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## **THE NOBEL MODEL OF OVERCOMING POVERTY AND ITS IMPLEMENTATION IN MODERN WORLD TRENDS**

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## **НОБЕЛІВСЬКА МОДЕЛЬ ПОДОЛАННЯ БІДНОСТІ ТА ЇЇ РЕАЛІЗАЦІЯ В СУЧАСНИХ СВІТОВИХ ТЕНДЕНЦІЯХ**

The issue of overcoming poverty is always relevant in every country of the world, in connection with the military events on the territory of Ukraine, it is already becoming obvious that the national economy is entering a phase of recession and decline, which is characterized primarily by the increase in unemployment, the decrease in the purchasing power of the population, and the decline in production. capacities And accordingly, the urgent question will be how to overcome poverty in particular in our country, after the devastation of the war. The leading scientists of the world were engaged in this issue, and based on the results of their work, they were awarded the prestigious Nobel Prize in 2019.

The winners of the 2019 Nobel Prize in Economics - Michael Kremer from Harvard University, Esther Duflo and Abhijit Banerjee from the Massachusetts Institute of Technology have found scientifically proven methods to reduce poverty.

This is the case when the Nobel Prize was awarded not so much for scientific developments as for their implementation in practice.

The breakthrough of these studies is that scientists have proven in practice: the fight against poverty is not only about allocating funds, but also about refusing to spend money on ineffective measures.

In order to measure the benefits of certain measures, the future laureates conducted field studies. Different people in the poorest countries were offered "poverty cures", such as mosquito nets against malaria. A few years later, they analyzed the result - how much the incidence of malaria decreased. They applied this approach to everything in order to understand which "medicines" reduce poverty as best as possible.

The methods of Kremer, Banerjee and Duflo are designed only for very poor countries. They are more effective in societies with a large development deficit. In our country, we are used to helping large strata of society - families with children, elderly people, etc. And here we are talking about targeted support.

According to the statistics of the International Bank, at the moment, Ukraine is one of the poorest countries in the world.

In Ukraine, according to the UN methodology, more than 60% of the population are poor, and according to the IMF report, Ukraine is considered the poorest country in Europe both in terms of gross product per capita and in the ranking with the lowest salary, among working people - every fifth is poor.

Regional Director of the World Bank in Eastern Europe, Arup Banerjee, estimates that the level of poverty in Ukraine has increased tenfold, and the attacks on critical infrastructure only complicate the economic situation.

The President of Ukraine predicts that Ukraine needs about \$55 billion - \$38 billion to cover next year's budget deficit and another \$17 billion to start rebuilding critical infrastructure, including schools, housing and energy facilities.

UNDP (United Nations Development Program) considers four possible scenarios. According to the worst-case scenario, the rate of those living below the poverty line and those who could cross the poverty line could reach 90.5% if the war drags on for the next year. According to the worst-case UN estimates, 28% of this 90.5% may be at high risk of falling back into poverty, and 62.5% may cross the poverty line. Before the war, according to the UN, 2% of the population of Ukraine lived below the poverty line, and 43.4% could cross the poverty line.

According to three other UN scenarios, the rate of those living below the poverty line and those who could cross the poverty line could be 53.8% (4.2% below the poverty line and 49.7% could cross the line), 60.9% (6.4% and 54.5%, respectively) or 64.5% (9% and 55.5%) (Fig. 1).

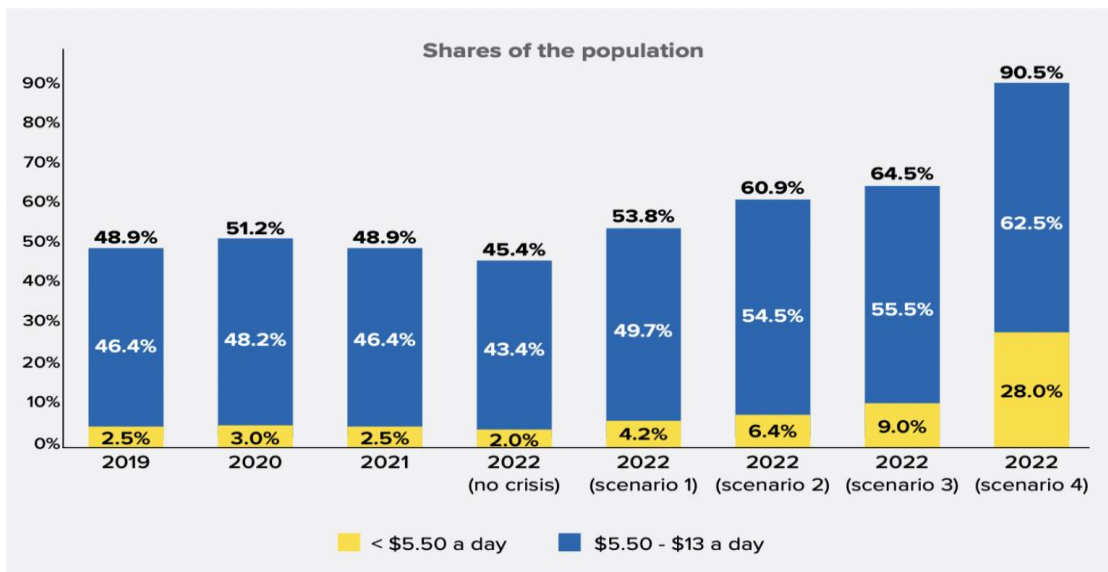


Fig. 1 Shares of the population by the income

European countries actively participate in providing shelter to refugees from Ukraine. According to OECD estimates, the main costs are related to the provision of housing and financial benefits for refugees. About 17.2 billion euros were spent on this in Europe. A significant amount of money was allocated by Poland - 6.2 billion euros.

Poland spent 1.5 billion euros on education. If we compare with other countries, for example, it cost the Czech Republic 352 million euros. Germany spent the most on medical services for refugees — 1.4 billion euros. It is followed by Poland - 664 million euros.

As can be seen from the above statistics, European and world foundations provide Ukrainians with sufficient financial support, but taking into account the achievements of Nobel laureates, Ukrainians need to master new professions and skills that will be able to provide them financially in Ukraine or in the EU zone or the world, and studying foreign languages, for better adaptation on the national, European or global labor market.

**Literature:**

1. World Bank. URL: <https://www.worldbank.org/en/country/ukraine>.
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