Ukrainian Economy Sphere and Government Administration Abuse

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Abstract

Offenses, related to bribery and corruption, concern people and the state, since this form is a derivative part of crimes among officials. The purpose of the article is to study the issues of investigation and prevention of corruption crimes in the sphere of public administration. The urgency of this topic is that the diversity of forms of bribery, its penetration into various spheres of activity - economic, financial, entrepreneurial, education and show business - require new ways of preventing and counteracting these criminal manifestations, creating pragmatic recommendations aimed at improving their prevention and investigation.

Keywords: economic crime, state management, corruption crimes, law enforcement units, bribery.

Introduction In the modern world, in Europe and in Ukraine, corruption problem in the system of state management is acute enough, is quite acute, as today it impedes the civilized solution of many issues of the state life of man and society and does not allow to construct social relations

correctly and according to the law [1].

Our study on the relationship between corruption and organized crime shows that organized crime and corruption are primarily threatening Ukraine's national security, its subsequent development, ensuring the constitutional system, human rights and freedoms, and the proper functioning of the entire political and economic system. Therefore, it is no coincidence that in the strategy of national security of Ukraine, approved by the Decree of the President of Ukraine dated May 26, 2015, No. 287/2015, the provision of economic security and the fight against corruption in the sphere of economy are identified as priority areas. The top five common types of economic crime and fraud include: illegal property appropriation, procurement fraud, fraud in personnel management and cybercrimes (Fig. 1). Bribery and corruption are still the main types of economic crime, negative influence of which is harmful for 73% of Ukrainian organizations [2; 3].

Figure 1. The top five types of economic crime

Organized crime in the economic sphere cannot really exist without the support and close cooperation with the authorities. Such a symbiosis between criminal groups and corrupt officials in Ukraine was created under the influence of a number of political and economic processes. Recently, the term “oligarchy” [4; 5] has firmly taken root in the Ukrainian political lexicon as evidence of the growth of criminality, politics and business [6; 7]. And this symbiosis implies a real threat to the democratic development of society. Today, “big business” mainly uses financial flows from the State budget at the expense of the “political roof”, since in our state it is impossible to develop business without personal connections. Modern legislation and the practice of its application, unfortunately, are not able to counteract the criminal manifestations of the oligarchs [8].

State administrative regulation of economic activity and monopoly state ownership of the overwhelming majority of economic entities during the period of economic reform constituted the

main prerequisite for the development of corrupt economic crime [9]. Reforming the economy, changing forms of ownership, developing entrepreneurship, liberalizing pricing policies, privatizing state property, establishing new property and land relations – all these transformations were carried out by the bureaucracy, which had the right to dispose of the country's vast resources without any control. This led to the attractiveness of the state apparatus for criminal gangs. The need for the legalization of criminal economic activity forced organized criminal groups to establish closer contacts with the bureaucratic apparatus. The main purpose of pressure on the government became: extorting a variety of benefits that provided opportunities to get big profits, to evade taxation and criminal liability. And the most common form of such pressure was the bribing of officials (“corruption” in Latin means “bribing”). Corruption is the most common problem in Ukraine [10; 11]. Within the framework of the international technical assistance project “Support for diagnostics, monitoring and prosecution of corruption in Ukraine” in 2017 was conducted sociological research of the level and perception of corruption in Ukraine. It has shown that the respondents most often personally met with corruption in the health care system (71%), educational system (44%), local government bodies (32%), the least common – during the process of election (8,7%), in law enforcement (5,7%) and in courts (3,4%) (Tab. 1).

Table 1. Empirical data about the level of corruption in the system of state institutions of Ukraine

	Share of interviewed persons (2017), %
Health care	70,9
Educational institutions	44
State and local authorities: administrative services	32
Patrol police	10
Law enforcement	5,7
Judicial system	3,4

In 2018 the Ilk Kucheriv “Democratic Initiative Foundation”, Razumkov Centre, sociological rating group and the research within the programs USAID “New Justice” and the Assistance program of civil activity “Join in” determined the main causes of corruption in Ukraine in the citizen`s opinion (Tab. 2).

Table 2. The results of the poll of citizens on the main causes of corruption in Ukraine

	Share of interviewed persons (2018), %
Low level of informing the population about existing procedures and rules of work of state institutions	80,1
Incorrectness of politicians and civil servants	58,1
The population's habit of solving everything through corruption	39,6
Lack of clear procedures and rules for the activities of public authorities	31,7
Lack of appropriate punishment for corruption	23,9

In 2018 Ukraine took 120-th (Tab. 3) place out of 180 countries [12], which were explored, in the Corruption Perception Index of an international organization Transparency International [13; 9; 14], progress in 10 places per year. But already in 2019 she dropped by 6 points and took 126-th place.

Table 3. Corruption Perceptions Index 2019

	CPI Score	Rank	Standard error	Number of sources	Bertelsmann Foundation Transformation Index	World Justice Project Rule of Law Index
2019	30	126	2,38	9	41	34
2018	32	120	2,27	9	41	36
2017	30	130	2,27	9	-	-
2016	29	-	1,97	9	-	-

So, the relationship between organized crime and corruption [15] in the economic sphere was defined not as isolated facts, but as a system of relationships, which includes representatives of local authorities, law enforcement [16; 17] and regulatory services, and the political elite. All this makes the problem of preventing this crime a task of extreme complexity. Taking into account the high latency of these crimes, it is very difficult to determine the actual and actual state of corruption and economic crime in Ukraine in figures. This, to some extent, explains the complexity of the

investigation of these crimes, as well as the need for a systematic and integrated approach to solving problems of law enforcement units in this direction. The problem of investigating this type of crime largely depends on the correct organization of the investigation.

The need for a quick and correct solution to informational, methodological, tactical, psychological, technical, and many other issues depends in many cases on concerted action between different law enforcement and controlling units [18].

Work in this direction should be considered as one of the priorities of state bodies at this time and for the future [6].

The legal basis for interaction is the provisions of laws and subordinate regulatory acts that define the task and procedure for interaction, its organization, rights and obligations of the subjects of this activity. In general, the interaction of all bodies and officials in the process of investigating crimes should be understood as the coordinated activity of different levels (elements) of one or several organizational systems aimed at achieving a common goal with the least expenditure of effort, money and time. In modern conditions, the system of interaction between law enforcement and regulatory units in the investigation of economic crimes contains the following types: 1) general interaction; 2) the interaction of the investigator or detective with other auxiliary units; 3) interaction with the prosecutor's office; 4) the interaction of expert service; 5) interaction with regulatory authorities; 6) interaction with the public. At the request (or under pressure) of the International Monetary Fund and the European Commission, starting from 2015, four new law enforcement anti-corruption units were established in Ukraine to replace the old special units for investigating corruption and economic crime.

Conclusions The problem of corruption and organized economic crime in Ukraine has become quite threatening. It has received wide distribution in all spheres of society, among all branches of government. Corruption among the ruling political and economic elite has become the norm of behavior, not the exception. It remains inaccessible to law enforcement units, which themselves are partially affected by corruption and do not have sufficient opportunities to combat it.

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