

СЕКЦИЯ II (английский язык)

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A STATE SOCIAL POLICY IN MARKET ECONOMY

The world's practical experience has proved the efficiency of market economy from the economic point of view but at the same time has shown its imperfection in some other areas. Market economy can be determined as a spontaneous mechanism that encourages rational use of resources, rapid economic growth, strong competition, stable production and employment. However, this mechanism is not always humane towards «uncompetitive» members of our society. Undoubtedly, such a situation requires certain corrective measures that are realized, as a rule, by social policy.

Nowadays, governments almost of all highly developed and developing countries consider a competent efficient social policy a top priority. Everyone has realized that economic efficiency alone is not enough and modern societies are in need of «market economy with a human face». It has become clear that production for production's sake is absurd. A primary aim of any activities is people's prosperity.

A social policy is a policy that turns to provide all members of society with favorable conditions for life and work.

As a rule the government pursues a social policy because just the government possesses the instruments that let it influence social processes substantially. And the contents of social policy depends on the degree of government's intervention in social sphere.

In market economy a state social policy is realized in two main directions: social protection and social regulation.

In its turn, social protection is divided into social insurance and social aid.

The main task of a social insurance system is to maintain an acceptable level of life when a citizen has lost his ability to work or his earnings as a result of illness, old age, motherhood or unemployment. It's important to note that social insurance payments are considered to be an earned citizen's right. They are not state charity.

Social aid is given to those citizens who are really in desperate need of it. Social aid programs are financed as a rule from the state budget and they are state charitable programs.

Together with social protection the government redistributes citizen's incomes and tries to eliminate poverty caused by inequality in incomes. But every time doing this any government faces the problem of choice: equality or justice.

Social regulation is intended for solving problems that are connected with negative external effects (pollution of environment) and situations when people making decisions are not well informed (situations that are dangerous for people's health).

It is difficult to imagine a modern society without a state social policy. The scale of social policy may differ in various countries. But its main aim is the same everywhere. The mission of a state social policy is to neutralize a spontaneous market mechanism and to be conducive to people's prosperity.

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EXCHANGE RATE REGIMES. FIXED OR FLEXIBLE?

The title of the work is «Exchange Rate Regimes. Fixed or Flexible?»

Are fixed exchange rate regimes more effective in inflation-fighting programs than flexible regimes? The answer is elusive. And the aim of this study was to examine the operational differences between the two types regimes, to try to assess the relationship between choice of regime and macroeconomic performance.

Our research is based on materials from «Finance & Development», «The Economist», «Business Week», «Belarus & Business», etc and