

in the modern economy. The plan also includes funding for research and development, which will support the development of new technologies and products.

Finally, the plan includes measures to support the most vulnerable in society, such as the unemployed and those at risk of poverty and social exclusion. This includes funding for social protection programs, such as unemployment benefits, as well as support for healthcare systems.

However, the success of the recovery plan will depend on a number of factors. Firstly, the EU must ensure that the funds are distributed fairly and effectively, with a focus on those member states and regions most affected by the pandemic. The EU must also ensure that the investments are targeted at sustainable and innovative projects that will promote long-term growth and development.

Secondly, the EU must address the underlying structural issues that have contributed to the economic challenges faced by some member states. This includes addressing issues such as high levels of debt and low levels of productivity. The EU must also promote economic convergence between member states, reducing the disparities in economic performance between different regions.

In conclusion, the EU's post-pandemic recovery plan is a comprehensive package aimed at promoting economic recovery and sustainable growth. The plan has the potential to have a significant impact on the EU's economy, creating jobs, reducing emissions, and promoting social cohesion. However, the success of the plan will depend on effective implementation and addressing the underlying structural issues facing some member states.

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AVERAGE BROAD MONEY AS ONE OF THE MAIN MONETARY INDICATORS OF BELARUS: ANALYSIS AND FORECAST

A monetary policy is understood as a set of actions of the state aimed at influencing directly the amount of money in circulation in order to achieve, and subsequently to ensure the full employment, price stability, as well as the growth of real output.

One of the key indicators of the monetary policy conducted in the state is the average broad money supply.

First, let us consider the definition of the broad money supply.

Broad money is defined as the aggregate of money resources in national and foreign currencies intended to pay for goods, works, and services as well as for purposes of accumulation by legal and natural persons – residents of the Republic of Belarus.

According to the Figure 1, it can be noted that the volume of the average broad money supply in general increases every year – the clearest reason for the increase in money supply for the population is the rise in prices for goods. As the prices of goods rise, consumers need more money to buy some goods, after which the population applies to banks for a loan or credit, and in doing so, issuing the necessary amount, the bank increases the volume of money supply.

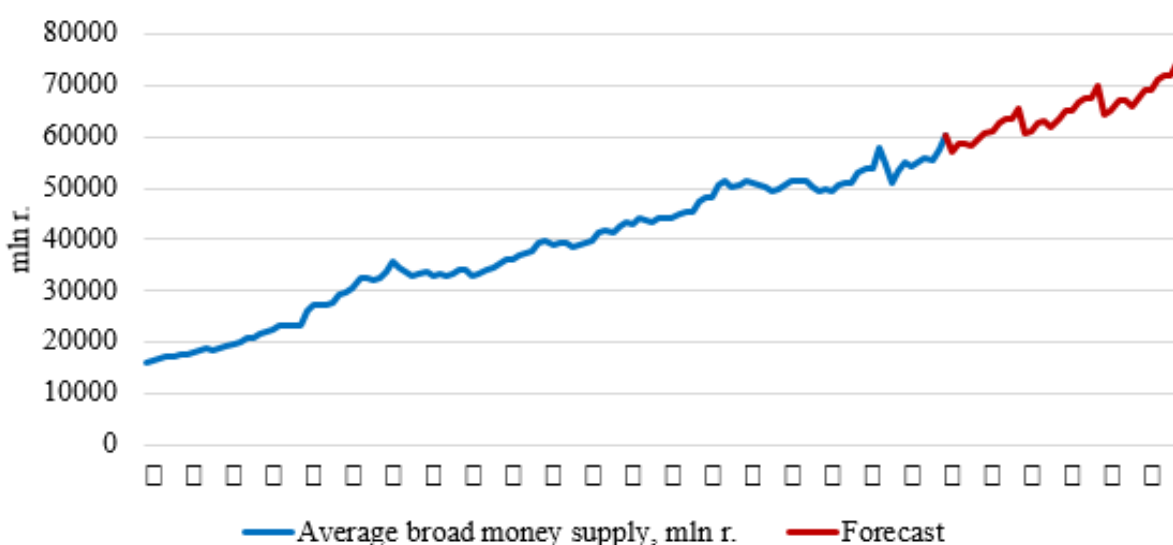


Figure 1 – The dynamics of changes in the average broad money supply for the period 2013–2022 and its forecast for 2023–2025

Note – Source: own development based on [1].

The forecast of this indicator for the next 3 years was made on the basis of the seasonality index, as well as the standard deviation (error).

According to it, the growth of the average broad money will be 13.8% by the end of the current year, 6.6% and 6.2% by the end of 2024 and 2025, respectively.

In addition to the above, it would be logical to consider the dynamics of changes in the components of the average broad money supply.

Changes in the amount of money in circulation affect the most important economic variables (GDP growth rate, interest rate, national currency exchange rate, employment rate).

At the same time from Figure 2 it can be noted that over the 10 years considered in the structure of the average broad money supply there was a significant decrease in deposits in foreign currency (by 9%). Growth is observed mostly in cash in circulation – 6% and transferable deposits – 7%.

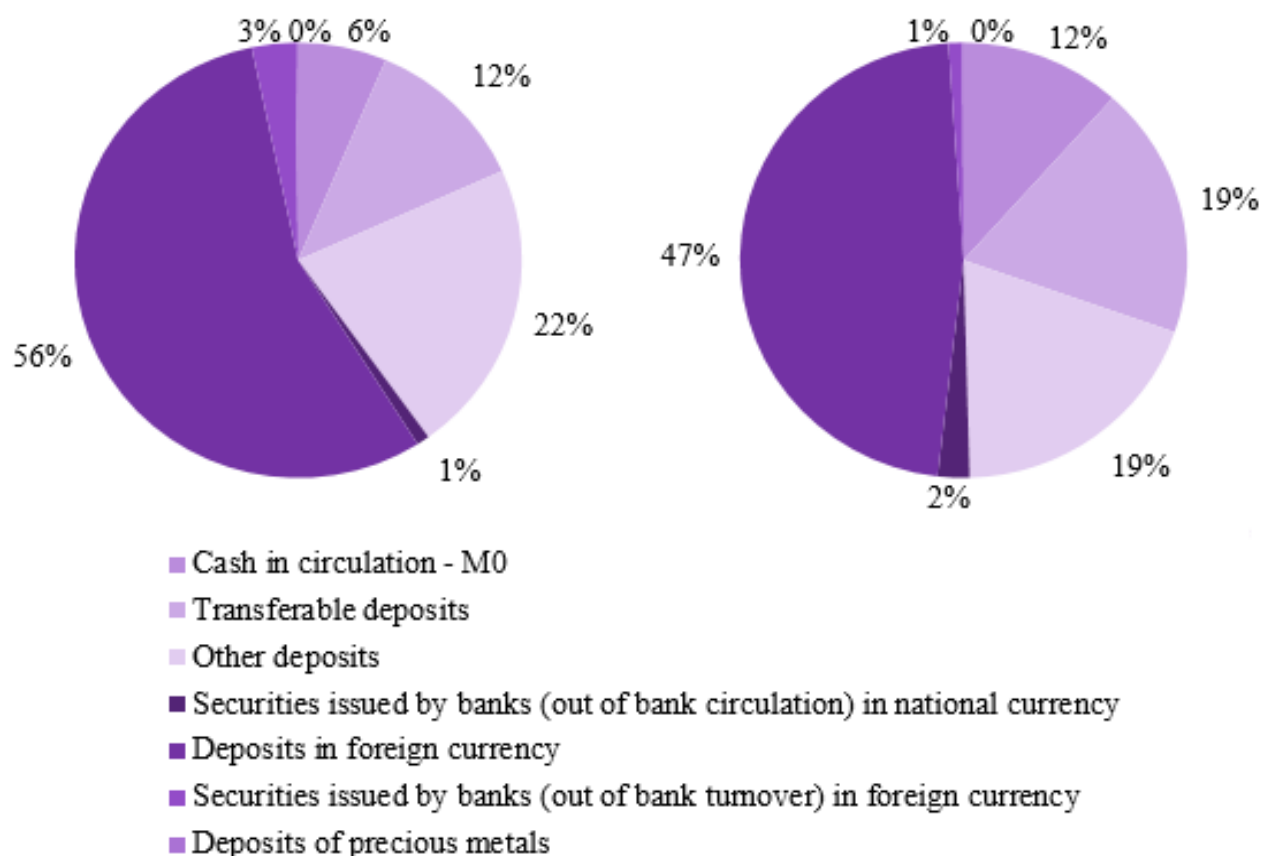


Figure 2 – The structure of the average broad money supply in the Republic of Belarus in January 2014 and January 2023

Note – Source: own development based on [1].

In conclusion, it is necessary to say that the central bank regulates the money supply not only by means of the monetary policy tools, but also by means of observing the proportions in the dynamics of the issue of cash in comparison with the dynamics of certain monetary aggregates confirmed by the world practice, and also considering indicators of the balance of payments, growth of GDP and other macroeconomic indicators.

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