external and internal debts. In a 1st half-year in 2009, a national debt grew and exceeded 218 milliard hryvnia, or in account of economists, every Ukrainian family was guilty about 10 thousand hryvnia after external obligations [4].



**Рисунок 3 – Dynamics of % GDP of external debt, in %**

*Source: Official site of State Committee of Statistics in Ukraine [5].*

We can compare the current use of external credits in 2004-2007pp., when promissory money was only consumed, with present time, then now basic directions of the use of the attracted external money in Ukraine are stabilizing the money-and-credit system (loans of International Monetary Fund), development of priority industries of economy and stimulation of development of small and middle business.

In our opinion, the range of problems is covered in determination of the combined size of debt obligations of the state. Today Ukrainian legislation doesn't have any special legal act that would determine the order of accumulation and state debt retirement. The current legislation does not foresee including the debt obligations of local authorities and state enterprises to the national debt. In world practice a national debt is the aggregate of obligations of a government, all public organizations, including the obligation of local authorities and obligation of enterprises of public domain. A debt does not include the state obligations from lost payments of citizens from depreciation of money economies, debt from social payments and deferred debt after payments to international organizations.

With the aim of improvement of management a national debt it is necessary:

- to accelerate consideration of Law's project of Ukraine "About a national debt";
- to retain the size of national debt in possible limits;
- to decrease a part of external debt in the structure of national debt;
- to start an account and analysis of the state's debt.

### **List of literature**

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