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CONCEPTION OF THE PRESENT-DAY PENSION SYSTEM AS A RESULT OF TRANSFORMATION PROCESSES IN GLOBAL DETERMINATION

One of the central problems of social development is living standards. Social welfare state can be considered as the most perfect form for manifestation of social basis in social relations. Many of developed countries have already come to the level corresponding to qualitative characteristics of social state, provisions of which are also the example for forming conceptions of development of many countries. Principle of social welfare state fixed in the Constitution of Ukraine means also forming of adequate social standards for all categories of population [1]. And the problems related to moneyed assistance (material support) of the aged obtain large significance in society. Anyhow, solution of these problems does falls within the scope of the basic interests of every person.

However, the present-day stage of development has also defined a number of global problems generated by socialization of society. Gradual shift in priorities of development towards satisfaction of human wants and active promotion of their growth take place. As a result, social structure is involved in gradual transformation into consumer society when satisfaction of needs takes place without any limitations. In this case problems of valuation of environment, renewability of consumed environmental resources and ecology go by the wayside. Under such conditions pension system has not only to provide financial assistance and adequate level of consumption for senior citizens but also to fulfill active function in economic development without burdening of economy with grand-scale expenses and slowing down economic development. It is assumed that mixed pension scheme architecture satisfies these requirements best of all. It is based on insurance principles and diversified approach to the formation of retirement assets. Their basic provisions are implemented by means of joint and defined contribution systems of obligatory retirement insurance and non-state pension provision (non-contributory pension scheme) [2, 3]. Insurance principles are the means to relate rate of retirement pension to pensionable service duration, wage level (earnings) and insurance fees. It is assumed that insurance principles for forming retirement assets can also inspire all participants of pension relations to active participation in retirement insurance. And possibility of accumulating pension plan assets and converting them into in-

vestment resources is considered as substantial potential for development of economy and increase in its efficiency. However, new concept of pension relations embedded into domestic environment can be effective only provided its harmonization with specific social-economic conditions in the country. We must just note that practice of functioning of three-pillar pension system does not always justify optimistic forecast. For example, there are relatively low rate of retirement pension within pay-as-you-go pension scheme; non-state pension system is small scale; and for defined contribution pension system to be put into action during existence of combined pension system in 2004 necessary conditions have not been created. An additional point to emphasize is that nowadays against the background of fast moving globalization there is aggravation of economic and financial problems taking the form of global structural imbalances. This makes forecasting of financial-economic processes for long-term perspective (required by the provisions of present-day forms of retirement insurance) problem-plagued.

Research into different aspects of pension system functioning has found its way in the works of many scholars and practitioners, among whom are N. Yu. Borisenko, H. G. Nikitenko, O. G. Bilorus, O. V. Gavrilyuk, S. A. Rybak, V. S. Lukyanov and many others. However, state of the art of the national retirement insurance is bombarded by continuing transformation processes in economy, financial, political and other systems of global space. This results in the necessity for it to be studied in more detail and proves it topicality.

Thus, object of the paper is analysis of some aspects related to functioning of the national system of retirement insurance in the context of the processes of global social transformations, identification of issues of concern and determination of the lines to improve the conception of pension system in the process of social-economic development of society.

Our research is based on a system approach using general scientific methods: generalization, pooling, analysis and synthesis. We used abstract-logical method for making conclusions.

Transformation of the national pension system (retirement plans) is component part of the national transformations. However, under the conditions of global

trends in social development the process of pension adjustment is beyond the scope of separate state. Thus, pension transformations can be considered to be the result of world-wide (global) transformations. It is significant that pension relations influenced by globalization acquire peculiarities inherent to it. Specifically, globalization is understood as gradual transformation of global space into a single zone where capital, commodities and services migrate easily, as well as ideas are disseminated and their carriers move freely stimulating development of modern institutions and smoothing mechanisms of their interaction [4, p. 6]. Thus, interconnection of information space not only makes information on economic, social and cultural life of the nation accessible. Common

positions, objectives and criteria of economic development, quality of life and social standards are being formed in global space. We are of the opinion that pension system category in the context of globalization can be represented as a system of social relations through which moneyed assistance of pensioners is carried out that reflects social regulations of pension provision on the national level by means of pension payment rates and indicators of social guarantees.

One of the main criteria of multinational evaluation of pension domain is the ratio of pension expenses within the state to the volume of gross domestic product (GDP). Index of the ratio of pension expenses to the volume of GDP is shown in Table 1.

Table 1

Pension expenses as a percentage to GDP

Country	2000	2010	2020	2030	2040	2050
Ukraine	8.7	16.3	15.2	18.8	20.9	24.2
Germany	8.8	10.2	10.5	11.5	12.1	12.3
France	10.5	13.5	13.6	14.2	14.4	14.2
Great Britain	5.5	6.7	6.9	7.6	8.0	8.1
USA	5.1	4.9	5.3	6.0	6.0	5.7
The Netherlands	5.3	6.5	7.8	9.3	10.3	10.3
Denmark	7.1	9.4	10.6	10.6	10.4	9.6
Russia	4.7	9.4	10.8	14.0	15.4	18.8
Poland	8,5	10,8	9,7	9,4	9,2	9,1

Source: USAID documents [5].

What stands out is the tendency to fast moving growth of this index in Ukraine. In analytical report *Risks, threats, priorities and consequences of reformation of pension system in Ukraine* it is observed that in the absence of reforms by 2050 this index will be the highest [6, p. 21]. It is significant that the given ratio does not characterize qualitative aspect of constituent indices. However, the level of pension maintenance remains relatively low. Index of GDP in this ratio characterizes economic capabilities of the state to defend social sphere. Without analysis of the completeness of formation and structure it is neither illustrative of the economic strength of the state. Shadow economy (informal sector), not reflected in official statistics, is class of its own challenges in international practice of GDP analysis. Consequently, society obtains distorted interpreta-

tions of qualitative characteristics of economic and social spheres. Therefore we deem it advisable use of methodology of GDP formation with obligatory account of shadow economy volumes. This circumstance must be embodied in formation of the methodology for social indicators, where GDP index is used.

It is assumed that development of pension systems deals with demographic problems almost in all countries of the world. Arguably, population profile is one of the driving forces of social-economic development. Aging of population has influence with conceptualization of pension systems as a result of different circumstances. Resiliency of pension system especially depends of the capability to provide financial support to growing number of pensioners. Ratio percentage of senior citizens in the overall structure of population is shown in Table 2.

Table 2

Ratio percentage of senior citizens in the overall structure of population

	Share of persons aged older than 60			Share of persons aged older than 65		
	2020	2030	2050	2020	2030	2050
Europe	25.6	29.3	34.2	19.0	22.6	27.4
Eastern Europe	23.5	26.0	33.6	16.6	20.1	25.4
Western Europe	28.3	33.1	35.2	21.5	25.8	28.9
Northern Europe	24.6	27.4	29.5	18.7	21.2	23.5
Southern Europe	26.6	31.5	37.5	20.3	24.0	31.4

Source: World Population Prospects [7]

Researchers noted that Europe is the largest region with the highest ratio percentage of senior citizens older

than 65. The structure of senior citizens is 21.0 % of persons of the age of 60, and a share of persons older than

65 is 16.0 %. According to the forecasts, this indicator will rise in the long view, especially in countries of Northern and Eastern Europe [8, p. 26]. Therefore social policy of European and a number of other countries is focused on minimization of negative consequences against risks of aging of population. It must be said that this tendency is typical also for other regions of the world. According to N. Yu. Borisenko, formation of the ideology of present-day pension system must be based

on the objective assessment of demographic situation. This is because practically all demographic indicators related to the problems of pension maintenance are budget-forming [9, p. 109]. Predominance of one or another demographic group in the structure of population defines flows of funds of budget revenue and spending of the corresponding pension fund. Basic demographic and other statistics is shown in Table 3.

Table 3

Demographic and other statistics related to social security, 2012

Country	Total population, mln	Percentage, 65 or older	Dependency ratio (a)	Life expectancy at birth (years)		Life expectancy age		Early pensionable age		GDP per capita (US\$)
				men	women	men	women	men	women	
Albania	3.2	9.7	47.8	74.2	80.4	65	60	62	57	8.716
Andorra	0.09	13.0	40.0	80.4	84.7	65	65	c	c	37.200
Austria	8.4	17.6	47.8	78.4	83.6	65	60	63.5	58.5	38.818
Belarus	9.6	13.6	40.0	65.2	76.4	60	55	c	c	13.040
Belgium	10.7	17.4	52.2	77.2	82.8	65	65	60	60	36.313
Bulgaria	7.5	17.5	45.4	70.3	77.1	63.33	60.33	c	c	13.870
Croatia	4.4	17.2	47.5	73.3	80.4	65	60.25	60	55.5	19.986
Cyprus	1.10	11.6	41.5	77.7	82.1	65	65	63	63	30.848
Czech Republic	10.5	14.8	40.6	74.7	81.0	62.5	61.33	59.5	58.33	25.581
Denmark	5.6	16.5	52.6	76.7	81.4	65	65	c	c	37.720
Estonia	1.3	17.2	48.3	69.8	80.0	63	61	60	58	19.693
Finland	5.4	17.2	51.0	77.2	83.3	65	65	62	62	35.265
France	62.8	16.8	54.2	78.5	84.9	60	60	c	c	33.674
Germany	82.3	20.4	51.2	78.2	83.0	65.08	65.08	63	63	36.338
Greece	11.4	18.6	49.5	77.6	82.6	65	62	60	57	29.617
Guernsey	0.65	17.1	47.1	79.6	85.0	65	65	c	c	44.600d
Hungary	10.0	16.5	45.3	70.8	78.5	62.5	62.5	c	c	20.312
Iceland	0.32	12.0	48.8	80.3	83.8	67	67	65	65	36.795
Ireland	4.5	11.7	49.0	78.4	83.2	65	65	c	c	40.697
Isle of Man	0.85	18.2	53.3	79.2	82.5	65	60	c	c	35.000d
Italy	60.6	20.4	52.5	79.2	84.6	66	62	c	c	32.430
Jersey	0.95	14.8	45.6	79.1	84.0	65	65	63	63	57.000
Latvia	2.3	17.8	46.3	68.8	78.5	62	62	60	60	16.437
Liechtenstein	0.37	15.0	45.0	79.4	84.2	64	64	60	60	141.100
Lithuania	3.3	16.1	44.8	67.2	78.3	62.5	60	57.5	55	17.308
Luxembourg	0.51	13.9	46.4	77.6	82.7	65	65	60	60	83.820
Malta	0.42	14.1	40.9	77.6	82.3	61	60	c	c	24.814
Moldova	3.6	11.2	38.5	66.2	73.5	62	57	c	c	2.854
Monaco	0.03	26.9	64.5	85.7	93.8	65	65	60	60	63.400
Netherlands	16.6	15.3	49.3	78.9	82.8	65	65	c	c	40.676
Norway	4.9	14.7	50.2	79.1	83.5	67	67	c	c	56.214
Poland	38.3	13.6	39.7	72.2	80.6	65	60	c	c	18.905
Portugal	10.7	17.9	49.4	76.8	82.8	65	65	55	55	24.920
Romania	21.5	14.9	43.1	70.6	78.0	64.25	59.25	59.25	54.25	14.278
Russia	143.0	12.8	38.6	63.3	75.0	60	55	c	c	18.932
San Marino	0.03	18.0	52.9	80.6	85.8	65	65	60	60	36.200
Serbia	9.9	14.3	47.0	72.5	77.1	65	60	53.67	53	11.893
Slovak Republic	5.5	12.1	37.4	71.9	79.5	62	59.75	60	60	22.882
Slovenia	2.0	16.5	43.6	76.1	82.8	63	61	c	c	27.133
Spain	46.1	17.0	46.9	78.8	84.8	65	65	c	c	32.150
Sweden	9.4	18.2	53.3	79.7	83.7	65	65	61	61	37.377
Switzerland	7.7	16.7	46.9	80.2	84.7	65	64	c	c	45.224
Turkey	72.8	6.0	47.9	72.0	76.6	60	58	c	c	13.668
Ukraine	45.4	15.5	42.2	63.5	74.6	60	55.5	c	c	6318
United Kingdom	62.0	16.6	51.4	78.3	82.4	65	61	c	c	35.155

Source: Pension Markets in Focus [8]

GDP – Gross Domestic Product

- Population aged 14 or younger plus population aged 65 or older, divided by population aged 15-64.
- General early pensionable age only; excludes early pensionable ages for specific groups of employees.
- The country has no early pensionable age, has one only for specific groups, or information is not available.
- Data dates from 2005 or earlier.

It is important to emphasize that the highest indices for older persons in the overall structure fall on the largest economies: Monaco, Germany, Italy, Sweden, Austria and Belgium. The biggest life expectancy is typical for most of these countries. For respective pension systems prolongation of retirement period in the persons' life assumes additional expenses of financial resources. Also worth noting is that the above mentioned and a number of other developed countries differ also in high GDP indices per a person. This means availability of potential financial possibilities for functioning of pension systems even under conditions of increasing population pressure. Together with adverse demographic determinants (as it appears from Table 3), GDP volume per a person in Ukraine is also the lowest among the countries under consideration. Under such conditions solution of the problems of social welfare is particularly troubled and requires activation in economy. The idea is that qualitative social security is possible provided achievement of definite level of economy and increase in the volumes of government receipts (public revenues). However, according to S. O. Rybak, countries with low level of revenues, expanded poverty and considerable part of illegal sector of economy require more increase in the amount of social security than others [10, p. 17]. The author's argument is that social insurance in developing countries has to be not only financially accessible but can also serve as a necessary factor for long-term and stable growth [10, p. 17]. Researchers more than ever agree that present day welfare system must execute stimulant and not compensatory function, which is more typical for American model. This model is focused on securing social protection of only those categories of people who are deprived of any other sources of income except welfare payments. However, conditions for high living standards are created. Social welfare model employed in Scandinavian countries can be called most socially-oriented. High standard of social welfare here is considered as right at law and is provided mainly as state funds (budgetary financing) [10, p. 18]. German (continental) model differs in large volume of GDP redistributed for social goals and developed system of welfare [10, p. 18]. The outstanding feature of this model is syn-

ergies between duration of participation and level of social welfare. Compared to said system Anglo Saxon model provides powerful capabilities of pension fund scheme (pension maintenance) with or without participation of a person in it on the grounds of principles of solidarity. We understand that enumerated models are inherent to economically developed countries, where ideology for constructing social welfare systems is based on achievement of high living standard, including that of pensioners. At the same time accelerated transformations in economy and financial sphere stimulate development of new forms and methods for solution of social problems. For this purpose formation of the ideology of pension transformations assumes also account of peculiarities of social development, the achieved level of its socialization, quality of social policy being carried out, availability of insurance traditions as well as attitude of community to age and many others. This is accounted for variety of social and pension plans. It is important to emphasize that practically all available forms of social assistance are represented in the national social protection system as well as throughout European space. In Ukraine national model of pension system has been formed on the grounds of appraised foreign conceptions. However, unique characteristic of the national forms of social insurance, especially of retirement pension insurance, is focus on poverty minimization and securing the adequate level for satisfaction of social needs. Recently the quality of social protection is increasingly connected with the volume of financial resources accumulated as part of specific type of social (retirement) insurance. The main sources of financial resources of pension plans are insurance contributions paid by insured and insured persons at the fixed rates. Issues related to the rates of social contributions and distributions of fiscal burden among payers are the most polemical in academic and practical environment. Most of Ukrainian scholars hold the view that there is interdependence of increase in pension system financial resources on the conditions related to the decrease in the rates of insurance payments. The main contributions rates fixed in the European countries are shown in Table 4.

Table 4

Contributions rates for social security programs, 2012 (in percent)

Country	Old age, disability, and survivors			All social security programs ^a		
	Insured person	Employer	Total	Insured person	Employer	Total
1	2	3	4	5	6	7
Albania ^b	8.8	12.8	21.6 ^c	11.2	16.7	27.9 ^d
Andorra	5.5	14.5 ^c	20 ^c	5.5	14.5	20
Austria ^b	10.25	12.55	22.8	17.2	15.15	42.35
Belarus	1	28	29	1	34.3	35.3
Belgium ^b	7.5	8.86	16.36	13.07	24.8	37.87
Bulgaria ^b	7.9	9.9	17.8	12.9	17.8	30.7 ^d

1	2	3	4	5	6	7
Croatia ^b	20 ^c	0	20 ^c	20	17.2	37.2 ^d
Cyprus ^b	6.8 ^c	6.8 ^c	13.6 ^c	6.8	6.8	13.6 ^d
Czech Republic ^b	6.5	21.5	28	11	34 ^e	45 ^{de}
Denmark	f	f	f	8	8	16 ^{df}
Estonia	2	20	22	4.8	34.4	39.2 ^d
Finland	5.15	17.65	22.8	7.99	22.39	30.38 ^d
France ^b	6.75 ^g	9.9 ^g	16.65 ^g	9.9	32.68 ^e	42.58 ^e
Germany ^b	9.8	9.8	19.6	20.425	20.845	41.27 ^d
Greece ^b	6.67	13.33	20	12.05	22.6	34.65
Guernsey ^b	6 ^c	6.5 ^c	12.5 ^c	6	6.5	12.5 ^d
Hungary ^b	10 ^c	27 ^c	37 ^c	17.5	27 ^h	44.5 ^{dh}
Iceland	4	15.79 ^c	19.79 ^c	4	15.79	19.79 ^d
Ireland	4 ^c	4.25 ^c	8.25 ^c	4	4.25	8.25 ⁱ
Isle of Man	11 ^c	12.8 ^c	23.8 ^c	11	12.8	23.8 ^d
Italy ^b	9.19	23.81	33	9.19	31.78	40.97
Jersey ^b	5.2 ^c	5.3 ^c	10.5 ^c	6	6.5	12.5 ^{dj}
Latvia	11 ^c	24.09 ^c	35.09 ^c	11	24.09	35.09 ^d
Liechtenstein ^b	10.55	12.75	23.3	12.55	19.7 ^e	32.25 ^e
Lithuania	3	23.3	26.3	9	30.98	39.98 ^d
Luxembourg ^b	8	8	16	12.45	12.2	24.55 ^d
Malta ^b	10 ^c	10 ^c	20 ^c	10	10	20
Moldova ^b	6 ^c	23 ^c	29 ^c	6	23	29
Monaco ^b	6.15 ^k	6.15 ^k	12.3 ^k	6.15	21.85 ^e	28 ^e
Netherlands ^b	19	5.7	24.7	23.2 ^h	19.12	42.32 ^{dh}
Norway	7.8 ^c	14.1 ^c	21.9 ^c	7.8	14.1	21.9 ^d
Poland ^b	11.26	14.26	25.52	22.71	17.38	40.09 ^d
Portugal	11 ^c	22.25 ^c	34.25 ^c	11	23.75	34.75
Romania	10.5	31.3	41.8	16.5	38.85	55.35 ^d
Russia ^b	0	22	22	0	30.2	30.2 ^j
San Marino	4.2 ^c	16.1 ^c	20.3 ^c	4.7	30	34.7
Serbia ^b	11 ^c	11 ^c	22 ^c	17.9	17.9	35.8 ^d
Slovak Republic ^b	7	20	27	16.4	33.2	49.6 ^d
Slovenia	15.5 ^c	8.85 ^c	24.35 ^c	22.1	16.1	38.2 ^d
Spain ^b	4.7 ^c	23.6 ^c	28.3 ^c	6.25	31.08	37.33 ^d
Sweden	7 ^g	10.21 ^g	17.21	7	20.92 ⁱ	27.92 ^{dj}
Switzerland ^b	11.9	11.9	23.8	13.25	13.35 ^e	26.6 ^e
Turkey	9	11	20	15	21.5	36.6
Ukraine ^b	2 ^c	33.2 ^c	35.2 ^c	2.85	37.2	40.05
United Kingdom ^b	9.95 ^c	11.9 ^c	21.85 ^c	12	13.8	25.8 ^d

Sources: Based on information in the country summaries in volume "Social Security Programs Throughout the World: Europe, 2012" [11]

- Includes Old Age, Disability, and Survivors; Sickness and Maternity; Work Injury, Unemployment; and Family Allowances. In some countries, the rate may not cover all of these programs. In some cases, only certain groups, such as wage earners, are represented. When the contribution rate varies, either the average or the lowest rate in the range is used.
- Contributions are subject to a ceiling on some benefits.
- Also includes the contribution rates for other programs.

- d. Government pays the total cost of family allowances.
- e. Employers pay the total or most of the cost of work injury benefits.
- f. A set amount for Old Age, Disability and Survivors (ATP). Central and local governments finance other programs.
- g. Contributions finance old-age benefits only. Additional contributions are required for survivor and disability benefits.
- h. Plus flat-rate contributions for medical benefits.
- i. Government pays for most of the cost of family allowance benefits.
- j. Government pays the total cost of unemployment benefits.
- k. Disability benefits are paid under another program.
- l. Government pays the total cost of basic unemployment insurance: employer and employer and employee pay the cost of voluntary unemployment insurance.

The data given allows referring total rate of social contribution in Ukraine to the category of the highest (together with Hungary, Latvia, Italy, Portugal, and Romania). In estimating payment parameters load sharing between insured and insured person comes under notice. Most of the countries share it among participants of pension relations equally. In Ukraine as well as in Russia, Byelorussia and Lithuania the main burden of insurance obligations is charged to the employer. We consider amount and structure of earnings subjected to taxation an integral part of the insurance payment analysis. Only such integrated assessment can give objective and consistent description of the level of fiscal burden for payers. This demand is of particular importance in conditions of accumulative forms of retirement pension insurance that assumes use for these purposes of clear balance of personal incomes of insured persons. Under conditions of deficiency of internal funds development of these forms of retirement pension insurance takes place deliberately that can be observed through the example of development of this segment of pension insurance in Ukraine.

It is important to emphasize that behind any of existing forms of pension system is a real sector of economy. Within joint system maturity of economy enables to form receptive labour market and coverage by retirement insurance of all economically active employees and self-employed persons and also to provide a definite wage level (income). This eventually allows forming considerable retirement assets of the insured person and also to direct part of the funds for participation in non-state retirement insurance. Defined contribution pension systems can efficiently capitalize pension savings being accumulated provided availability of qualitative investment environment and instruments of capitalization. In this case investment resources of pension funds stimulate not only development of economy but also financial market with its infrastructure. S. Ya. Veselovsky pays attention to intense internalization of economy inherent to globalization processes. In his opinion this process disturbs existing traditional instruments for control of developing economy (taxation policy, income policy, industrial and structural policy and other components) [4, p. 86]. He also reports of progressively stable action on inner market dynamic (of countries) from the direction of transregional capital markets, raw materials re-

sources, and commodities, which takes global forms. Analysis of peculiarities of the recent crisis permitted to define distinctive features of the functioning of economic sector under the current conditions. According to O. G. Bilorus and O. V. Gavrilyuk, these peculiarities are expressed in slowdown in the growth of real sector of economy and in acceleration of growth of security assets (capitalization of economy), deterioration in quality of the assets of stock market because of the rise of the part of speculative derivatives and government liabilities without reliable guarantees of repayment and also in fast-moving build-up of money supply [12, p. 11]. The authors point to the impossibility of today's capitalism to guarantee expanded reproduction of real economy that explains presence of dysfunctional fiscal systems of western countries [12, p. 11]. Financial domination of small group of donor countries, their real monopoly on financial resources and control of financial flows in global space are also considered as outstanding characteristics of financial globalization. The result of such policy, according to V. S. Lukyanov, is *chronicle financial insufficiency of peripheral countries*. The consequence of this is violent behavior of the so-called international financial hunters, growth of external debts of peripheral countries, and ultimately, blowing up of their financial sovereignty [13, p. 64]. Researchers also pay their attention to the essential deepening of present-day global disbalance between consumption and accumulation, which in recent decades was considered as generator of global economic development. The demand in countries with high level of consumption, to start with USA, stimulated export production in countries with high level of accumulation, China, in the first place. Under present conditions, as noted by the authors, such mechanism does not work. Aligning of said disbalance inevitably creates difficulties both in investment-oriented countries and in countries with consumer model of economy. For the former this means narrowing of external demand, for the latter – deterioration of the achieved living standards, for which they hardly will agree [12, p. 11]. Besides, aggravation of antagonism between labour and capital, economic development and environment, allocation of resources and productive forces, national regulation and global character of international trade and finances, migration processes and many other problems are observed [12, p. 12]. To some

extent modern conception of retirement insurance is directed to smoothing of contradictions and disbalances in economic relations. Integrating employer-employee relationship, economy, and financial sector, different forms of retirement insurance can have positive effect on abovementioned spheres through insurance mechanism. Along with this highly uniform development of accumulative forms of retirement insurance is observed. Accumulative pension funds are widely spread in Australia, Great Britain, Canada, Switzerland, and Spain [8]. Availability of pension savings funds in Ukraine is

indicative of the demand for this type of retirement insurance. The rate of capture of potential contingent and level of financial stability (taking into account capability of settling debts on available liabilities) can serve as evaluation of viability of this sphere of retirement insurance. The volume of debt capital (outside funds) and capability to invest it into qualitative investment environment defines financial capabilities of the given pension fund or type of retirement insurance. Amount of investment of pension funds as a percentage of GDP is shown in Table 5.

Table 5

Total investment of pension funds in OECD and selected non-OECD countries, 2004-2012.
As a percentage of GDP

1	2004	2005	2006	2007	2008	2009	2010	2011	2012
2	3	4	5	6	7	8	9	10	10
Australia	70.06	78.36	87.90	106.55	93.44	82.84	89.83	92.93	91.73
Austria	4.42	4.78	4.92	4.80	4.44	5.09	5.37	4.93	5.31
Belgium	3.96	4.38	4.19	4.40	3.29	4.05	3.74	4.22	4.58
Canada	53.91	58.21	63.18	62.41	51.43	60.19	64.54	63.64	67.28
Chile	55.97	55.62	57.53	61.01	49.82	61.76	62.99	58.53	60.03
Czech Republic	3.41	3.96	4.35	4.57	4.98	5.74	6.13	6.47	7.13
Denmark	30.76	33.77	32.62	32.38	47.01	43.13	49.28	49.56	50.06
Estonia	1.77	2.66	3.58	4.41	4.53	6.92	7.48	7.11	8.71
Finland	61.87	68.57	71.88	70.62	60.72	77.22	82.84	76.14	79.33
France	...	0.02	0.04	0.07	0.10	0.16	0.21	0.25	0.33
Germany	3.82	4.07	4.23	4.64	4.77	5.32	5.40	5.71	6.28
Greece	...	...	...	0.01	0.01	0.02	0.02	0.04	0.04
Hungary	6.85	8.46	9.76	11.07	9.67	13.31	14.90	3.80	3.25
Iceland	106.43	119.63	129.63	130.98	112.87	119.25	124.18	128.81	141.00
Ireland	41.50	47.80	49.37	45.89	35.51	44.77	48.25	45.47	49.21
Israel	26.13	31.40	31.10	32.70	42.38	46.54	48.87	49.29	52.04
Italy	2.54	2.77	2.99	3.23	3.41	4.11	4.56	4.87	5.60
Japan	24.93	27.12	26.15	25.63	23.09	26.66	25.29	25.18	26.34
Korea	1.59	1.73	2.79	2.84	2.98	3.55	3.95	4.46	5.35
Luxembourg	0.34	1.06	1.04	1.00	1.04	2.34	2.00	1.95	2.03
Mexico	5.63	9.02	10.17	9.97	10.11	11.84	12.78	12.90	12.31
Netherlands	108.12	120.67	124.37	135.10	112.74	118.60	129.54	136.19	160.21
New Zealand	11.50	11.38	12.39	11.42	10.44	11.87	14.16	15.67	16.67
Norway	6.51	6.66	6.73	6.96	6.00	7.35	7.63	7.32	7.56
Poland	6.77	8.72	11.11	12.01	10.95	13.49	15.74	14.99	17.19
Portugal	10.17	12.30	13.17	13.20	11.79	13.01	11.41	7.74	8.76
Slovak Republic	...	0.49	2.41	3.72	4.75	6.32	7.41	8.39	9.54
Slovenia	0.90	1.27	1.58	1.81	1.91	2.57	3.06	3.31	3.71
Spain	6.62	7.23	7.48	8.21	7.18	8.13	8.03	8.00	8.41
Sweden	7.28	8.96	9.11	8.53	7.27	8.24	9.47	9.19	10.48
Switzerland	104.02	113.26	114.81	111.96	94.84	108.04	108.48	106.87	113.63
Turkey	0.39	0.67	0.74	1.22	1.49	2.28	2.35	4.13	3.80
United Kingdom	66.73	76.84	81.60	77.38	64.38	80.20	87.90	95.26	95.66
United States	73.02	74.14	76.36	76.81	58.68	69.16	73.84	72.31	74.46
Selected non-OECD countries									
Albania	...	...	...	0.005	0.009	0.013	0.016	0.012	0.020
Argentina	12.10	12.69	13.57	11.51	0	0	0	0	0
Bolivia	19.84	21.50	19.99	21.53	22.60	26.68	27.72	...	...
Brazil	...	...	17.88	16.40	13.60	14.99	14.30	13.83	14.66
Bulgaria	1.99	2.46	2.94	3.87	3.32	4.64	5.67	6.11	7.36
China	0.31	0.37	0.42	0.57	...	0.74	0.70	0.76	0.93
Colombia	8.59	11.43	11.29	15.05	14.38	13.28	16.13	16.88	18.19
Costa Rica	4.66	5.78	6.73	6.19	7.13	7.95	7.62	8.66	9.76
Croatia	3.54	4.38	5.63	6.85	6.85	9.32	11.76	13.03	16.02

Ending of Table 5

1	2	3	4	5	6	7	8	9	10
Dominican Republic	0.66	1.28	1.82	2.41	3.11	4.07	4.78	5.57	6.63
Egypt	...	...	...	...	2.44	...	...	...	...
El Salvador	13.60	16.86	18.70	20.16	21.16	24.82	26.55	26.81	28.85
Gibraltar	...	...	...	...	...	...	...	1.67	...
Hong Kong	22.60	24.26	27.25	30.44	27.38	31.49	34.16	31.87	34.29
India	...	...	...	...	...	...	019	017	030
Indonesia	2.41	2.20	2.24	2.22	...	...	...	1.84	...
Jamaica	15.83	...	16.82	19.64	19.69	20.87	22.46	22.83	22.12
Kenya	11.12	12.09	13.81	...	12.92	12.92	16.93	15.24	17.14
Kosovo	...	...	...	...	...	...	...	...	15.08
Latvia	0.99	1.32	1.61	...	...	0.70	0.85	0.79	0.90
Lesotho	...	...	...	...	...	...	...	10.78	12.58
Liechtenstein	...	...	...	40.46	41.18	55.60	...	...	...
Macedonia	...	...	...	0.86	1.22	2.13	2.88	3.48	4.61
Maldives	...	...	...	...	...	...	...	3.99	7.83
Malta	...	...	...	...	...	...	...	0.52	8.42
Mauritius	...	...	...	...	...	...	...	...	1.81
Namibia	...	...	...	...	...	...	75.08	73.10	78.19
Nigeria	...	...	...	4.10	4.46	5.48	6.89	6.33	7.73
Pakistan	...	...	...	0.007	0.007	0.008	0.009	0.010	0.016
Panama	...	0.35	0.45	0.52	0.54	0.61	0.66	0.70	...
Peru	10.94	12.49	15.27	18.25	13.60	18.41	20.24	16.83	18.41
Romania	...	...	...	0.003	0.18	0.49	0.89	1.23	1.74
Russian Federation	...	...	0.86	0.93	0.84	1.35	1.84	3.10	3.48
Serbia	...	...	...	0.13	...	0.27	0.34	0.39	0.48
South Africa	78.25	81.72	91.71	96.15	86.73	78.22	82.51	81.97	...
Suriname	14.53	13.09	10.01	...	...	...	...	...	...
Thailand	4.70	4.87	4.98	5.18	5.13	5.71	5.72	5.87	6.15
Trinidad and Tobago	...	...	18.25	17.09	...	...	...	...	...
Ukraine	...	...	...	...	0.06	...	0.11	0.11	...
Uruguay	11.26	12.21	13.39	13.24	10.99	14.68	17.26	17.23	19.41
Zambia	4.07	3.77	...	...	...	...	...	...	...

Source: Pension Markets in Focus 2013. OECD. [8]

Thus, the largest ratio of investment resources with relation to volume of GDP is in Australia, Finland, Switzerland, Island, the Netherlands, and USA. The infrastructure of pension funds is represented by forms different in their sizes. It is significant that for countries with developed and stable infrastructures of pension funds indicative is existence of insurance traditions and insurance culture. The test parameter in Ukraine is negligibly small as compared to other countries. It can be due to at least two reasons. Low income hurts the chances of inflow of retirement savings (pension assets). Absence of effective investment environment narrows down potentialities for capitalization of assets being saved and does not stimulate investment of them into saving funds. Bank investment instruments are the basic investment sphere in Ukraine where investment resources are mainly directed to. Real sector of economy is represented by traditional production branches: metallurgy, machinery manufacturing, chemical industry and others. Plants of these industries are usually raw material- and energy-intensive, cost-demanding and non-

competitive. It is observed that just fiscal market in the modern fiscal system is potentially one of the most efficient mechanisms for attracting and distributing investment resources. It could be the base for securing economic stability and conducting structural reforms. However, according to researchers, stock market in Ukraine is in critical state with regard to liquidity and capability for capitalization. At the same time poor development of marketable investments narrows greatly competitive power of Ukraine relating to the issues of obtaining investments from international capital markets and accumulation of funds of internal investors [14, p. 27]. Horrible state of valuable securities is considered as the outcome of government's attitude to stock market not as the source of resources for development of economy but as a source for filling national budget. For this purpose real monopolization of the whole branches of economy has decreased the number of the instruments of stock market to a critical level. And poor development of stock market infrastructure has slowed down circulating of capital that induces capital outflows of national and foreign in-

vestors [14, p. 27]. At the same time functioning of various pension plans in Ukraine contributes to formation of investment resources and activation in demand and, consequently, to promotion of economic activity of participants of business activity. Such investment potential is being created in the countries with developed system of pension funds. It is specific that by the level of obligatory payments into pension funds throughout GDP such countries lead the way: Australia, Finland, Island, Switzerland, and the Netherlands [8]. The rate of receipts from pension payment in Ukraine is characterized by low level and is between Albania and Pakistan. Thus, low level of real internal sources for formation of retirement assets within defined contribution pension insurance is a limiting factor for both development of economy and increase of living standards. High level of pension payments as part of GDP is also typical for countries with developed economies and actively functioning funded forms of retirement insurance: Australia, Canada, Finland, Island, the Netherlands, and Switzerland [8]. Distinctive feature of the funded forms of the national retirement insurance is comparatively low income level. Of course, it is difficult to analyze this index in isolation from the level of pension payments under other pension plans existing in the country. It is important to emphasize that low level of incomes saved for retirement age from different sources builds up pressure on government sources of payments. Whenever national pension is the only source of revenues of a person, its low rate leads also to dissatisfaction of the acting pension scheme and to the growth of social strain in the country. Therefore the purpose of pension schemes (systems) under such conditions is elaboration of the model capable apart from accomplishment of social tasks to stimulate economic development, to be insensible to risks and to remain financially stable in the long run. N. Yu. Borisenko defines fiscal sustainability of Pension Fund as quality of its financial resources, which enables to guarantee independent development of the national pension system and preservation of its paying capacity under the conditions of allowable level of long-term social risk of loss of revenues: for employees due incapacitation in the event of age and disability; for unemployable members of the family due to supporter's death; for separate categories of the working population due to longtime accomplishment of specific activities of the professions [9, p. 31]. However, there are different approaches to representation of the concept of business solvency. On the one hand, this category implies simple active balance of payments. Equivalence of social expenditures is not frequently focused upon within the given context. It must be noted that in European countries financial rules aimed at balancing the budget are dominating. These rules are based mainly on spending minimization and not on growth of income, which, according to V. V. Zaichikova, are sufficiently restricted under conditions of global financial crisis that stipulates

severe budget constraints [15, p. 59]. She makes conclusion that in carrying out national economic policy not reduction in budget deficit should be of primary importance but achievement of positive dynamics of the indices of economic development [15, p. 60]. Such approach allows together with assessment of resistance of pension system to give qualitative estimation of social status of people.

P. A. Orlov-Karba points out that social location of population is being formed as a result of action of a system of factors, which form social conditions for existence and development of people. He accentuates that each type of society forms its own type of normal social location [16, p. 17]. Assuming validity of such typing we are of the opinion that it must cover national and cultural peculiarities of the forms and methods of rendering financial support to some or other category of population. In such case inequality of financial support has to be attributed to system disbalance of social development.

According to V. S. Lukyanov, globalized financial sphere shall be considered as maximally universalize object and in the meantime efficient instrument of peaceful international settlement of sharp contradictions [13, p. 63]. Therefore social disbalances, to our opinion, also require harmonization. It is frequently argued that it is impossible to deal with the problems of social-economic development with the help of scientific theories and other instruments of contemporary science. T. I. Artyomova emphasizes that the reason of global disbalances is statement that global financial system was built on unsound suppositions. Perverted notions underlie not only financial market but also the whole of social order [17, p. 16]. It has been argued that with variety of the forms of public and government structure search of the own model shall be considered the optimal path of development. On the assumption of S. I. Vovkanich updating of the prospects for information-space (3D) model of state building is based on the national idea. An effort of delineating its vectors has been carried out during Round Table *Ukrainian national idea as spiritual intellectual code of unity: ethnic, integration and civilization vectors* (2011). The idea consists of two components – great and little national ideas. The first one is based on the statement of Ukraine as unitary, Ukrainian and worthy of man. The second idea assumes *knowledge, information and movement as tools for the purposes of the first one* [18, p. 14].

At the same time, according to P. G. Nikitenko, mankind came into new stage of social development and comes to the dilemma of new paradigm as rational global social-economic development [19, p. 102]. It involves departure from consumer conception of social development and noospherization with highest priority value and inherent value of personal enhancement and preservation for future generations under conditions of global harmonization of the system Nature–Individual–

Society [19, p. 102]. Researchers emphasize that building of spiritual social-economic formation under the noospheric principles defines the construction of new society not only in a separate country but also in civilization as high tech, spiritual-moral and environmentally safe [20, p. 209–210]. In the context of the marked paradigm pension system can be harmonically combined providing formation of the model focused on human development, accumulation of national investment resources and stimulation of noospheric innovations.

Conclusions. Summarizing all above-mentioned, we can conclude that mechanism of the three-pillar retirement insurance model has not yet disclosed the whole of its potential related to both the implementation of the tasks of social protection and the goals of activation and improvement of the efficiency of economy. Instruments of retirement insurance have failed to find general distribution. As a result, pension funds as sources for formation of national investment resources do not provide economic sector with long-term financial resources needed for innovative development. Accelerating globalization processes, becoming more involved demographic situation, financial-economic crises and system disbalances also complicate functioning of pension systems. In our view for the purpose of improving the concept of the national pension system it is necessary:

i) To work out and introduce methodology for formation of GDP and social indicators with inclusion of the part of GDP from shadow economy.

ii) To work up parameters of the national indicators for normal social development taking into account latest global trends.

iii) To bring the conception of pension system of Ukraine into line with the national idea and modern paradigm of global development.

Implementation of the abovementioned proposals will enable to keep up to date functioning of all three pillars of pension system in line with the trends of global social development; to guarantee increasing the level of social protection in the context of social-economic development of the country.

The perspectives for further research in this line can be development of solutions for formation of the integral risk-resistant conception of pension system and harmonization of it with actively transforming global public space.

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Рад Н. С. Концепція сучасної пенсійної системи як результат трансформаційних процесів у світовому вимірі

В статті досліджено окремі аспекти розвитку національної пенсійної системи в контексті світових трансформаційних процесів. Виявлено та окреслено умови її модернізації. Підкреслено, що змішані системи пенсійного страхування здатні найбільш ефективно протистояти сучасним ризикам та викликам, зокрема стрімкому старінню населення. Проаналізовано основні формуючі показники систем пенсійного страхування різних країн. На підставі їх аналізу відмічено, що проблеми економічної і фінансової сфери набули характеру глобальних дисбалансів. Визначені основні риси ризикосталої моделі вітчизняної пенсійної системи. Відмічено, що ключовим звеном ефективної концепції національної пенсійної системи є синтез соціальної та економічної складових в контексті спрямування до принципів соціальної держави. В ході дослідження була застосована сукупність загальнонаукових методів: узагальнення, групування, аналізу досліджуваних категорій. Теоретичні узагальнення та висновки будувались на підставі абстрактно-логічного методу. Запропоновано напрямки удосконалення концепції пенсійної системи в контексті особливостей національного культурно-історичного розвитку та сучасних тенденцій, ризиків та викликів суспільного розвитку.

Ключові слова: пенсійна система, трансформація, соціальна держава, проблеми, ризикостала модель.

Рад Н. С. Концепция современной пенсионной системы как результат трансформационных процессов в мировом измерении

В статье исследованы отдельные аспекты развития национальной пенсионной системы в контексте мировых трансформационных процессов. Выявлены и обозначены условия ее модернизации. Подчеркнуто, что смешанные системы пенсионного страхования способны наиболее эффективно противостоять современным рискам и вызовам, в частности стремительному старению населения. Проанализированы основные формообразующие показатели систем пенсионного страхования различных стран. На основании их анализа отмечено, что проблемы экономической и финансовой сферы приобрели характер глобальных дисбалансов. Опреде-

лены основные черты рискоустойчивой модели отечественной пенсионной системы. Отмечено, что ключевым звеном эффективной концепции национальной пенсионной системы является синтез социальной и экономической составляющих в контексте следования принципам социального государства. В ходе исследования была применена совокупность общенаучных методов: обобщения, группировки, анализа исследуемых категорий. Теоретические обобщения и выводы строились на основании абстрактно-логического метода. Предложены направления усовершенствования концепции пенсионной системы в контексте особенностей национального культурно-исторического развития и современных тенденций, рисков и вызовов общественного развития.

Ключевые слова: пенсионная система, трансформация, социальное государство, проблемы, рискоустойчивая модель.

Rad N. S. Conception of the Present-day Pension System as a Result of Transformation Processes in Global Determination

The article deals with some urgent problems related to the development of pension system in Ukraine in the context of global transformation processes. Identified and specified are conditions for it to be improved. It is emphasized that endowment retirement insurance is capable efficiently confront present-day risks and challenges, especially rapid ageing of population. The main forming factors of retirement insurance systems of different countries are analyzed. Based on their analysis it is assumed that problems related to economic and financial sectors grow into global imbalances. The basic features of risk-resistant model of the national pension system are specified. It is observed that the key element of the efficient concept of the national pension system is synthesis of social and economic components in the context of adhering to the principles of social welfare state. The research is based on a system approach using general scientific methods: generalization, pooling, analysis and synthesis. We used abstract-logical method for making conclusions. The lines for improvement of the concept of pension system in the context of the peculiarities of the national cultural and historic development and contemporary trends, risks and challenges of social development are proposed.

Keywords: pension system, transformation, social welfare state, problems, risk-resistant model

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