

GERMAN ‘MITTELSTAND’ AS A ROLE MODEL FOR SMALL AND MEDIUM ENTERPRISES IN UKRAINE

Problem. In this abstract, the obstacles related to the opportunities for small and medium enterprises (SMEs) to grow into national and international champions are addressed. In some industries entry barriers for SMEs are created artificially by the state or existing competitors. The only way they can get a substantial market share is through innovation and the creation of new products. Innovation implies more investment and better quality for the consumers, having a positive impact on both the economy and wellbeing of the population.

The objective of the research is to analyse the ways in which the state and other stakeholders can assist SMEs to grow into national and international champions based on the experience of German strong family-owned companies (Mittelstand), focusing on soft incentives rather than direct state aid, as the latter creates the risks for corruption, distorts level playing field and competition. Based on a comparative funnel analysis (Chart 1) of the German and Ukrainian situation on each level of a funnel, we suggest policy measures to maximise the conversion rate.

Chart 1. SME structure in Germany and Ukraine



Source: State Statistics Service of Ukraine [1]. Federal Statistical Office of Germany [2]. Federal Ministry of Economics and Technology of Germany [3]

Body. From the German experience, one of the main factors to promote entrepreneurship is the creation of clusters. They are platforms for the cooperation of local players, including universities, business angels, start-ups and local authorities.

There are 16 innovation parks registered and coordinated by the Ministry of Education. However, they themselves are not active due to the dependence on the universities, not having their own operational and managing personnel (operating as the subsidiaries of the universities), while local authorities tend to be more concerned in the development of industrial parks – as the latter can attract higher amount of investments in a shorter period.

Public funding has to be allocated into creation of new innovative companies and infrastructure for them. This can be initiated by «revitalizing» the present scientific parks and combining them in the form of academic-business clusters. The first steps might be the liberalization of existing legislation on science parks:

- providing clusters with autonomy in decision-making from universities;
- providing advisory support from the Ministry of Economic Development and Ministry of Education and Science to all the stakeholders.

The transfer between an individual entrepreneur and a legal enterprise is seen as a psychological, financial and organisational barrier for business to develop and therefore to become an exporter. Simplifying such a transfer should be a further incentive to grow from micro to small and medium business

To minimise corruption risks while funding support programmes for SMEs (be it micro grants, institutional or organisational support), the following measures are suggested:

- to open the database of the beneficiaries of public funds;
- to assure that the funds allocation process is not influenced by politicians and public officials (e. g. by creating independent counsels with high level of integrity and ensuring their rotation mechanisms);
- to provide international peer reviewing for all the innovativeness funds by foreign peers.

Some policy measures to promote innovativeness among SMEs are:

- Local innovation support centres that would help innovative solutions to be implemented at the enterprises situated far from industrial centres.
- R&D vouchers or innovation vouchers are non-refundable financial aid provided to companies for the development and implementation of product or process innovations. The model of such vouchers programme are climate innovation vouchers programme jointly implemented by EBRD, Ukrainian

NGO Greencubator and EU Neighbourhood Investment Facility. [4]

Policymakers and public should be aware that the above-mentioned measures would have long-term effect.

Even though the membership in German Chamber of Industry and Commerce is compulsory for the local business, we do not consider replicating the same policy measure to Ukraine's Chamber of Commerce and Industry. Self-governed business organisations where the quantity of SMEs prevails can effectively represent SME sector. Some of the possible areas for cooperation of such associations with the government and local authorities include:

- Joint apprenticeship schemes for students of technical universities and professional schools with Ministry of education and science
- Joint educational programmes for students willing to master a technical profession (using the German experience of a cooperative university (Duale Hochschule)).
- Peer-to-peer lending. Around 37,6% of Ukrainian enterprises plan to receive loans.[5] Considering German experience of enterprises issuing small bonds [6], the associations can consider applying the same model for their new members.

Export insurance coverage can be provided by state-owned export-credit agency, private entities (as Euler Hermes in Germany) or combined. Such policy measures should consider a possibly high burden on public funds and corruption risks.

Conclusions. Creating an ecosystem for business development should be considered as an integrated and comprehensive policy. The following features should apply for any SME support policy measure in Ukraine:

- Non-financial support mechanism should be a priority to minimize corruption risks;
- Supporting bottom-up initiatives to facilitate an effective policy dialogue;
- Improving organizational integration in a cluster creation programmes;
- Predictability of policies and focusing on achieving long-term outcomes rather than quick wins.

Sources:

1. State Statistics Service of Ukraine [Електронний ресурс]. – 2019. – Режим доступу: <https://ukrstat.org/en>.
2. Federal Statistical Office of Germany [Електронний ресурс]. – 2017. – Режим доступу: https://www.destatis.de/EN/Home/_node.html.
3. Federal Ministry of Economics and Technology of Germany [Електронний ресурс]. – 2018. – Режим доступу: <https://www.bmwi.de/Navigation/EN/Home/home.html>.
4. Інноваучер [Електронний ресурс]. – 2019. – Режим доступу:

- <http://innovoucher.com.ua/about-us/?lang=en>.
5. Ділові очікування підприємств України – НБУ [Електронний ресурс] // Національний банк України. – 2018. – Режим доступу: <https://bank.gov.ua/doccatalog/document?id=85931490>.
 6. Home Is Where the Capital Is. [Електронний ресурс] // The Economist. – 2014. – Режим доступу: <https://www.economist.com/news/finance-and-economics/21621907-germans-have-such-faith-their-industrialists-they-are-bankrolling-them-home>.

Сапачук Ю.М.
Національний університет
«Києво-Могилянська академія»,
к.е.н., доцент кафедри економічної теорії

КРИПТОВАЛЮТА ЯК РИЗИКОВА ФІНАНСОВО-ІНФОРМАЦІЙНА ТЕХНОЛОГІЯ

Бурхливий розвиток електронних грошей та технологій блокчейн на межі 2000-х та 2010-х рр. став причиною появи такого явища міжнародного фінансово-економічного життя як криптовалюта. В 2018 р. нараховувалось близько 1600 різновидів криптовалюти. При цьому весь обсяг капіталізації ринку припадав на топ-100 «членів сімейства», а на топ-10 – близько 80 % [1].

Отже, на сьогоднішній день фігурують такі варіанти легалізації та визнання криптовалюти:

- майном чи майновими правами;
- цифровим фінансовим активом чи цифровими правами (новий вид майна чи майнових прав, відповідно);
- платіжним засобом (грошима).
- Для того, щоб з'ясувати перспективи розвитку криптовалюти та усвідомити всі можливі ризики в ході її використання слід з'ясувати природу цього нового явища. На сьогодні, серед основних функцій криптовалюти варто виділити:
 - функція обслуговування платежів та розрахунків (грошова функція);
 - функція фінансового інструменту при обслуговуванні спекулятивних стратегій, що орієнтована на інвестування в криптовалюту в розрахунок на отримання прибутку від її курсового зростання.

Виходячи з вищесказаного можна зазначити, що криптовалюта є дещо парадоксальним явищем, адже обидві функції не відповідають