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## **CONCEPTUAL APPROACHES TO DETERMINING THE MECHANISMS OF STATE REGULATION OF SOCIAL INVESTMENT**

*The article analyzes the theoretical approaches to the concepts of "state regulation" and "mechanism of state regulation", proposes the definition of "mechanism of state regulation of social investment", formed and proposed the main directions of improving the mechanism of state policy of social investment.*

***Key words:** investments, social investments, state regulation, mechanisms of state regulation, social investing.*

**Formulation of the problem.** The experience of many developed foreign countries shows that the social sector is always under the close attention of public authorities and needs incentives, including additional funding, information support, preferences, preferences, advisory services, etc. Given the turbulence of the economic environment due to a number of geopolitical factors, growing poverty, environmental change, the effects of the COVID-19 pandemic, issues of state regulation of investment in the social sphere and the development of social investment in decentralization are relevant. State policy in the field of social investment is purposeful and is an element of the overall strategy of economic development aimed at economic growth, improving the welfare of the population, strengthening the country's position on the world stage. The effectiveness of this policy depends on the understanding and successful use of the mechanism of state regulation of social investment. In connection with the above, the issue of forming a

mechanism of state policy on social investment is an important and timely area of research.

Analysis of recent research and publications.

Many foreign and domestic researchers have made significant contributions to the formation and development of mechanisms for regulating public investment policy: V. Bakumenko, Y. Kovbasyuk, O. Komyakov, O. Vodyanov, A. Degtyar, M. Koretsky, O. Korotych, T. Kutsenko, M. Latinin, O. Sheverdina. Theoretical aspects of social investment are covered in the works of V. Antonyuk, V. Vorotina, O. Gerasimenko, Yu.M. Petrushenko.

The importance of the research topic is also emphasized by the fact that the development of the system of state regulation of social investment in modern conditions does not have a proper theoretical and methodological justification, which is manifested in the lack of concept or strategy for social investment.

The purpose of the article is to determine the main components of the mechanism of state regulation on social investment, to determine effective and efficient measures to promote the attraction of social investment by improving the mechanisms of state regulation.

**Presenting main material.** In modern conditions, in many policy documents developed to enhance state regulation of national economic development, the concept of "mechanism of state regulation" has become widespread, which has different interpretations in the scientific literature.

In the "Encyclopedia of Public Administration" state regulation in a market economy is seen as the influence of the state aimed at achieving the goals of its economic policy in a market economy [1, p. 153].

V. Vorotin considers this term more broadly: "state regulation is the implementation by the state of complex measures (organizational, legal, economic, etc.) in the field of social, economic, political, spiritual and other social processes in order to regulate them, establish general rules and norms of social behavior, as well as prevention

of negative phenomena in society. Thus, the essence of this category is revealed through the influence of the control system on a particular object of control [2, p. 56].

V.D. Bakumenko, VM Knyazev and others. The authors of the Dictionary of Public Administration state that the mechanism of public administration is practical measures, means, levers, incentives by which public authorities influence society, production, any social system in order to achieve its goals. The scheme of the real mechanism of public administration contains goals, decisions, influences, actions, results. They define the concept of "mechanism of state regulation" as a complex system of political, economic, social, organizational and legal means of targeted influence of public administration [3, p. 116-117].

According to M. Koretsky, the content of the concept of "mechanism of state regulation of the economy" can be defined as a system of tools, levers, methods and incentives by which the state regulates economic processes, ensures the implementation of socio-economic and legal functions [4].

M. Latinin believes that the mechanism of state regulation is a way of action of the subject of regulation, which is based on basic functions and principles, ensuring the effective functioning of the system of state regulation to achieve a certain goal and eliminate contradictions [5].

O.B. Korotich as a part of the state mechanisms of management allocates concrete state mechanisms of management, mechanisms of realization of process of public administration, and also mechanisms of formation and interaction of constituent systems of public administration. According to her, specific management mechanisms (including state) are a tool for targeted transformation; it is a set of ways, methods, levers through which the subject of management influences the object of management to achieve a certain goal. Each specific governance mechanism is primarily a set of interrelated management methods, through the use of which the state has a practical influence on public life to ensure the achievement of a specific goal that will contribute to the development of the country in the chosen strategic direction [6, p. 246].

Summarizing the opinions of the above scholars, we can say that the mechanism of state regulation of social investment is a set of principles, functions, forms, methods, tools and methods of their application by the subject of regulation (state) that operate simultaneously and closely and provide balanced and innovative development of the social sphere of the country, which involves improving the welfare of society.

Social Investment or Socially Responsible Investing (SRI) are synonymous with various investment practices to achieve a positive social impact.

Socially responsible investing can be defined as ethical, social and responsible activities aimed at obtaining long-term profits [7].

The implementation of state investment policy, including state policy on social investment, is primarily carried out through relevant laws and other regulations governing investment activities.

Forms of state regulation of investment activity are: regulation of state investment, regulation of investment conditions and control over their implementation by all investors and participants in investment activity, regulation of foreign investment, including in special (free) economic zones and priority areas, regulation of investment state borders, regulation of financial investments, examination of investment projects. Each of these forms corresponds to its own methods. The main methods of state regulation of the investment process are fiscal policy, monetary policy, depreciation policy, privatization policy, foreign economic policy, customs regulation, currency regulation, international treaty regulation. These methods allow you to set rules designed to help ensure compliance with the state of the market and the objectives of investment policy, which take the form of laws, regulations and other regulations [8, p. 207].

The main means of regulating the conditions of investment activity include:

- providing financial assistance in the form of grants, subsidies, subventions, budget loans for the development of individual regions, industries, industries;
- adoption of state norms and standards;
- implementation of measures for the development and protection of economic competition;

- privatization and privatization of property;
- determining the conditions of use of land, water and other natural resources;
- pricing policy;
- conducting state examination of investment projects;
- other measures. [9, p. 45]

State regulation of social investment has a set of tasks that, in our opinion, coincide with the main tasks of state regulation of strategic development of the region. The main tasks of state regulation of strategic development of the region include: ensuring sustainable socio-ecological and economic growth; achieving productive employment; increasing resource potential, fair redistribution of incomes, increasing economic efficiency in the region; rationalization of nature management; ensuring institutional development. Their implementation will contribute to the creation of the necessary conditions by the state to ensure sustainable development of strategic development of the territory [10, p. 76]. And this in turn will lead to a stable and balanced functioning of the territorial system, raising the level and improving the quality of life.

In our opinion, the state policy on social investment is a component of the regional economic development policy. O.I. Lyashevskaya notes in the monograph that depending on the features and limits of state intervention in the development of the region's economy, there are two types of mechanism of state regulation of the structure of the region's economy: passive and active. Methods of state regulation of the structure of the region's economy are divided into three groups: legal, administrative, economic. According to the author, the main forms of regulatory influence through which the state is able to effectively influence the structure of the region's economy are: programming and planning of regional economic development, budget and tax regulation, environmental regulation, investment regulation, regulation of basic territorial proportions. At the state level, the main economic mechanisms for regulating regional development are: budget equalization, national subventions and programs of socio-economic development of a particular region or territory [11, p. 159].

Improving the mechanisms of state regulation for attracting social investment, through various methods and tools of influence, should be based on taking into account the possibilities of identifying and shaping them so that it in turn leads to higher sustainable social standards, so that the country becomes comfortable and safe for every inhabitant, and life in such a country is really worthy.

Effective and efficient measures to promote social investment by improving mechanisms of state regulation will be the following:

- formation of centers for search and attraction of social investments, the main work of which will be aimed at researching the markets of potential investors and conducting a policy of attracting them to social investment, based on presenting them with the most interesting social projects for investment;

- carrying out of actions on charitable investment (in objects of social and cultural sphere) which will provide pooling of financial resources of representatives of big and average business for investment in the chosen object;

- formation, development and consolidation of interstate relations, establishing cooperation with territorially close regions of other states on the basis of cooperation programs, cooperation in certain fields, areas of activity, formation of personnel exchange programs, maximally directing such cooperation to attract innovative methods to improve public policy in the context social investment;

- development of methodical recommendations on attraction of social investments for the united territorial communities. Whereas today the OTG, at the level of its leadership, does not fully understand the essence and importance of social investment;

- consolidation of efforts of public, charitable and donor organizations aimed at social investment, creation and development of social services that meet modern requirements and standards, which ultimately should help improve the quality of life of citizens.

The proposed approaches to promote social investment are based on important characteristics of the process of state regulation: maximum awareness of the state of social

investment in decentralization, knowledge of the problems and benefits of the state economy.

**Conclusions.** The study of the main approaches to defining the essence and content of the concept of "mechanism of state regulation", the study of its components allowed to determine the role and place of public policy on social investment in the structure of mechanisms of public administration.

Public policy through government regulation of the mechanism of attracting social investment creates the conditions for effective social and economic growth of the region, individual industry or the whole state. That is, the main essence of state policy to attract social investment is purposeful, scientifically sound activities of public authorities to attract and productive use of investment resources, aimed at solving certain socio-economic regional problems and improving financial and economic indicators and living standards as at the level of a specific region and at the level of the whole state.

The measures proposed in the article to promote social investment by improving mechanisms of state regulation are aimed at increasing the sustainable growth of social standards, so that the country became comfortable and safe for each of its inhabitants, and life in such a country - really decent.

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