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## **AN ISSUE OF LEGAL QUALIFICATION OF BUSINESS ENTITIES OF A LARGE BUSINESS**

The economic law and the legislation apply a number of qualification criteria for division of business organizations into types. Firstly, they apply criteria, which consider legal aspects of functioning, particularly division of enterprises into enterprises of unitary and corporate types, enterprises of different ownership forms, etc. The legislator also marks out peculiar types of enterprises such as foreign enterprises and enterprises with foreign investments, et al.

Simultaneously, the economic legislation contains an already formed approach to indication of so-called small business entities alongside with legislatively determined medium-sized and large business entities.

It is worth mentioning that the economic law of Ukraine gives special treatment to small businesses, which is stipulated by taking into account their functions in the national economy. That is to say, the government exercise a policy aimed at stimulation of development of small business activity. Thus, a purpose of small business consists in: possessing high innovative potential, realization of which enables to create a new market and achieve competitive advantage even in comparison with large business entities; prompt market reactions; providing an internal market with goods and services (enterprises of large and medium-sized businesses are export-oriented and a vector of small business activity, which is oriented towards satiety of the national market, maintains the economic balance in the country); small business mobility; facilitation of competition development; rapid recoupment of expenses and freedom of market choice; an ability to operatively create workplaces.

Thus, these advantages have stipulated the significant interest in the small business on the part of the government. This fact is a precondition for development of a strategy on support and subsidization of the small business and implementation special regimes of economic activity on the legislative level.

Consequently, the contemporary economic and legal framework of small entrepreneurship in Ukraine has been thoroughly developed. The Law of Ukraine «On Development and State Support of Small and Medium-sized Entrepreneurship in Ukraine», which has been adopted in 2012, contemplates a wide range of planned

measures regarding stimulation of small business development and implementation of a special regime of functioning for it. Thus, the government actively improves regulation and facilitation of small business activity. Moreover, science effectively works in this direction, developing methodological frameworks for creation of a complex economic and legal conception of governmental support of small entrepreneurship in Ukraine.

Nevertheless, there is a completely different situation regarding a governmental policy regulating large business entities, activity of which is potentially progressive. Large companies are a framework of the national economy, its main representative on the world stage, the most important partner and an opponent of the government in the process of exercising an industrial policy. These particular business entities produce a major share of a general commodity amount of a certain industry of the national economy. Moreover, only large business organizations are able to organize production of the national product that will be competitive and integrated in the world market. Nowadays, it is of particular importance, particularly because of commitment of Ukraine to enter into the WTO. Economic benefit from activity of large business entrepreneurship is manifested in the form of possessing powerful concentrated capital and other assets, an opportunity of involvement of considerable amounts of foreign investments, formation of a huge number of workplaces, the influence on pricing in the country, et al.

Thus, there are a number of specific public interests related to economic activity of large business enterprises. Therefore, the author can state that there are lack of norms in the Ukrainian legislation aimed at regulation of functioning of the large business and lack of conception of governmental support for large business entities as an important factor of market economy development in our country. The reason is that owners of large business organizations are bearers of economic power, which allows the large business to influence formation of the legislation and to lobby their interests at public authorities. Obviously, it is beneficially for the large business to stay in the shadows, to be an insufficiently regulated economic phenomenon. This explains almost complete lack of development of this matter on the legislative level.

Consequently, the governmental policy, including economic and legal one, should take into account the necessity of usage of positive economic potential being inherent to the vary economic organizations of small business, neutralization and elimination of social negative aspects of its activity. All these opportunities may be implemented at the expense of a substantiated governmental policy and accurately applied appropriate legal measures.

Thus, there is a need to enhance functioning of the legal economic order, and an economic mechanism of regulation of processes concerned with activity of bear-

ers of macroeconomic power. The mentioned goals can be solved through improvement of corresponding industrial legislation, which, in turn, forms preconditions for effective collaboration of the government with powerful potential of the large business through formation of a program of common activity. Primarily, these programs will protect public interests of the country.

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## **CORPORATIZATION AND PRIVATIZATION OF ASSETS OF JSC «UKRZALIZNYTSIA»: A POSSIBLE MODEL OF HOLDING RELATIONS**

Ukraine belongs to that category of countries, which possess a wide range of objects of movable property and real estate. Using a large amount of assets in spheres of transport, communication, heavy industry, mining, and chemical industry, public authorities can significantly influence a process of functioning of the entire economic system.

Therefore, processes of corporatization and privatization in Ukraine assume considerable importance at the modern stage of development of productive forces and relations of production. Providing effective usage of the state property and the increase of revenues of the state budget from state-owned companies are strategic goals for the leadership of the country. Moreover, relations of state ownership are intersectoral and encompass many spheres to be regulated.

Many countries have gone through processes of corporatization and privatization. Corporatization and privatization of state property is one of ways of achieving these goals. The Laws of Ukraine, the Decrees of the President of Ukraine, the State Program of Privatization, the Orders of the Cabinet of Ministers of Ukraine, and other normative and legal acts regulate legal, economic, and organizational basics of denationalization and privatization of property belonged to state-owned companies.

It is worth mentioning that privatization of property of state-owned companies is a very complicated social and economic process. It is concerned with vital interests of employers of all the spheres of economic activity.