

*Когда наука достигает какой-либо вершины,  
с нее открывается обширная перспектива  
дальнейшего пути.*

*С. И. Вавилов*

# Механізм регулювання економіки

## THE ECONOMY OF UKRAINE REGIONS: SPECIFICS OF DEVELOPMENT

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The article explains the essence of regional management, identifies the role of regional economy in the modern national science. On the basis of the content analysis, the etymological research to define the categories of "human capital", "intellectual capital", "social capital" is presented. The author's interpretation of synthesized capital that combines human, intellectual and social capital is offered. The relationship between the efficient distribution of the synthesized capital and a sustainable development of the region is proved. The author's recommendations, which will provide an increase in management efficiency of the synthesized capital and all the processes, related to its formation and use at a regional level, which in turn ensures the stability of social and economic development of the region, are formulated and offered.

*Keywords:* regional development, human capital, intellectual capital, social capital, synthesized capital.

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## ЕКОНОМІКА РЕГІОНІВ УКРАЇНИ: ОСОБЛИВОСТІ РОЗВИТКУ

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**Гавкалова Н. Л.**

Обґрунтовано сутність регіонального управління, визначено місце регіональної економіки в сучасній вітчизняній науці. На основі контент-аналізу наведено етимологічне дослідження визначення категорій "людський капітал", "інтелектуальний капітал", "соціальний капітал". Запропоновано авторське трактування синтезованого капіталу, що поєднує людський, інтелектуальний та соціальний капітал. Доведено існування зв'язку ефективності розподілу синтезованого капіталу та сталого розвитку регіону. Розроблено та запропоновано авторські рекомендації, дотримання яких має забезпечити підвищення ефективності управління синтезованим капіталом та всіма процесами, пов'язаними з його формуванням та використанням на регіональному рівні, що зумовлює стабільність соціально-економічного розвитку регіону.

*Ключові слова:* регіональний розвиток, людський капітал, інтелектуальний капітал, соціальний капітал, синтезований капітал.

## ЭКОНОМИКА РЕГИОНОВ УКРАИНЫ: ОСОБЕННОСТИ РАЗВИТИЯ

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Обоснована сутність регіонального управління, определено место региональной экономики в современной отечественной науке. На основе контент-анализа представлено этимологическое исследование для определения сущности категорий "человеческий капитал", "интеллектуальный капитал", "социальный капитал". Предложена авторская трактовка синтезированного капитала, объединяющего человеческий, интеллектуальный и социальный капитал. Доказано существование связи эффективности распределения синтезированного капитала и устойчивого развития региона. Разработаны и предложены авторские рекомендации, следование которым обеспечит повышение эффективности управления синтезированным капиталом и всеми процессами, связанными с его формированием и использованием на региональном уровне, что обуславливает стабильность социально-экономического развития региона.

*Ключевые слова:* региональное развитие, человеческий капитал, интеллектуальный капитал, социальный капитал, синтезированный капитал.

The study of regional development in Ukraine is of a particular relevance in view of dependence of the level of socioeconomic development of the country on the development of a region.

Uneven regional development enhances scientific interest to the subject, starting with the consideration of a region as a structural unit within economic geography and using the processive, comprehensive and systematic approach in carrying out the relevant research, which is considered by the scientists as a multidimensional category "region". The scientists use an interdisciplinary approach that leads to the consideration of regional development from different points of view, namely the economy, state and regional management, regional policy, and others. Thus, almost all the areas of regional development are the subject of scientific knowledge, but not all of them are researched by the scientists. The fact is that the development of science is accompanied by the emergence of new knowledge, methodology improvement, the emergence of new investigation methods, which cause the necessity of the emergence of a new paradigm of regions. The author believes this vision of the existing problems of socioeconomic development of a region may be formed as a result of capital types research such as: human, intellectual, and social capital and the consideration of distribution of the synthesized capital through the prism of efficiency in the context of regional development.

The relevance and timeliness of issues associated with the research at the regional level, are conditioned by the growing attention to regions and defining their leading role in the sustainable socioeconomic development of a society that is under the influence of world globalization and integration processes. Despite the fact that the regional administration as a scientific field in Ukraine has emerged recently, our leading scientists have made significant contributions to its establishment and development. The most significant works are written by O. Alymov, M. Butko, V. Geets, E. Libanova, V. Onikienko, D. Stechenko.

The foreign experience accumulated in the works of O. Denisov, T. Morozova, E. Utkin, etc. makes it possible to compare the current trends in the world with the domestic regional management. At the same time, the distribution and

redistribution of human, intellectual and social capital in the context of regional development have just been covered in the works of prominent scholars and open the space for future researches.

The study purpose is the necessity of efficient research of capital allocation as a basis for sustainable development of a region.

The object is the processes of capital allocation management at the regional level.

The research results led to the formulation and formation of the following tasks:

- to justify the nature of regional governance;
- to submit etymological analysis of the categories of "human capital", "intellectual capital" and "social capital";
- to prove the effectiveness of synthesized capital division and sustainable development of a region.

The consideration of capital allocation is appropriate to begin with grounding the essence of regional governance in the country with influence of integration and globalization. First of all, it should be noted that the region is a particular part of a country, which is characterized by its unity, uniformity, complexity. The researchers [1; 2] indicate that this area of the country, is different from adjacent areas, with some combination of natural geographic, socioeconomic, demographic, ethnocultural, environmental, and other characteristics.

Some researchers [1] propose to determine the region as an area distinguished as a result of social and economic processes, marked by certain functional and interactive links but without the fixed established borders.

Regions serve as a ground for sustainable socioeconomic development of the country due to the fact that at the regional level the primary accumulation and distribution of human, intellectual, social capital and natural, logistic, financial, credit and other resources take place. Thus the strategic importance of regional development is one of the most important factors for country development. The essence of regional governance is in the meaningful impact of management subject to the entity object. The effectiveness of this impact depends more on regional policy, which "is an integral part of national policy and is aimed to preserve the territorial integrity of the state and ensure the full development of

regions" [2; 3]. Regional policy includes a number of measures aimed at the efficient storage and development of resource potential and region capital. The basis of the resource potential in addition to natural and financial resources are human resources, which in Regional studies are examined by researchers [2] mainly within the social dimension of regional development (employment, migration, labour capability, etc.). The author does not entirely agree with this limitation, and believes that labour should be considered within the socioeconomic components, because the labour capability is embodied in intellectual capital development, the effective use of which has mainly economic nature [3], but intellectual capital itself is able to promote rapid socioeconomic development of the region through the generation and exploitation of intellectual property.

At the same time, the author emphasize that due to the separation of three kinds of capital – human, intellectual and social – the synthesis of economic and social components, creates the conditions for operating the above category of "socioeconomic components." Thus, human resources at regional management have socioeconomic nature, and the studies of features of distribution management and redistribution of synthesized capital should start with revealing the content of human, intellectual and social capital at the regional level.

Based on the generally accepted interpretations, human capital is considered as "a reflection of the stock of knowledge, skills, abilities and motivation of employees to productive work" [4, p. 19]. Human capital is formed by workers health, their education and training (investment in education). A. Grishnova was one of the first local scientists who outlined the methodology of human capital formation and development. The scientist notes that human capital is an economic category that describes a set of existing and developed investment's abilities, special features and motivations of individuals used in economic activities, contributing to productivity growth and thus affect the increase of its owner income and national revenue [5]. In the same sense, the definition of the category "human capital" is given in the book "The Formation and Development of Human Capital of Corporate Enterprise". Human capital is formed by investing knowledge, skills, experience of an individual, which are used to improve corporate governance and individual employee income [6].

Thus the formed abilities, knowledge, skills and experience are the basis of human capital of certain companies, which totally can be considered as human capital of a region. But

human capital does not reflect the multidimensional nature of a man, who within the regional government is a part of the labour force of a region: a synergy of human interaction, intellectual and social capital may precede the development of qualitative manpower. For confirmation of proof let us continue the etymological analysis of these categories.

The concept of intellectual capital has been proven by the researches artificially for a long time that is certainly wrong, as evidenced by the presence of perfect methodology and concepts of formation and use of intellectual capital. Let us emphasize that this category, and the category of "social capital" by its nature can meet the needs of researchers at the micro, meso and macrolevels and present its genesis. For the first time the term "intellectual capital" was introduced by J. Galbraith in 1962. One of the first scientifically-based definition of the category of "intellectual capital" was presented by L. Edvinsson and M. Malone, who described it as all types of modern enterprise resources that cannot be described traditionally [7].

The theoretical developments of eminent scientists and economists can be grouped into the following approaches: structural, market, personalized, systematic and complex (developed by N. Gavkalova [8]) (Table 1).

Taking into consideration the authors' definitions of the category of "intellectual capital", the author believes that consideration of both economic and social aspects enables you to push the idea of socioeconomic efficiency within the regional management and the efficiency of labour intellectualization within an enterprise.

As to the social capital, one of the founders of the social capital theory J. Coleman considers social capital as the ability of individuals to manage limited resources based on their membership in a particular social network or a wider social structure [9]. R. Putnam, who is one of the authors of the social capital concept, defines the category of "social capital" as follows: by analogy with physical and human capital, embodied in tools and training that increase the individual productivity, social capital refers to such elements of social organizations as social nets, social norms and trust, which create conditions for coordination and cooperation for mutual benefit. Social capital increases the return on investment in physical and human capital [10]. To physical and human capital we add an intellectual one and thus confirm the view of many scholars on the direct impact of synthesized capital and management efficiency of open systems.

Table

**Basic approaches to the interpretation of the category of "intellectual capital"**

The definition of the category	Author(s)	Identification
1	2	3
Market	K. Melamyuka J. Roos [11; 12]	The expression of human knowledge, their transfer into the synergetic effect of the use that determines the hidden sources of values that give the company a high market value
	D. Klein, L. Prusak [3]	Intellectual material stock, formalized and recorded, which is used for the production of more valuable property
An approach based on the market valuation of intangible assets	K. Taylor [13]	Intangible assets of the company that are not quantifiable (accumulated employees' knowledge in the products and services development, organizational structure and intellectual property) as opposed to tangible assets
	E. Brooking [14]	Intangible assets, without which an enterprise can not exist; includes market, human and infrastructural assets and intellectual property
Structural	L. Edvinsson, M. Malone [15]	All kinds of resources of the modern enterprise, not amenable to traditional estimates and composed of human and structural capital
	B. Leontiev [16]	The set of existing human and (the company) legal rights to the results of creative activity, natural and acquired intellectual abilities and skills, and the piled knowledge base and useful relationships with other entities

Table (the end)

1	2	3
Personalized	T. Stewart [17]	The sum of knowledge of all employees, ensuring the competitiveness
	S. Klimov [18]	The set of individual abilities as a category of microeconomics, which characterizes the quality of the workforce. Intellectual capital exclusively in personalized forms and the property of an individual
	A. Chukhno [19]	The capital that has accumulated academic and vocational knowledge of employees, combined intellectual work and intellectual property, accumulated experience, communication, organizational structure, information networks, i.e. everything that defines the company image and content of its work
	A. Kendyukhov [3]	Intellectual assets of an enterprise that can create a new value, represented by human and machine intelligence, and intellectual product created by it or attracted from outside as a means of creating a new value
Complex	N. Gavkalova	Intellectual resources of an individual or a company expressed in knowledge, skills, experience, organizational culture and structure, relationships with customers, through which the products of intellectual activity are produced with the aim of extra costs

Taking into account that the regional government involves workforce management in the presence of labour potential, it should be noted that the employment potential is formed by the tools of synthesized capital accumulation of which will be considered as a competitive advantage of a particular region. Besides accumulating of synthesized capital regional management provides management of distribution and redistribution of this capital and the efficiency of this distribution.

Interpretation of the category of "distribution" in the various definitions is presented in the Great Dictionary of Economics [20, p. 442]. In view of this study let us limit our definition of the category of "efficient distribution": the distribution of benefits between consumers so that any distribution that is aimed to better meet of the desires of some consumers, leads to the worsening of meeting needs of others [20, p. 957]. Despite the prevalence of this vision we will focus on the modern perception of effectiveness nature, based on the laws of conservation of energy, and emphasize that satisfaction must be extended to all participants of labour process, consumers and other interested parties.

Regarding the interpretation of the category of "efficiency", we note that in the Great Dictionary of Economics, edited by A. Azriliyan the category of "efficiency" refers to the ability to bring the effect of exercise [20, p. 442]. Effect (from Latin effectus – action) is an action, the result of something [20, p. 440]. In these sources an economic effect as a useful outcome of economic activity, measured by the difference between the valuable income from operations and cash costs of implementation is given [20, p. 442]. But economic efficiency is interpreted as "the effectiveness of economic activity, economic programs and activities, characterized by the ratio of the resulting economic impact, benefits to factors costs and resources that led to obtain such a result, maximum output using the resources of a value" [20, p. 442].

In other sources we can meet the definition, similar to the interpretations given above.

The famous Russian scientist L. Abalkin believes that the efficiency of the economy should be viewed through the prism of two components, economic and social ones as the ratio of useful result (effect) to costs. He displays the interdependence of social costs of labour and society useful result obtained in the form of material goods and services that are the final quality indicator of development and functioning of the economy. Everything that is conducive to solving economic and social problems faced by a society is considered as effective [1, p. 101].

Consequently, the attention of researchers of all times to the problem of effectiveness is based on the motives of

management subjects to gain success in business. The factors that determine the consideration of this issue can be considered as:

- the limited economic resources and their irrational distribution [21; 22];
- the desire of businesses to develop and to maximize the effect, while the optimization of organizational structures, personnel behaviour motivations come to the fore;
- the efforts to create the conditions for the integration of national economies into the global economic system [23];
- conditions for an enterprise adaptation to the conditions of integration and globalization.

Among the above factors the formulation of the problems of regions is affected, above all, by limited economic resources and irrationality of their distribution. Since this is a synthesized capital, that is the availability of labour force in the region, let us consider these factors of efficiency.

Synthesized capital belongs to the man who is a part of the labour force of the region. On the one hand, a large number of people in regions suggests that labour resource has more capacious potential, which makes it less restricted than others, but inexhaustible resources do not exist. On the other hand, basing on the fact that people live, study and work in different conditions, promote and generate information in different ways, have different abilities, skills, creativity, the author believes that the process of synthesized capital accumulation is uneven, and capital is accumulated differently in territorial aspect: in large cities with the predominant number of higher education establishments it happens more intensively than in small towns and rural areas. Undoubtedly, this accumulation can be explained logically: there is a lack of the target distribution of graduates, a low level of both material and non-material incentives for employment of highly qualified specialists in small towns and rural areas, etc.

The presence of existing problem factors and analysis of their impact cause the necessity of the authors' offers implementation among which the management of distribution and redistribution of synthesized capital will be the most effective.

- The following proposals can be distinguished:
- accumulation of synthesized (human, intellectual and social) capital of a region with its further distribution and redistribution;
  - creating conditions for transformation of synthesized capital to the geo-economics capital of a region;
  - improvement of control and regulation of labour market to ensure the effective distribution and redistribution of synthesized capital;
  - creation of socioeconomic mechanism of a synthesized capital efficiency.

Thus, for the socioeconomic development of a region it is necessary, first of all, to pay attention to the distribution and redistribution of synthesized capital in regional terms in order to achieve uniformity of its accumulation and, consequently, enhance the development of rural and other "unsightly" areas, promoting innovative regional development, creation of conditions for the intellectualization of labour at all levels but not just of high-tech or "brand" enterprises of a region.

**Література:** 1. Регіонально-адміністративний менеджмент : навч. посібн. / [О. Ю. Амосов, В. В. Мамонова, О. В. Безуглий та ін.] ; за ред. докт. держ. упр., проф. В. В. Мамонової. – Х. : Вид. ХарРІ НАДУ "Магістр", 2010. – 188 с. 2. Регіональне управління: інноваційний підхід : навч. посібн. для студ. вищ. навч. закл. / М. П. Бутко, О. О. Зеленська, С. М. Зеленський та ін. ; за заг. ред. д. е. н., проф. М. П. Бутка. – К. : Знання України, 2006. – 560 с. 3. Кендіухов О. В. Гносеологія інтелектуального капіталу / О. В. Кендіухов // Економіка України. – 2003. – № 4. – С. 28–33. 4. Радіонова І. Економічне зростання за участю людського капіталу / І. Радіонова // Економіка України. – 2009. – № 1. – С. 19–25. 5. Грішнова О. А. Людський капітал: формування в системі освіти і професійної підготовки / О. А. Грішнова. – К. : Т-во "Знання" КОО, 2001. – 254 с. 6. Назарова Г. В. Формування та розвиток людського капіталу корпоративних підприємств : наукове видання / Г. В. Назарова, Н. Л. Гавкалова, Н. С. Маркова. – Х. : Вид. ХНЕУ, 2006. – 240 с. 7. Гавкалова Н. Л. Формування та використання інтелектуального капіталу : наукове видання / Н. Л. Гавкалова, Н. С. Маркова. – Х. : Вид. ХНЕУ, 2006. – 284 с. 8. Гавкалова Н. Л. Соціально-економічний механізм ефективності менеджменту персоналу: методологія та концепція формування : наукове видання / Н. Л. Гавкалова. – Х. : Вид. ХНЕУ, 2007. – 400 с. 9. Coleman J. Social Capital in the Creation of Human Capital / J. Coleman // American Journal of Sociology. – 1988. – Vol. 94. – Supplement. – Pp. 95–120. 10. Патнем Р. Проростающая комьюнити, социальный капитал и общественная жизнь / Р. Патнем // МЭ и МО. – 1995. – № 4. 11. Меламьюка К. Измерение стоимости интеллектуального капитала [Электронный ресурс] / К. Меламьюка. – Режим доступа : <http://www.osp.ru/cio/2000/06/028.htm>. 12. Роос И. Интеллектуальный капитал. Вы можете управлять тем, что можете измерить / И. Роос // Маркетинг. – 1988. – № 4. – С. 75–83. 13. Тейлор К. Интеллектуальный капитал [Электронный ресурс] / К. Тейлор. – Режим доступа : [http://www.osp.ru/cw/2001/13/023\\_0.htm](http://www.osp.ru/cw/2001/13/023_0.htm). 14. Брукинг Э. Интеллектуальный капитал / Э. Брукинг ; пер. с англ. под ред. Л. Н. Ковалик. – СПб. : Питер, 2001. – 288 с. 15. Edvinsson L. Intellectual Capital. Realizing Your Company's True Value by Finding Its Hidden Brainpower / L. Edvinsson, M. S. Malone. – N. Y. : Harper Business, 1997. 16. Леонтьев Б. Цена интеллекта / Б. Леонтьев // Журнал для акционеров. – 1996. – № 6. – С. 39–40. 17. Stewart T. A. Intellectual Capital. The New Wealth of Organizations / T. A. Stewart. – N. Y. : Doubleday, 1997. 18. Климов С. М. Интеллектуальные ресурсы организации / С. М. Климов. – СПб. : ИВЭСЭП, "Знание", 2000. – 168 с. 19. Чухно А. А. Интеллектуальный капитал : сущность, формы и закономерности развития / А. А. Чухно // Економіка України. – 2002. – № 11. – С. 48–55. 20. Большой экономический словарь / под ред. А. Н. Азриляна. – 7-е изд., доп. – М. : Институт новой экономики, 2007. – 1 472 с. 21. John E. Core. Corporate governance, chief executive officer compensation, and firm performance [Electronic resource] / John E. Core, Robert W. Holthausen, David F. Larcker // Journal of Financial Economics. – 1999. – Vol. 51. – Issue 3. – March. – Pp. 371–406. – Access mode : <http://www.sciencedirect.com/science/article/pii/S0304405X98000580>. 22. Kenneth Lehn. Corporate governance in the deregulated telecommunications industry: lessons from the airline industry [Electronic resource] / Kenneth Lehn // Telecommunications Policy. – 2002. – Vol. 26. – Issues 5–6. – June–July. – Pp. 225–242. – Access mode : <http://www.sciencedirect.com/science/article/pii/S0308596102000186>. 23. Leonard Waverman. Corporate control and industry structure in global communications: an introduction [Electronic resource] / Leonard Waverman, Francesc

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## BANKING OF CROATIA IN THE KINGDOM OF YUGOSLAVIA

UDC 336.71(497.1)

**M. Benić-Penava**

This paper explores banking in Croatia in the interwar period on the basis of relevant economic and historical literature and archive materials. Croatia, i.e. Zagreb, became the center of economic power in the new Kingdom of Yugoslavia which arose after World War I. The citizens trusted the private Croatian banks more than the newly founded state banks. Croatian banks financed the economic growth of the new Yugoslav state and the main investor of Croatian industry in the 1920s was "Prva hrvatska štedionica" bank. Due to the conflict of interest in financial capital between Zagreb and Belgrade, the National Bank in the state "Narodna banka Kraljevine Jugoslavije" didn't intervene in time to save this leading Croatian bank in the 1931 crisis. Thus weakened and rehabilitated, "Prva hrvatska štedionica" bank lost its leading role in the region. The exceptions to banking downfall in Croatia were the banks in its far South that turned their banking to the service industry which was less affected by the great economy crisis than the industry. The initial weakening of the Croatian economy after 1918 started in the field of monetary politics, yet the collapse of Croatian private banking which occurred after 1918 in the field of monetary politics, as well as the fall of private banking in Croatia after the Great Depression, totally destroyed the economic domination of former Austro-Hungarian provinces in the Kingdom of Yugoslavia. The result was a smashup of the Croatian banks because of losing the main source of financing and investments into its economy.

*Keywords:* Croatia, banking, the Kingdom of Yugoslavia.

## БАНКІВСЬКА СПРАВА ХОРВАТІЇ В КОРОЛІВСТВІ ЮГОСЛАВІЯ

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**М. Беніч-Пенава**

Розглянуто розвиток банківської справи в Хорватії в міжвоєнний період на основі аналізу історико-економічної літератури та архівних матеріалів. Хорватія, а саме Загреб, став центром економічного розвитку у створеному після Першої світової війни Королівстві Югославія. Приватним хорватським банкам громадяни