



Opening Remarks

Yevhen SAVELYEV

**FORCED FROM OUT
SIDE SHOCK THERAPY**

Abstract

Previous economic reforms are estimated in Ukraine as halved that did not enable to get results which answer its potential. A world economic crisis which was imposed on errors in state administration the Ukrainian economy stipulated an urgent requirements in the lead through of extreme economic reform which can carry shock non-popular character.

Key words:

Default, dollar, economic reform, economy growing, export, economy, import-change productions, liquidity, structural changes, transparency of financial market, shock therapy.

JEL: H10.

© Yevhen Savelyev, 2009.

Savelyev Yevhen, Doctor of Economic Sciences, Professor, Honoured Worker of Science and Technology of Ukraine, Vice-President of the Academy of Economic Sciences of Ukraine, Ternopil National Economic University, Ukraine.

There are no the worst words which was not yet used by Ukrainians at description of the state of the Ukrainian economy. However, the time to put an end to the competition in the selection of epithets for self-torture has come. For every citizen of the country farther, that less interesting is what it is possible to say about us. A desire to hear an answer for the main question grows at the same time: what to do?

Transforming countries began realizations of economic reforms a more or less from shock therapy. Poland was the most successive in this. The higher state leaders of all times were eulogized, that the gradual process of reforms, which, goes in Ukraine, to insert the remark, unknown when completed and yet in a greater degree not to know when will bring positive results.

And now world has changed; and has changed in that way that now it is impossible for the economy to exist due to the rules defined by Ukrainian governments and business. The dreadful pressure on economy from the world market has begun. Almost the most powerful in Europe oligarchs-exporters fall sick of "market impotence". Russia put Ukraine to be first in line for price decrease on power mediums while Europeans silently agreed with policy of non-interference in conditions of satisfying of their necessities. At once population learned no so simple science as dollarization of economy experiencing on them all bitter taste of impoverishment because of its consequences.

Consequently, there's no where to go – or systematical and deep reforms, or default, that crash of economy waiver of the state of payments after all internal and external borrowings with a complete political and economic isolation, loss of authority in the world, freezing of foreign assets, collapse of currency, hungry rebelling and others like that.

A discussion is in relation to that, whether it is possible to delay radical and non-popular reforms became inappropriate. It already not initiated by us, but by a world market and international financial organizations. Avoiding their calls is similar to death. The only thing left is to determine how to bind first to the second strategic aims and mechanisms of reform. Among them is maintenance of the economy growing, structural changes, removal of power factor, stimulation of development of export and import-change productions, providing of liquidity of financial organizations, defense of savings and deposits, impossibility of spread of negative occurrences of economic existence and strengthening of the modes of regulation, increase of the transparency of financial market.