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## ІННОВАЦІЙНИЙ ДИЗАЙН ПРОГРАМ СОЦІАЛЬНИХ ТРАНСФЕРТІВ В УКРАЇНІ ЧЕРЕЗ ПРИЗМУ СВІТОВОГО ДОСВІДУ

**Актуальність.** Світові та локальні кризи протягом останніх двох десятиліть по-новому висвітлили роль систем соціального захисту й соціального забезпечення як автоматичних соціальних та економічних стабілізаторів. Незважаючи на рівень економічного розвитку країни, світовий досвід вказує на те, що країни із чітко сформованою соціальною стратегією опинились в менш скрутному становищі та зазнали менших часових втрат на стабілізацію ситуації в країні. Дієва державна соціальна політика набуває актуальності в період економічних криз та є необхідною для пом'якшення дисфункції внутрішнього ринку. Варто відзначити, що щорічно із державного бюджету України майже 70% соціальних видатків перерозподіляється на програми із покращення рівня життя нужденних верств населення. Проте, попри намагання представників влади, рівень бідності щорічно зростає, а негативним наслідком цього постає проблема масового відпливу робочої сили закордон. Сучасна ситуація в сфері соціального забезпечення та рівень її фінансування є незадовільними, оскільки не сприяє загальному покращенню рівня та якості життя населення, а тому вимагає врегулювання із внесенням ґрунтовних змін у соціальне бюджетування.

**Мета та завдання.** Метою дослідження визначено аргументацію на основі вивчення світового досвіду національних пріоритетів модифікації соціальної політики та обґрунтування інноваційного дизайну програм соціальних трансфертів за умов поширення загроз глобалізаційних викликів та посилення турбулентності макроекономічного середовища.

**Результати.** В результаті вивчення закордонного досвіду авторами статті встановлено, що соціальна політика успішної країни покликана виконувати регулюючу й стимулюючу роль у забезпеченні розвитку економіки й створенні умов для ефективного функціонування системи соціального захисту, соціального забезпечення та соціального обслуговування, діяльність якої повинна бути не лише «актом благодійництва», а способом посилення економічної активності працездатних верств та підтримки інших верств населення для забезпечення гідного життя всього суспільства. Однак протягом років незалежності соціальна політика України так і не сформувалася як цілісна, комплексна стратегія. Вона фактично підмінена нагромадженням різноманітних видів слабо обґрунтованих і не підкріплених можливостями бюджетного фінансування виплат, пільг, субсидій тощо. Створення та функціонування національної системи соціального забезпечення беззаперечно є вагомим, але при цьому, слід звернути увагу на об'єктивну необхідність формування дієвої трансфертної політики з метою пошуку напрямків доцільної оптимізації соціальної сфери на основі підвищення дієвості інструменту соціального трансферту.

**Висновки.** Проведене дослідження дало змогу обґрунтувати позицію авторів, яка полягає в тому, що перманентний характер соціально-економічної кризи в Україні примушує працювати над розробкою антикризових заходів у соціальній сфері. Це вимагає постійного оновлення інструментарію системи соціального захисту, соціального забезпечення та соціального обслуговування як автоматичних державних соціальних стабілізаторів та економічних стимулів для активації життєдіяльності і добробуту населення. В період кризи та посткризовий період соціальна політика має бути націлена на компенсування втрат економічних благ не лише для верств населення, які перебувають у хронічній нужденності, а й тієї частки населення, що через кризу потрапляє в стан нужденності. Тому держава, за рахунок соціальних програм, має “страхувати” гідний рівень життя усього населення країни, особливо під час кризи.

**Ключові слова:** соціальна сфера, трансферт, соціальні програми, система соціального забезпечення, соціальні гарантії, соціальна політика, бюджетування, таргетування, дизайн.

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## INNOVATIVE DESIGN OF SOCIAL TRANSFER PROGRAMS IN UKRAINE THROUGH THE LIGHT OF WORLD EXPERIENCE

**Topicality.** The global and local crises over the past two decades have redefined the role of social protection and social security systems as automatic social and economic stabilizers. Despite the level of economic development of the country, the global experience indicates that countries with a well-defined social strategy are less difficult and suffer less time to stabilize the country. Effective state social policy is relevant in times of economic crisis and is necessary to alleviate internal market disfunction. It is worth to admit that annually from the state budget of Ukraine almost 70% of social expenditures are redistributed to programs for improving the standard of living of the needy. However, despite the efforts of government officials, the level of poverty is increasing annually, and the problem is the mass outflow of workforce abroad. The current situation in the field of social security and its level of financing is unsatisfactory, since it does not contribute to the overall improvement of the standard and quality of life of the population, and therefore requires regulation with the introduction of fundamental changes in social budgeting.

**Aim and tasks** The purpose of the study was to determine the argumentation based on the study of the world experience of national priorities of social policy modification and substantiation of innovative design of social transfer programs in the conditions of spreading threats of globalization challenges and strengthening of the turbulence of the macroeconomic environment.

**Research results.** As a result of studying foreign experience, the authors of the article found that the social policy of a successful country is intended to fulfil a regulative and stimulating role in ensuring the development of the economy and creating conditions for the effective functioning of the social protection system, social security and social services, the activity of which should be not only an "act of charity", but a way to increase the economic activity of the working classes and support other segments of the population to ensure a decent life for the whole community. However, over the years of independence, Ukraine's social policy has never been shaped as a coherent, integrated strategy. It is in fact replaced by the accumulation of various types of poorly justified and not supported by the possibilities of budget financing of payments, benefits, subsidies, etc. The establishment and functioning of the national social security system is undoubtedly important, but the objective need to formulate a social transfer policy in order to find ways to optimize the social sphere by enhancing the effectiveness of the social transfer tool that must be taken into account.

**Conclusions.** The research made it possible to substantiate the position of the authors, which is that the permanent nature of the socio-economic crisis in Ukraine forces to work on the development of anti-crisis measures in the social sphere. This requires constant updating of the tools of the social protection system, social security and social services as automatic state social stabilizers and economic incentives to activate life and well-being of the population. In times of crisis and post-crisis periods, social policies should aim to compensate for the loss of economic benefits not only for the population in need, but also for the proportion of the population in need because of the crisis. Therefore, the state, through social programs, must "insure" a decent standard of living for the entire population of the country, especially in times of crisis.

**Keywords:** social sphere, transfer, social programs, social security system, social guarantees, social policy, budgeting, targeting, design.

**Problem statement and its connection with important scientific and practical tasks.** Crises in the national economy reduce the effectiveness of the social sphere. Since the social sphere is an important

component of ensuring the life of society, contributes to the development of man and the reproduction of human capital, the formation of a certain standard of living in society, it must always be in the field of research and public policy. In Ukraine, the basics of social management are established by the Constitution of Ukraine and provide for a unified state policy in the fields of culture, science, education, health care, social security, and ecology. The aggregate amount of financing of the social sphere in Ukraine, expressed in national currency, is increasing every year. However, the standard of living of the population in need of social protection remains beyond the poverty line, and the state of social facilities does not meet current needs and standards. Contemporary social policy in Ukraine at the level of state formation and constant growth of socio-economic danger of citizens is in search of new methodologies for effective redistribution of limited public resources.

**Analysis of recent publications on the problem.** Social transfer programs are an innovative tool of modern socio-economic policy, as indicated by a small amount of scientific and applied research of the theoretical and methodological foundations of this policy. Theoretical foundations of the influence of the state on social processes in society were developed by such domestic scientists as: O. Davidiuk, I. Ilchuk, Y. Krivobok, I. Kurilo, V. Kutsenko, E. Libanova, V. Lobas, O. Makarova, Y. Ostafiychuk, M. Panchenko, V. Udovichenko, A. Khaletska, I. Yanenko and others. Conceptual bases and practical features of regulation of the sphere of social security are revealed in the works of foreign scientists, among them - U. Beveridge, I. Bentham, J. Buchanan, A. Wagner, L. Ehrhard, A. Müller-Armak, A. Pigou, D. Rawls, M. Friedman and others. According to research in the field of social policy, most authors outline many problems of the functioning of social programs. Derega V. [3] states that "the reflection of problems in the implementation of social policy is, in particular, depopulation." According to the author, Ukraine is currently affected by the demographic crisis caused by the increase in depopulation since 1991. According to Babenko A. [2], social policy should negate social inequality, the number of people who are below the poverty line, and the social and economic risk of the working population, etc. Most authors, including Kudlaenko S. [6], Kochemirovskaya O. [5], Shishkin S. [12] and others point to the existing problem of targeting social benefits, which has not been overcome by Ukraine's independence and therefore needs to be addressed first. Given that the former Minister of Social Policy of Ukraine Reva A. [4] pointed to the problem of targeting social payments, we think that further scientific work is needed to overcome this problem, and one of the options may be to change the design of social transfers.

**Allocation of previously unsolved parts of the general problem.** The institutional framework of social security remains poorly understood; insufficient attention has been paid to researching the structure and identifying relationships between elements in the social security system; issues such as broadening the scope of social security, introducing decent social standards and aligning them with the international standards defined in the European Social Security Code and the ILO Conventions, and the use of the latest social technologies require research and application. Therefore, the lack of holistic integrated approaches to solving problems in the social security system of economically active population and the need for scientifically sound approaches to its improvement actualize the choice of research topic.

**Formulation of research objectives (problem statement).** The emergence of new forms of harmonization of well-being and livelihoods of the population in conditions of macroeconomic instability and transformation of socio-economic development of the country becomes extremely relevant due to the inability of market-based economic mechanisms to provide all economically active and socially vulnerable individuals with the necessary public goods. In Ukrainian practice, the social function of the state is aimed at overcoming market imbalances at the expense of the existing social security system. However, the processes of globalization and the current global challenges require continuous improvement of the national social security system, which leads to the monitoring of world experience. That is why we consider it necessary to emphasize the consideration of the phenomenon of social transfers as a new instrument of social justice for Ukrainian practice.

**An outline of the main results and their justification.** The theoretical, methodological and applied issues of social policy development that cover various aspects of the social sphere, including the problems of justification and implementation of social transfer programs, have been reflected in the writings of many scholars. The social transfer phenomenon covers a wide range of instruments, from short-term emergency humanitarian aid in the event of unforeseen circumstances, to long-term planned and pre-agreed forms of social assistance to those who have fallen outside or are at risk of poverty. An important aspect of the functioning of social transfers is their predictability, i.e. they are paid or provided on a regular basis - not a

crisis response, but a preventative government initiative that aims to enable transfer recipients to prepare themselves and / or protect themselves in an effective way circumstances.

In Western literature, social transfer is an element of social protection that can function both on a long-term basis in order to overcome poverty and on a short-term basis as an emergency transfer. The purpose of long-term social transfer is to reduce the level of chronic poverty in the country. An example of social transfer, in contrast to social payments, is the specific satisfaction of the needs of the non-protected from the market gaps and the needy population, which in the world practice of the use of transfer policy serves in the form of payments for school meals for families belonging to many children, but are no longer covered by poverty line at the expense of minimum household incomes. Such families have one or more breadwinners, but the standard of living is slightly better than that of the poor, but does not differ significantly in qualitative comparison.

The current development of social policies in all countries of the world distinguishes a compulsory element – social guarantees, the form of which can now be defined in two schemes: the state itself finances compliance with social guarantees by redistribution of national wealth (social programs) and the state partially finances the provision of social guarantees (partly financed by the provision of social guarantees). at the expense of a third party – private foundations, international organizations, commercial structure of the country). In the first case, the entire burden of financing comes from the state and sometimes local budgets at the expense of tax revenues, and today in a number of countries, including Ukraine, creates a tax burden and a deficit of the relevant structural elements (the Pension Fund of Ukraine). The second case of financing social security guarantees is widespread not only in the European Union (part of the funding is provided by private entities – insurance organizations), but also around the world, taking into account the least developed countries.

Social security is provided through financial assistance (social benefits or social services), depending on many factors. Thus, the purpose of the functioning of the social protection system is as much a mechanism of crisis intervention as a strategy for preventing the negative impact of possible social risks. It thus not only eliminates the effects of social inequality, but also provides for a balanced redistribution of social goods, becoming a way of reducing inequality and overcoming (preventing) the marginalization of individuals, families and social groups by:

- adherence to the principles of self-sufficiency of the economically active part of the population, that is, creation of conditions for the worker to earn as much as his abilities and initiative allow;
- support yourself and your family; pay taxes, including on social protection of others;
- ensuring the guaranteed standard and quality of life for those members of society who are unable to reach it independently through social support measures for the most vulnerable sections of the population.

The main role in the system of social protection and social security in Ukraine is played by the state. Social protection is provided in the form of in-patient services, financial assistance, social benefits and community-based services. General social protection is provided primarily in the legal form of compulsory state social insurance with the formation of separate funds. State social assistance is based on the subsistence level, which determines the right of a person to state social assistance. Special social protection provides for different from the general conditions of its implementation in relation to the circle of persons defined by the law (in particular on professional grounds). Additional social protection is provided for such categories of population as orphans and children deprived of parental care; war veterans; veterans of military service and veterans of law enforcement agencies; veterans of work and elderly; disabled persons and persons with disabilities; persons affected by the Chernobyl disaster; persons who have been victims of political repression; refugees and others. There is now a problem of optimal implementation of this part of social protection. The system of additional measures provides for the provision of benefits in the field of medical and social services, provision of housing and communal services, etc.

The question of whether certain forms of social protection, including benefits and compensations, the content of human rights and freedoms, remain debatable, since in some cases they do not guarantee a sufficient standard of living, do not support in difficult life situations and do not confirm recognition of certain merits before the state, but simply confer a privileged position on certain categories of citizens, thereby placing others at odds with them. The concept of "expenditures for the implementation of state social protection programs" includes benefits and subsidies to the population for the payment of energy and housing, utilities, solid fuel and liquefied gas, compensation for privileged travel of certain categories of citizens, benefits for telecommunication services, etc. There are two ways to match the obligations of the state and the possibilities of financing them: to increase the expenditures on privileges to the level of their full provision or to reduce the obligations of the state according to its financial capabilities. The first option

is unlikely because it will require several times the cost of the budget for benefits, which is impossible and unjustified since they are provided regardless of income. The second option actually means revision of the system of benefits, its principles and functions, reduction of the circle of privileged persons.

Other countries' experience shows that reforming the benefits system can be a long and painful process. However, the need is already ripe: in the face of budget constraints and extremely low levels of assistance provided to the poor, the state cannot spend taxpayers' funds to support poor people, who are the majority of beneficiaries. Given the great social importance of the issue, the reform of the benefits system should be gradual. We see two possible vectors for reforming the social benefits system:

I. Streamlining the system of benefits, improving the level of targeting of benefits (for the short and medium term):

1) establishing a moratorium on introducing new types of benefits and expanding the number of privileged categories of the population;

2) streamlining the legislation on privileges;

3) providing automated data exchange with utility companies about the amounts calculated taking into account the actual consumption of benefits, to maintain in a current state a single personalized register of beneficiaries of benefits, which will increase the accuracy of calculations of benefits costs;

4) non-distribution of benefits to the members of the family of the beneficiary;

5) normalization of the volume of consumption of privileged services provided now without restriction of consumption, and revision of the standards within which housing and communal privileges are provided;

6) the introduction of a threshold level of income that entitles privileges to restrict access to privileges for the wealthy;

7) improvement of accounting of granted privileges;

8) release of utility companies from their functions that are not inherent to them and ensuring the calculation of benefits in the bodies of social protection of the population;

9) reducing the number of categories eligible for benefits.

II. Replacement of benefits with targeted (monetary) types of assistance (long-term perspective). In this case, the success of the reform of the privilege system will directly depend on the scale and quality of the outreach work about the need to streamline and reform this system. In particular, an important prerequisite for the success of the changes is the formation of public opinion that the benefits are financed by taxpayers. Addressed assistance is a form of social assistance provided by the state to persons with disabilities who are disabled or incapacitated, taking into account the needs of a particular person after seeking help. The aid is intended to be received by a specific person who is entitled to assistance in accordance with the criteria laid down by law and has proved this right through the submission of appropriate documents.

Often, social help is targeted. Addressed assistance can be provided in cash and in kind. Compared to benefits, targeted assistance has a number of advantages, namely: targeted assistance provides better social justice, since it is an indispensable condition for its provision. Therefore, the state will support only those who need it most. Also, targeted help is more effective because the targeted nature of targeted assistance allows you not to scatter resources, but to direct them to those individuals and to those goals that are prioritized. This makes it possible to increase support for the most disadvantaged under all things being equal. Addressed assistance provides market calculations between different economic agents, which helps to improve the financial status of preferential service providers. Another feature is the promotion of savings, since aid is always limited, unlike benefits, the consumption of which is not always normalized. It should be noted that the cost of targeted budget assistance can be clearly calculated.

Addressed assistance has become most widespread in the world of social programs today. Yes, transfer social programs are created that, depending on the goals, are provided directly to the beneficiaries within clearly defined terms. The effectiveness of transfer social programs depends largely on the methodology adopted for the identification and selection of designated beneficiaries. Categorical-geographical identification methods, together with the use of income and / or wealth indicators through means testing or proxy methods, are now widely used in the selection of households (or individuals) eligible for social transfers in most countries of the world. In practice, most programs operate on combinations of methods, in some cases adopted in stages, from the poorest or most vulnerable recipients to the upper-threshold households that separate the eligible from the deprived. The use of several techniques gives the modularity to obtain a higher level from the implementation of the social program on the basis of transfers, taking into account the exclusion of beneficiaries.

Categorical adherence to all beneficiary selection conditions guarantees in most cases the clarity of the identification mechanism, which eliminates the problem of payment targeting. Beneficiary groups in practice can be identified by age (e.g., children, the elderly), health status (e.g., people with HIV / AIDS and chronic illnesses, disability, etc.) and existing socially disadvantaged conditions (e.g. widows, orphans).

Beneficio de Prestação Continuada, a Brazilian social pension fund, applies a methodology for categorically identifying beneficiaries according to an age-related indicator, together with medical tests. Studies have shown that the program avoids the omission of elderly people who would otherwise be excluded from social security. Another example of categorical identification is the Chilean pension system “Pensiones Solidarias” (now known as Subsidio Alimentario), which provides a pension for those who have not been able to earn sufficient income through disability or ill health. The program applies a categorical approach to identifying eligible groups, while using proxy tests, people with a per capita income of less than \$ 60 per month would be excluded.

An important aspect is also to highlight the orientation of the creation of a particular program – the purpose of its functioning, and the focus on the end result, which must be clearly spelled out and measured. The focus is to ensure that social transfer program resources are targeted only at designated beneficiaries, to minimize the reach of those who are not intended to be beneficiaries (inclusion errors) and not to reach the intended beneficiaries (exclusion errors). Therefore, it is important to clearly state the end result – maximum efficiency, for the effective use of scarce resources in social transfer programs. Given the level of ability to provide social protection, especially in low-income countries where poverty is high, increased commitments make this a particularly suspicious moment for calculating current knowledge on social transfer targeting of social programs.

The Ethiopian Productive Safety Net Program (PSNP) [11] has several different targeting layers. The approach is poverty-based and the primary target group is those beneficiaries with a food gap of three months or more. However, the first step in targeting was to differentiate between food security and the danger of regions, then districts, and then settlements and urban settlements. The community-oriented committee has classified the poorest households in urban settlements on the basis of knowledge about gaps in food at home. Proxy indicators were also used to target this rating. Categorical targeting (identifying elderly, disadvantaged and pregnant women) is used to differentiate between households that have to do a series of public works to qualify for a transfer, and households that receive transfers without the need for community service. Households with food insecurity were excluded from the prevailing food security regions. Determining wages from community service activities is lower than the prevailing level of wages in agriculture, which indicates the low efficiency of targeting transfer social programs for household food security.

Lesotho's non-contributory pension scheme [11] is based on a social-categorical approach - transfers are received only by persons over 70 years of age. The scheme began operations in 2004 and aimed at reducing poverty among the elderly, although there was no testing tool at the time to identify (and remove) elderly people who were dying. The choice of program / orientation is based on concerns about the increasing number of children affected by HIV and AIDS in Lesotho, supported by grandparents and other elderly relatives or neighbours.

The Progress Mexican Conditional Cash Transfer Program [11] (Progresa) began in 1997 and was later renamed Oportunidade. Initially, the program was aimed at human development of the population living in rural areas, but the name change implied a change of focus on the city. Conditions for human development were clinic attendance, enrolment and school attendance. Orientation to human development combined geographical, poverty and other social criteria. Small rural communities were identified on the basis of marginality, i.e. limited access to education and health infrastructure. Given the conditions, the orientation was also categorical to some extent - focused on families with children aged 7 to 14 years. The combination of socially-formed mechanisms and proxies was subsequently used: the poorest households were determined on the basis of socio-economic data obtained during the census, and then a feedback mechanism was used to re-qualify households.

The Bolas Familiar in Brazil [11] is a consolidation of a number of programs aimed at tackling poverty and food insecurity. As a result, the program has many goals: reducing hunger and poverty, inequalities in money transfers (conditioned by guaranteed access to education, health and nutrition), and reducing social exclusion by promoting the empowerment of poor and vulnerable households. This combination of proven means and categorical targeting has resulted in: beneficiaries of the transfer program were households with children under 15 and / or pregnant women with income between \$ 60 and \$ 120 (low income where beneficiaries were eligible to receive low-income benefits). This approach indicated a highly institutionalized

targeting system in comparison to other countries: targeting policy is determined at the federal level, monitoring and implementation of the program are carried out at the state and municipal level, including verification of conditions. The identification of the beneficiary is done by means of verification by the municipal social workers who fill out the federal forms.

The pilot Salomon cash transfer program [13] (Salomon) in Zambia is aimed at helping disadvantaged households with the support of the Zambian Government and the German aid agency TGZ. Under this program, households without children receive ZMKK 30,000 (\$ 6) in cash each month, while households with children receive ZMKK 40,000 (\$ 8) in cash. This transfer does not relieve the beneficiary households of poverty, but it does alleviate food poverty. If they decide to spend it on corn, the household will buy a second daily meal. Beneficiary households are expected to know best what they most need to survive; and that they spend money wisely; and that household heads (mostly older women) spend most of their money on children in the household. All of these assumptions are carefully controlled and have so far proved realistic. Beneficiary households are selected by the Communities Assistance Committees, whose members are elected or approved by the community. After training, they use a multi-step process to select the 10% of the most needy households. Payments to households living near Kalomo are made through local bank accounts. Payment points have been set up in rural wellness centres and schools for those living further afield. At the end of 2004, about 4,000 people in 1,027 households received monthly money transfers. Of these, 66% are headed by women, 54% by elderly, and at least 54% by AIDS; 61% of household members are children, 71% of them are orphans. Both targeted beneficiaries and the local community report that transfers have improved the welfare of the poorest households. Recipients use them to purchase food and meet other basic needs (such as blankets, soap, school books). Some beneficiaries have even saved money (including through a rotating fund) and invested in seeds and breeding of small animals. If the social remittance scheme is extended to all 200,000 impoverished and restricted Zambian households, annual expenditures will be \$ 21 million - approximately 5% of Zambia's annual foreign aid or 0.5% of GNP. This means that national social transfers are affordable - especially if the government and donors share the costs.

Bangladesh's BRAC [7] experience in targeting the poorest is based on an approach to improving living standards through microfinance that does not meet the social risks faced by the poorest. The program was founded by the organization of the same name, which has been experimenting with the "communication model" for the poorest in the last two decades, using transfers as a strategic entry point. This experience led to the creation of a new TUP program in 2002 with the idea of enabling them to develop new and better options for sustainable living, using a combination of approaches such as advertising (eg, training grants) and protective (e.g. scholarships, medical services) - as well as overcoming socio-political constraints at various levels. TUP employs two broad strategies: promoting specific targeting of the poorest and most excluded by addressing socio-political relationships that abhor poor women and men, limiting their lives. TUP engages rural elites to maintain or strengthen the usual social support systems for the poorest while providing more systematic community-level protection against the risks faced by the ultra-poor. Ultra-poor women are able to work with a greater sense of security, knowing that their assets are at least nominally protected by powerful rural elites.

Early estimates of the changes suggest that the average food intake of TUP participants has increased and become more diversified. Perceived levels of food security and health also indicate significant positive behavioural changes and anthropometric improvements. The first TUP participants underwent a two-year special investment phase and were organized into separate rural organizations. They are offered a full range of BRAC development services, including microfinance. Based on previous experience, BRAC applies a flexible, experimental and member-oriented approach to lending. About 70% have taken out the first loan and regularly use this service. TUP is seen as a local success, not an external organization.

Chile's Solidario program [10] has aimed at eradicating the extreme poverty seen in 250,000 households (as of 2005), despite 20 years of rapid and sustained economic growth and a strong focus on poverty reduction by democratic governments since 1990. Previous social programs have been segmented by sector, leading to high efficiency gaps, and the policymaking process has underperformed due to a lack of understanding of the many causes of poverty and the role of households in social protection. Solidario's authors focused on people who were considered to be a stable breadwinner for the male family. Under this program, since 2002, there has been comprehensive support for households trying to overcome chronic poverty.

This program is downgraded to the fact that Chile's Solidario has been updated in several respects: local government representatives have initiated household surveys to obtain information on housing,

education, employment and income levels. Thus, local governments have been able to move away from sectoral segmentation and to provide integrated implementation among government entities supported by a modified budget management system. Subsidiary subsystems have also been introduced to provide social information and an extended assessment of the impact of this program, as well as related social programs, on the standard of living of the population. Transfers aimed at utility bills, childcare and pensions operated on a regular basis, with other costs limited to a period of 2 to 5 years, depending on the employment rate of the population. Thus, Solidario Chile was the first attempt to build a comprehensive social protection transfer system that should include all those at risk of social risk, not just those living in chronic poverty. A geographical approach should also be included; social risks are directly related to the local environment.

Latin American human development programs (also referred to in the literature as "contingent remittances" or ICTs) combine income transfers with preferential access to medical or educational services. Human development programs are directly aimed at both reducing extreme poverty and stimulating investment in human capital. This second goal is crucial to help overcome intergenerational poverty. The balance between these two goals, the reduction of current poverty and future poverty, depends on the programs. To the extent that poverty reduction is a goal of the program in the future, social assistance programs are implicitly related to chronic poverty.

One of the most famous and oldest human development programs is the Mexican Progress of Oportounidades, which places great emphasis on reducing persistent intergenerational poverty. Progress-Oportounidades aims to reduce chronic poverty by focusing on the human development of children. Income transfer depends on the number of children and the minimum attendance of primary and secondary schools. Progres-Oportounidades also includes conditions related to the use of preventive health care services by household members, especially for expectant mothers and children from birth to five to six years, which are considered critical to enhancing the future productive capacity of children.

Similarly, the Brazilian Bolsa Family is the largest transfer program in Latin America, which is based on two key goals related to combating chronic poverty: first, reducing hunger and poverty through income transfers; second, overcoming long-term deprivation.

Other government programs aimed at the long-term development of mankind include Colombia's "Families en Aksion" and Ecuador's "Bono de Desarolo Humano". These programs complement the income of extremely poor households by interfering with human development for the clear purpose of promoting human capital formation. In a recent report, the World Bank said that this approach aimed at developing humanity through social assistance is rapidly expanding throughout Latin America and beyond, and there are now more than 30 countries with large-scale programs, including Bangladesh, Indonesia and Turkey.

A number of human development pilot projects have been implemented in Asia, Africa and Latin America. The focus on human development is significant in pilot projects in Kenya, Malawi, Ghana, Zambia, Nigeria, Liberia, Uganda and Tanzania. The rationale behind the emphasis on human development is based on empirical evidence showing the constraints and tightness faced by poor households planning to invest in human capital. This is especially true when credit markets are fragmented. Poor nutrition, poor health and limited schooling are associated with low productivity. In turn, low labour productivity translates into low income, which often leads to a "vicious cycle" of poverty and deprivation.

In low-income countries, it is reported that 43% of children under the age of five are overweight, and the prevalence of malnutrition is often two to three times higher among the poorest households than in other poor households. There are also indications of the inability to provide education for children in poor households. Children who are unable to receive basic education are most likely to experience poverty. In this context, social assistance becomes critical as income transfers weaken household budget constraints by encouraging them to invest in human capital. Social transfers allow households to increase the quantity and quality of the food they consume. They can also make it easier to redistribute homework so that children can go to school. Thus, constant school attendance and improved nutrition for children will lead to increased productivity in the future and an increase in the adult income required to overcome poverty traps and reduce chronic poverty.

It is believed that a positive impact on reducing chronic poverty in income transfer programs may also lead to an increase in the period of study. Thus, a study of the Columbia School Voucher Program (PACES) illustrates the dependence of beneficiaries' pay and pay increases by approximately 1.2 percentage points [1].

Nicaragua estimates the future income of workers who received income transfers under the Red Protectionist program [8]. The present value of future earnings will increase as a result of participation in the programs, and the results of the program's operation suggest that an increase of 0.66 years of schooling will lead to an increase of 8% of future salaries. The reciprocal complementarity between nutrition, health and



education, as well as the effects of transition and positive externalities arising from employment, the commodity and credit markets from the intensification of these dimensions of well-being, has been characterized by expansion in terms of scale and global coverage, social transfers on human development.

Hunger Risk Program [9] (Northern Kenya) - An example of an unconditional cash transfer program, launched in 2009, aims to reduce extreme poverty by providing regular cash transfers to approximately 300,000 people in Mandera, Marsabit, Turkana and Wagir. Orientation in this context poses significant challenges not only in terms of logistics but also in terms of identifying a well-defined and defined target population: the program must meet the goals of reducing extreme poverty and be able to identify in terms of the specific poverty characteristics of the studied poverty line people. In countries such as Northern Kenya, the focus cannot be on household income alone as a relative standard of living, since income flows are often irregular, it is difficult to accurately identify and verify them. An alternative measure of living standards is consumption expenditure, but this is usually inappropriate given the large amount of detailed information needed by all households in the target community and the associated costs. Therefore, when designing the program, alternative approaches were used to measure the target population – the definition of a power of attorney for poverty, which was then used as a targeting measure. Such approaches usually rely on a statistical analysis of the correlates of objective poverty measures. Due to the lack of detailed data at the household level, the Program was unable to identify targeted measures that would indicate the causes of such poverty and its eradication issues. It was therefore decided that other mechanisms (such as proxies) would be used to target poverty. During Phase 1 (2008–2012), three targeting mechanisms were applied:

- (i) community orientation;
- (ii) high dependency households;
- (iii) the elderly (55 years of age and above).

This innovative experimental design makes it rare to compare results across different orientation mechanisms within a single program. More often than not, a number of assumptions have to be made in the targeting literature that allow researchers to compare the effectiveness and efficiency of different orientation mechanisms across programs, contexts, populations, and institutional structures. This leads to inaccuracies and biases in the interpretation of the results.

The number and size of social transfers are specific to each state, because they are formed not only by the influence of political and economic factors, but also by the socio-cultural and moral-ethical characteristics that are inherent in a given society. Even within the European Union, whose countries are increasingly integrating into a single economic, social and political space, there are significant differences in the social protection system. For example, social transfers such as childbirth assistance are completely absent in some countries (Greece, Austria, Portugal), but are in their closest neighbours (Spain, Denmark, Italy).

**Conclusions and perspectives of further research.** The theory of social transfer has become the largest study in the modern world for the countries of East Africa, including countries such as Zambia, Zimbabwe, Swaziland, Mozambique, Lesotho, Malawi. Social transfers in the territories of these countries operate in the form of payments for school meals, payments for HIV / AIDS treatment, direct assistance to low-income households, non-contributory pension payments, payments to agricultural households, etc. However, the scientific and practical interest in social transfer in poor countries focuses on the potential long-term perspective of using the foreseeable tools used to overcome chronic poverty and its causes. Poverty and insecurity are an insurmountable and pervasive problem in many East African countries. Short-term, reactive, “patches” of poverty and insecurity have complex effects of use, but while using such social transfers, such tools have proven purposeful use, reducing the negative effects of market gaps in the short run, indicating that there is a need to absorb them. using.

Predictability is a key feature of social transfers that address chronic poverty. As the variables in the social protection model that have an impact on poverty are low economic growth, low agricultural productivity, high unemployment, the HIV / AIDS epidemic, which are also naturally chronic, the chronic poverty burden of this country's socio-economic development life is relatively large. This social burden prediction can address the problem of poverty in a structured, annual context and improve living standards through the use of anticipated social transfers, as opposed to relying on annual social assistance programs with a fixed budget fixation late in the country and not effective at all, or even at risk of chronic poverty, as they must be addressed. In other words, unlike acceptable forms of social assistance, whose effectiveness is diminished by the redundant bureaucracy, social transfers are faster, more efficient and do not require significant effort to create a system of beneficiaries of transfers.

Estimated social transfers can be provided on a regular basis, which on the one hand enables beneficiaries to decide for themselves how to use them – to spend, to save, to invest – and to protect them from the victim of unforeseen circumstances. In this way, social transfer functions more efficiently, as it is not only a way to correct market imbalances, but also enables the use of a wide range of human public goods that short-term immediate transfers cannot.

In our opinion, it is advisable to implement the positive experience of most of the world models of the use of social transfers, which in the public administration system combine their three main functions: provision, prevention and promotion. Conceptually, each social transfer function outlines the effectiveness of its use according to the respective phases of poverty risk. On the whole, the function of the state to realize social security of the population helps to reduce the level of social danger by overcoming the threats of social inequality, creating a protective barrier in case of unforeseen circumstances. The most popular form is the use of a social grant. The preventive function will signal the stage of risk mitigation, that is, the level of danger. By destination, social transfers should focus on preventing poverty or insecurity from rising through different social security systems. And the social transfer promotion feature will take action to reduce social risk, as it aims to protect household wealth and income.

Clearly defined frameworks for inclusion and categorical identification, as the world experience has shown, offset the problem of targeting and increase the well-being of the population not only for the duration of the social program (if it is limited in time) but also in the long run. Also, an important aspect of the formulation and operation of a social program is the form of payment – a transfer that goes directly to the beneficiary. The regularity of transfer functioning and the end result orientation in social programming also increases the effectiveness of the measure to overcome social inequality.

Therefore, social policy must first and foremost play a regulatory and stimulating role in ensuring the socio-economic development and conditions for the effective functioning of the social protection system, which is designed to enhance the economic activity of able-bodied people to ensure a decent standard of living in society.

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