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DESCRIPTION OF A SYSTEM “INSTITUTE OF PROPERTY”

OPIS SYSTEMU “INSTYTUCJI WŁASNOŚCI”

Abstract: The article focuses on clarifying the questions related to the methodological research of property development, creation of theoretical and methodological basis of the practical activity for transformation of property transition in modern Ukrainian economy. The results of the author's research of institute of property as a system are given. On the basis of the research of the eminent scientists in the theory of property development and the own research elements of the system and their relationships are investigated.

Keywords: property, methodological approaches, system, element, institute, institution, institute of property, institutional system.

Streszczenie: Artykuł jest poświęcony wyjaśnieniu kwestii dotyczących badań metodologicznych nad rozwojem własności, tworzenia teoretycznej i metodologicznej podstawy praktycznej działalności dla transformacji przekształceń własnościowych we współczesnej gospodarce ukraińskiej. Przedstawiono wyniki badań autora dotyczących instytucji własności jako systemu. W oparciu o badania wybitnych naukowców w zakresie teorii rozwoju własności oraz badania własne zbadano elementy tego systemu i jego relacje.

Słowa kluczowe: własność, podejścia metodologiczne, system, element, instytut, instytucja, instytucja własności, system instytucjonalny

Introduction

Since the beginning of post-socialist transformation there has been a belief that to create a market economic system it's enough to destroy the control mechanisms of central planning, implement standard measures to liberalize and stabilize the economy, privatize most of the state property and thus create conditions for the development of market forces and relevant agencies. Real transients were extremely complicated as it appears. Created by the modern liberal reforms in Ukraine legal forms and methods of assigning values formed such a structure of property and property owners who gradually led to the crisis of the economic system and social tensions, mass poverty, destruction of creative and intellectual potential of the nation and other negative phenomena, that the current system of property has become an obstacle for socio-economic development of Ukraine and together with other factors led to a threat to the existence and independence of our country. Transformation of property in post-socialist countries - extremely complex process that covers all areas of public life. Obtained by our country's negative experience of reforming the economy stressed the strategic importance of the institutional aspect of the transformation of property. The system property as a basic institute of the society that directly affects the processes of formation of social market economy in the countries with the socialist past and foundations of post communist information society should be investigated as for its internal logic of transformation and appropriate methods of reform.

Modern trends in the property as the scientific basis of practical actions of society towards its development are considered in the works of Ukrainian and Russian scientists: L. Abalkin, Y. Archangelsky, V. Bazilevich, A. Boyko, V. Budkin, V. Vorona, A. Halchynski, V. Zhukov, V. Inozemtsev, R. Kapeliushnikov, G. Klymko, Y. Kyndzersky, M. Kolyesov, R. Levita, I. Lukinov, A. Mamaluy, S. Mocherny, V. Nesterenko, A. Ozhereliev, Y. Pappé, A. Paskhaver, M. Petrakov, A. Radygin, O. Radzievsky, G. Rodina, S. Stepanenko, V. Tykin, M. Finegold, M. Fedorenko, V. Fedorovich., G. Cherkasov, A. Chukhno and others.

Despite significant improvements of domestic and Western science (review of studies in previous publications of the author) in the research and development of property in conjunction with the formation of social market economy, many problems remain. Particularly in the modern economic literature there is a belief that the research methodology property is already sufficiently developed, but still controversial, issues associated with determining the nature and characteristics of property, dialectic of the philosophical and

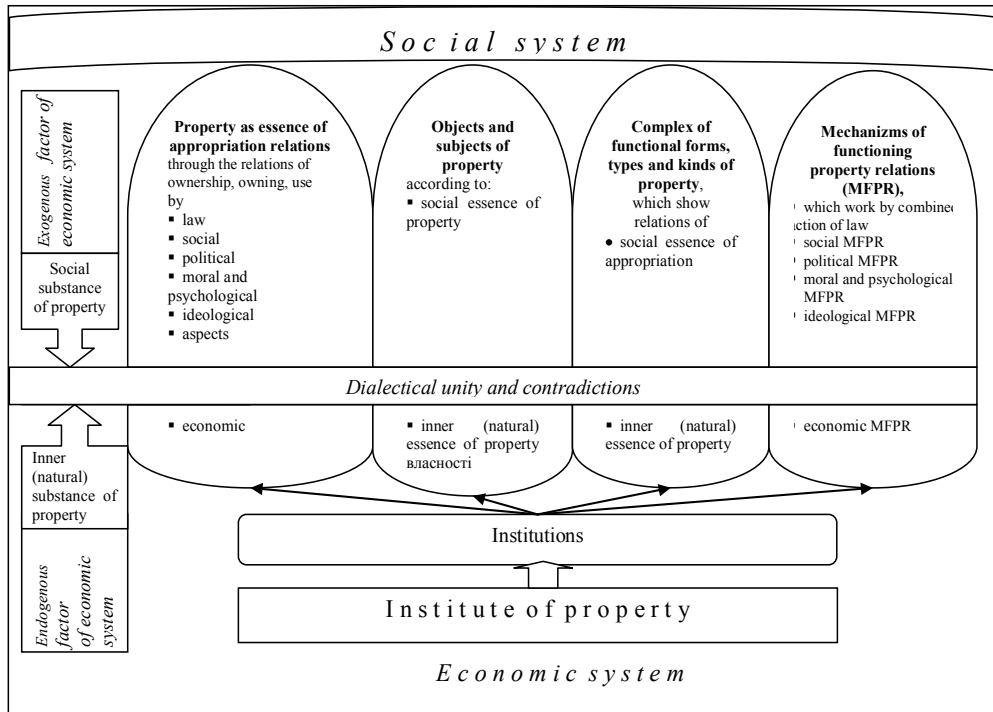
ethical, socio-economic and institutional framework and factors formation haven't been studied yet, as well as a variety of forms, means of appropriation, which would represent the foundations of social and macroeconomic stability of the nation and others.

1. The author's research of the institute of property as a system (review of previous publications of the author)

In the previous works dedicated to discovering issues related to the methodology of property research, the author made theoretical and methodological basis of performing work in the transformation of property during deep transformation of the Ukrainian state, the author presented the results of the research of institute of property as a system (Figure 1), presented the analysis of approaches to the study of the institute of property as an independent unit and principal component of the institutional system of the society¹. Theoretical and methodological framework of the proposed research is based on the generally recognized scientific achievements on national and world economics and the latest research and development aimed at studying certain issues in the field of socio-economic and institutional theory of property. A necessary condition for the development of new approaches to the study of property is determined by a combination of (synthesis) methodology, general theory of property, new institutional economics, the theory of economic systems based on systematic and evolutionary approaches.

¹ О. Minochkina, *Theoretical and methodological aspects of the definition of the system of property*, Науковий журнал «Менеджер» Вісник Донецького державного університету управління, №2 (6), 2013, с. 62-73; О. Minochkina, *The institution of property as the main component of the institutional system of the society*, Прометей: регіональний збірник наукових праць з економіки, Донецький державний університет управління МОН України, Інститут економіки промисловості НАН України, Дружківка, Видавництво «Юго-Восток» 2014, Вип. 2 (44), с. 207-216; О. Minochkina, *The institution of property as the main component of the institutional system of the society*, Прометей: регіональний збірник наукових праць з економіки, Донецький державний університет управління МОН України, Інститут економіки промисловості НАН України, Дружківка, Видавництво «Юго-Восток» 2014, Вип. 2 (44), с. 207-216.

Figure 1. Institute of property as a system
Rysunek 1. Instytucja własności jako system



Source: Elaborated by the author on the base of the own research.

The purpose of this paper is to study the structure of the “institute of property” as an objective socio-economic basis of the economic system and the real and necessary condition of its transformation and reform; on the basis of the research potential of eminent scientists in the theory of property developments and the author’s own research elements of the system and their relationships.

Provided is the description of system of elements of institution of property specified by the author, based on the methodological approaches by the known researchers and authors of the modern theory of property.

2. Property as the essence of relationships of appropriation

One of the most fundamental and solid research of property can be considered a collective monograph of Russian scientists, edited by V. Zhukov², which deals with the theoretical and methodological aspects of the property from the standpoint of classical (“traditional”),

² Собственность в системе социально-экономических отношений, Теоретико-методологические и институциональные аспекты: Монография / Под ред. чл.-корр. РАН В.И. Жукова, Москва, Российский государственный социальный университет, 2005, 408с.

reproductive and institutional approaches. Study of the authors of this work is based on the most complete application of the system method, principles, laws and pair categories of dialectics, the method of abstraction, the relationship ontology, logic and epistemology. Scientists carried out a detailed analysis of existing theoretical approaches to the study of the nature of property and emphasize the need for objective quality modern methodology and logic depth study of the foundations of this problem. The specifics of the research methodology is associated with the ontology of property, ie with labor method of appropriation of benefits. It should be noted that the theoretical – methodological characteristics of labor as the basis of property and the basis of its development are given in a number of modern research works. The authors of that monograph pay attention to the fact that labor appropriation acts as a basis, but socio-economic form of appropriation accepts the work by which manufactured goods, access to which is competitive in nature. The appropriation is considered by scientists as a socio-economic phenomenon and "palpable attribute"³ of property and is only a manifestation within a particular historical form of society.

Economic appropriation form is determined by the "way of working on the product" and captures the specific level of real socialization of production. Labor appropriation method is associated with specific labor operations during the process of producing values, with the cooperation of labor and specialization, as well as its level of socialization. Labor method of appropriation always corresponds to the total production phase of the reproductive process. The system is also recreated: the first phase of this process of appropriation by the a person of his ability to work; exchange "broadcasts" consumer preferences that vary according to the investment demand and become socially oriented quality in the manufacturing sector; final appropriation belongs to the phase of distribution of social production. The process of appropriation of a person of his ability to work is a key socio-economic basis of the system of appropriation that comes out of the dialectical unity of human interests both individual's and members' of the society "during formation and development of the real and comprehensive future worker the fundamentals of his true freedom and social protection are created"⁴. With the formation of social market economy human capital and labor property which belongs to an individual is crucial, in the Information Society the human personality who owns the intellectual capital and talent for creative work is a key property. Diversification of needs of both human beings and members of society within the social structure of a particular society affects the forms and methods of appropriation, which under the influence of socio-economic progress are changing and becoming increasingly complex. This appropriation is identified by the types of economic systems: manual and routine work (lack of creative bases) inherent in pre-industrial economic system; industrial type characterized appropriation of machinery and meets industrial economic system; postindustrial appropriation within the information society is characterized by intellectual work, creating intellectual product.

³ *Собственность в системе социально-экономических отношений, Теоретико-методологические и институциональные аспекты: Монография*, Под ред. чл.-корр. РАН В.И. Жукова, Москва, Российский государственный социальный университет, 2005, с. 64.

⁴ *Ibidem*, p. 67.

The social form of appropriation determines relations arising in the process of appropriating, forming a framework, conditions and rules of this relationship. Production - labor is the main way of appropriation and misappropriation which determines other ways that ensure the formation of labor for the production sphere and form profits for non-production workers in the sector through the distribution and redistribution of the final product, such as socialized capital-oriented, rent-seeking, and various kinds of mixed and diversified ways⁵.

The researchers interpret the concept of property “as a system of relations that arise in connection and because of appropriation and subsequent provision of supplies of goods”⁶. Under the system of property they understand “interconnected unity of all elements and links that develops ... Each element of the overall system of property is designed to take its” niche of “economic reality”⁷. Scientists emphasize the importance of “completeness as the unity of all components of the system property”, while expressing that “it is clear that the system includes some” core “- the traditional object and the subject property, institutional entrepreneurs at all levels and formation of rules assigning values, range of socio-economic and other relations arising in the process of mastering good”⁸. That system of property considered by scientists, but there is no clear understanding the composition of its elements.

We support the opinions of the authors regarding the appropriation of understanding of the system of relations as “core system property”⁹ and consider it a basic backbone element of the institution of property in accordance with the structure which we have developed. The system of appropriation is “provided” by relationships of affiliation, ownership, disposal and use in economic, legal, social, political, moral psychological, ideological meanings. The system also includes the institute’s of property subsystems (elements), objects and subjects of property, functional forms, types, types of ownership and operation mechanism of property relations – are subject to appropriation system and meet the ontology of economic and social forms of appropriation¹⁰.

Scientists say that “internal logic, orientation and dynamics of the system of property determines the outcome of every solution once played contradiction between property rights as a person and his own property as a member of society”¹¹. We believe that to resolve this contradiction it is possible within the structure we have developed - the institution of property as a system by creating institutional mechanisms of focusing of the society and the state on formation and development of human capital and labor of the individual, as well as the “production” of social forms of their respective appropriation. Currently, this problem is particularly important during the implementation of the reform of the Ukrainian system of property in accordance with the needs of the whole transformation of socio-economic system towards the country in our social market economy while laying the foundations of postindustrial society.

⁵ Ibidem, p. 62-69.

⁶ Ibidem, p. 66.

⁷ Ibidem, p. 371.

⁸ Ibidem, p. 41-42.

⁹ Ibidem, p. 66.

¹⁰ O. Minochkina, *The institution of property...*, p. 207-216.

¹¹ Собственность в системе..., p. 373.

3. Objects and subjects of property

The initial properties on the phase of labor appropriation of values are the economic resources that are potential factors of production: land, real capital, labour, intellectual product of entrepreneur in various forms and the process of work when potential inputs are transformed into actions. Any property is economically realized in the form of certain goods intended for personal consumption or production, leading to expanded reproduction of personal and material elements of the productive forces. Individuality as an economic form of appropriation, is always interested in the result of the labor integrally expressed in his share in the final product of society which in the transition economies depends on economic and political power and the actual mechanisms of distribution and redistribution of the final product. Social orientation of economic activity provides relevant effects on object ownership structure, which is reflected in the increasing share of consumer goods and services. The objects of property are social values, including the availability of services such as social infrastructure, the possibility of implementing human capital and others. Currently, as a result of technological progress of mankind there is multiplicative growth of innovative products of intellectual labor as intellectual property is the basis of material and spiritual production in the information society. Specific object of property can be considered as an economic and political power and public goods in the form of relevant institutes in the understanding of how the rules and regulations are made by social groups and society.¹² Under the terms of the existence of dominant kinds of civilization objects of property are defined, which fully reflect "the way of human interaction with nature, the current level of productivity of labor, especially the appropriation of the means and results of production"¹³.

Considering the controversial nature of the property and the owner understanding of the economic and institutional owners "who performs labor appropriation method and is defined as economic ... owner. He was "opposed to" institutional owner -the one who assigns rules and regulations governing the system of labor relations on the way Economic assignment owner usually controls the utility benefits; institutional owner is concerned, above all, by its value"¹⁴.

By Karl Marx's definition subjects of property are "people endowed with consciousness, coming studiously or under the influence of passion, seeking specific purposes"¹⁵. Some researchers, including general theory of property developers Rybalkin V. and I. Laznya, considering the nature of public property, believe that the properties are owned by the individual or group, or state, etc.¹⁶ and at the same time say that "social and economic certainty of subjects of property depends on its existing types, kinds and shapes. Therefore, depending on the last subjects of property can be an individual, group of individuals (groups), and

¹² Ibidem, p. 108-112.

¹³ *Основы экономической теории: политекономический аспект: Учебник* / Отв. ред. Г.Н. Климко, 3-е изд., перераб. и доп., Київ, Видавництво «Знання-Прес», 2001, с. 69.

¹⁴ *Собственность в системе...*, с. 50.

¹⁵ К. Маркс, *Экономические рукописи 1857 - 1859 годов*, Соч. - 2-е изд, Т. 46, Ч. 1, с. 306.

¹⁶ В.О. Рибалкін, І.В. Лазня, *Теорія власності*, Видавництво «Логос», Київ, 2000, с. 60.

finally, society”¹⁷, thus identifying the society and the state as a business property but, citing an analysis of state property scientists note that”... the state pro the state property (both belonging to society of various objects) ... should be approached as static...”¹⁸.

With regard to the classification of state owned entities we support the position of authors of monographic publications edited by Zhukov, which clarifies the question “whether the state in principle can be the owner or it is designed to perform” someone “will; or by state it can act as an independent owner, or it may only represents “someone’s” interests?”¹⁹. Researchers are exploring different views on this issue, refer to the times of Roman law, when the conditions are quite advanced forms of government system total appropriation made no concept of “public property” and used the category of “public property”, that is.... the whole society “and agree with the conclusion E. Sukhanov, who believes that” ... there can be no “other ownership” besides the private and public”²⁰. Scientists are studying the experience of states in countries with developed market economy traditions and practices of nation-building in post-Soviet countries, where the subject property is the state itself and its “owners” - relevant government officials government agencies, and emphasize the need for these countries relevant government officials government agencies, and emphasize the need for these countries’ qualitative role and place in the overall system of state relations in appropriation of wealth”²¹. Only through the establishment of civil society and the rule of law “just the society is the subject of all “set” of public values ... So the subject of state property in the modern market economy is civil society”²². As a basic or “constituent” owner the civil society “has a very important function assigning basic institutions, land, natural resources, ie the same conditions of activity of both such entities and human life in general. And not only appropriation, but also the maintenance, protection ... is to provide supplies with the raw materials by the process of their development and reasonable use. “The civil society has delegated these powers “though not always successfully” to the state, which represents a full legal and economic owner in case it organizes reproduction of values and management”²³. The Ukrainian state has not become the owner of such economic owner, but rather the powers which it obtained have created obstacles to the formation of market relations and processes of socialization of the state economic system and property, so now it’s high time for creation of a specific mechanism to influence the authorities to ensure effective and socialized management of social values.

Within the subject of the mixed ownership structure and transition economies it is important to encourage development of middle business owners as owners of superior human capital and labor, based on the dialectical unity of the defined property rights of an individual and property rights of an individual as a member of the society, consisting

¹⁷ Ibidem, p. 63-65.

¹⁸ Ibidem, p.145.

¹⁹ Собственность в системе..., с. 187.

²⁰ Е.А. Суханов, *Право собственности в современной России. Собственность в XX столетии*, Москва, Издательство «РОССПЭН», 2001, с. 771.

²¹ Собственность в системе..., с. 188.

²² Ibidem, p. 193.

²³ Ibidem, p. 34-35.

of national ownership of property. With the development of democratic society subjective property structure undergoes appropriate changes that have manifested in multi-subjective property, the possibility of participation of one entity (individual, group of people) in several ways of appropriation, which promotes the development of the civil society²⁴.

From the developed by V. Loskutov fundamental position in the theory of property²⁵ on the conformity of economic ownership to the methods of labor for the production of certain goods, that was defined as "the law of natural substance of property: law of compliance to the method of product creation - quality and quantitative characteristics"²⁶, it concludes that labor and different ways of labor act as a natural substance and property as the basis of many different forms.

4. Functional forms, types and kinds of property

Problem of the variety of forms and types of property are generally known. V. Rybalkin and I. Lasnya, drawing attention to the uncertainty of these concepts which are critical of the fact that in the literature the concept of "type", "kind" and "form" of property "content doesn't delineate, so it is mixed." In their view "type of property ... is characterized by high quality special entity of relationships of affiliation, ownership, disposal and use of property, defined qualitatively distinct subject of property. The essential feature of the common property is that its objects are equal part of each of its subjects as their common identity, in joint ownership objects in any share are not distributed among its subjects each subject is equal in ownership, disposal and use of its facilities. Type of property is characterized by qualitatively distinct nature of the affiliation, ownership, disposal and use of property rights, which vary qualitatively distinct ways of combining personal and materialized inputs within the same type of property, first of all ... social, economic and non-economic ways of combining factors of production and their various modifications. Property relations are internal organization of affiliation, ownership, disposal and use of any type or form of ownership". The researchers point out that "the type, form and ownership should be treated as not separately from each other, but rather organically linked, ie as the ones that contain their intrinsic properties in one ... there is no one specific type of property without some of its type and form, as there is some form of property without a certain kind and type ... ". In view of the fact that "people know two main types of means of production: common (general) and private, and within each of them - a number of historically specific types and forms of property" the authors give their retrospective analysis.²⁷

In this regard we refer to the work on the basics of economics, edited by G. Klymko, which is devoted to the analysis of property relations. The authors describe the property structure, considering it an integral one with respect to others by kinds, shapes and types

²⁴ Ibidem, p. 112-113.

²⁵ В.И. Лоскутов, *Экономические отношения собственности и политическое будущее России*, Издательство МГТУ, Москва 2001, 160с.

²⁶ *Собственность в системе...* с. 57.

²⁷ В.О. Рибалкін, І.В. Лазня, *Теорія власності*, Видавництво «Логос», Київ 2000, с. 128-129.

and notice that their understanding is to analyze the relationship of appropriation, interaction of ownership system of objects. Scientists have determined that the “type of property specifies the most general principles of its operation, the essence of combination of worker with the means of production. Form of property - a stable system of economic relations and economic ties, which makes an appropriate manner and mechanism of combination of worker with means of mass production. Type of property is characterized by a specific way of assigning benefits and methods of management “and cite all their diversity (Fig. 2)²⁸.

Figure 2. The main types, forms and kinds of property in the economic system

Rysunek 2. Główne typy, formy i rodzaje własności w systemie gospodarczym

Type of property	Public						Private				Mixed					
Form of property	State-owned		Collective				Individual-labour		Employed labour force							
Kind of property	State-owned	Municipal	Cooperative	Stock	Partner	Property of public organisations	Property of religious and cultural organizations	Individual	Family	Individual with employed labour	Monopolistic	Corporative	State-collective	State - private	Private-collective	Others

Source: own:

The authors of the scientific work edited by Zhukov noted high theory - methodological level of studies of forms and types of property and give retrospective of the three main approaches to the abovementioned problem:

- Economic - legal or mixed (theoretical basis of forms of property and their structures and the associated economic powers, with the exception of access to resources, based entity, with transaction costs);
- Approach which connects the form of property with the means of assigning product;
- Approach, according to which in the basis of diversity of forms and types of property there is specification economic benefits.

The structural genesis of occurrence of form of property is expressed in the following algorithm: «qualitative - quantitative characteristics and socio - economic purpose of the good - factors of production - necessary for its creation - labor method (natural substance of property) - appropriate forms of production and production management (economic property) - Law (titled) form of property. Property... basically occurs on the produc-

²⁸ *Основы экономической теории: политекономический аспект: Учебник*, Отв. ред. Г.Н. Клишко, 3-е изд., перераб. и доп., Видавництво «Знання-Прес», Київ 2001, с. 70.

tion (extraction) of rare wealth; economic forms and types of property arising from the production of rare wealth of specification, with a special quality characteristics and quantitative properties»²⁹. Scientists do not focus on the interpretation of the term (a type of property, type of property) and added a number of additions to the different approaches generated by the algorithm:

- The genetic relationship of different ways to work and diversity of ownership follows the need to study the problems of ownership of the individual labor, human and intellectual capital;
- Entity which constitutes a particular objective economic property, is civil society;
- Increase of deepening division of labor, its combination of diversification and objectively determine the increasing role of common property;
- The dialectic of social forms of appropriation of property is carried out simultaneously towards the improvement and development of both private and common property³⁰.

It is important for our research to understand that "general and private property are not two opposites," far "distant from each other. On the contrary, in modern mixed economy, which is on the eve of the information society, general and private sectors are formed and played in the depths of each other, not existing one without the other "and it's sensible, in our opinion, to offer researchers' instead of arguments about a "better" form of property to expand the discussion of mechanisms of development, cooperation and compliance with universal ethics, social justice and economic efficiency"³¹.

Our research institute of property is held within the institutional paradigm based on the systems approach. Within the paradigm of system analysis and interconnected unity and diversity of all types of property which are constantly changing according to the state of social development, it is appropriate to adjust the significance of forms and types of property, identifying the ruling ones to address to specific problems and which are needed to achieve the general goal of socio-economic system. Here we agree with the findings of researchers of property that polar points of view related to the predominance of any one form of property devoid of scientific basis. Economic civilization embarked on diversity and diversification of property, where the concept of "main" form can be characterized by short-termism and locality rather than duration and universality.

It's impossible to ignore the economic development of the concept of property conditions. The scope of research of modern economic theory of understanding the concept of property regime has come from the work by H. Demsetz (1967), which refers to the "idealized form" or "system" property³². Later this concept was used by D. Bromley, who added a certain conception of the introduction of new concepts of "regime non-property" (free access to resources) and "mode of life", but without clarifying the content of the

²⁹ Собственность в системе..., с. 103.

³⁰ Ibidem, p. 99-104.

³¹ Ibidem, p. 105-106.

³² H. Demsetz, *Towards a Theory of Property Rights*, "The American Economic Review" 1967, No. 57 (2), p. 47-359.

term “regime of property”³³. E. Ostrom ties the concept of property conditions with two rules, “which are set within any group (in order of self-organization), or set” from above “(ie state) ... mode determined by a combination of property rights arising from the five rules: Access - the right to get in touch with a resource; lift - the right to obtain a product of the use of resources; control - the right to regulate uses of the resource and its changes; exception - the right to determine who will have the right of access to the resource and how the law is passed; exclusion - the right to sell or to rent (temporary use) the previous two rules”³⁴. The topic of further research and inventions by E. Ostrom was a problem of common control (common) resources (resources, usage rights for which are owned by just many stakeholders - individuals or organizations), for which she received the Nobel Prize in Economics (2009). Discovery by E. Ostrom is that under certain conditions, such possible modes of existence and operation of common resources in which they are maintained in good condition, while remaining in common use³⁵.

Researchers of institutional economics, the authors of the work, edited by A. Auzan view the property regime as “a set of rules that define the conditions for access to a resource, the order of selection of options for its use and income from its use”³⁶. By property regimes scientists include free access regime of private property, community property regime, the regime of state property, analyzing them as discrete institutional alternatives, the basic principle of choice of which is to minimize transaction and production costs.

6. The mechanism of functioning of property relationships

In our studies, we formed the system of property on the basis of established approaches to understanding the kinds, forms and types of property in respect of property regimes, in our view, their relationships with the forms and types of property and operation mechanism of property relationships are considered. It should be noted that the concept of the operation mechanism of property relationships (MFPR) in the property in the scientific literature hasn't been considered.

From the above the substantial nature of property³⁷ follows the logic of our formation of MFPR. Labor and manufacturing method of mastering economic benefits as a natural substance property is associated with the effect of economic MFPR. In terms of rarity of

³³ D.W. Bromley, *Property Relations and Economic Development: The Other Land Reform*, “World Development” 1989, No. 17 (6), p. 867-877; D.W. Bromley, M.M. Cernea, *The Management of Common Property Natural Resources: Some Conceptual and Operational Fallacies*, World Bank, Washington, DC // World Bank Discussion Papers, 1989, No. 57.

³⁴ E. Schloger, E. Ostrom, *Property - Rights Regimes and Natural Resources: A Conceptual Analysis*, *Land Economics*, 1992, No. 68 (3), p. 249-262.

³⁵ Э. Остром, *Управляя общим: эволюция институтов коллективной деятельности*, Издательство «ИРИСЭН», «Мысль», Москва 2010, 447 с.

³⁶ *Институциональная экономика: Новая институциональная экономическая теория*, Учебник / Коллектив авторов / Под ред. А.А. Аузана, 2-е изд, Издательство «ИНФРА – М», Москва 2011, с. 257.

³⁷ *Собственность в системе социально-экономических отношений, Теоретико-методологические и институциональные аспекты: Монография* / Под ред. чл.-корр. РАН В.И. Жукова, Российский государственный социальный университет, Москва 2005, 408с.

the wealth the entities enter into relationships with each other just because of their assignment, both objectively established rules and regulations governing the relationships of the mentioned appropriation. Economic MFPR created conscious participation of the economic relations of appropriation, ordering a system for their interactions with each other so that the labor appropriation of wealth and their subsequent ownership of real can output growth and ensure the full development of the individual and society.

The production of rules and regulations governing the system and ordering relations on the appropriation of wealth is connected with the "production" of public property substance. And we are talking about the social level of formation of rules and regulations socioeconomic interactions assignment and accessories. Public appropriation under these society actions is carried out by the legal, social, political, moral, psychological and ideological MFPR to require all entities comply with the rules of property assignment and any activities in any way connected with different ways of appropriation of wealth. MFPR defines the interaction between economic agents in the system and forms of property.

So the interaction of rules and regulations under the Labour mode of appropriation of wealth and social forms of appropriation that turns them into real models of stable interaction of economic agents, which form MFPR being implemented through the combined effect of economic, legal, social, political, moral psychological and ideological mechanisms of property relations.

In a democratic society "institutional entrepreneurship" in the production of standards and rules of MFPR aims to optimize the interaction rules and regulations in the system of property, resulting in a balance of natural and social forms of appropriation, and carried out systematically characterized turning and component fullness, considering the interests of both economic and institutional property. "Institutional entrepreneurs", and they are all the owners must recognize the imperative nature of the rules and regulations under the natural substance property and that public property is substance of implications of existing potential social form of appropriation. Currently, when forming MFPR in Ukraine it must go on institutional entrepreneurship to create rules and regulations applicable to the content and benefits that can not only protect or secure business assignment, but motivate them to work on internal improvement of the human capital and a more productive work to create innovative products.

You can ascertain the effective validity of MFPR in the system of property under the condition of the priority of norms and rules of production and labor assignment and receipt of the basis of expanded reproduction of values and "a certain institutional stability or equilibrium in which all structural levels of contracting economic agents are optimized so that none of the participants did not consider a waste of capacities and powers for restructuring the reached agreements and established rules. The characterized institutional balance for obvious reasons must be supplemented by the terms of stability and meet the Pareto efficiency in terms of allocation of resources"³⁸. To achieve this the result may be due to science-

³⁸ Ibidem, p. 51.

based institutional policy and institutional design based on the creative efforts of experts of relevant scientific fields, and the current “producers formal and informal rules are designed to take into account the requirements of general and professional culture to promote the implementation of priority of creative personality, creating conditions for extended creation of new knowledge and technologies”³⁹. The problems associated with the formation and performance of MFPR must be settled by an interdisciplinary process through the exchange of ideas, discussion and coordination of methodological approaches and teaching materials on the formation and combined action of its components.

Conclusions

The proposed structure of the institute of property reflects a logically complete cycle of movement of labor ownership substance associated with the direct process of appropriation of the wealth of its restoration on an extended basis to the public ownership as the process of forming substance which is adequate to formal and informal rules and regulations. MFPR structuring human interaction in respect to appropriation while limiting the choice for individuals and reflects the organic unity of economic, legal, social and political in social and economic life of society.

Socially oriented structure of the institute of property forms similar forms of socially oriented people's economic structure. In a certain meaning, the developed structure of the institute of property is a backbone element in transforming the economic system and serves as the locomotive on its way of becoming a social market economy that can be achieved only through creation of appropriate institutional environment. Institutional structure of society must make socially oriented institutes that promote the implementation of the requirements of the principle of creating that converts an objective social mechanisms into a leading factor in the new quality of economic growth; provide conditions for the sustainable growth rate of the human, intellectual, social, material and proprietary capital; motivate people and different social groups to work and production method of appropriation; ensure the active participation of every individual in the objective of improving their own quality of life. Formation of the institutional structure of society on the basis of property as a basic institute of society which creates conditions for a kind of synergy institutional system of the country in the transformation period of its development. Research of the institute of property as an independent unit of analysis and as the part of the institutional system of society can be considered as the main directions for further research. We have given our position in relation to understanding the institute as a system in certain composition elements⁴⁰, which includes institutional mechanism is needed more profound research and clarify its relations with the economic mechanism, which is also the aim of further research of the author.

³⁹ Ibidem, p. 53.

⁴⁰ O. Minochkina, *The institution of property...*, c. 207-216.

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