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CURRENT PROBLEMS OF THE DEVELOPMENT OF REGIONAL ECONOMIC POLICY IN CONDITIONS OF MARTIAL LAW

The organization of stable functioning and development of regional economic entities is a primary prerequisite for ensuring the synergy of the interconnection of all national economy subjects and achieving its intensive development. In the conditions of martial law, existing and fundamentally new problems and challenges arise in the formation of state regional policy. Summarizing the results of the conducted research, we can single out the following:

1. Catastrophic reduction of the national industrial and technical potential caused by the destruction of the production base of the temporarily occupied regions, its infrastructural support, disruption of supply chains and goods sales, etc.

2. Conjunctural imbalance of the national labour market, because of the active migratory movements, caused by the internal movement of people from the occupied territories.

This problem is the cause of deep spatial disparities, for example, the Western macroregion sheltered 2.586 million people (39.8% of all internally displaced persons) during 2022-2023. In general, the quantitative indicators of the internal migratory movements are estimated at approximately 6.5 million people, and the external one – 3.8 million people [1, p. 8].

3. Reduction of key macroeconomic security indicators of the national economy, because of the significant number of business entities shutdown, decline in production, and acceleration of inflationary processes.

Recent studies [2, p. 7] testify that one of the most threatening risks remains the risk of further reduction of business activity and deterioration of business conditions by regional economic subjects of the frontline and temporarily occupied regions.

4. Destructive structural shifts of the regional economy in the direction of deepening existing spatial asymmetries, which is only becoming more complicated by the actualization of social development issues and the scarcity of budget revenues and their regional distribution.

5. Weakness of the national planning system for the strategic development of regional economic entities, which manifests itself in the lack of consistency, coherence, priority, and specificity of the relevant program documents.

6. Underdevelopment of the cooperation system between regional authorities and the business sector in terms of developing common goals and agreeing on the potential of the region's objective capacity to implement them.

Therefore, it can be stated that the current problems of regional economic policy formation require complex measures to overcome the consequences of full-scale aggression and create consistent solutions for the existing problems of regional development.

References

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