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FEATURES OF THE COUNTER-CYCLICAL POLICIES TARGET ORIENTATION DEFINING FOR THE UKRAINIAN REDISTRIBUTIVE ECONOMY

Abstract. The article deals with the necessity of revising the purposes of counter-cyclical government regulation for the Ukrainian economy. It is proved that Ukraine's economy tends to non-market ones, thus, to the redistributive economy of the X-type. The economic system of this type is characterized by the unstable macroeconomic equilibrium state, and the pursuit of economic entities to maximize profits leads to the increase in the total loss for the society. This means that the counter-cyclical regulation of the Ukrainian economy, which is aimed at achieving the return of a new macroeconomic equilibrium, drives the economic system into «the trap of crisis cyclicity». The cyclical behaviour acquires the character of «rocking vibrations», and the business cycle actually turns into a two-phase phenomenon of the «crisis-depression» type, which is not able to provide an updated translational motion with respect to the general trend of development. The «kick-out» of the economy from the trap is possible with the help of such counter-cyclical policy, which considers as the main objective not the achieving a new equilibrium point (in the framework of the existing state), but the transition of the economic system into a qualitatively new state. In this regard, the theoretical basis for counter-cyclical policy should not consist in the growth theory, but in the theory of evolution. Changes in the targeting of counter-cyclical policy mean its «greening», the pre-emptive usage of centralized methods (comparing with market methods), and the measured and cautious approach to the usage of conventional tools of counter-cyclical regulation inherent in the Y-economies. The continuous control of the economic system state and its degree of approximation to the X- or Y-type in order to determine the «shift point» gains the particular importance.

Keywords: counter-cyclical policy; industries with increasing and decreasing return; the equilibrium state of the economy; the X- and Y-economies; «trap of crisis cyclicity».

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ОСОБЛИВОСТІ ВИЗНАЧЕННЯ ЦІЛЬОВОЇ СПРЯМОВАНOSTI АНТИЦИКЛІЧНОЇ ПОЛІТИКИ ДЛЯ РЕДИСТРИБУТИВНОЇ ЕКОНОМІКИ УКРАЇНИ

Анотація. У статті охарактеризовано відмінності при встановленні рівноваги в ринкових та редистрибутивних економіках. Обґрунтовано, що економіка України тягнє до типу редистрибутивної Х-економіки, якій притаманна нестійка макроекономічна рівновага і збільшення сукупних втрат суспільства при прагненні суб'єктів господарювання до максимізації прибутку. Визначено основні напрями вдосконалення теоретико-методологічних засад сучасної національної антициклічної політики, що відповідають особливостям функціонування Х-економіки. Підкреслено, що зусилля держави, спрямовані виключно на відновлення порушеної макроекономічної рівноваги, несуть у собі загрозу «пастки кризової циклічності». Показано необхідність переходу економічної системи до якісно нового стану за допомогою релевантних форм та методів антициклічного регулювання.

Ключові слова: редистрибутивна економіка, антициклічна політика, рівновага, Х-економіка, Y-економіка, «пастка кризової циклічності».

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ОСОБЕННОСТИ ОПРЕДЕЛЕНИЯ ЦЕЛЕВОЙ НАПРАВЛЕННОСТИ АНТИЦИКЛИЧЕСКОЙ ПОЛИТИКИ ДЛЯ РЕДИСТРИБУТИВНОЙ ЭКОНОМИКИ УКРАИНЫ

Аннотация. В статье охарактеризованы отличия при формировании равновесия в рыночных и редистрибутивных экономиках. Обосновано, что экономика Украины тяготеет к типу редистрибутивной Х-экономики, которой присущи неустойчивое макроэкономическое равновесие и увеличение совокупных потерь общества при стремлении субъектов хозяйствования к максимизации прибыли. Определены основные направления совершенствования теоретико-методологических основ современной национальной антициклической политики, которые соответствуют особенностям функционирования Х-экономики. Подчеркнуто, что усилия государства, направленные исключительно на восстановление нарушенного макроэкономического равновесия, несут в себе угрозу «ловушки кризисной цикличности». Показана необходимость перехода экономической системы в качественно новое состояние с помощью релевантных форм и методов антициклического регулирования.

Ключевые слова: редистрибутивная экономика, антициклическая политика, равновесие, Х-экономика, Y-экономика, «ловушка кризисной цикличности».

Introduction. The global financial and economic crisis in 2008-2010 has shown that modern economics cannot perform its predictive function and is not able to serve as a theoretical and methodological basis of effective government counter-cyclical policies. This means that the basic methodological principles of economics are subject to revision. To our opinion, first of

all economic science must be more attentive to the principle of market equilibrium. Understanding the mechanism of restoring market equilibrium as a self-organization mechanism of the market economy is pushing for approval of the rejection of state intervention in the processes of cyclical dynamic economy. However, the experience shows that in those countries where

the share of government regulation in general and counter-cyclical regulation in particular was significant, the devastating effects of the global crisis have not been as profound. This statement is particularly true for the majority of post-Soviet countries. Thus, the depth of the crisis economic decline in Ukraine and Russia were significantly higher than in Belarus and Kazakhstan. Obviously, the theoretical and methodological foundations of counter-cyclical government regulation in countries undergoing a transition period must be different, than in developed countries with established market economies. We believe that one of the basic methodological principles, to be correct considering the historical realities of the functioning of a particular national economic system, is the provision of achieving sustainable macroeconomic equilibrium.

Problem statement. The balance in economics is regarded as an achievement of coordinating the interests of the major actors of the market, buyers and sellers. Graphically this is illustrated by the graphs of supply and demand. However, there is the question about the relevance of such an understanding for industries with rising returns. In addition, considering the economic systems where not exchange between a seller and a buyer plays a key role in the relationship between the market subjects, but other relationships (for example, family and economical relationships), where cooperation is the form of social and economic interaction instead of competition etc., – requires a different approach to the concept of equilibrium and to the understanding of its role in the counter-cyclical regulation. In modern conditions, the impetus for enhancing countercyclical regulation is the macroeconomic balance infraction, and the purpose of counter-cyclical policies is the achievement of a new equilibrium point. Once the economy through government regulations reach the new equilibrium state, the state should «go away», so as not to interfere with the action of self-organization market mechanisms working to ensure the sustainability of the newfound balance. However, these approaches do not work more often, especially in economies such as Ukrainian one.

Brief Literature Review. Such authors as A. Halchynskiy, A. Hrytsenko, T. Artemova, N. Grazhevskaya and others investigate questions connected with the research of the new methodological approaches to the counter-cyclical policy formation. V. Heiets, Ya. Zhalilo, A. Zadoya and others deal with the specific peculiarities of the world financial and economic crisis in the Ukrainian economy. Among the numerous foreign studies there are two of special interest: the methodological approach of Daniel W. Bromley (2009) [1] to the problems of analysis of the role of economic institutions in modern society and the concept of K. William Kapp (1976) [2] about the social costs of business. S. Kirdina (2007, 2008, 2013) [3; 4; 5] analyses economic systems from the X and Y matrixes perspective. However, the analysis of the problems of the objectives, forms and methods of modern domestic counter-cyclical policies correspondence to the Ukrainian economy internal characteristics as to the X-type country require further deeper research.

The **purpose** of this article is to analyze the differences in the process of achieving a balance in the market and non-market economies, to figure out to what type of economic system Ukraine tends to and to determine the main directions of improvement the methodology of the Ukrainian economy counter-cyclical regulation due to the equilibration specificity.

Results. The use of marginality theory to the analysis of economic processes taking place in the economy, is considering the marginal costs of two types: increasing (specific to industries with decreasing returns) and decreasing (specific to industries with rising income). Traditionally, economics considers only the first option, and the second is considering as exceptions. The analysis of the process of equilibrium establishing in the case of diminishing returns suggests that total consumer and producer surplus at the equilibrium point is greater than in the case of deviation from the equilibrium point. This means that in the economic system, dominated by the industries with decreasing profitability, the desire to increase the manufacturer's profit really leads to the achievement of general interest through mechanism of the «invisible hand». But if we consider the industry with rising income, the supply curve takes

on the same slope as the demand curve. In this situation the manufacturer, which is focused on increasing profits and thus increasing prices, provokes a situation where part of the consumer surplus disappears, reducing the overall effect. V. N. Bohachev (1993) in this regard stressed that the pursuit of individual producers to become profitable «plunges partners in much greater costs, so that all together lose more than win» [6, p. 45]. For economic systems, dominated by industries with rising income, the profit orientation of the manufacturer means a reduction in the total effect that was achieved at the point of equilibrium, involving loss or lack of profit from the manufacturer. Thus, for these economies striving of the manufacturer to maximize profit means self-destruction and the inability of progressive development [3]. A detailed analysis of the described processes is performed in the work by S. G. Kirdina [3; 4; 5]. The economic system is considered here as an evolutionary developing structure of interacting market and redistributive institutions (X- and Y-matrices). With the predominance of the sectors with decreasing yield, market institutions are determining, and redistributive institutions are complementary. In contrary, with the dominance of sectors with rising yield, redistributive institutions become decisive, while the market ones are complementary.

For the X-economy redistribution (accumulation-coordination-distribution) acts as the basic economic institution in the transferring of goods; for the Y-economy exchange (buying-selling) plays this role; when fixing of goods (property rights system) for the X-economy supreme conditional ownership is priority important, and for the Y-economy the main is private ownership; interaction between economic agents is described in the X-economy as the relations of cooperation, and in the Y-economy as the competition; the X-economy is characterized by employed labour, and the Y-economy is characterized by contract labour. In the X-economy feedback (effectiveness indexes) is the costs limitation (X-efficiency), and in the Y-economy the main feedback is profit maximization (Y-efficiency) [5].

Using the analysis of the mathematical model shows that in the Y-economy reached equilibrium is sustainable, and in the X-economy it is unstable [5, p.44]. In case of the delicate balance the slightest deviation from the equilibrium state leads either to rapid economic growth (as long as the marginal costs begin to rise and the economy goes into a state of stable equilibrium) or the steady catastrophic production decline and inflation increase. Thus, the economy of the X-type does not exist in the long term based on market pricing mechanism under the influence of supply and demand [4, p. 45].

Naturally the question arises: what type does Ukrainian economy tend to? If it has an X-economy, the state counter-cyclical regulation should use methods and tools that are inherently incompatible with unrestricted by free market forces, namely the centralized state control, regulation and the regulation of prices etc. If the modern Ukrainian economy tends towards the Y-economy, the counter-cyclical regulation should be based on the principle of self-regulation and «self-tuning» of the economic system after it received a shock and, therefore, forms and methods of counter-cyclical policies should be more «soft».

First of all, it must be emphasized, that the historical period of existence within a centrally planned economy in the Soviet Union has left its mark on the types of economies of all the post-Soviet countries. However, in our view, it is important to understand how far each of these national economies was ready by its internal characteristics to develop towards on the X- or Y-economy. For example, the Baltic countries, in spite of the socialist stage of development (characterized by X-economy), based on their intrinsic characteristics (national mentality, experience, development of market relations in the pre-Soviet period, etc.) were more likely to develop Y-economy than, for example, Ukraine or Kazakhstan. Ukraine in the pre-Soviet period was characterized by the family-business relationships, which involve centralized management methods at the level of the individual household, as well as at the level of the territorial community. Modern processes that are characterize by the increase in the level of territorial communities' activity in matters of self-governing, especially in the countryside, just favour the tending of the national socio-economic system to the economy

of the X-type. In addition, the economic system of Ukraine is characterized by a large number of industries with monopolistic or oligopolistic market structure, and the emergence of monopolies and oligopolies involves creating conditions for increasing returns. As it was shown above, the market balance in such a system is unstable, which leads to the need for active state intervention to reduce damaging effects of cyclical wavering. The existence of such major infrastructure entities as railways, utilities etc., which act as a single indivisible whole structures and remain in the common property, proves the X-type direction of the national economy. The data about the basic capital investment structure is an indirect confirmation of the fact, that namely the utility sector plays the priority role for the Ukrainian economy. Thus, in 2011 almost one-third of all investment resources (28.5%) admitted to the production, was sent to the mining industry, 23.6% was sent into the production of electricity, gas and water; according to the results of January-September 2012, 32.5% of industrial investment was sent to the mining industry, of which 22.9% for the extraction of the fuel and energy sector, 24.1% was part of the production of electricity, gas and water supply [7, p. 11-12].

The determination of the Ukrainian economy as an X-economy in terms of state counter-cyclical regulation means, in our opinion, the following. First of all, fundamentally the very methodical approach to the implementation of counter-cyclical policies has to be changed. The counter-cyclical policy should be permanent and targeted not at providing of the new equilibrium instead of the previous, but at the transferring the economic system to a qualitatively new state, for example, to the state of sustainable development. The concentration of efforts and resources only on achieving a new macroeconomic equilibrium leads to the fact that the state falls in the so-called «trap of crisis cyclicity».

The notion of «crisis cyclicity» was introduced by K. Zoidov (2001) [8]. But the author used this category only to emphasize the repetition of the economic crisis of the transition period. We use the term «trap of crisis cyclicity» to describe a bit different phenomena. The concern is that the state, which is conducting counter-cyclical policies to achieve a new macroeconomic equilibrium instead of the violated one, promotes a peculiar «smearing» of the cycle phases and cycle actual conversion to a biphasic phenomena with the type of «crisis-depression»; here cycle loses its function of updating, and the medium-term and long-term economic dynamics show so to call «the pendulum oscillations» instead of translational motion with respect to the general trend of development. This state of the economic system, which characterizes the transition economy of Ukraine, we call the «trap of crisis cyclicity».

As part of such trap it is almost impossible to evaluate the effectiveness of counter-cyclical government regulation: the government's efforts to overcome inflation, unemployment and other negative effects of cyclical fluctuations pursue only one goal – to achieve a new equilibrium point, which does not eliminate the problem in terms of non-linearity of economic development. The new equilibrium point is located within the existing state of the economic system, thus its achievement provides only short-term improvement of the overall situation; the every new but minor boost in terms of polycyclic dynamics is able to «knock out» the economy from the achieved state of equilibrium, which again forced to perform extreme measures to reach the next equilibrium. It means that the economy moves from one equilibrium point to another through counter-cyclical actions of the state, such countercyclical policies can be considered effective. But from the point that the economy is moving in the «trap of crisis cyclicity», and the counter-cyclical actions of the economic system don't transfer economy into a qualitatively new state, such a policy is not tenable and cannot be considered effective. Therefore, a reasonable analysis of the essence of modern counter-cyclical policy has to be made in terms of its understanding as a set of actions aimed at putting the economy into a new state. Such an approach changes the evaluation of the effectiveness of counter-cyclical policies and should be used to select the tools and mechanisms to influence the effects of cyclical dynamics of the economic system.

Another important note regarding the counter-cyclical regulation in terms of the Ukrainian X-economy is in recognition of the fact, that the active use of existing experience of counter-cyclical policy in the economies of the Y-type is almost unacceptable to Ukrainian realities. Thus it is necessary to be very careful and balanced refers to the recommendations of international organizations and their advisers, as well as generalizations and attempts to adapt the forms, methods and tools of foreign counter-cyclical policies to the conditions of Ukraine: the fundamental difference in the type of economic systems can mean the absolute impossibility of the use of existing experience in specific historical and economic conditions.

The next point concerns the problem of differentiation of counter-cyclical policy inside Ukraine itself. As it was rightly pointed by S. Kirdina, X-economic system without the alternative institutions of Y-economy is doomed to self-destruction, and vice versa the Y-economic system requires the development of X-economic institutions. In other words, the «pure» type of economy – market or reductive – virtually cannot exist. But different types of economies require different counter-cyclical policies. Hence the need for differentiation of the national counter-cyclical regulation exists (for example, by the groups of industries). It is clear that such differentiation is ideal, hardly possible in practice. However, we believe, that the state should focus on the primary type of counter-cyclical regulation, taking into account the historical specificity of the economic system.

If tending towards the X-economy is significant for Ukraine at the given moment, hence the modern countercyclical policy should primarily include strict measures to regulate economic situation, down to price regulation. If during the development of social and economic institutions in Ukraine Y-economy will prevail, then the nature of counter-cyclical regulation needs to be changed and it must become primarily a market one. The task of national economic science, in our view, is to conduct the necessary analysis and test whether Ukrainian economy corresponds to X-type or Y-type. The results of such analysis could be used for flexible adaptation of counter-cyclical adjustment to changing economic realities. In this connection the constant monitoring of changes in the economic system has the specific importance, since for the efficient counter-cyclical policy it is important not to miss the «moment of change».

During the last decade's countries of Y-economies functioned in the conditions of neo-liberalism, the methodological foundations of which have contributed to the transfer of market relations into the sphere of non-economic relations: ethics, marriage, attitude to nature, etc. This has led to negative consequences in the social and environmental spheres. For X-economies, which based not on the competition, but on the cooperative interaction, the solution of such problems should take place at a lower public cost. Accordingly, the counter-cyclical regulation in such economies can be more quickly reoriented to achieving quantitative results, which are characterized by economic growth, and to achieving a qualitatively new state of society, characterized by its sustainable development.

Conclusion. In modern conditions the concept of macroeconomic equilibrium, which provides a «normal» functioning of the national economy, requires elaboration. The traditional understanding of equilibrium in economics refers to the situation, which is characterized by decreasing returns. However, a major place in the economic system can be taken up by the industries, characterized by increasing returns. In addition, the economy may be dominated by no market forms of social interactions based on cooperation. The identification of two types of economies – the X- and Y-economies – allows tracking the mechanisms of achieving the equilibrium in the market and reductive economies. Hence the equilibrium in a market economy is sustainable, so government should create the conditions for reaching new equilibrium. But, as the balance in the reductive economy is fragile, so far a similar counter-cyclical policy does not lead to the restoration of balance. Moreover, it is able to drive the economy into a «trap of crisis cyclicity».

The analysis showed that Ukrainian economy tends towards X-type economies. For the national counter-cyclical po-

licity this means the need to renounce the desire to provide a new point of macroeconomic equilibrium; the achieving of the qualitatively new social and economic state should become a target and a measure the effectiveness of counter-cyclical regulation. Theoretical and methodological basis of such counter-cyclical policy refers to the transition from theories of economic growth to the theories of development, in particular – to the theory of sustainable development. This approach is especially important to gain the «environmental focus» of the counter-cyclical regulation.

The identification of the Ukrainian economy as the one tending towards the X-type means the predominant use of centralized methods of counter-cyclical regulation, and to a lesser use of the market ones. This does not imply a complete rejection of market forms and instruments. Ideally countercyclical policies should be differentiated by groups of industries, businesses and forms of companies, but in practice this is not feasible, because of the close relationship and interdependence of economic agents. Therefore, we have to speak about the predominant type of counter-cyclical regulation, which is corresponding the concrete historical type of the national economy. The study of particular type of economic system, the constant monitoring of changes in it will allow time to change the forms and methods of counter-cyclical regulation in order to ensure its relevance.

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«ECONOMIC BENEFIT» CATEGORY AS AN ESTIMATION OF REVENUES AND EXPENDITURES

Abstract. Introduction. The current legal aspect of the accounting for economic entities (irrespective of their legal form) connects the estimation of income and expenditures within the category of «economic benefit». In practical activity of entities there are different types of benefits, the most important of which, in our opinion, are material, social, and economic ones. Usefulness is a benefit, in this case the economic benefit as the potential usefulness of the assets use in the economic or financial turnover. The cost and economic benefit are the interrelated concepts: it is necessary to gain that is why it is advantageous to have; it is beneficial to have because it generates income. The **purpose** of the article is to summarize the national practice of assessment of income and expenses to determine methodological approaches of accounting for the economic benefit of business operations and non-commercial activities. **Results.** The approaches to the definition of the economic substance of income are considered in the article. In order to justify estimates of revenue and expenditure, the category of «economic benefit» is considered. It was determined that the subjects of entrepreneurial and non-entrepreneurial activity can carry out transactions of business nature, and revealed the structure of their financial results. **Conclusion.** In most cases, conditions of income in accounting business activities with international practice of accounting and reporting are supported. The basis of the recognition of income and expense is inflow (outflow) of economic benefits. It stays actual classification of income and expenses according to economic content of the subjects in terms of their self supporting activities and activities funded by trust funds (including budget allocations). Procedures of discounting potential EB on the balance sheet date (adjusting of accepted transaction amounts according to the expected changes on the macro- or micro levels) require further investigations.

Keywords: income; economic benefit; the nature of the business operations; financial benefits; social benefits; the financial result of budgetary institutions.

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