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Viktoriia Nebrat¹

FOREIGN EXPERIENCE AND NATIONAL PRIORITIES FOR STRATEGISING POST-WAR RECOVERY OF UKRAINE

The right strategy determines the path to victory. In order to develop the necessary historical, empirical, economic and theoretical basis for substantiating the priorities of the national post-war recovery strategy, determining the feasibility and mechanisms for implementing positive foreign experience, the workshop *"International Historical Experience of Post-War Economic Recovery: Lessons for Ukraine"* was held online on 27 April 2023 at the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine. The event was initiated by the Department of Economic History of the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine. The interdisciplinary nature of the issues and the scientific and practical orientation of the event were supported by the co-organizers - the Department of Regional Economic Policy of the Dolishniy Institute of Regional Research of the National Academy of Sciences of Ukraine, the Institute of Higher Education of the National Academy of Pedagogical Sciences of Ukraine, the Humanities and Economics Academy in Lodz (Poland), the Higher School of Entrepreneurship and Administration in Lublin (Poland), and the NGO "Ukrainian Association of International Economists".

The workshop was attended by experts from many institutions of the National Academy of Sciences of Ukraine and higher education institutions, non-governmental research institutions, as well as representatives of NGOs, business, local governments and their associations. Foreign experts from the Polish Academy of Sciences, in particular the Institute of Rural and Agricultural Development, the Institute of Labor and Social Relations, as well as researchers from Polish higher education institutions (SGH Warsaw School of Economics; The University of Humanities and Economics in Lodz; and the Graduate School of Management and Administration in Lublin (VAMED / WSPA in Lublin), also joined the discussion on the drivers and mechanisms of reconstruction. Researchers from Sweden, Germany, and Canada also presented their vision of the post-war recovery of Ukraine.

In opening the conference, **Valeriy Heyets**, the Director of the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine, called for constructive work to develop specific management solutions for scientific support of

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the economic recovery policy. He also emphasized that this representative forum is intended to contribute to the formation of a common vision of the problems and ways to solve them, which will serve to ensure mutual understanding between representatives of science, government, business, and civil society, and this, in turn, will become the foundation of social harmony, trust, and consolidation for the successful implementation of the strategy of post-war recovery of Ukraine's economy and restoration of its socio-humanitarian space.

The heads of the co-organizing institutions also addressed the forum participants with welcoming remarks. In particular, Doctor of Pedagogical Sciences **Iryna Drach**, Director of the Institute of Higher Education of the National Academy of Pedagogical Sciences of Ukraine, stressed that along with economic factors, education and science are the main drivers of Ukraine's recovery, and the introduction of open science principles will significantly increase their effectiveness. Doctor of Economics **Vasyl Kravtsiv**, the Director of Dolishniy Institute of Regional Research of NAS of Ukraine, noted that Ukraine's recovery and transformation of the national economy should begin now, taking into account, firstly, that no one knows for sure when the war will end, and, secondly, that the enemy will not disappear even afterwards. Mr. **Mateusz Bialas**, Director of the Polish Academy of Sciences in Kyiv, confirmed the readiness of Polish scientists to continue supporting the people of Ukraine and stressed the role of scientific cooperation as a mechanism for jointly increasing and using innovative and intellectual resources. In her address, Dr. **Beata Groblewska-Bogusz**, Dean of the Faculty of Management at the University of Humanities and Economics in Lodz (Poland), noted that the large-scale invasion of Ukraine by the Russian Federation sparked an active international discussion on the likely directions of Ukraine's recovery after the war. However, the common position is the belief that the winners (Ukraine) will have substantial support (financial, technological, human capital), which will become the basis for the future construction of a successful European country. This opinion was echoed by **Anna Bialak**, Dean of the Faculty of Management at the Higher School of Business and Administration in Lublin (Poland).

The conference focused on economic theory and the history of post-war recovery as a basis for developing a national strategy for economic recovery and institutional modernization in Ukraine. The reports and speeches focused on resolving the following dilemmas:

1. The public demand for a vision, a theoretical model of the national economy as a scientific basis for structural reforms and, at the same time, the lack of an adequate response from Ukrainian science.
2. The need to take into account international experience and, at the same time, to understand its limitations and rethink it from the perspective of current conditions and specific tasks facing the Ukrainian state and society.
3. The critical need for external assistance and, at the same time, the desire to defend state independence and strengthen the political subjectivity of Ukraine.

4. A declaration of Ukraine's intentions to pursue European integration as a major political and economic vector and - at the same time - the inability to fulfil all the requirements.

5. The scale of the tasks that require a strong state and centralized solutions and, at the same time, the real decentralization and growing role of non-state institutions.

6. The imperatives of structural and technological reconstruction of the economy and the barriers created by the previous trajectory of raw materials, low-tech production and exports.

7. Real trends of deindustrialization against the backdrop of a declarative transition to a post-industrial economy and, at the same time, the need to revive and strengthen the industrial basis of the economy.

8. Concentration of land ownership and export-oriented agricultural production and, at the same time, the need to develop processing and value chains.

9. The security need for unity and cohesion, on the one hand, and the absence of a new social contract as a basis for consolidating society and constructive interaction between society and state, on the other.

10. Large-scale migration of professionals and young people, human losses in the war, and at the same time, the need for professional and intellectual human potential to rebuild and build a knowledge economy.

11. Integration into the international scientific and educational environment, increased academic mobility and - at the same time - a decline in the prestige and level of national education and science.

12. The growth of civic engagement and inclusion, on the one hand, and, on the other hand, the absence or ineffectiveness of social dialogue and constructive interaction between civil society and the state.

The search for solutions to these and other pressing economic, social and political problems of Ukraine took place in the context of analyzing and taking into account the time and space determinants of social development.

During the conference, as well as in the materials provided by the participants for publication², the results of research were presented that deepen historical and economic knowledge about the directions, priorities and specific mechanisms of post-World War II recovery policy in certain countries of Western Europe and East Asia; reveal the factors of success of transformation reforms and European integration in CEE countries; and point to threats to the restoration and further strengthening of the national economy and state. The speakers' presentations and discussions highlighted

² International historical experience of post-war economic recovery: lessons for Ukraine: materials of the international workshop (Kyiv, 27 April 2023) / State Institution "Institute for Economics and Forecasting of NAS of Ukraine", Institute of Higher Education of the National Academy of Sciences of Ukraine. Kyiv, 2023.

URL: <http://ief.org.ua/wp-content/uploads/2023/05/Mizhnar-istor-dosvid-povojen-rekonstrukcii-uroky-dla-Ukrainy.pdf>

the key imperatives and determinants of economic policy strategy, outlined the potential of open science and civil society development in the context of post-war economic recovery, institutional modernization and European integration of Ukraine.

Economic and theoretical basis of the national recovery strategy

Andrii Hrytsenko, Deputy Director of the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine, Academician of the National Academy of Sciences of Ukraine, in his report made an in-depth political and economic analysis of the main characteristics of the modern world, stressing that the Russian war against Ukraine is a localization of the most acute global contradictions of the world's leading players in Ukraine. Therefore, it is necessary to analyze not only the experience of countries that have rebuilt their economies after wars, but also the entire historical experience of economic development, its logic, patterns and modern specifics. "Without this, the use of foreign experience can turn into the imposition of abstract schemes on an economy that does not accept such schemes due to other international, institutional, macroeconomic conditions, mental characteristics, and historical development trajectory," the speaker said. According to A. Hrytsenko, the post-war recovery of Ukraine's economy should be aimed at creating a nationally rooted economic development based on the fullest use of the national economic potential and the creation of a network of value-added chains and processing of raw materials into final products to meet domestic needs and exports.

Doctor of Economics **Oleksii Plotnikov**, a Leading Researcher at the International Financial Research Sector of the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine, spoke on the international aspects of Ukraine's post-war positioning and its recovery. He noted that without studying the historical experience of foreign countries, the development of recovery measures will not be successful. According to the scientist, the theoretical basis for the development of Ukraine's recovery strategy should be a scientific understanding of the processes of fragmentation of the world economy as a cessation of traditional globalization and an awareness of Ukraine's inevitable dependence on external sources of funding and material assistance in the future. He also emphasized the need for a realistic view of the limitedness of not only internal but also external resources for recovery. Taking into account foreign economic conditions, understanding the interests of partner countries and the lack of "free money" in the context of a fragmented global economy are important parameters for developing a strategic vision of the prospects for international assistance in implementing Ukraine's recovery plans.

In her speech, **Nataliia Suprun**, a Chief Researcher at the Department of Economic History of the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine, Doctor of Economics, focused on the historically proven role of economic science in post-war recovery strategy. She drew attention to the need to distinguish between the economic model of pre-war Ukraine, the model

that is being formed in the context of war, and the model of the future to be developed by economic science. "The rooting of positive social values and the development of mechanisms for their capitalization should be for economic science a focus of constant attention", the scientist stressed. In the context of the value-based approach, she argued for the prospects of the social market economy model, which is based on the state's ensuring freedom of private initiative within the framework of favorable legal standards for the development of competition. According to N. Suprun, the success of the post-war recovery of West Germany was determined by the presence of a clear vision of the future economic model developed by representatives of the Freiburg School of Neoliberalism. Therefore, the definition of the main scenarios and mechanisms for Ukraine's recovery should be preceded by the development of a scientifically based model of the future and the conceptualization of its basic parameters, which were presented in the speech. The speaker also outlined a number of dilemmas of institutional transformation, whose solution is an urgent task for economic science, in particular: "the strategy of rapid recovery vs. economic modernization; the opportunity to use proven historical experience vs. the desire to develop an original scenario; reliance on external resources for recovery vs. development of the domestic market and avoidance of the risk of dependence of the national economy". When choosing and implementing a recovery strategy on this basis, it is important to achieve a public consensus on its goals and means. Historical experience shows that without social consolidation based on awareness, consent and active interaction, achieving the goals of recovery and modernization is impossible. According to N. Suprun, it is economic science that can and should "generate conceptual ideas for defining a vision of the future, propose priority ways to implement them, become a moderator of public discourse on these issues; form and test a model of the future socio-economic system in the expert community; develop a strategy to dismantle an ineffective model and construct a new one, taking into account the new social contract. While Ukrainian soldiers and volunteers are winning on the frontline, Ukrainian scientists have to think about how to build peace in Ukraine".

**Successful foreign practices of post-war economic recovery and modernization:
opportunities for implementation in Ukraine**

Considering the possibilities of implementing successful foreign practices of post-war recovery and economic modernization in Ukraine, the workshop's participants turned to international experience of implementing management decisions in ensuring the implementation of recovery plans and strategies; analyzing the correlation between internal and external factors of successful reconstruction; considering national peculiarities of solving the problems of restoring living space; positive and negative results on the way to post-war industrial recovery after military conflicts, etc.

In his presentation, **Yaroslav Hallo**, Deputy Director of the National Institute for Strategic Studies, emphasized the differences between the terms and content of the Marshall Plan and the current foreign aid plan for Ukraine. The simplistic, mechanistic perception of a conventional Marshall Plan in modern realities is reduced to unjustified expectations of external cash inflows that should compensate for losses and solve all the problems of recovery. The scholar noted that in fact, "the accelerating and managerial component of the Marshall Plan was much more significant than the financial one. Aid under the plan amounted to just about 3% of the total national income of the recipient countries". Y. Hallo highlighted the following key strategic goals of the Marshall Plan of 1947: laying the foundations for Euro-Atlantic integration; post-war rehabilitation of the US economy; filling commodity shortages in the European market; mitigating the risks of devaluation during recovery; and forming the basis for Pan-European cooperation. At the same time, it was those countries that had their own national recovery strategies and strong institutional structures to implement them that achieved long-term success. Unfortunately, as the speaker noted, the EU have not created a unified policy towards Ukraine; there is no articulation of the specific importance of cooperation with Ukraine for European business and, accordingly, no consistent advocacy of Ukraine's Eurointegration course; the government's National Recovery Plan for Ukraine lacks integrity, and the tasks are not exhaustive. At the end of his presentation, Y. Hallo presented the tasks of the Marshall Plan 2.0 as an institutional framework for international cooperation for Ukraine's recovery.

The role of non-economic factors, in particular the value foundation of the post-war economic recovery on the example of Japan, was revealed in his speech by **Ihor Piliaiev**, a Leading Researcher at the International Financial Studies Sector of the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine. He stressed that the realization of the competitive advantages of the national economy is directly related to the discovery and implementation of competitive advantages of the national character, mentality, and economic culture. The principles of Confucian capitalism, combined economic democratization in Japan, became a powerful factor in shaping the Japanese economic miracle. The land reform ensured the development of agriculture. In industry, traditional monopolies - zaibatsu - were transformed into keiretsu, where management is carried out by professional managers and workers' rights are protected by trade unions. Corporate loyalty and traditional hard work became a resource for Japan's recovery and development. The speaker concluded that, despite significant differences in history and national traditions, the communitarian-solidarity model of economic recovery and development has significant potential for implementation in Ukraine. The civic activities and social energy, national consolidation and loyalty shown by Ukrainian citizens during the armed confrontation should be transformed and directed towards solving the problems of post-war recovery and development of a highly efficient competitive economy.

Alongside the success stories, the negative experience of post-war and post-crisis recovery deserves attention. Doctor of Economics **Olena Tsyplitska**, a Senior Researcher at the Industrial Policy Department of the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine, presented a detailed analysis of the experience of industrial recovery in the Western Balkans after the Yugoslav wars of the 1990s and identified the reasons for the negative results and failures of post-war economic policy, formulating warnings for Ukraine. The prerequisites for industrial recovery in Serbia, Bosnia and Herzegovina and Croatia were similar to those that Ukraine is currently facing (the legacy of the socialist system, the destruction of industrial infrastructure and human losses as a result of the war, the breakdown of production and supply chains due to the collapse of the previously integrated economic complex, and the involvement of international organizations in the recovery process), so their experience is particularly valuable. According to the speaker, the lesson for Ukraine should be that the industrial sector of these countries did not receive any external support, with only 3% of the total amount of aid going to the manufacturing sector. Therefore, along with the positive results of industrial recovery, there were also negative ones: in Bosnia and Herzegovina, there was a slight positive trend in employment, growth of the shadow economy, and instability of investment inflows; in Serbia, radical deindustrialization, lower social standards of jobs created, and a non-transparent business environment; in Croatia, the outflow of personnel from industry, the preservation and development of high-tech industries were accompanied by the formation of so-called clan capitalism. One of the Balkan lessons is that post-war recovery should start with infrastructure, which is a prerequisite and the basis for industrial revival. The reasons for deindustrialization in the Western Balkans were weak government involvement in decision-making, low institutional capacity, deterioration of the quality of elites in government, and insufficient financial assistance to restore even critical physical infrastructure in the absence of domestic investment resources. The proximity of unstable territories (Kosovo), high levels of corruption, and fiscal uncertainty also increase threats to stable development. From O. Tsyplitska's speech, it can be concluded that the unsatisfactory level of the institutional environment, incomplete reforms to guarantee the rule of law, property protection, effective competition, and capital generation opportunities serve as blockers to the recovery of the real sector economy, including industry. The experience of the Western Balkan countries shows possible risks for Ukraine. Therefore, it is important to develop its own industrial restructuring programmes and create conditions for the realization of domestic investment potential.

The Polish participants focused on the experience of restoring socio-cultural space and identifying priorities for urban recovery from the perspective of modern urbanism (Master of Engineering - Architect **Valentyn Patii**) and the potential of the franchising business model to revitalize the business environment, and restore economic circulation in the post-war environment. (Ph.D., Associate Professor at the

Warsaw School of Economics, **Marta Zolkovska**). Economic recovery involves the use of key innovative tools for the rapid and high-quality restructuring of business and entrepreneurship. As shown by the experience of countries that successfully completed the process of post-communist transformation and integration into the EU economic space, including Poland, it is important to provide government support for entrepreneurship at the central level through targeted entrepreneurship development programmes involving business associations; create and develop a network of educational and advisory centers, and organize trainings, seminars and other events dedicated to training and sharing successful business practices. Among the promising forms of entrepreneurship revival and development, Polish colleagues highlight the franchise business model. In the process of institutional modernization, it is necessary to improve Ukraine's legislation to regulate the bundle of property relations, overcome unfair competition, concealment of relevant information and other shortcomings. Implementation and adaptation of the standards adopted in European practice will greatly stimulate the creation and development of production and trade systems, and increase the interest of international investors and franchises in entering the Ukrainian market.

The topic of the latest experience of recovery was continued by PhD in Economics Olga Sych, an Associate Professor at the Department of Financial Management at Ivan Franko Lviv National University, who presented a joint study of the post-war recovery of cities in Bosnia and Herzegovina with **Iryna Pasinovych** (Associate Professor of the Department of Management and International Entrepreneurship at Lviv Polytechnic National University, PhD in Economics). The reconstruction of cities is important, given that cities are centers of social development and economic growth, they concentrate not only economic, social, scientific, but also demographic and innovative potential, and this is what will move the economy and the state forward. The previous experience of rebuilding Ukrainian cities after the Second World War showed the shortcomings of the administrative approach, when there was little free public space, and the socio-cultural memory and historical features of the cities' architecture were largely lost. The speech emphasized that the lack of a strategy for revitalizing living space, the lack of coordination between local authorities and foreign donors, the lack of transparency in processes, decisions and financial flows, and corruption pose a real threat to rational and socially oriented post-war urban recovery.

In this regard, it is worth noting that structural reforms play a key role in ensuring the success of recovery in Ukraine - as a process of streamlining economic life and making economic activities more certain and predictable, and the economic system more resilient. In a post-war economy, structural reforms should provide conditions for the resumption of economic activities, including entrepreneurial activities; restoration of the functioning of markets, including the labor market; transformation of resources into assets, their inclusion in the economic circulation; the

effectiveness of capital formation mechanisms and the investment process. The international historical experience of countries with significantly different starting conditions, internal socio-political situation, external factors and rates of post-war reconstruction and further economic growth confirms that the establishment of an institutional order through structural reforms and the use of opportunities arising from geopolitical changes are prerequisites for successful post-war recovery and further innovation and technological development.

The policy of economic recovery and strategic priorities for social development

One of the central thematic blocks of the workshop was a substantive discussion on the current problems of the Ukrainian economy in the context of developing a recovery policy and defining its strategic priorities.

Volodymyr Vlasiuk, Director of Ukrpromvnesheexpertiza, PhD in Economics, presented the development of domestic production and structural changes in the economy as a key task of post-war recovery. As a practicing economist, he emphasized: "Until Ukraine sufficiently develops domestic production and high-tech manufacturing industry, we will not solve the problems of economic security, development and welfare. This is confirmed by our economic history, which, unfortunately, was not a success story. As shown by data on GDP dynamics for 1990-2022, each economic crisis led to a decrease in the size of Ukraine's economy and its inability to reach previous local peaks." In other words, the reason for the negative trends is not the war - it only reinforced and exacerbated the problems that existed before. The main reason, according to the speaker, is the weakening of the manufacturing industry in recent decades. The share of manufacturing in Ukraine's GDP is low (about 10%), and it continues to decline. Integration into international production chains should not be achieved by supplying raw materials and people, but by developing processing up to the production of finished goods. "The weak manufacturing," the economist said, "blocks the potential of other sectors, in particular agriculture, and the funds received from the export of raw grain are used to import inputs and materials for its production. Thus, Ukraine continues to reproduce the "poverty economy", which leads to double losses due to the forced excessive import of essential industrial goods and the export of raw materials in the unprocessed form instead of exporting processed products. V. Vlasiuk clearly presented the structure of costs for the production of a ton of corn grain in Ukraine: 76% are imported components and 24% are domestic inputs. Such a structure of production and exports leads to a vicious cycle of low-tech production and agricultural exports. The task of Ukraine's recovery strategy should be to break this entrenched structure. Domestic processing increases the value added many times over value, in other words, everything changes if processing capacities appear in the country: incomes, employment, export revenues, and opportunities for accumulation and investment

increase. V. Vlasiuk summed up: "Increasing the value of one physical ton of products is an important task that needs to be addressed now, without waiting for the war to end. To do this, we need to build a new processing industry. We have a necessary potential and capabilities for this: human capital; diversity of raw materials; growing external demand for processed goods; domestic demand for processed goods; and domestic investment demand for infrastructure reconstruction. We need a policy that we did not pursue before. The main segments of Ukraine's future manufacturing industry may include in-depth processing of local raw materials; reasonable import substitution; production of complex industrial products based on existing R&D; industrial hi-tech (digital technology and engineering); and strengthening national security." The speaker highlighted two practical steps of the recovery plan: 1) during the war and the recovery period, it is important to maximize the use of existing production facilities; 2) the construction of new processing plants should be encouraged. Implementation of these steps significantly increases Ukraine's chances for successful recovery. Using the example of the production of construction materials for reconstruction, the speaker illustrated that about 90% of the needs can be covered by domestic production. Moreover, despite the destruction, the construction sector retains its production capacity. Despite the shortage of cement, glass, and mineral wool production capacity, Ukrainian enterprises can generally produce the necessary construction materials. The risk is the possibility of donor countries demanding that their own capacities be used to support Ukraine's recovery, but this must be resisted at the level of government policy. V. Vlasiuk stressed that "localization of recovery" would support Ukraine's post-war economy, reduce the need to finance the country's consolidated budget through foreign aid, and have a significant social effect, including facilitating the return of forced migrants. Thus, the main objective of the recovery plan should be to restore the country's ability to provide for itself and earn money for its development as soon as possible. Summing up his speech, the speaker defined the essence of the policy to be implemented as an imperative for macroeconomic stabilization and industrial development: "In order to build a modern manufacturing industry, it is necessary to stimulate entrepreneurship in the field of production activities. The object of state support should be a businessman who invests in expanding production or building new plants³. The means of implementing this policy should be monetary (discount rate, exchange rate, regulation of the monetary base), fiscal (consolidated budget, public procurement system, tax incentives, development institutions) and technical (technical standards, signing the ACAA agreement with the EU) policies. Only a systematic and comprehensive application of these instruments can provide a tangible effect for the recovery and open up opportunities for economic development".

³ It is worth noting that in the national history, support for industrial entrepreneurship was the basis of domestic protectionism as a lever for creating economic potential at the stage of market industrialization in the second half of the nineteenth and early twentieth centuries.

After considering the priorities of structural transformation of Ukraine's economy in the sectoral aspect, the participants turned to the spatial aspect. Reports and speeches by researchers from Dolishniy Institute of Regional Research of NAS of Ukraine were devoted to regional economic policy.

In particular, a department head, Doctor of Economics **Svitlana Shults**, in her presentation (together with her PhD student **Mykola Antoniuk**), substantiated the priorities of the national regional policy in measuring the factors of regional productive capacities. She drew attention to the fact that decentralization on the eve of a full-scale war contributed to the development of multi-level governance and expanded opportunities for regulating the development of territorial communities, and laid the foundations for cooperation between the public sector and the government. At the same time, the speaker stressed that achieving positive dynamics of regional productive capacities in the post-war reality will require a number of progressive decisions to modernize the approaches and tools of the state regional policy. That is, bringing regional programmes in line with the proposed typology of functional territories, adjusting the State Strategy for Regional Development for 2021-2027, strengthening the link between strategic and budget planning, introducing a new mechanism for budget equalization of the revenue capacity of local budgets, amending the mechanism for the distribution and use of the State Fund for Regional Development funds, etc.

The priorities and mechanisms of regional economic policy to overcome the social and humanitarian challenges of the war were substantiated in a joint presentation by Doctor of Economics **Taras Vasylytsiv** and Doctor of Economics **Olha Mulska**. According to a research conducted at Dolishniy Institute of Regional Research of NAS of Ukraine, about 11% of internally displaced persons do not plan to return to their previous place of residence and are trying to establish a life in a new place on a permanent basis. Therefore, the scientists emphasized the need to start rebuilding housing and social infrastructure, where possible, without waiting for the end of the war; to make management decisions to stabilize the situation of internal displacement, prevent a humanitarian catastrophe and threats to national unity, which should be aimed at overcoming the problem of low level of IDPs' protection, their high financial vulnerability, difficulties in finding a place of temporary residence, and a decline in the quality of social infrastructure services due to excessive workloads.

Presenting the research conducted at the Institute of Market and Economic and Environmental Studies of the National Academy of Sciences of Ukraine, PhD in Economics **Iryna Tsynalievsk**a emphasized increasing the relevance of the cohesion factor in the formation of state regional policy. Doctor of Economics **Danyil Oliinyk**, Senior Researcher at the National Institute for Strategic Studies, addressed the problems of recovery at the level of territorial communities (the topic of her speech was "Post-war economic recovery of natural assets of territorial communities").

The opportunities for rural development from the implementation of international experience of subsidiarity in the state regulation of food security in post-

war Ukraine were presented in his speech by PhD in Economics **Andrii Shynkovych**, Associate Professor at the Department of Public Administration and Management at the State University of Trade and Economics. He noted that post-war recovery is a chance to use the new opportunities that opened up under such dramatic conditions. The poverty of the population and the depopulation of villages demonstrate the untapped potential of Ukraine's economy and its fertile lands. The way to solve systemic problems, according to the researcher, is to introduce new effective solutions in the development of the secondary sector. In other words, decentralization and the development of local communities should be linked to the development of local production, the continuation of local raw material processing chains, and the development of agricultural entrepreneurship infrastructure.

The workshop also addressed the issues of financial support for recovery. In particular, Doctor of Economics **Danylo Cherevatskyi** and PhD in Economics **Denys Lypnyskyi** presented in their joint presentation a justification of principles for a rational investment policy during the post-war recovery based on a research conducted at the Institute of Industrial Economics of the National Academy of Sciences of Ukraine. The developed experimental models for the recovery of coal mining enterprises show that the investment strategy should take into account not only the absolute performance of individual projects, but also the specific return on investment.

In his speech, Doctor of Economics **Yevhen Bublyk**, Head of the Monetary Relations Department at the Institute of Economics and Forecasting of the National Academy of Sciences of Ukraine, highlighted some aspects of macro-financial stabilization, in particular, he argued that it is advisable to review the approaches of Ukraine's financial regulators to currency liberalization in favor of introducing an interim exchange rate regime supported by an effective currency regulation system.

The discussion of the post-war recovery strategy was attended by Doctor of Economics **Anatolii Mokii**, who stressed the need to define a national idea that should define the doctrine and macro model of Ukraine's economic development; and **Svitlana Hrechana**, PhD in Economics, who, based on a research conducted at the Mamutov Institute of Economic and Legal Studies of the National Academy of Sciences of Ukraine, revealed the relevance and mechanisms for preliminary assessment of losses of territorial communities due to the military aggression by the Russian Federation.

Open science as a factor in the post-war recovery and development of Ukraine as a strong European country

A separate thematic block of the conference was devoted to the implementation of the principles of open science. Doctor of Philosophy **Yurii Mielkov**, in his presentation, made an in-depth analysis of the history, principles and practices of open science. He emphasized the importance of open science for Ukraine's post-war recovery this country's further development as a strong European country. PhD in

Philosophy **Tetiana Karmadonova** presented the experience of introducing open science practices in Spain in the context of the possibilities of its implementation in Ukraine. The discussion on the presentation touched upon the issues of the symmetry of academic mobility and the involvement of scientists in international projects.

In a joint presentation by **Tetiana Mamatova**, Professor of the Department of Public Administration and Local Self-Government, National Technical University of Ukraine "Dnipro Polytechnic", Doctor of Public Administration, and **Olha Matveieva**, PhD in Public Administration, visiting researcher at the Maria Jagoda International Centre for Gender Studies at the Ruhr University of Bochum (Germany), the importance of open science in the field of public administration was discussed. In particular, they pointed to systemic problems that can be solved with the support of open science (closed scientific topics, limited funding, problems of scientific communication, etc.).

Oleksii Sysoiev, Associate Professor at the University of Humanities and Economics in Lodz (Poland), presented the role of open science from the perspective of the principles of circular economy, stressing that open science aimed at supporting research on the circular economy, promoting it among the population of our planet, and forming motivation for the implementation of circular economy practices is gaining the status of an important responsible factor in the post-war recovery of Ukraine on the basis of sustainable development.

Doctor of Economics **Ihor Zhyliayev** synthesized the concept of open science with the concept of post-war recovery in his speech, emphasizing that recovery in times of war requires international scientific cooperation. In particular, considering the forms of modernization of the principles of scientific cooperation in the context of geopolitical tensions, he stressed that Ukraine should intensify its counteraction to foreign interference in its scientific policy aimed at joining the new European Research Area, taking into account the relevant foreign experience.

Olena Slobodianiuk, Head of the Department of Scientific, Organizational and Personnel Work of the Institute of Higher Education of the National Academy of Pedagogical Sciences of Ukraine, PhD, spoke about solidarity as a fundamental principle of implementing the concept of open science.

The discussion at this thematic panel culminated in the presentation by Doctor of Public Administration **Olha Petroie**, who spoke about the results of a sociological study of the readiness of Ukrainian higher education institutions to function effectively in the context of open science, emphasizing the urgent tasks of formulating and implementing an effective national and institutional policy for the development of open science, and building the research e-infrastructure of higher education institutions, taking into account the opportunities and threats of using artificial intelligence in scientific research.

During the discussion, the First Vice-President of the National Academy of Pedagogical Sciences of Ukraine, Doctor of Pedagogical Sciences **Volodymyr**

Luhovyi, raised the problem of barriers to the unimpeded production and dissemination of knowledge as the basis for the development of science, due to the limited research potential. In the context of developing a post-war recovery strategy, he proposed the development of research capacity of Ukraine's scientific sphere, which is necessary and sufficient for the effective perception of complex knowledge in the open science space.

The role of civil society in the implementation of institutional modernization tasks

The consolidation of the nation, the interaction between government, business and civil society are of paramount importance for ensuring the Victory and successful recovery of Ukraine. **Iryna Novak**, a leading researcher at the Ptukha Institute for Demography and Social Studies of the National Academy of Sciences of Ukraine, PhD in Economics, focused on the role of social dialogue in the post-war recovery of decent work. She outlined the areas of cooperation between social partners in conflict-affected countries, emphasizing the need for joint action on economic recovery and job creation; protection of the rights and interests of all workers; and ensuring universal access to social benefits.

In terms of ensuring Ukraine's regional leadership, the role of civil society in institutional modernization was presented by Doctor of Economics **Iryna Shtunder** and magister **Yaroslav Zhelobytskyi**. Pointing to the interdependence of receiving external assistance and implementing reforms in Ukraine, overcoming corruption and joining the EU, they argued the importance of strengthening civil society to ensure democracy and transparency of government; developing public institutions that are key to rebuilding the country; and maintaining international relations and cooperation.

Anastasiia Pryshliak, a student of the Volodymyr Vernadsky Taurida National University, presented her vision of the need for and ways to modernize the social service delivery system in Ukraine as a factor in ensuring national resilience. She defined national resilience as the ability of the state and society to function effectively in crisis situations, stressing that adaptability to challenges and threats is largely determined by the level of development of civil society.

The interdisciplinary approach and practical orientation of the workshop allowed for a number of generalizations and recommendation conclusions. The participants agreed on and supported the draft resolution, which was later finalized after the organizing committee made additions and suggestions received during the conference. The text of the resolution is published as an *Annex* to this review.



**THE RESOLUTION
of the international workshop on
"INTERNATIONAL HISTORICAL EXPERIENCE OF POST-WAR ECONOMIC
RECONSTRUCTION: LESSONS FOR UKRAINE"
27 April 2023**

The workshop participants have heard reports and speeches, discussed a wide range of issues of theory, history and policy of economic reconstruction in the context of the imperatives of protecting Ukraine's state independence, developing European integration and ensuring the national perspective, and agreed and developed a consolidated position on the following key provisions and recommendations:

**I. ECONOMIC AND THEORETICAL BASIS OF THE NATIONAL RECONSTRUCTION
STRATEGY**

1. *The strategic direction* of the government's post-war reconstruction policy is the structural modernization of the economy and full integration into the EU, which involves a phased implementation of goals and objectives. At the first stage, the most urgent *short-term* tasks include restoring production, employment, and critical infrastructure to meet people's vital needs and stabilize the economy. It is not only economic sustainability, but also stopping the massive migration of young people and professionals abroad and the prospects for the return of forced migrants - the so-called war refugees – that depend on the solution of these tasks. At the second stage, the *medium-term tasks* should be to restart the economy and modernize institutions, including deregulation of the business environment, introduction of comprehensive support for small and medium-sized businesses, reconstruction of old and damaged enterprises and construction of new processing plants to extend the processing chain of local raw materials, increase the technological level of production of products with a high share of added value, and create a full cycle of production of finished goods for the domestic market and export. At this stage, it is important to promote full productive employment and ensure the realization of innovative human potential, the formation and reproduction of which should be a cross-cutting objective of economic, social and humanitarian policy in Ukraine. In this country's domestic market, at this stage, it is necessary to strengthen the competitive environment by controlling and regulating the level of concentration of ownership and production in the key industries. In foreign trade, an important prerequisite for the implementation of medium-term objectives is to promote access to European markets, in particular, markets for products with a high share of added value. Deepening international economic integration and completing the process of adapting the national institutional environment to EU standards should culminate in the signing of the EU membership agreement. Consistent implementation of these tasks, taking into account the priorities identified, requires an analysis of the current state, key problems and challenges, as well as awareness of the new constraints and risks caused by the destruction of economic potential as a result of the war. At the same time, the successful implementation of short- and medium-term tasks opens up strategic opportunities to strengthen and develop the economy through

the formation of a business-oriented regulatory system, overcoming the predominantly raw material and agricultural structure of production and exports, achieving international competitiveness and participation in the EU as an equal partner.

2. It is proposed to create a basis of the *value foundation* of the national model with an orientation to the European approaches, namely: a sustainable and efficient environmentally friendly economy; inclusiveness of economic development; strong self-sufficient regions and communities capable of self-development; and a competitive industry based on innovation. The framework conditions for the elaboration of a model for post-war economic development should include the realization of national interests and the ability of the Ukrainian economy to compete in the European economic space.

3. The post-war reconstruction of Ukraine's economy should take into account this country's previous path and experience, and the consequences of market transformations of the inversion type and be aimed at *shaping a nationally rooted economic development* based on the fullest use of national resources, production, scientific, technical and labor potential and the creation of a network of value chains and processing of raw materials into final products to meet the needs of the population and exports. This necessitates clarifying the range of end products in demand in the domestic and foreign markets, assessing the raw materials needed to create these products, developing a scheme of raw material processing chains, comparing this scheme with the existing processes and identifying inconsistencies, and choosing options for overcoming them by creating the missing links through mobilizing national potential and expanding imports.

4. Taking into account the intensification of crisis phenomena and the unfolding long-term trends of destabilization of the global economic space, the aggravation of contradictions between the global leaders and within regional centers of power, and taking into account the interests of Ukraine's partner countries to strengthen their positions in international competition, it is necessary to consider the possibility of not receiving external assistance in the desired amount, or its termination, or "changing the rules during the game". Rebuilding the national economy in the context of the global economic crisis means a danger for Ukraine, which lies in the fact that all this country's potential (including in the form of rare resources) can be used to save the crisis situation in other countries, especially in the highly developed economies.

THE POSSIBILITIES OF IMPLEMENTING SUCCESSFUL FOREIGN PRACTICES OF POST-WAR ECONOMIC RECONSTRUCTION AND MODERNISATION IN UKRAINE

1. World history shows that post-war reconstruction initiated powerful changes in the socio-economic space and became a powerful impetus for further revival and transformation of economic systems. At the same time, the historical changes that took place during the 75 years since the implementation of the Marshall Plan for Western Europe, as well as the differences in the initial conditions for providing foreign aid, make it incorrect to directly extrapolate the experience of reconstruction after World War II to the current situation. Not any particular consequence caused by a full-scale war, numerous human casualties, destruction of industrial and social infrastructure, loss of economic potential of the territories, disastrous environmental consequences, etc. is similar to others and every such consequence

requires extraordinary solutions. For Ukraine, the time and space of post-war reconstruction opens a certain "window of opportunities" to build its own model of recovery.

2. Historical foreign practices show that countries that had a national reconstruction strategy before the end of the war and implemented it with the help of external assistance, rather than implementing a "foreign" plan with their own resources, were successful. Successful countries were those which managed to use external assistance for modernization-style reconstruction, rather than channeling it exclusively to humanitarian needs. The following factors are particularly important:

- *the formulation of a national strategy* and a developmental macro-model based on the principles of strengthening state subjectivity and ensuring national interests;
- *effective process management mechanisms* based on professionalism and competence;
- *a broad social base of support* (consolidation of society and the will to implement their national project);
- *strategic external partnership* (investments, technology, organizational and foreign policy support);
- and *innovative-technological component* (the introduction of principles and development of open science practices, integration of the scientific sector with sectors of the national economy, basing industry on the latest technological modes (in our conditions, large-scale implementation of the Industry 4.0 and Industry 5.0 policies)).

3. The historical experience of countries that successfully passed the stage of post-war recovery, while simultaneously addressing the challenges of structural reforms and technological modernization of the economy, proves the key importance of institutional (the level of pre-war development, the share of destruction and the extent of losses, the amount and nature of external assistance) rather than material (state ownership of the recovery plan, the quality of institutions and the effectiveness of public administration, the level of institutional trust, the interaction of the state, citizens, volunteer and other civil society organizations, the degree of complementarity between local and central authorities) and social (national human potential and social capital, peculiarities of the national mentality and the level of social consolidation) factors.

4. Specific mechanisms and practices that have been proved effective historically and can be used in the course of Ukraine's reconstruction are as follows:

- the creation of a system of *national forecasting and coordination* of economic development based on the involvement of a wide range of stakeholders and the achievement of public consensus;
- the policy of government support for national producers aimed at *endogenizing economic development*;
- identifying and *stimulating the development of industries that are drivers* of economic growth (encouraging technology transfer, government orders and tax preferences);
- the institutional mechanisms for restoring small and medium-sized enterprises, supporting small farms and family farms, *developing local production with a focus on maximum processing of local raw materials*, etc.

5. Taking into account the current specific historical conditions and realistic approaches to maintaining the parity of interests of partner countries in the process of rebuilding Ukraine, the Marshall Plan 2.0 for Ukraine should:

- articulate the mutual benefit of the Plan's implementation for Ukraine and European partners - that is, cover not only Ukraine but also the EU countries;
- guarantee the formation of a stable and predictable space and effective partners for European counterparts to work in the Ukrainian market and participate in the implementation of recovery projects;
- provide for the formation of high-quality financial mechanisms for channeling international financial assistance to Ukraine for recovery through the budget and banking systems;
- formulate a vision of Ukraine's future place in the European community, including in addressing global issues such as security, demography, climate change, digital revolution, etc.;
- define the ways to implement common European policies in Ukraine, in particular, agrarian, competition, regional, transport, environmental, energy ones, etc.;
- define areas of industrial cooperation within the framework of the recovery goals;
- identify areas for strengthening logistics ties between Ukraine and the EU;
- establish areas of technical assistance to state and local authorities in the implementation of European practices.

III. ECONOMIC RECOVERY POLICY AND STRATEGIC PRIORITIES OF SOCIAL DEVELOPMENT

1. In the strategic perspective, it is irrational to reproduce the inefficient socio-economic macro system of the past, including the physical and institutional infrastructure, with their imperfections and instability, and most importantly, their inconsistency with the time parameters and scale of the dominant trends in the dynamics of development and challenges of the global environment. Therefore, along with the primary focus of the recovery policy on macroeconomic stabilization, stimulation of production, employment and income, the strategic priorities include:

- advanced development of scientific, technological and educational spheres integrated with the urgent needs of the military and economic sector of the economy;
- preservation, development and realization of the main and partial factors of the productive capacity of the Ukrainian nation, primarily in the military-economic sector and in the scientific, technological and educational spheres
- application of competitive principles of the national economic policy in all spheres and sectors of the national economy and at all levels of the management hierarchy;
- creation of a system of incentives for economic activities with growing revenues and/or falling costs and their protection in the context of intensified global competition;
- unconditional compliance with the criteria of national, including economic security, in the process of strategizing socio-economic development at all levels of the systemic management hierarchy;



- recognition of the imperative nature of the war with Russia and its duration, with the indispensable consideration in the development of strategic program decisions for reconstruction and development;

- development and application of effective mechanisms for destroying the system of crony capitalism and exclusive regulation of the economy as prerequisites for dysfunctions of the state institution and existential threats to national security;

- restoration of the system of scientific support for the state's economic policy on a new basis, primarily planning and coordination of scientific and applied research on Ukraine's position in the global environment;

- the use of opportunities of the structural model of European integration to achieve the goals of Ukraine's reconstruction while maintaining the balance of interests between European and Ukrainian partners.

2. For the development of *domestic production*, it is recommended to create a separate component of the State Budget of Ukraine - the development budget, which should include additional expenditures to stimulate economic growth and structural changes in the economy, in particular, development of the manufacturing. In order to provide financial and credit support for the creation of new high-performance industries and the modernization of existing facilities in the manufacturing sector, a law should be adopted to establish the National Fund for Structural Transformation of the Economy (NFSTE). The key objective of the recovery plan is to create a modern and diversified manufacturing sector including the following segments:

- in-depth processing of local raw materials (food industry, processing of ores and kaolin clays, woodworking, metal products);

- reasonable substitution of imports (oil refining, automotive industry, petrochemicals, household chemicals, paper, sheet glass, household appliances, electronics, industrial equipment);

- complex industrial products based on existing R&D;

- introduction of industrial hi-tech;

- development of industries and infrastructure that strengthen national security (energy, petroleum products, defense industry, and power equipment).

3. In the context of updating the strategic goals and tools for implementing the national regional *policy*, and economic policy of regions and territorial communities, it is recognized as expedient:

- to combine territorial and sectoral approaches to the assistance provided for Ukraine by foreign partners, donor states and international organizations, which will not only promote priority solution for the problems of rebuilding social and critical infrastructure in the regions most affected by the hostilities, but also contribute to the growth of their productive capacity through the development of an innovation-oriented economic structure. This approach would make it possible to focus not only on supporting problematic (rural or mountainous) areas, but also to further increase the potential of growth points with limited resources;

- to make adjustments to the State Strategy for Regional Development for 2021-2027 both in terms of harmonizing the typology of functional territories proposed in the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on the Principles of State Regional Policy and Policy for the Restoration of Regions and Territories" (No. 2389-IX of

9.07.2022) and providing financial and project tools to stimulate and support their development;

- to strengthen the link between strategic and budgetary planning by ensuring long-term financial planning and diversification of sources of co-financing for regional programs and ensure financial control over international donating;

- to create a Territorial Restoration Fund, which will function like the EU Structural Funds, and its sources of funding, unlike the SFRD, should be created from the confiscated assets of the Russian Federation, international financial resources, loans, grants, etc.;

- to amend the mechanism for distribution and use of the SFRD funds, in particular, to establish differentiated standards for co-financing state programs from local budgets, in accordance with the tax capacity of territorial communities, paying special attention to communities affected by hostilities.

4. The restoration and *development of industry* requires implementation of the following tasks and measures:

4.1 The implementation of a more focused relocation of enterprises located in the combat zone to restart their operations as soon as possible and stimulate the post-war recovery of Ukraine's economy, in particular:

- providing additional funding for the creation of appropriate infrastructure to accommodate production in the regions that host the relocated enterprises;

- establishing communication in the regions with entrepreneurs who intend to relocate production to the regions and local businesses for the purpose of possible merger of technologically related production facilities of local and relocated enterprises;

- compiling lists of companies in the regions with their partners (including those that relocated their facilities) that can produce goods and provide services to meet the needs of the Armed Forces, as well as lists of goods and services related to such needs, and to inform enterprises about these needs on an ongoing basis.

4. 2. Supporting the integration processes in industries by:

- stimulating the integration of machine building industries with basic and applied science in order to create a progressive material and technical basis for re-equipping other industries with modern high-tech technologies, developing instrumentation and machine building focused on the assembly of finished products (cars, buses, trolleybuses, equipment, household appliances, etc.);

- launching inter-sectoral clusters to deepen the integration of domestic machine building with related industries, primarily metallurgy and the chemical complex, to use metal, composite materials and other domestically produced items for the production of machinery and equipment on mutually beneficial terms;

- pursuing an active, aggressive and competitive policy of restoring, developing and implementing the productive capacity of the semiconductor industry, modified to the conditions of martial law and post-war recovery, which provides for the identification of the existing factor potential of the productive capacity of the semiconductor industry with the allocation of such a key factor as certain materials for the manufacture of microelectronics products (e.g., semiconductor silicon); state support for domestic R&D, technology imports and investments in the microelectronics industry.



4.3. Bringing the system of human resources for industry in line with the needs of relocated and newly established enterprises, in particular:

- creating a system for monitoring and forecasting the staffing of industrial enterprises in order to improve the formation of state order for training specialists;
- establishing an institutional infrastructure for the development of industrial human resources - technical forums, venture capital funds, grants for specialists involved in the creation of samples of knowledge-intensive products and advanced production technologies;
- developing draft laws on training, retraining and professional development of labor resources at state order and in accordance with business needs, and on staffing the system of continuous professional training, retraining and professional development of specialists in the Ukrainian industry;
- holding consultations with representatives of the business environment in order to amend the existing system of training of technical and scientific specialists in industries in accordance with the employers' needs.

4.4. Ensuring energy sustainability of Ukraine's industry via:

- defining, in the draft National Recovery Plan of Ukraine a list of reforms and legislative and regulatory initiatives necessary to ensure energy security of industrial consumers in the context of war and post-war recovery;
- finalizing the draft Law of Ukraine "On State Industrial Policy", taking into account the results of its public discussion and identifying areas for ensuring energy security of industry, including the relevant priority in the "Targeted Priorities for the Development of Ukrainian Industry" (by adding the energy priority to the Article 3 of the draft law along with innovation, environmental and social priorities);
- facilitating the attraction of funds from international organizations, and investments and credit resources provided by foreign investors for research and development in the field of energy production from renewable energy and alternative fuels.

5. In order to stimulate investment activities in creating the basis for economic restructuring with priority development of processing industries and creation of new jobs, it is necessary:

- to accelerate the consideration and adoption of the Law of Ukraine "On Amendments to Certain Legislative Acts on the Specifics of Land Relations Regulation to Ensure the Rapid Implementation of Investment Projects Aimed at Restoring Ukraine's Economy During Martial Law and the Reconstruction Period" (Reg. No. 7711 of 29.08.2022), aimed at creating favorable conditions during martial law and the reconstruction period for the implementation of projects included in the List of Economic Recovery Projects;
- to amend the Government's Priority Action Plan for 2023 regarding the need to stimulate the attraction of domestic and foreign investment in industrial processing, including the development of a mechanism for state support for such investments (tax, credit benefits, simplification of market entry conditions, construction start-up procedures, etc.);
- to consider amending the Tax Code of Ukraine to introduce internationally recognized tax benefits for companies investing in fixed assets, in particular: formation of special investment reserves; introduction of investment allowances; reinvestment benefits; and innovative investment;

- as part of the presentation of investment projects for post-war economic recovery at the Ukraine Recovery Conference, to give priority to the projects on green economy, which stipulates a development based on energy efficiency and climate neutrality, efficient use of natural resources, and reduction of environmental risks.

6. In order to promote a qualitatively new format of cooperation with the EU, taking into account Ukraine's national interests in developing the high-tech sector, it is recommended:

- to engage business and industrial associations to joint development of solutions to address the shortcomings that hinder the implementation of the Roadmap for the preparation of an agreement on conformity assessment and acceptance of industrial products in terms of market surveillance in Ukraine, as well as the use of product labelling by Ukrainian producers;

- to continue cooperation with the EU in obtaining financial assistance through the relevant EU funding mechanisms and instruments - the Instrument for Pre-Accession Assistance (IPA), the Solidarity Trust Fund, etc., in particular to finance the digital transformation of industry;

- to initiate negotiations with the EU on the possibility of implementing technical assistance projects for the implementation of European standards at enterprises, primarily joint innovation and investment projects in strategically important areas and sectors (primarily science, technology and military-economic sectors);

- to speed up the ratification of the EU-Ukraine Agreement on Participation in the Single Market Programme to enable the EU to join in rebuilding production capacities in Ukraine, investing in Ukrainian projects, and promoting the competitiveness of companies and sectors (integration of ecosystems and clusters).

7. The post-war reconstruction strategy should create favorable conditions for the *sustainable development of the agricultural sector* as a mechanism for ensuring food security and the growing need for food for the army, population and exports. At the same time, it is necessary to strike a balance between increasing agricultural productivity and protecting and restoring natural agricultural resources and the environment. The proposed environmental and climatic measures of the Green Deal for the agricultural sector include conducting environmental and geochemical soil surveys and zoning frontline and near-frontline areas with regard to restoration measures; creating sustainable agricultural landscapes with reduced levels of agricultural development and ploughing; maintaining the balance of nutrients in the soil to prevent fertility decline; and decarbonization of agricultural production through the expansion of sustainable agro-ecological farming practices in line with current international and European agricultural development guidelines.

8. In order to raise efficiency of the post-war economic recovery and stabilize the social system of Ukraine, it is important to implement a set of economic policy measures that will bring significant *social effects*, in particular:

- elaboration of entrepreneurship development strategies at the national and regional levels for production, employment and income generation, as well as, for the purpose of economic reintegration of internally displaced persons, development of a program to support the development of small and medium-sized businesses for internally displaced persons;

- providing state support to small and family farms to promote self-employment and food supply for Ukrainians with domestically produced products;

- reconstruction of social facilities with the widespread use of digital and computer technologies;
- development of a program for the construction of social housing for forced refugees and internally displaced persons (IDPs);
- increasing the level of protection of IDPs by supporting the activities of coordination centers - humanitarian headquarters, IDP resettlement sites, etc. that provide basic social assistance; systematizing information for IDPs on websites; disseminating information among IDPs about free social assistance institutions with the possibility of obtaining legal and other consultations; organizing training courses, advanced training, seminars for IDPs at employment centers, etc.

9. To ensure financing of foresight projects for sustainable spatial development of territorial communities, it is advisable to introduce a mechanism for securitization of natural assets, which involves the transformation of non-financial assets into marketable securities with their subsequent sale to investors. To reduce threats to regional foreign trade security after the war, it is necessary to create a favorable institutional environment, whose effectiveness will be defined by the degree of coordination of economic development goals and objectives at the national and regional levels in the Recovery Plan of Ukraine, the Export Strategy of Ukraine, the State Strategy for Regional Development, and strategies for socio-economic development of Ukrainian regions.

10. The reconstruction of *destroyed cities* in Ukraine should be carried out taking into account positive and negative foreign experience, in particular:

- the reconstruction should be carried out on the principle of "better than it was", in other words, with modern planning of urban space, use of the latest technologies and energy-saving materials, and laying new engineering and transport networks;
- to rebuild cities taking into account their historical and socio-cultural features, as a social space, not just an administrative and production location;
- to foresee opportunities for further transformation of urban space and urban development in accordance with new challenges;
- adhere to the supremacy of social priorities over economic ones so that cities are competitive in attracting investment and human capital and serve as a comfortable space for human development;
- to promote the capacity of territorial communities to develop projects for the construction of permanent and social housing for IDPs through state policy;
- to rebuild social facilities with a wide use of digital and computer technologies.

IV. OPEN SCIENCE AS A FACTOR OF POST-WAR RECOVERY AND DEVELOPMENT OF UKRAINE AS A STRONG EUROPEAN COUNTRY

1. The development of scientific research and increase of its social efficiency is an important factor in the reconstruction of Ukraine's economy and its further development. Taking into account the fact that according to the interim results of the European Commission, the knowledge intensity of Ukraine's GDP was considered insufficient to create a positive economic effect and given the threatening trend of the outflow of professional scientific personnel from Ukraine, the urgency of solving the following tasks is emphasized:

- improvement of the legislative framework for research and development and its approximation to EU standards;

- optimization of the organizational and managerial system of research activities, in particular: expansion of the project model for the organization and financing of academic research, strengthening the importance of research universities by linking the amount of budget funding with the results of research activities (number of patents and licenses, economic impact of developments);

- development of a strategy for retaining and attracting promising specialists in the education and science sector, as well as scientists from the EU diaspora, developing researchers' careers within universities, funding their international internships at leading professional universities, and sustainable investment in research that contains an innovative component or provides for socially useful socio-economic benefits.

2. The development of the research capacity of Ukraine's scientific sphere, necessary and sufficient for the effective perception of complex knowledge in the open science space, should be part of the post-war reconstruction strategy.

3. For access to advanced knowledge and technologies, and sharing knowledge resources, of a key importance is the implementation of open science principles, as it provides a number of advantages, which are especially important in the context of limited resources and the scale of post-war reconstruction tasks, namely:

- raising the efficiency of science by reducing duplication and costs of data creation, transfer and reuse;

- increasing the transparency of the process of confirming the reliability of research results;

- accelerating the transfer of knowledge, facilitating a faster transition from research to innovation;

- increasing the impact of research results on the economy;

- more effective responses to global challenges that require coordinated international action;

- promoting the involvement of citizens in research, active participation in scientific experiments and data collection;

- raising the social significance of science and the public status of the scientific profession.

4. It is considered necessary to recommend the implementation of the principles of open science in the development strategy of scientific institutions and research universities, which, along with social responsibility, research integrity, accountability, and professionalism, involves adherence to the principles of solidarity (which includes respect and involvement, cooperation and communication, and recognition of the value of individual contribution to the overall result), as well as:

- the openness of data;

- development of indicators for assessing the quality (rather than quantity) and impact of research;

- free access to peer-reviewed scientific publications;

- facilitating the exchange of results, even at intermediate stages of research;



- development of the European Open Science Cloud as an integrated ecosystem of research infrastructures.

5. To ensure objective assessment of scientists and research institutions and improve the quality of research management, we recommend that preferences for publications indexed in the Web of Science and Scopus (WoS, Sc) databases be abandoned as soon as possible and that conditions be created for the normal functioning and adequate assessment of national professional publications by the Ukrainian scientific and educational community and its leaders via creating:

- a national publishing system of scientific literature (including the open National Depository of Scientific Publications);

- a national system for the evaluation of educational and research institutions and researchers based on adequate comprehensive evaluation indicators, which would appropriately take into account the researcher's publication activities in national professional journals, and not only focus on publications indexed exclusively in the scientometric databases WoS, Sc);

- a single national unified and automated system for accounting and reporting of scientific institutions and scientists "Science of Ukraine" to minimize the permanent distraction of scientific personnel for reporting in various forms and indicators and to maximize the benefits of informatization and digitalization in the organizational and managerial component of scientific activities.

V. THE ROLE OF CIVIL SOCIETY IN IMPLEMENTING THE TASKS OF INSTITUTIONAL MODERNISATION

1. The task of post-war reconstruction of Ukraine in a transformational mode means the need for institutional restructuring of the country towards democratization of decision-making and public control over its effectiveness. Strengthening civil society and developing the interaction between state authorities, local governments, and businesses with NGOs and informal associations opens up a wide space and creates proper preconditions for the development and entrenchment of democratic values, such as economic freedom and responsibility; self-organization and self-governance at all levels; civic engagement and social involvement; professional competence and institutional order; human dignity and social justice; pluralism of opinions and unity of social action; civic solidarity and institutional trust - which, in turn, constitute the economic and social resource for the reconstruction of Ukraine's economy.

2. To ensure the inclusiveness and success of the modernization process, the following priority areas are identified:

- supporting the activities of the Ukrainian civic platform to *consolidate society* and countering Russian propaganda and hybrid warfare against the Ukrainian state and nation;

- restoring and *strengthening social dialogue*, developing social partnership for economic recovery and job creation, protecting the rights and interests of all workers, and ensuring universal access to social protection;

- developing economic democracy, *strengthening of interaction between business and local authorities and civil society organizations* to ensure the implementation of economic and social activities of citizens, and motivation for entrepreneurship and self-employment;

- *overcoming the opposition between the state and volunteer organizations*, in particular, through the involvement of non-governmental organizations in the provision of social services, the demand for which is growing as a result of the ongoing war;
- *developing direct democracy* - expanding the citizens' participation in the country's political life, control over the authorities' activities, involvement in making important decisions to overcome corruption and strengthen institutional trust;
- implementing promising practices for the integration of the precariat and marginalized social groups through democratic "*alternative politics*";
- strengthening the position of civil society organizations in the development of reconstruction projects and plans, and their expert support and public discussion in order to *reach a consensus in the society* on the trajectory of its development and improving the quality of change management.

The resolution was prepared based on the working group's summary of theses, reports, and speeches in the discussion of the participants of the international workshop on "International Historical Experience of Post-War Economic Reconstruction: Lessons for Ukraine" (Academician of the National Academy of Sciences of Ukraine A. Hrytsenko, Doctors of Economics V. Nebrat, N. Suprun, S. Shults, Ya. Zhalilo, T. Vasylytsiv, A. Mokii, M. Fleichuk, O. Popova, O. Sobkevych, O. Snihova; Doctors of Pedagogical Sciences V. Luhovyi, I. Drach; Doctor of Science in Public Administration O. Petroie; PhDs in Engineering S. Bytkin, V. Khaustov; PhDs in Economics V. Vlasiuk, O. Kurbet, etc.), with due regards of proposals and additions to the draft resolution submitted by the workshop participants.