



SCIENTIFIC BASIS OF INNOVATION

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THE ROLE OF LAW IN PROMOTING THE EFFICIENCY OF THE MODERN ECONOMY (Theoretical Approach)

Introduction. Trends of effective economic development are combined with the innovation, building science-intensive economic potential in Ukraine and the flourishing of entrepreneurship. One of the factors of effective economic dynamics is the improvement of economic regulation, the development a holistic strategy for the introduction of digital technologies and innovations in production.

Problem Statement. An urgent scientific task is to assess the scientific orientation of the developments of economists and lawyers and fill them with new content of modern realities based on the rule of law in society.

Purpose. Theoretical rethinking of the role of law in modern economic development through the prism of the rule of law and the promotion of innovations.

Materials and methods. Analytical, historical, and evolutionary analysis methods for theoretical developments, as well economic and legal analysis, the empirical method.

Results. Economic and legal analysis and rethinking and strengthening of scientific developments of J. Schumpeter and other in the category of economic development, "creative destruction" and the driving force of entrepreneurship in economic growth supported by a striking example of Ireland's economic rise in 1987–2006, proved their acceptability for modern implementation to domestic economic strategy and legal policy. As a result of generalization is the original scientific vectors of optimal regulation of the digital economy by establishing the principle of the rule of law as an urgent need to create a positive impetus to economic progress.

Conclusions. Optimal regulation of the digital economy is a lever to promoting economic progress, increasing national prosperity, and combating poverty. Factors for economic efficiency are the protection of the economic freedom of entrepreneurship, the introduction of innovations and the rule of law in society.

Key words: rule of law, role of law, law and economy, economic growth and development, economic efficiency, economic freedom, innovation, entrepreneurship, Schumpeter's "creative destruction", and economic theory.

For several decades, society has been functioning in the conditions of the active development of the information space, which are called the digital economy or the era of digitalization. This is also the era of entrepreneurship. Today's entrepreneurs are increasingly demonstrating their influence far beyond the economy. This influence is manifested, to a greater extent through the entrepreneurs-founders of multinational companies (Body

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Shop, Microsoft, etc.), in the formation of new cultural, political, social, environmental and other platforms based on digitalization. It is they who play the first violin in creating the process of globalization at the present stage of human development and economic progress. Less well-known ordinary entrepreneurs today also play an important role in economic dynamics. The expansion of democracy and economic freedom of entrepreneurship in a number of post-Soviet countries is gradually encouraging entrepreneurs to become more actively involved in the economic potential using personal initiative, creativity and innovation. At the same time, the characteristic manifestations of the modern vector of social development against the background of these trends is the loss of the role significance of the established hierarchical institutions, which are becoming more and more static due to the inability to quickly respond to changes in the external environment in the context of digitalization. Thus, they are not always able quickly to make the necessary optimal management decisions. Due to this, as well as certain other bureaucratic procedures, they often paralyze the intellectual capital of business entities, restraining entrepreneurial initiative and the introduction of innovations. Despite the fact that the modern economy of any state receives a positive charge and is able to develop successfully thanks to the introduction of innovations, free competition and entrepreneurship. Therefore, such hierarchical institutions that are incapable of accepting innovations, to a certain extent, lead to some weakening of economic progress. In turn, mobile and independent sources of digital control, interacting in new conditions, on the contrary, show high results in the optimal solution of managerial and other urgent problems. It is no coincidence that the term “network society” was coined by scientists and practitioners to name this new special structure for managing social reality. This platform, combined with the proliferation of entrepreneurship, is essentially shaping a new life format compared to the era of industrialization. In it, on the basis of the value-normative system, stable

mechanisms arise that are present and will function during the life of the next several generations. Their main task is to ensure the creation of significant directions and levers, meanings of activity and optimal rules of behavior for individuals, business entities and government bodies in general. Optimal legal regulation of economic activity is one of such important levers in the digital age. Promoting economic progress and growth of national wealth, fighting poverty. Which brings us smoothly to the issue of law in economics and its role in promoting economic development at the present stage.

At all times the question of the role of law and its impact on economic development has occupied an important place among the factors in the development of economic relations. Research interest in the role and degree of influence of law on the development of society, economic relations has existed since ancient times. This category was described in the writings of Aristotle [1], A. Dicey [2], S. Norton [3], F. Hayek [4] and was expanded by Jan-Urban SANDAL [5] and other contemporary authors. This interest periodically intensifies and then disappears again. It is no coincidence that well-founded claims can be found that today this research industry is still not sufficiently familiar to many legal scholars, practicing lawyers and politicians. Indeed, until now scholars have not been able to create a complete theory to explain the systemic relationship between law and development that would enable us to define law and development as a reliable and consistent academic field. On the other hand, the problems of legal influence on economic development are closely related to the answer to the second equally important albeit controversial issue. This is an economic question about understanding the essence of economic development and economic growth. In addition, about identifying the key factors that contribute to economic success. We believe that the correct understanding of the category of economic development is one of the key drivers of the effectiveness of economic training. Based on this, we consider the vector of law in relation to the effective-

ness of economic dynamics. Since the existing developments of this legal science, with rare exceptions as a rule do not see a significant difference between the development and growth of the economy. Evidence of this is the existing for almost three decades “enchanted circle” of uncertain and unstable legal and economic foundations of domestic state regulation and as a consequence of weakening the power of the economy and increasing social inequality in society. We aim at filling some of these gaps in order to contribute to the debate on law and development. This determines the scientific novelty and relevance of this study.

Despite the deeper roots of scientific economic research in this direction, scientists are still searching. How to ensure continuous innovation and economic development in the digital economy? This publication reinterprets these categories in search of an optimal solution, which actually exists in an interdisciplinary plane at the junction of economics and jurisprudence.

The purpose of this document is to give a positive impetus to the discussion of the role of law in the economy, demonstrating the existence of a certain relationship between the optimal legal regulation of the economy and the economic development taking into account the latest achievements in empirical analysis and other scientific developments in this area. Coordination and combination of efforts of researchers from different fields, including lawyers and economists, as well as the formation of new and/or restoration of old interdisciplinary research areas, can contribute to the development of effective fundamental economic strategies in the modern era of digitalization.

We believe that the search for an answer should begin with considering the economic component of this two-pronged problem. Why should we resort to a retrospective examination of the theoretical developments of J. Schumpeter [6], F. Hayek [4] as well as other theorists who do not lose their significance and relevance over the years? Focusing on the further development of the main sources of economic development, first of all, one should turn to the important aspects of the scientific app-

roaches of J. Schumpeter, who saw entrepreneurship as the driving force of the economy based on “creative destruction”, and, which in the history of economic thought stands apart from other researchers, combining in its theory both elements of institutionalism and the premise of the neoclassical vector of economic science. He became widely known as a theorist after the birth of one of his most famous works, *The Theory of Economic Development* (1912). Returning to the origins of this economic theory, the following should be recalled. The landmark work *Theory of Economic Development* by Joseph Schumpeter was born in 1911 and was published in 1912 in the German edition. In 1926, the second German edition was published, significantly improved by J. Schumpeter. In 1934, it was translated into English, although not completely [6]. In contrast to the *General Theory of Employment* by D. Keynes, which immediately aroused the greatest interest among economists due to the mathematical nature, mathematical tools and promises of accurate forecasts, attention to the *Theory of Economic Development* did not appear immediately. It came gradually and then began to increase. Moreover, although this work has more than a century of history, the growth of interest in it only increases over the years. One can only assume that at the time of the book’s publication, this seemed like a big step back towards political economy since more than three hundred or more pages of the book do not contain a single graphic drawing. What is important to understanding the economic development contained in the work on these pages? Schumpeter introduced the difference between economic growth and economic development in the economy into scientific theory. The easiest way to express the difference between these two terms is to use the words of the author himself: “Put as many mail carriages in a row as you want, but you cannot create a train with this” [6]. Economic growth is the increase in production and consumption of the same goods and services (for example, postage) over time. Economic development is the birth of something new, previously unknown (for examp-

le, cars, railways). This category is identified by this author by the characteristics of its five components: (1) Development of a new product or its new quality, unfamiliar to the consumer. (2) Creation of a new method of management, which has not yet been tested in the industry, which is not necessarily based on a new scientific invention and can manifest itself in a new form of commercial trade. (3) Opening a new market or a new product, regardless of whether they existed before. (4) Discovery of a new source of factors of production, regardless of whether this source existed earlier or had to be created in a new way. (5) Creation of a new industry organization, for example, achieving a monopoly or abolishing a monopoly position [6].

As one can see, the course of thought of J. Schumpeter in this part was fundamentally different from the neoclassical theory, which at that time gravitated towards the consideration of static problems. His focus was on two fundamental ideas: optimal use of available resources and balance. In addition, Schumpeter first begins his analysis entirely in the spirit of neoclassical theory with a static model, where all indicators of exchange, production, distribution and consumption remain unchanged. In an economically growing society, money and goods move towards each other along long-established routes. Schumpeter designated this movement as the circular flow of economic life. However, in his opinion, economic development is correcting this circular flow, defining new industries and ending the life of an obsolete industry. He calls a striking example of the invention of the automobile, which led to the emergence of the automobile industry, and dramatically changed the scale of production of rubber, glass and steel upward. At the same time, the automobile led to the decline of stud farms and minimized the use of horse traction. With the development of the automotive industry, the raising of horses and the manufacture of carts for them from the industrial sector moved to the range of handicraft production. At the same time, economic development cannot be endless, because innovative

ideas are not born every day. Innovation and economic development with it occur periodically. J. Schumpeter explained the business cycle by the intermittent nature of innovation [6].

According to pure neoclassical theory, in a circular flow of economic life that is in equilibrium, all incomes are equal to costs. In addition, the expression of the price of any product of production is equal to the value of the factors of production consumed, where the formation of values is built in accordance with the law of opportunity costs. In this situation, there is no entrepreneurial profit [6]. Schumpeter develops and supplements this provision by the fact that it lacks not only profit, but also interest, since there is no reason to distinguish between current income and future.

However, Schumpeter's true contribution to economic theory lies in identifying and studying those factors that "explode" the equilibrium of the market mechanism from the inside. The five factors described above, in his opinion, represent new production combinations that cause dynamic changes in the economy.

New combinations of factors of production are called innovations. Moreover, it is in entrepreneurship in the concept of economic development of Schumpeter that the key role of the innovator, the driving force of economic development, is visible, a person who is able to implement a new combination of production factors. Schumpeter singles out entrepreneurship as a special gift, a property of human nature that does not depend on class or social belonging [5].

A typology of this type is characterized by the following criteria: reliance and hope only on one's own strength; risk preference; the value of personal independence; priority to one's own opinion; focus on achieving success with a secondary role of money and a strong drive for innovation as key qualities of this person.

Typical entrepreneurial activity is based on the use of existing funds, not on the formation of new ones. The possibilities for new uses of funds are plentiful in themselves, they may even be well known. However, according to Schumpeter these are "lost"

opportunities [6]. The entrepreneur applies them in practice, overcoming technological and financial difficulties, as well as risks, and, thus, opens up new ways of making a profit. The latter, in his opinion, should be accounted for as an excess of income, which was established in the course of the circuit. As such, the entrepreneur is a key player in the process of economic development. Thanks to his activities, technical progress is achieved, an excess of the value category is formed the static “explodes” and the economy receives a positive impetus for development. Given the dynamic model of entrepreneurship, Schumpeter believes that the motives behind this activity are irrational. The driving motives in this model include the self-development of the individual, the novelty of success, and the joy of creativity. Of course, the formation of such individuals is possible in the environment of economic freedom of entrepreneurial activity. The entrepreneur is guided not by the desire for profit as such, but by the motive of activity and the unshakable will to win [7, 237–239].

Based on innovative solutions, entrepreneurs form new previously unknown combinations of production factors. Based on this, Schumpeter believed that entrepreneurial opportunity (entrepreneurship) is a completely new factor of production, unknown to the classics. In addition, in this (seemingly speculative) theory, Schumpeter unexpectedly demonstrated practical expression. If entrepreneurial opportunity acts as a factor of production, then its limited (well-defined) amount should generate diminishing returns with an increase in other factors of production [6]. Can we assume that Keynes’s General Theory of Employment turned out to be erroneous? Unlikely, macroeconomic theory clearly describes the circumstances characteristic of a circular flow, in which changes can only occur in quantitative terms. Moreover, this is precisely what makes it difficult to use it for economic development, which, in fact, is a qualitative change [8]. Schumpeter thus introduced the distinction between economic growth and economic development. It is in this vein that the role of law in an effective development econ-

omy should be viewed. This category of economic development is also of practical importance for the practice of international investment protection law under the ICSID Convention [9].

Therefore, it is extremely important to take into account the aforementioned theoretical considerations when considering the role of law in promoting economic development. Since innovation and entrepreneurial activity are key factors of economic development, the delicate focus of legal regulation of the economy should be aimed precisely at protecting and encouraging these drivers of economic activity. In addition, from here it becomes clear what purpose the regulator is pursuing by introducing new regulatory requirements. Moreover, what do we want to get in the end, increase in the number of consumer goods or intensify economic dynamics?

Back in the early 1960s, Nobel laureate in economics Milton Friedman came to an interesting conclusion. While studying the appearance of diminishing returns in American telecommunications Friedman suddenly realized that, the onset of diminishing returns could in no way be explained by limited nature, capital, or labor. Only a limited (well-defined) number of entrepreneurial opportunities and abilities (in other words, the ability to combine production factors) can reduce the effectiveness of other factors [10, 15]. In other words, from the point of view of legal science, it should be emphasized that law cannot and should not in any way interfere with the development and implementation of innovations, which are an important tool and driving force for entrepreneurship. Otherwise, it negatively affects economic development. This position is shared by Jan-Urban Sandal and other researchers [5]. Along with the stated theoretical conclusions, there are practical examples of the implementation of these views.

Ireland’s historical experience has shown effective economic growth between 1987–2009. The economic boom of the Celtic tiger is generally considered one of the most striking economic dynamics of the modern era [11].

Scientists reasonably came to the conclusion that it was the right to economic freedom, combined with the creation of appropriate conditions for the development of entrepreneurship, a favorable investment climate and the introduction of innovations, that allowed them to obtain such results [12]. Analyzing the various factors of economic growth in a particular country, one can only partially answer the question of the role of the national regulatory source and its impact on economic growth [13], [14]. (However, as one of the poorest countries in Europe for more than two centuries Ireland experienced impressive economic growth in the 1990s. In purchasing power parity, Ireland's GDP per capita was USD 25,000 by the end of the 1990s, ahead of the UK (USD 22,000) and Germany (US \$ 23,500) [13]. Ireland has successfully overtaken its British neighbors. From 1990 to 1995, the GDP growth rate in the country averaged 5.14% per year, and in 1996–2000, they increased to an average of 9.66% [14].) In addition, as studies show, the most important role in this process was played not by the law itself, but by the legal basis for the existence of free enterprise created in society. On the other hand, the law enshrined in national legislation did not hinder the development of economic freedom, but rather contributed to the active development of entrepreneurship in the economy, including through the effective use of financial and other resources [15].

How to achieve the optimal distribution of investment resources? By channeling resources into cost-effective projects, the regulator promotes economic progress. Considering the aforementioned economic growth of Ireland from different positions, one cannot fail to mention certain considerations regarding a certain positive role of EU subsidies in this successful breakthrough. This assumption is unfounded for a number of reasons. Although its consideration may shed additional light on the effectiveness of the potential of entrepreneurship in the economy. The justification for this can be as follows. First, the determination of the economic performance of such tranches at

the country level is still very difficult and practically unpromising due to the lack of effective instruments. On the other hand, this is due to the provisions of the so-called theory of `public choice`. It can be formulated as the following question: Why should government officials find it important to channel resources to invest in the most profitable projects that boost economic growth, even if they can think of them as such? It is reliably known that entrepreneurs direct the resources at their disposal to the most effective projects, since they have the right to receive profit from investments. Government officials are deprived of this advantage. Therefore, they can gain more preference by investing resources in projects that bring positive bonuses to their political partners, instead of translating them into projects that are best for growth. This imposes a diffuse opportunity on the rest of society, creating concentrated benefits for their political partners [16]. However, the mentioned tendency of resource allocation between projects is characterized not only by a subjective factor. For the most part, the problem is that the state does not have a kind of measuring standard, but allows one to maximize the design of a project that contributes to economic dynamics. When an entrepreneur is faced with such tasks, he solves them simply. He takes into account the possible profit. Based on the accounting indicators of profit and loss he evaluates his previous decisions and if necessary corrects his actions in the implementation of the project. It is believed that such methods of calculus are not yet available to the state [17]. And here, as an answer to the above question, we will point to such an instrument as the principle of the rule of law. It is widely used in EU countries and other countries, included in determining the criteria for effective use of allocated funds for the economy [18]. Too important a place is given today to the triumph of the rule of law in the activities of government institutions, officials and ordinary citizens, because the rule of law is a solid foundation for the development of prosperous societies based on the principles of peace and justice [19, 205–234]. The

rule of law projects the prevalence of sound and just principles and creates conditions for sustainable economic development. In both the economic and legal literature, the dominant line of theoretical research on the relationship between the rule of law and economic development has been delineated through property rights and institutions for their enforcement. The latter include the independence of the judiciary, audits by the control authorities and others. These models often display government predation as the main attribute of limiting economic dynamics. This premise leads to the conclusion that government containment is critical to achieving economically important results [20, 673–685]. By virtue of the rule of law, the purpose of the law is to promote the public good [21, 211]. Only the widespread observance of this principle and its implementation in the life of society leads to the triumph of justice and creates a positive impetus in the economy. What then is the role of law in promoting economic development, as the role of law is precisely not to interfere with economic development? State actions that prevent people from participating in mutually beneficial exchanges hinder the growth of their standard of living and well-being. Restrictions on foreign trade and excessive government intervention in the regulation of the economy within the country with an obvious lack of financial sources and material resources certainly create obstacles for certain types of mutually beneficial economic activity. The exorbitant tax burden and inflation significantly reduce the source of money for citizens, which they can focus on making profitable deals and improving their own well-being. Legal protection of the legitimate interests of the individual and the rule of law give people confidence. Confidence that if they are engaged in the implementation of long-term mutually beneficial projects, then the state or third parties will not be able to unlawfully take away their legitimate profit [22, 241–275]. By virtue of the rule of law the purpose, according to the latest data GDP per capita is not an ideal measurement tool [23, 24], nevertheless, it approximately reflects the stan-

dard of living of society. At the same time as can be seen from the figures above as the Irish economy liberalized GDP per capita in the country increased. It is no coincidence that at the beginning of this publication, the author focused on characterizing the crucial role of entrepreneurship. It was J. Schumpeter who determined the entrepreneurial strength necessary to stimulate economic progress if the economy is not static, structurally immobilized and not subject to corruption [6]. Although it seems strange to believe that the complexity of the law, the independence of the judiciary or corruption constitute a fundamental impediment to economic growth. Nevertheless, using the example of Ireland, which we consider from different angles, we clearly see that reforms including legal reforms carried out after the financial crisis in the country in the mid-80s, which significantly reduced the legal powers of the government in the economy, government spending fundamentally changed the institutional atmosphere in which entrepreneurs worked [25, 177]. By giving them real economic freedom and creating a reliable credit of confidence for foreign investors, the growth in economic freedom according to research has been observed both before and during the country's remarkable growth. The government has made firm commitments not to inflate or manage huge budget deficits while continuing to cut tax rates further after the initial reforms. This is despite the fact that Ireland showed poor results until 1987. In 1960, Ireland's GDP per capita in the republic reached only 66 percent of the EU average of twelve. In 1986, it even dropped to 65 percent of the average. Also by this period, the total public debt was equal to 116% of GDP [26, 119]. Due to the excessively high level of public debt, high interest and administrative costs have significantly exacerbated the country's catastrophic financial resources [12]. In addition, as we can see, the result was not long in coming.

A set of budget cuts and a tax amnesty at the start of the `Celtic Tiger` stabilized the federal budget and also attracted foreign direct investment

in the economy. This, together with deregulation, has increased the performance of foreign investment, contributing to economic dynamics [27]. Consequently, Ireland achieved living standards in the EU and the UK, and achieved a growth success of 11.5 percent in 2000 [28]. The need to find the most optimal balance between law and economics, as well as to establish a balance between public and private interests, is largely due to the driver of creating an attractive investment climate in the country, which would help increase the inflow of foreign investment into the national economy, since the latter are an effective mechanism for promoting economic development and the growth of national wealth. In turn, the key vector of the modern investment policy of any country focused on building an appropriate investment climate, is the creation of an optimal system of legal protection of guarantees of foreign investors, based on the rule of law, independence of the judiciary, inviolability of property rights. Only based on such a balanced approach, the state can create a positive impulse to attract foreign investment [29, 5], [30] and thereby contribute to effective economic development.

Achievement of effective economic dynamics lies in the use of economic incentives, or it occurs due to cardinal transformations of the political state structure. At the same time, the rule of law and observance of human rights to economic freedom and independent choice act as the legal foundation for the innovative development of the digitalization economy.

Thus, the role of law in increasing the efficiency of the modern economy is to protect the principle of the rule of law, protect the right to economic freedom in combination with the creation of appropriate conditions for the development of entrepreneurship, a favorable investment climate and the introduction of innovations.

The most important theoretical achievement for this study was the strengthening of arguments about curbing government interference in the economy of digitalization as well as the widespread application of the rule of law in this area of public

relations. In the context of the emerging crisis manifestations of the economy and the lack of public sources of funding and resources, the leading role in creating effective economic dynamics can be created only by creative entrepreneurs aimed at introducing innovations and manifesting entrepreneurial initiative. Thus, creating a positive transformation of the individual to improve his social status through the Schumpeter creative destruction.

Based on the consideration of the theoretical aspects of some factors of economic development from the point of view of economic theory, in close connection with the evolution of legal institutions, the author emphasizes the important role of a legal instrument in promoting economic performance and social progress in society.

By virtue of a retrospective analysis of empirical data taken from the experience of the successful development of a particular country (Ireland, 1987–2009), which achieved brilliant results in economic dynamics and a significant increase in national welfare in a short time, a powerful development potential is substantiated with effective government governance through optimal legal regulation economy. The right to economic freedom combined with the creation of appropriate conditions for the development of entrepreneurship, a favorable investment climate and the introduction of innovations has led to high results.

Therefore, the higher the level of economic freedom of entrepreneurship is reflected in the law and also finds its practical embodiment in the activities of the relevant state institutions for its implementation, the more chances for creating effective economic development, increasing national well-being and improving the living standards of citizens.

Based on the foregoing, the priority direction of further research development for joint research in the legal and economic sphere is to study and substantiate the sources of the effectiveness of the impact of law and national legislation on economic growth and social development, as well as the establishment of legal factors that have a nega-

tive impact or hinder economic progress in the context of globalization. Since in the era of globalization each individual acts as an integral cell of the world economy, he is able to make a feasible contribution to the formation of national welfare based on the rule of law.

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ПРО РОЛЬ ПРАВА У ПІДВИЩЕННІ ЕФЕКТИВНОСТІ СУЧАСНОЇ ЕКОНОМІКИ (ТЕОРЕТИЧНИЙ ПІДХІД)

Вступ. Тренди ефективного економічного розвитку поєднуються з інноваціями, розбудовою наукоємного економічного потенціалу в Україні та розквітом підприємництва. Одним із чинників ефективної економічної динаміки є удосконалення регулювання економіки вироблення цілісної стратегії впровадження цифровізації та інновацій у виробництво.

Проблематика. Актуальним науковим завданням є оцінювання наукової спрямованості розробок економістів і правників та наповнення їх новим змістом сучасних реалій на основі верховенства права в суспільстві.

Мета. Теоретичне переосмислення ролі права в сучасному економічному розвитку через призму верховенства права та просування інновацій.

Матеріали й методи. Аналітичний, історичний та метод еволюційного аналізу теоретичних розробок, а також економіко-правовий аналіз, емпіричний метод.

Результати. Економіко-правовий аналіз та переосмислення і підсилення наукових розробок Й. Шумпетера та інших щодо категорії економічного розвитку, «творчого руйнування» та рушійної сили підприємництва в зростанні економіки, підкріплені яскравим прикладом економічного піднесення Ірландії за 1987–2006 роки, засвідчили їх прийнятність для впровадження в сучасну економічну стратегію та правову політику. Внаслідок узагальнення сформульовано оригінальні наукознавчі вектори оптимального регулювання економіки цифровізації шляхом утвердження принципу верховенства права як нагальної потреба для створення позитивного імпульсу економічного прогресу. Оригінальність яких в чіткому розумінні балансу економічного змісту та юридичної форми суспільно-економічних відносин в міждисциплінарній площині на стику економіки та юриспруденції.

Висновки. Оптимальне регулювання цифрової економіки є важелем сприяння економічному прогресу. Чинниками підвищення ефективності економіки є захист економічної свободи підприємництва, впровадження інновацій та втілення принципу верховенства права в соціумі.

Ключові слова: верховенство права, роль права, право та економіка, економічне зростання та розвиток, економічна ефективність, економічна свобода, інновації, підприємництво, «творче руйнування» Шумпетера, економічна теорія.