ԲԱՆԲԵՐ ԵՐԵՎԱՆԻ ՀԱՄԱԼՍԱՐԱՆԻ. ՏՆՏԵՍԱԳԻՏՈՒԹՅՈՒՆ
2023. № 3. 55-67 Կառավարում
https://doi.org/10.46991/BYSU:G/2023.14.3.055

THE FEATURES AND PROBLEMS OF MANAGEMENT AND OVERSIGHT OF STATE-OWNED ENTERPRISES AND SOVEREIGN FUNDS IN THE RA

SARGIS TEVOSYAN

Abstract

The article discusses the role of state-owned joint stock companies in the country's economy and financial system. Analyzing the viewpoints of a number of famous economists, a number of problems typical for effective SOE management were raised. The role of SOEs has been considered by three separate viewpoint. In one case as they considered as bodies that pay dividends to the state budget and provide state budget revenues and in the other case as bodies active within the framework of state policy in areas where private participation is not possible to achieve the stated goals of the state. In addition, in terms of state funds, SOEs were considered as entities providing financial flows in the form of investments in the economy. In the article, the problems and possible risks of the SOE management process in RA were identified and classified in the mentioned cases, as well as innovative proposals for their solution were presented. Compilations of statistical data on state-owned companies in foreign countries have been carried out.

Management challenges, financial processes, operational efficiency and productivity, transparency and accountability, legislative, political, social economic and other issues discussed in the system approach were highlighted in the process of managing the state share of SOEs.

Key words: *state-owned enterprise (SOE), strategic management, sovereign funds (SF), privatization, nationalization, government intervention, Governance Challenges, accountability, transparency, operational efficiency, corruption, socioeconomic impact*

Introduction

In order to understand the importance of exercising control over the activities of state-owned enterprises (SOE) and sovereign funds (SF), it is necessary to understand their role in the process of public finance management. SOE with state participation are bodies that provide income to the state budget in the form of dividend payments, whose main purpose of activity is the creation of commercial activities for the state in such fields or the implementation of investments by way of acquiring shares in such organizations, which have state and public benefit significance and state management in the given field is most appropriate than the private. SOE have emerged as pivotal entities in modern economies, serving as the bridge between public interests and market-driven strategies. This scientific article delves into the multifaceted challenges that SOE encounter, ranging from governance issues to economic implications. By examining these challenges, policymakers and stakeholders can gain insights into optimizing the performance and impact of these unique entities.

If in the case of a SOE the main features are the payment of dividends to the state budget and the importance of state participation in the given sector where the organization operates, then in the case of sovereign funds, in addition to the mentioned processes, it is also important to ensure economic benefits by attracting foreign investments and financial flows to the country's economy.

Various and even conflicting opinions and interpretations have been repeatedly discussed and used by many renowned scientists and researchers in interpreting the role of SOE.

The first hypothesis is, of course, simply Adam Smith's invisible hand conjecture; Arrow and Debreu (1954) showed, that it was correct, but only under highly restrictive conditions. The main players in the field of action so called invisible hand are commercial organizations, because it is them that make the modern economy to operate, and the context of liberate market economy and the restrictions on it, is necessary to discuss from the viewpoint of the advantages and disadvantages of commercial organizations being public or private.

Various rationales have been put forward for establishing and maintaining state ownership. A state presence has often been justified on the basis of correcting for market failures, or to meet strategic or social objectives. Shirley and Walsh (2001) surveyed the main theoretical arguments put forward for state ownership (market failure, including externalities, economies of scale, imperfect competition, imperfect information), but also the debate about whether government officials act in the social welfare or with distorted objectives. [3, page 2]

There is a such discussion in the work "The Rise and Fall of State Enterprises in the Western World" by the Italian professor Pier Angelo Toninelli, where it is noted that term and the concept of "nationalization" is the main process which state-owned enterprises are created, which has been assuming a negative value. It is increasingly used with his opposite term "privatization". [1, page 3] The economic, financial, managerial difficulties of public enterprise derive from the public and political nature of SOE activities.

In this work the motives for nationalization and for the creation of SOE is grouped into 3 main categories.

First there are political and ideological reasons for nationalization. This of course were fundamental in the communist countries. Such approach were based on belief that enlarging public properties and activities could open the way to the fundamental change in the distribution of power within society. Further SOE executives are accountable to a whole community for their decisions, not just too private shareholders.

Second there are social motives for nationalization such as the desire to guarantee full employment, to offer better working conditions, and to improve industrial relation. In this approach nationalization polices are linked to the promotion economic growth, and social transformation in underdeveloped countries or regions. In this case the argument in favor of SOE can be summarized thus: public enterprise makes its decisions on the basis of long term, and these are not or cannot be profit-minded. Further the state can foster modernization in the neglected sectors of the economy.

The third economic motive that is used to explain state ownership is to be a found in industrial bailouts where the state decides to rescue to the businesses affected by deep, sometimes irreversible, economic and financial crisis. [1, page 5-8]

Hart, Shleifer and Vishny (1997) in their The Proper Scope of Government: Theory and an Application to Prisons work use the incomplete contract approach to emphasize the effects of difference in control rights of government in public and privatized firms. They analyze the difference between the provision of public goods by a private or by a public firm, examining prisons, police, schools, health care organizations. They say that the manager of firm can implement cost reductions and quality innovations. Under private ownership the manager is fully residual claimant in reductions in cost. Under public ownership the manager needs the approval of the government to implement both innovations. Thus, private provision will tend to excessively reduce costs at the expense of quality and to underinvest in quality innovation.

Grossman and Stiglitz (1980) showed that in the absence of complete set of securities (markets), different shareholders might want the firm to pursue different objectives, so it might be contradicted to the government priorities and purposes.

Sahar Tohamy and Peter Aranson make a novel contribution to the literature by developing a theoretical model and testing its predictions in the world wide context. In their theoretical model, politicians maximize the net total surplus (or support) of workers and investors in making choices in privatization under different methods. Their model differentiates the number of institutional arrangements for public firms and generate varying patterns of support for, or opposition to, privatization. The empirical testing of the authors model shows that the likelihood of privatization increases as public firms debt becomes smaller and government spending for social security and welfare gets larger.[5, 8 page]

It is a fact that the private firms are more profitable than SOEs, because in the opposite case they wouldn't be private. Private Managers would close the firm if they relies that the operation of the firm is not profitable, but the government may keep maintain the SOE operation, through grants and subsidies because it's special public importance. The fact that, on average, private firms seem more profitable than public firms does not necessarily mean that private firms are more efficient. The public firms may, for instance face constrains that the private firms do not; the solution of the problem may not be privatization, but changing the constrains. Most importantly many public firms face tight investment constrains. This comes because many developing countries face tight budget constrains [2, page XIV].

American economist Nobel Prize winner Joseph E. Stiglitz has discussed the role of SOEs in various contexts. Stiglitz is known for his research on asymmetric information, market failures, and the role of government in the economy. While he hasn't focused exclusively on state stock joint companies, his views on SOEs can provide insights into the broader discussion. In his book "People, Power, and Profits, Progressive Capitalism for an Age of Discontent" (2019) Stiglitz emphasizes that there are cases where the private market may not efficiently allocate resources, leading to market failures. In such situations, state-owned enterprises can play a role in providing public goods, addressing externalities, and promoting economic stability. He argues that government intervention, including state ownership, can be justified in instances where there are natural monopolies or when the private sector fails to provide essential services to the public. He advocates for a balanced approach that combines market mechanisms with government oversight. Stiglitz recognizes that state-owned enterprises can suffer from inefficiencies and lack of accountability due to potential political interference, mismanagement, and bureaucratic hurdles. He suggests that transparency, competition, and effective governance are crucial to mitigate these challenges. He acknowledges the complexity of managing state-owned enterprises, as they often have multiple objectives including economic efficiency, social welfare, and financial sustainability. He highlights the importance of clear goals and mechanisms to avoid conflicts among these objectives.

Stiglitz approaches Privatization and Regulation processes too, while he doesn't oppose privatization in all cases, he cautions against wholesale privatization without considering the potential negative consequences. He emphasizes the need for effective regulation when transitioning from state ownership to private ownership to prevent monopolistic practices and ensure fair competition. It's important to note that Stiglitz's views on state-owned enterprises are nuanced and context-dependent. His writings touch on various aspects of government involvement in the economy, and his ideas continue to contribute to discussions about the role of SOEs in different economic systems.

There is also a reference to the importance of the control function and oversight in the work Economics of modern economists Samuelson and Nordhaus, where some examples of abuses and frauds are presented, which are examples for SOE and SF too. In the late 1990s, under pressure to produce rapidly growing earnings, many companies manipulated their accounts to show glowing results or to paper over losses. Some of the most egregious examples included pretending that capital assets were current revenues (Enron, Global Crossing); capitalizing the outflow while recognizing the inflow as current revenues (Enron, Qwest); increasing the salvage value of trucks over time (Waste Management); increasing the value of the unused capacity of landfills even as they fill up (Waste Management); and reporting happy performance numbers when the reality was unpleasant (Amazon.com, Yahoo, and Qualcomm, among a crowd of other dot-coms dead or alive). To see how an accounting fraud works in SOE and SF we can take the example of Enron. Enron started off as a genuinely profitable business which owned the largest interstate network of natural-gas pipelines. To continue its rapid growth, it turned to trading natural gas futures, and then it leveraged its business model into other markets. Along the way, however, its profits began to decline and it hid the declines from investors. How could a large, publicly owned company like Enron have fooled virtually all of the people most of the time until 2001? Its success in hiding its failures rested on four complementary factors. First, when troubles arose, Enron began to exploit ambiguities in accounting principles, such as the ones described above. One example was a deal called “Project Brave heart” with Blockbuster Video. This deal projected future revenues over the next 20 years with a present value of $111 million, and Enron accounted for them as current revenues even though the projections were based on highly dubious assumptions. Second, the firm elected not to report the details of many financial transactions-for example, it hid hundreds of partnerships from its stockholders. Third, the board of directors and outside auditors were passive and did not challenge or in some cases even inquire into some details of Enron's accounts. Finally, the investment community, such as the large mutual funds, exercised little deep independent analysis of Enron's numbers even though at its peak Enron absorbed $70 billion of investors' funds. The Enron case is a reminder that financial markets, accounting firms, government bodies and investment managers can be fooled into investing many billions of dollars when firm insiders engage in aggressive accounting and fraudulent practices. A larger set of issues arose in 2007–2008 when a trillion dollars of poorly designed mortgage-backed securities got sound credit ratings from bond-rating agencies, but agencies and investors had little understanding of the income streams behind these securities. The history of such accounting and financial finagling is a reminder of the importance of the need for vigilant oversight by government and nongovernment bodies over SOEs and SF. [10, page 138].

Conflict setting

SOE activity and role can be viewed from different perspectives and in different contexts. As it is mentioned above public enterprise makes its decisions on the basis of long term, and these are not or cannot be profit-minded. Government can maintain SOE in areas of public importance such as agriculture, science, defense, environmental protection, civil defense and other areas of public importance, where the profit can be not the main point, but the strategic purpose to which the government striving in special field.

So it can be considered that the profitability of SOE is lower than that of private companies, because the spheres of activity of SOE are mainly problematic and less developed areas where the state intervenes, including by creating privately owned commercial organizations. Financial interactions between SOEs and governments are often not accounted for, which also raises questions about corporate governance. Many SOEs generate large fiscal costs, requiring government support to offset operational losses, sometimes due to quasi-fiscal activities undertaken on behalf of the government. Other SOEs contribute to budget revenues, particularly in countries with large natural resource sectors, and carry out public investment on behalf of the government. All together, these fiscal interactions can produce a complex set of flows that are not always accounted for or reported. This lack of transparency also has implications for corporate governance, which should entail strong oversight frameworks and clarity surrounding policy interactions and a well-articulated ownership policy. [6, page 8]

There are certain features in the case of state investment funds, which operate under the same organizational and legal form as SOE, and where in addition to the significance and profit of the activity of the SOE in the given field, the result of the activity may be the involvement of foreign investments.

Many problems arise when understanding the role of the SOE and studying the features of its activity, which are Governance Challenges, Financial Considerations, Operational Efficiency and Productivity, Political and Regulatory Influences, Socioeconomic Impact, Corruption and Lack of Transparency, Corporate Governance, Competitive Distortion, Labor Practices, Globalization and International Competition, Privatization, Sector-Specific Challenges.

In this article it is considered the mentioned all challenges and problems, and by generalizing them essential and fundamental problems are identified, for which institutional solutions are proposed.

1. Governance Challenges:

One of the primary challenges faced by SOEs is achieving a balance between state ownership and market-oriented decision-making. Inefficient governance structures, lack of transparency, and inadequate accountability mechanisms can lead to suboptimal decision-making processes. Additionally, the potential for political interference can hamper the autonomy of these companies, impacting their long-term viability.

2. Financial Considerations:

SOEs frequently grapple with financial challenges stemming from funding constraints, suboptimal capital allocation, and a lack of profitability. Striking a balance between social and economic objectives while maintaining financial sustainability is often a delicate task. These companies may struggle with attracting private investment due to concerns over government influence and unpredictable policy changes.

3. Operational Efficiency and Productivity:

Operational inefficiencies are another key hurdle faced by SOEs. Bureaucratic bottlenecks, red tape, and resistance to change can impede their ability to compete effectively in the market. Moreover, the absence of performance-based incentives for employees can hinder productivity and innovation within these entities.

4. Political and Regulatory Influences:

The intertwining of political interests and SOE operations can lead to inconsistent policies, hampering long-term planning and development. Frequent changes in leadership or shifts in political priorities can create instability and disrupt strategic initiatives. Regulatory complexities and uncertainties can also affect the ease of doing business and deter potential partners or investors, besides SOEs can be used for political purposes, which may not align with economic efficiency.

5. Socioeconomic Impact:

While SOEs are often established to drive socioeconomic development, they may struggle to balance their social responsibilities with the need to generate profits. The pressure to fulfill social obligations can divert resources from core business activities, impacting financial sustainability. Navigating this delicate balance is crucial for the long-term success of these companies.

6. Corruption and Lack of Transparency:

SOEs are sometimes prone to corruption, lack of transparency, and accountability issues. Research focuses on identifying corruption risks and finding ways to mitigate them. There are many risks of corruption because the financial operations under the government officials authority, and in contrast, losses suffered by private companies the losses of SOE are not private losses, and no private subject is interested in prevention of it. It can be a result in managers using funds for their own benefit and accumulating debt for the organization, loss-making operations, and the burden they place on government budgets.

7. Corporate Governance:

Problems related to corporate governance in SOEs include board appointments, decision-making processes, and the role of the government in shaping strategies.

8. Competitive Distortion:

SOEs can distort competition in markets, disadvantaging private enterprises. Research looks into how to create a level playing field for all businesses.

9. Labor Practices:

Labor issues such as employment security, wage disparities, and workforce management can be problems for some SOEs.

10. Globalization and International Competition:

SOEs often compete on a global scale, which can raise issues related to international trade, subsidies, and market access.

11. Privatization:

In some cases, privatization of SOEs is considered a solution to their problems. Research assesses the benefits and drawbacks of privatization strategies.

12. Sector-Specific Challenges:

Different sectors (e.g., energy, telecommunications, and transportation) face unique challenges related to regulation, infrastructure investment, and public service delivery.

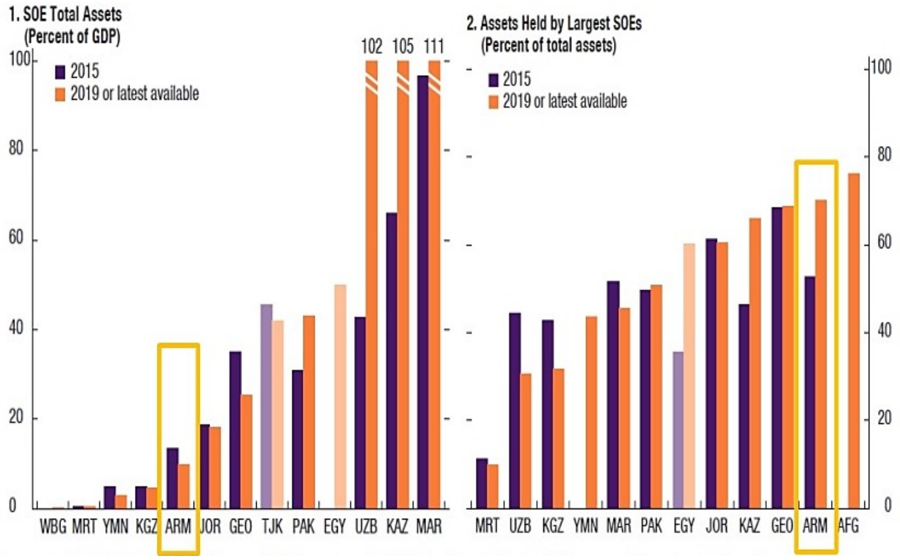
Research results

Over the past decades Armenia has made significant reforms to reduce the state footprint in the economy. Following the mass privatization between 1990s and early 2000s, the share of SOEs in the Armenian economy was further reduced during the past decade— the number of entities owned at the central government level went down from 480 in the 2010s to 85 in 2022 through privatization, merger, and liquidation of entities. The number of SOEs owned at the regional government level was reduced to 68, and mainly include health and medical facilities operated at the regional level.

The RA has reduced its SOE portfolio, as compared to its regional peers. The value of total assets of SOEs as percent of GDP was around 14% in 2015, and was further reduced to some 10% in 2019-2021, concentrated in the largest SOEs (Figure 1). The state remains the owner of strategic SOEs operating in economically significant sectors, such as energy. As of July 1, 2022, the number of majority owned SOEs stood at 153, with 85 owned by the central Government, and 68 - by regional governments. SOEs in Armenia, account for a much lower share of total employment and government revenue, as compared to their regional peers, their share of total employment in the country remains below 1 percent, and they contribute less than 1 percent of total government revenue.

Figure 1

SOEs Total Assets and Concentration in the Middle East and Central Asia Region



Source: IMF (2021) State-Owned Enterprises in Middle East, North Africa, and Central Asia: Size, Role, Performance, and Challenges. Note, light-colored bars show data from alternative data sources.

Analyzing the activities of SOEs in RA, it is clear that their activities are regulated by the RA Law "On Joint-Stock Companies" and a number of other legal acts. According to the law "A joint-stock company (hereinafter referred to as the Company) is considered to be an economic company that is a commercial organization, the authorized capital of which is divided into a certain number of shares that ensure the binding rights of shareholders towards the Company". The company is a legal entity and has separate property from the property of its shareholders, which is accounted for in a separate balance sheet. The company has the right to acquire and exercise property and personal non-property rights on its own behalf, bear obligations, act as a plaintiff or defendant in court. [8, article 2] The company is responsible for its obligations with all the property it owns. The Company's shareholders are not responsible for its obligations and bear the risk of losses related to the Company's activities within the limits of the value of the shares they own [8, article 3]. The Republic of Armenia and communities can be shareholders of the company on an equal basis with citizens and legal entities [8, article 11]. The decision of the Government on the establishment of companies with shares belonging to the Republic of Armenia contains provisions on the establishment of the company, as well as the state administration body (bodies) acting on behalf of the founder and the package of shares entrusted to the management of each of them. The other powers may be assigned by the Government to the relevant state administration body (bodies), as well as, as a delegated authority, to the head of the community, henceforth to the authorized state body [8, article 11]. The analysis of the above regulations shows that the entire logic of RA Law "On Joint Stock Companies" is in the context of issues of equity participation and management of private commercial organizations, while state participation is carried out on an equal basis with citizens and legal entities. This regulations emerges risks in the field of management of government shares, and have risks of governance challenges, financial considerations, operational efficiency and productivity, corruption and lack of transparency, because in the case of private management, the founders so-called take care of their own funds and the losses and benefits of the organization are the own benefits and losses of the founders (shareholders), and in the case of joint-stock companies with state participation, the state is the owner of a part or one hundred percent of the shares, and the exercise of the powers of the founder is assigned to the relevant officials of the respective bodies. Now, in this case company is responsible for its obligations with all the property it owns, but in case of state enterprise, this may be a state property, and there is risks for governance challenges. Inefficient governance structures, lack of transparency, and inadequate accountability mechanisms can lead to suboptimal decision-making processes.

In order to avoid inefficient expenses, the state in RA applies the maximum limits of certain expenses, which are set by the N 1238 resolution of government of the Republic of Armenia of June 22, 2006 on determining the maximum allowable limits of certain expenditure made by companies with state ownership of more than 50 percent [9]. There is defined such maximum permissible limits of expenses, as expenses related to the fees established by the legislation of the Republic of Armenia for the release of harmful substances into the environment in the amount of 1.0 percent of the gross income of the accounting year, advertising expenses outside the territory of the Republic of Armenia in the amount not exceeding 5.0 percent of the gross income of the reporting year or 20 percent of the value of the goods or services exported by the company outside the territory of the Republic of Armenia during the reporting year, expenses incurred for personnel training outside the territory of the Republic of Armenia in the amount of 5.0 percent of the gross income of the reporting year, but not more than 3.0 million drams for each employee actually trained in the given reporting period, expenses incurred for personnel training outside the territory of the Republic of Armenia in the amount of 2.0 percent of the gross income of the accounting year, but not more than 2.0 million drams for each employee actually trained in the given accounting period, business trip expenses outside the territory of the Republic of Armenia in the amount of 5.0 percent of the gross income of the reporting year, representative expenses in the amount of 0.5 percent of the gross income of the reporting year, but not more than AMD 5.0 million, maintenance costs of health institutions, social protection institutions and community small houses, children's pre-school institutions, rehabilitation camps, cultural, educational and sports institutions, as well as housing fund facilities in the amount of 1.0 percent of the gross income of the reporting year (including amortization deductions and repair costs), marketing expenses outside the territory of the Republic of Armenia 2.0 percent of the gross income of the reporting year or 15 percent of the value of the goods and services exported by the company during the reporting year or 5.0 percent of the value of the goods imported by the company to the Republic of Armenia during the reporting year, in the amount of interest amounts calculated on loans and/or borrowings (including interest amounts calculated within the framework of leasing (various) contracts), but not more than double the bank interest calculation rate set by the Central Bank of the Republic of Armenia as of December 31 of the financial year the corresponding amounts, in the amount of the amount of interest calculated during the financial year on loans from entities that are not considered banks and credit organizations, but not more than the double of the positive value of the existing equity capital as of the last day of the financial year (except for banks and credit organizations), in the amount of pension payments made within the framework of the voluntary pension component for a hired employee in accordance with the procedure established by the legislation of the Republic of Armenia, but not more than 7.5 percent of the sum of the salary of the given hired employee and payments equal to it [9, pt. 4]. These restrictions are applied to avoid unjustified luxury and fraudulent expenses, which may result in corruption risks and misappropriation of funds by managers, but as it is clear from the analysis of the mentioned legislation, there are no applied restrictions for the payment of salaries and bonuses, which contains extremely high risks, because the managers are state servants and the income of the organization is not their own income, so cases of abuse of public resources through the payment of high bonuses and salaries become possible. This kind of risk of corruption is very high because the financial operations under the government officials authority, and in contrast, losses suffered by private companies the losses of SOE are not private losses, and no private subject is interested in prevention of it. It can be a result in managers using funds for their own benefit and accumulating debt for the organization, loss-making operations, and the burden they place on government budgets.

To discuss risks and issues such as: Governance Challenges, Political and Regulatory Influences, Socioeconomic Impact, Corporate Governance, Privatization, Sector-Specific Challenges, it is necessary to thoroughly understand the role of SOEs and the fundamental regulations in the public administration system and budget process. SOEs, as it mentioned, are organizations that provide budgetary revenues, but the benchmark of state participation is not only the provision of revenues, but also social, economic, defense, educational, environmental, health and other spheres of importance. In this context, the research shows that there is no legal regulations in RA that defines SOEs goals and other regulations of activities according to its goals. SOEs should have strategies that should be derived from the government's strategies of the given sector, for each SOEs activity, clear, measurable, objective, base and target indicators (KPI) should be defined, which will clearly describe the justifications as a result of which SOEs operate as state ownership. SOEs can in some cases also operate at a loss but it can carry out a necessary mission in an important sector that could not be carried out through a private organization due to low profitability.

The "raison d'être" of nationalization of enterprises is usually the achievement of national and collective goals. Adherence to such goals by the executives of the publicly owned enterprises is a key to their achievement. Yet, in many cases, the executive's adherence to public sector goals is taken for granted. There may be existence of expected differences in goal perceptions and attitudes among top executives of industrial enterprises affiliated with the public and private sectors. For example, in Israel, almost no differences were found between the perceptions of these two groups of executives. The lack of differences indicates that mere affiliation with nationalized enterprises does not secure 'nationalization' of the executives' goal commitments and goal pursuit, and that the achievement of the nationalization objectives may be hindered.[4]

Similar risks are also present in the context of the activity of sovereign funds. Investments made by the funds are also subject to supervision extremely high risk, because these funds are effective and legal the state does not have enough control mechanisms for spending and resources. Not even a guaranteed with the investment return, it turns out that money can be invested discretionarily in selected organizations, be spent arbitrarily (e.g. acquisition of goods at unjustified prices, consulting services acquisition, uncommoditized paperwork, unsubstantiated high payment of bonuses and salaries, affiliate transactions etc.), and the ability to control their costs the state has almost none.

Conclusion

The above analyzes show that in RA the features that arise when replacing private interest with state interest are not taken into account. While further re-categorization is necessary, the government of RA should prioritize their efforts to improve corporate governance and strengthen oversight over the priority SOEs.

Over the past decade, the Government has taken concrete steps to address SOE challenges, an effective state ownership policy will be important for streamlining the state's presence across economic sectors and establishing clear accountability lines. Although government has no formulated state ownership policy, the country's implicit rationale for owning SOEs is not based solely on profitability, but also covers SOEs' contribution to achieving public policy objectives. This mission recommends adopting a state ownership policy that states that government will only choose to own an enterprise in one or all following circumstances:To make a specific contribution to the promotion of the national development priorities and national security that cannot be made by the private sector, or to ensure the provision of critical public services when the private sector is not willing or able to provide effectively. This will be possible only if there is a clear strategy and appropriate legislative regulations are made. It is necessary to make additions to the Law of the Republic of Armenia on Joint Stock Companies and define the important features that exist in the conditions of state participation. It is important in this case to have a strategic document for SOE opretion wich is the part of the government long term program, that will determine for SOEs to specify the purpose of its activity and to present the grounds according to which state participation in the given organization is considered appropriate. For each company, it is necessary to define basic (characterizing the current situation) and target (the state that the government is trying to achieve) measurable and clear indicators, to carry out appropriate justified economic and financial calculations, assessment of corruption, managerial and other risks, as a result of which the state owning of the company will be justified. In this case, the implementation of supervision is also necessary at the stage of strategy formulation, through which the baseline data, which is the basis for calculations, will be subjected to analysis and reliability assessment. Clear goals will be defined by the strategies drawn up with a unified methodology, which will provide an opportunity to further monitor the effectiveness of the activities of the mentioned organizations and assess how much the state is achieving its goal.

The role of SOEs and their contribution to the national development priorities identified in the Government Program needs to be closely aligned. This can be achieved through: revisiting the presence of SOEs across various sectors of the economy, leaving state presence only in priority sectors, increasing the effectiveness of SOEs through enhanced corporate governance practices and management models aligned with SOE performance, implementing

Accountability mechanisms and transparency requirements taking measures to prevent the establishment of any new SOEs when no apparent rationale is present.

References

1. Pier Angelo Toninelli, The rise and fall of state-owned enterprise in the western world, , university of milan-bicocca, Cambridge university press 2000, 226 pages,

2. Gerard Roland, foreword by Joseph E. Stglitz, Pivatization successes and failures, 2008, Columbia University Press, 231 pages,

3. Reassessing the Role of State-Owned Enterprises in Central, Eastern, and Southeastern Europe, An IMF staff team led by Christine Richmond, Peter Dohlman, Jacques Miniane, and James Roaf, in collaboration with EBRD staff, Copyright ©2019 International Monetary Fund, 114 pages

4. Aharoni Y. and R. Lachman, 1982, Can the manager's mind be nationalized?

5. Merith Celasun, State-owned enterprises in the Middle East and North Africa, privatization, performance and reform, Copyright ©2001The Economic Research Forum for the Arab Countries, Iran and Turkey, 125 pages

6. State tate-Owned wned Enterprises nterprises inin Middle iddle East ast, North orth Africa frica, and and Central Asia, ©International Monetary Fund. Not for Redistribution, 93 pages

7. Kowalski, P. et al. (2013-04-24), "State-Owned Enterprises: Trade Effects and Policy Implications", OECD Trade Policy Papers, No. 147, OECD Publishing, Paris. http://dx.doi.org/10.1787/5k4869ckqk7l-en

8. RA Law "On Joint-Stock Companies" https://www.arlis.am/documentview.aspx?docID=69106

9. The N 1238 resolution of government of the Republic of Armenia of june 22, 2006 on determining the maximum allowable limits of certain expenditure made by companies with state ownership of more than 50 percent https://www.arlis.am/documentview.aspx?docid=181042

10. Paul A. Samuelson, William D. Nordhaus, Economics nineteenth edition, McGraw-Hill/Irwin,2009, Quebecor World Versailles Inc.

ՍԱՐԳԻՍ ԹԵՎՈՍՅԱՆ – *Պետական բաժնետիրական ընկերությունների և առևտրային ֆոնդերի կառավարման և վերահսկողության խնդիրներն ու առանձնահատկությունները ՀՀ-ում* – Հոդվածում քննարկվում է պետական սեփականություն հանդիսացող բաժնետիրական ընկերությունների դերը երկրի տնտեսությունում և ֆինանսական համակարգում: Վերլուծելով նաև մի շարք անվանի տնտեսագետների տեսակետները՝ բացահայտվել են մի շարք խնդիրներ, որոնք բնորոշ են պետական մասնակցությամբ ընկերությունների արդյունավետ կառավարմանը: Նշված ընկերությունների դերը դիտարկվել է երեք տարբեր տեսանկյուններից, մի դեպքում՝ որպես պետական բյուջե շահութաբաժիններ

վճարող և պետբյուջեի մուտքեր ապահովող մարմիններ, մյուս դեպքում՝ որպես պետության քաղաքականության շրջանակներում այնպիսի ոլորտներում գործող օղակներ, որտեղ մասնավոր մասնակցությամբ հնարավոր չէ ապահովել պետության նախանշած նպատակները: Բացի այդ՝ պետական ֆոնդերի առնչությամբ դրանք դիտարկվել են որպես տնտեսություն ներդրումների տեսքով ֆինանսական հոսքեր ապահովող մարմիններ: Հոդվածում առանձնացվել և դասակարգվել են նշված բոլոր դեպքերում պետական բաժնեմասի կառավարման գործընթացի խնդիրները և հնարավոր ռիսկերը ՀՀ-ում, ինչպես նաև ներկայացվել են դրանց լուծման նորարարական առաջարկներ: Իրականացվել են օտարերկրյա պետություններում պետական մասնակցությամբ ընկերությունների վերաբերյալ վիճակագրական տվյալների համադրություններ:

Առանձնացվել են պետական բաժնեմասի կառավարման գործընթացում մարտահրավերների, ֆինանսական գործընթացների, գործառնական գործունեության արդյունավետության, թափանցիկության և հաշվետվողականության, օրենսդրական և իրավական, սոցիալ-տնտեսական ազդեցության և այլ կարևոր խնդիրներ, որոնք քննարկվել են համակարգային մոտեցման շրջանակներում:

Բանալի բառեր – *պետական ձեռնարկություն (ՊՁ), ռազմավարական կառավարում, սուվերեն ֆոնդեր (ՍՖ), մասնավորեցում, ազգայնացում, կառավարության միջամտություն, կառավարման մարտահրավերներ, հաշվետվողականություն, թափանցիկություն, գործառնական արդյունավետություն, կոռուպցիա, սոցիալ-տնտեսական ազդեցություն*

САРГИС ТЕВОСЯН – ***Особенности и проблемы управления и надзора государственных акционерных обществ и суверенных фондов в РА*. –** В статье рассматривается роль государственных акционерных обществ в экономике и финансовой системе страны. Анализируя точки зрения ряда известных экономистов, был поднят ряд проблем, которые характерны эффективному управлению госпредприятиями. Роль ГП рассматривалась с трех точек зрения. В одном случае они рассматриваются как органы, выплачивающие дивиденды в государственный бюджет и обеспечивающие доходы государственного бюджета, а в другом случае как органы, действующие в рамках государственной политики в сферах, где частное участие невозможно для достижения заявленных целей и целей государства. Кроме того, с точки зрения государственных средств ГП рассматривались как субъекты, обеспечивающие финансовые потоки в виде инвестиций в экономику. В статье выявлены и классифицированы проблемы и возможные риски процесса управления госпредприятиями в РА в указанных случаях, а также представлены инновационные предложения по их решению. Проведено составление статистических данных о государственных компаниях зарубежных стран.

В процессе управления государственной долей государственных предприятий были выделены проблемы управления, финансовые процессы, операционная эффективность и производительность, прозрачность и подотчетность, законодательные, политические, социально-экономические и другие вопросы, обсуждаемые в рамках системного подхода.

Ключевые слова: *государственное предприятие (ГП), стратегическое управление, суверенные фонды (СФ), приватизация, национализация, государственное вмешательство, проблемы управления, подотчетность, прозрачность, операционная эффективность, коррупция, социально-экономическое воздействие*