

ABSTRACTS

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CORRUPTION-SHADOW RELATIONS: THE POLITICAL ECONOMY'S ASPECT

The history of human society, especially since the formation and establishment of the state, has a variety of examples of corruption and shadow economy in many countries. In the context of the proposed research is considered legitimate and possible to examine corruption and the shadow economy as political economy categories; events and relationships that they reflect to explore from the positions of political economy. In fact, the corrupt activities is basing on a simple but convincing model of economic behavior: individuals make decisions so as to maximize the value of the utility function by using available information and its proper handling and application.

The researching of the different approaches allowed to determine a system of relationships between concepts such as «power», « money», «corruption» and describe them using a series of formulas. Empirically and statistically corruption cannot be estimated, therefore, to determine its volume we can using data from public opinion surveys and expert assessments. On this basis, the dynamics of corruption examines and makes comparative analysis of the level of corruption in some countries.

The analysis of corruption and the shadow economy from the standpoint of institutional conceptual approach provides a certain space in the study of corruption- shadow relations. Complexity and contradiction of the shadow economy is transferring to the sphere of studying, in relation to which we can speak about three institutional «traps» associated with the examination, evaluation and forecasting, as well as detection of shadow processes and relationships. Institutional theory gives the concept of «angle and power» in coverage of certain economic phenomena and processes. Researching of local realities allowed distinguishing three angles, so we consider three situations and their significant differences depending on the «angle of illumination» of corruption- shadow relations. This research allowed defining the most general institutional principles of reducing the volumes of corruption-shadow economy.