
INEQUALITY IN THE HOUSEHOLD INCOME DISTRIBUTION IN UKRAINE



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Abstract. *Currently Ukrainian economy is characterized by an unstable situation caused by the political and economic situation in the country, as well as a by the pandemic, which led to irregularity in the population income distribution, which further affected consumption and its volume. The article examines irregularity in the distribution of household's incomes.*

The research analysis reveals that there have been positive changes in the structure of cumulative income of urban and rural households in Ukraine recently. To put it more precisely, there is an increase in the share of wages, transfer payments in the form of benefits and subsidies and income from business activities along with the specific natural incomes and pensions decrease. However, factual statistical information contradicts the realities of our lives. Their structure in 2020 was analyzed and the share of wages in the household incomes formation is calculated. Indicators of socio-economic irregularity (Lorentz curve, Gini coefficient, decile coefficient) were studied. Compared to the developed world countries, the general level of Ukrainians' income remains low.

The main part of Ukrainian citizens' income is spent on consumption since they have no opportunity to save. Recently, there has been a decrease in the book income from hired labor, and, therefore, most households conceal their income, which affects living standards and reduces revenues to the state budget. The dynamics of income and expenditure of urban and rural households in 2020 was also analyzed. It was found out that the vast majority of urban and rural households in the country spend their income on consumption and they have no ability to save.

The main ways to reduce income inequality are indicated, namely: ending the war in the east of the country; increasing the tax burden for big business and the wealthiest sections of the population; deprivation of the oligarchs' influence on the government, increase in wages; reducing unemployment; employment growth; reducing the level of

corruption; development of small and medium business, creating equal opportunities for all sections of the population in education and health care.

Keywords: *income; income differentiation; income irregularity; costs; Lorentz curve; Gini coefficient; decile coefficient; poverty*

Introduction.

The economy of our state is unstable at the current stage of the society development (Lavrun et al., 2019). This situation is predetermined by high levels of corruption and unemployment, political instability, social irregularity, low wages and purchasing orientation, the exodus of skilled professionals who seek a better living standard and unavailability of the middle class, which is an obstacle to socio-economic development (Pashchenko & Zharikova, 2021). Imperfect legislation, instability policy, prosperity of the shadow economy, high levels of corruption, low wages, unreasonable tariffs for most services lead to the enrichment of a small number of people and impoverishment of the rest of the population are the causes of high income differentiation (Lavrun et al., 2019; Sydorova, 2017). Therefore, the state activities should be aimed at pursuing a sensible and balanced policy aimed at reducing the income gap between rich and poor. At present, income inequality is a global and pressing problem that countries of the world and draws the attention of modern economists.

Analysis of recent researches and publications.

The issue of income distribution irregularity is considered in the papers of famous scientists: Petty, Ricardo, Smith, Marx, Keynes et al. The problem is quite relevant in Ukraine, therefore, income inequality is being stud-

ied by Bohynia, Hubina, Kolot, Koval, Kryvobok, Sadova, Libanova, Ilchuk, Novikova, Chupryna etc.

Purpose – to study the irregularity in rural and urban population's households income in Ukraine; to analyze indicators that show income inequality in Ukrainian households; to find out the reasons and develop proposals to solve the problem above.

Materials and methods of research.

Income, its volume and irregular distribution are the factors that determine the population standard of living. The income of society and households is one of the most important indicators of their well-being. The information basis of the study is made by materials of periodicals, scientific papers, Internet sources, statistical information, scientific and methodological literature. Lorentz curve, Gini coefficient and decile coefficient were used as methods of rural and urban population income distribution irregularity. The method of statistical groupings, economic-mathematical, computational constructive, correlation and regression methods were used in the research.

Results of the research and their discussion.

The provision of the population with the bare essentials, the degree of their satisfaction and the conditions of their development define the level of the cit-

izens' well-being and determines the socio-economic development of the country. Income and the level of their differentiation are among the factors reflecting the living standard. A market economy is characterized by income differentiation and the reasons for the differentiation lie in different abilities and socio-economic status of people. Insignificant income inequality stimulates an increase in production and income generation, while a high degree of irregularity negatively affects the pace of society development, worsens its situation and reduces its efficiency. Excessive income inequality worsens the situation of socially vulnerable groups, which leads to a reduction in life expectancy, deterioration of their physiological condition, as well as an increase in budget expenditures and the formation of social conflicts.

Monetary income of the population – wages, income from entrepreneurship and self-employment, property income and various social securities in the form of transfers (pensions, scholarships, financial assistance etc.) are the main components of measuring irregularity. The following data give an idea of the ratio of these sources of income of the Ukrainian population. On average, 62.3 % of all incomes of the population of Ukraine in the structure of household incomes in 2020 were earned from wages, 21.1 % – from social security and the smallest share in incomes was occupied by income from entrepreneurial activity (7.1 %), from agricultural products sale (2.6 %) and property income (1.2 %). As for the urban population of Ukraine, the share of wages in the structure of cash incomes was 65.9 %, pensions – 17.3 %, social security and other current transfer payments accounted for 8.6 %. Income from entrepreneurial activity and self-employment made 7.7 %, and income from property made only 0.2 %. If we study the

structure of cash income of households depending on the size of the average per capita equivalent cash income, we can see that the lowest share of wages – 38.0 %, and the largest pension of 37.5 % were observed in households with average per capita income per month up to UAH 3000. The largest share of wages 82.3 % and the largest amount of pensions 7.6 % were observed in the households with average monthly per capita income ranging from UAH 11000 to 12000 (Table 1).

In terms of the rural population of Ukraine, the share of wages in the structure of cash incomes was 53.1 %, pensions 19.0 %, social security and other current transfer payments accounted for 10.2 %. Income from entrepreneurial activity and self-employment made 5.6 %, and income from property was 3.6 %. If we study the structure of cash income of households depending on the size of the average per capita equivalent cash income, we can see that the lowest share of wages 30.6 % and the largest pension 38.1 % belongs to households with average per capita cash income per month up to UAH 3000. The largest share of wages – 69.6 %, and pension of 8.1 % – were in the households with monthly per capita income of UAH 9000–10000 (Table 1).

Analysis of the data presented in table 1 reveals that there is a significant – 1.2 times or more – excess in cash income of urban households compared to rural ones. Wage range difference between urban and rural populations at the sectoral level reaches 1.5 times or more. This trend is negative, as it shows that the dynamics of income distribution between urban and rural households does not show an improvement in social justice and confirms the existence of disparities in household cash incomes. In 2020, there was a dominance of expenditures for the goods and services purchase which made 91.3 %

in the structure of expenditures of the Ukrainian population. 49.8 % account expenditures for food products, 25.3

% – for non–food products, 16.2 % – for services, non–consumer cumulative expenditures account for 8.7 %. In the struc-

1. The structure of household's cash income depending on the size of the average per capita equivalent

	All households	Including those with average monthly per capita income monetary equivalent, UAH										
		under 3000,0	3000,1 – 4000,0	4000,1 – 5000,0	5000,1 – 6000,0	6000,1 – 7000,0	7000,1 – 8000,0	8000,1 – 9000,0	9000,1 – 10000,0	10000,1 – 11000,0	11000,1 – 12000,0	over 12000,0
Urban households												
Wages	65,9	38,0	48,9	64,2	69,0	71,2	72,1	75,8	74,0	67,0	82,3	67,8
Income from business profit and self-employment	7,7	3,8	3,9	4,5	6,3	8,1	8,2	6,6	7,6	16,1	6,6	16,2
Income from agricultural products sale	0,3	0,5	0,6	0,4	0,2	0,1	0,3	0,1	0,1	1,2	0,1	0,0
Income from property	0,2	0,4	0,3	0,2	0,3	0,1	0,3	0,1	0,2	0,3	–	0,1
Pensions	17,3	37,5	33,4	19,5	16,0	13,9	12,9	11,0	13,9	11,0	7,6	8,8
Scholarships	0,3	1,1	0,4	0,5	0,1	0,3	0,5	0,2	0,0	0,0	–	0,1
Social securities, benefits, grants and compensatory payments	2,2	8,5	4,3	3,2	2,3	1,3	1,2	0,7	0,8	0,3	0,3	0,6
Monetary support from relatives	4,3	8,3	6,5	5,7	4,3	3,5	3,1	3,7	2,8	2,4	2,7	2,3
Alimony	0,4	0,3	0,4	0,8	0,6	0,4	0,1	0,5	0,0	0,2	0,1	–
Other incomes	1,4	1,6	1,3	1,0	0,9	1,1	1,3	1,3	0,6	1,5	0,3	4,1
Monetary income	100	100	100	100	100	100	100	100	100	100	100	100
Rural households												
Wages	53,1	30,6	42,9	53,7	62,9	63,9	65,3	61,0	69,6	59,1	55,5	57,3
Income from business profit and self-employment	5,6	3,9	3,6	4,1	5,8	8,4	5,1	9,9	2,3	10,6	19,4	12,5
Income from agricultural products sale	8,5	7,1	8,4	9,4	6,5	8,9	9,1	9,5	13,7	10,4	9,6	15,8
Income from property	3,6	4,1	4,8	4,3	3,1	3,1	2,5	1,5	1,7	4,0	2,3	2,1
Pensions	19,0	38,1	26,6	19,5	13,3	10,7	11,0	5,0	8,1	5,4	10,1	9,2
Scholarships	0,2	0,3	0,2	0,1	0,5	0,4	–	–	–	–	–	–
Social securities, benefits, grants and compensatory payments	3,8	8,9	6,0	3,3	2,0	1,7	1,2	2,1	0,2	0,9	0,2	0,2
Monetary support from relatives	3,8	4,9	5,1	3,1	3,0	1,8	3,2	5,1	1,8	8,1	1,6	2,4
Alimony	0,1	0,2	0,2	0,3	0,0	0,0	0,1	0,0	–	–	–	–
Other incomes	2,3	1,9	2,2	2,2	2,9	1,1	2,5	5,9	2,6	1,5	1,3	0,5
Monetary income	100	100	100	100	100	100	100	100	100	100	100	100

Source: compiled by the authors according to the State Statistics Service of Ukraine.

ture of expenditures of urban households in Ukraine, food expenditures account for 48.2 %, non-food expenditures account for 24.8 %. In the structure of expenditures of rural households in Ukraine, food expenditures account for 53.3 %, and non-food expenditures account for 26.3 %. The rural population spends most of its wages on food. In addition, they spend some of their income on housing construction, maintenance of personal households, and so on while these expenditures are to typical for urban population. The average US household spends about 17 % of its income on food (taking into account that their consumer basket is bigger and of higher quality). These data confirm

the effect of Engel's law. The essence of the law is that the share of income spent on food is an important indicator of living standards. The smaller is the share, the higher the standard of living is. The share of expenditures on social and cultural needs is higher in the countries with a higher standard of living (Table 2).

Table 2 shows that the income of urban and rural households is mostly spent on consumption which results in their investment activity decrease. Purchase of shares, real estate, construction, overhaul, bank deposits are indicators that reflect the savings of households. In 2020, they made 4.2 % for the urban population and 5.6 % for the rural population.

2. The structure of total expenditures of households depending on the size of the average per capita equivalent cash income in 2020, %

	All households	Including those with average monthly per capita income monetary equivalent, UAH										
		under 3000,0	3000,1 – 4000,0	4000,1 – 5000,0	5000,1 – 6000,0	6000,1 – 7000,0	7000,1 – 8000,0	8000,1 – 9000,0	9000,1 – 10000,0	10000,1 – 11000,0	11000,1 – 12000,0	over 12000,0
Urban households												
Cumulative consumer expenditures:	92,3	97,5	96,1	94,7	94,9	92,4	88,9	89,9	87,8	91,3	91,2	85,5
Foods	48,2	59,0	55,0	53,4	50,2	48,9	46,2	43,5	46,2	45,4	41,2	31,4
Nonfoods	24,8	24,2	25,6	25,0	25,9	24,7	23,5	26,3	22,6	22,4	21,9	25,9
Services	19,3	14,3	15,5	16,3	18,8	18,8	19,2	20,1	19,0	23,5	28,1	28,2
Cumulative nonfood expenditures	7,7	2,5	3,9	5,3	5,1	7,6	11,1	10,1	12,2	8,7	8,8	14,5
Total cumulative expenditures	100	100	100	100	100	100	100	100	100	100	100	100
Rural households												
Cumulative consumer expenditures:	88,8	96,1	92,7	91,9	90,4	88,8	82,1	84,7	83,0	74,8	75,8	61,4
Foods	53,3	64,8	60,0	56,9	52,9	50,9	46,3	43,9	47,3	38,6	37,7	30,0
Nonfoods	26,3	24,8	24,5	26,6	27,2	28,1	25,9	28,9	24,9	26,0	25,3	21,6
Services	9,2	6,5	8,2	8,4	10,3	9,8	9,9	11,9	10,8	10,2	12,8	9,8
Cumulative nonfood expenditures	11,2	3,9	7,3	8,1	9,6	11,2	17,9	15,3	17,0	25,2	24,2	38,6
Total cumulative expenditures	100	100	100	100	100	100	100	100	100	100	100	100

Source: compiled by the authors according to the State Statistics Service of Ukraine.

The most complete idea of income distribution is given by the Pareto–Lorenz–Ginny methodology. The Italian economist Wilfredo Pareto (1848–1923) created the basis of the economic theory of welfare and based on the generalization of statistical data substantiated the distribution of income with further formulation of the “Pareto law”. This law defines the relationship between the amount of income and the number of recipients based on the distribution of people’s abilities, *i.e.* the level of income differentiation is inversely proportional to the general level of the economy. The scientist explained the emergence of social inequality, pointing out that the physical, moral and intellectual inequality of people is predetermined by economic and social irregularity (Pareto, 1999).

According to Pareto, the welfare of society is maximized when changes in income distribution do not impair the welfare of its population. In the countries with a higher level of economic development, the level of income differentiation is lower. V. Pareto sought sources of public welfare in the field of public finance, believing that through fiscal policy, the state should ensure the implementation of democratically defined ethical ideals. The American statistician and economist O. Lorenz (1876–1959) developed Pareto’s

law by proposing a graphical representation of the Lorenz curve (“arc”), referred to as “Lorenz curve” (Structural indicators), which gives a graphical representation of the actual distribution of income in society between different population groups. It shows the degree of deviation of the actual distribution of income between different groups of the population from the line of absolute equality in the distribution of income and characterizes the degree of irregularity of their distribution. To more clearly represent the essence of this method, the whole population of the country is divided into groups (quintiles) equal in number of people and different in income. Groups are ranked by income level. Each group has its share in the percentage of the total population and the percentage of the cumulative income, which is taken as 100 percent. The more the actual distribution curve deviates from the line of uniform distribution, the greater the degree of irregularity in income distribution and a higher level of income differentiation is (Chepinova, 2011).

The Lorenz curve is based on the statistics of urban and rural households in 2020. It shows the irregular distribution of income in rural and urban populations. In 2020 27 % of rural households received 14 % of cumulative income up to UAH 3000 per capita income, 13 % of

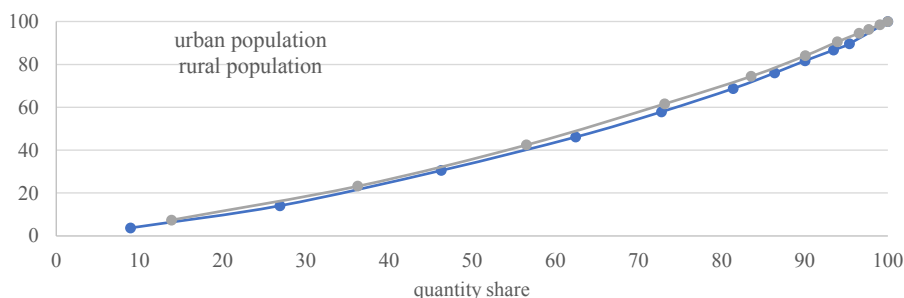


Fig. 1. Lorenz curve in the Ukrainian population income distribution in 2020

Source: compiled by State Statistics Service of Ukraine.

rural households received 17 % of cumulative income up to UAH 6000 per capita income and 4 % of rural households received 4 % of cumulative income of more than UAH 10000 per capita income. In the context of urban population in 2020, 13 % of urban households received 5 % of cumulative income up to UAH 3000 per capita income, 15 % of urban households received 15 % of cumulative income up to UAH 6000 per capita income and 13 % of urban households population received 23 % of cumulative income in terms of more than UAH 10000 per capita income. In a market economy, there can be no full equality, though the state social policy should be aimed at ensuring that the deviation of the Lorentz curve from the line of absolute equality is not excessive (Naumova, 2018).

The Lorentz curve is related to another indicator of income differentiation – the Gini coefficient, which makes it possible to determine the degree of the population polarization by income level and to quantify irregularities in the income distribution. It shows the degree of deviation of the actual quantitative distribution of the population income from the line of absolute equality. The value of the Gini coefficient ranges from zero to one. The higher the degree of the population polarization in the context of income, the closer Gini coefficient is to one. The formula for calculating the Gini coefficient is as follows:

$$\Sigma G = 1 - 2 \Sigma x_i \times \text{Sum}y_t + \Sigma x_i y_i \quad (1)$$

where: x_i – the share of households of the i -th group in the total number of households; y_i – the share of income concentrated in the i -th group of households; – the cumulative share of income.

In 2020, the values of the Gini coefficient ranged from 0.391 to 2.367 in the urban population groups per capita

equivalent cash income and from 0.506 to 1.601 in the rural population groups, which indicates an irregular distribution of income (Table 3).

During 2015–2020, the value of the Gini coefficient changed from 25.50 to 25.36, i.e. it decreased by 0.14 %. In 2020, Ukraine and Azerbaijan (22.45 %), Moldova (24.6 %), Belarus (24.75 %), Slovenia (24.84 %), the Czech Republic (25.43 %), and Slovakia (25.77 %) were among the leaders of the countries with the lowest income inequality (Gini Index, 2020). This is due to the fact that the governments of these countries are trying to maintain a high level of social protection and pursue a policy of income equalization (Naumova, 2018). In 2020, according to official statistics, the value of the Gini index in all households in Ukraine was 25.36 %. It is low compared to developed countries and indicates a low differentiation of incomes between the rich and poor. For example, the Gini coefficient in industrial countries, such as Denmark is 28.5 %, Switzerland – 32.25 %, Germany – 32.33 %, France – 32.55 %, Britain – 33.12 % (Gini Index, 2020). Against the background of Poland and Russia with their Gini indices of 30.19 % and 35.32 % respectively (Gini Index, 2020), Ukraine can be considered as a country with fairly high economic equality.

The largest income differentiation between rich and poor was observed in South Africa (62.73 %), Namibia (59.17 %), Zambia (58.09 %), Lesotho (54.43 %), Mozambique (53.87 %), Botswana (53.35 %), Brazil (52.44 %) (Gini Index, 2020). Irregularity has been widening recently, despite governments' efforts to redistribute income from rich to poor to mitigate the effects of pandemics. The IMF notes that the Gini coefficient has globally increased by almost 1.5 % (A pandemic, 2020).

3. Calculation of the Gini coefficient

Groups by average per capita equivalent cash income	Share of households in the group	Share in cash income	Calculation data				
			Differentiation index	Sum Xi	Sum Yi	XiYi	XiSumYi
	Xi	Yi					
Urban population							
under 3000,0	0.130	0.051	0.391	0.130	0.051	0.007	0.0
3000,1 – 4000,0	0.184	0.113	0.614	0.314	0.164	0.021	0.0
4000,1 – 5000,0	0.187	0.167	0.893	0.501	0.331	0.031	0.1
5000,1 – 6000,0	0.147	0.149	1.010	0.648	0.480	0.022	0.1
6000,1 – 7000,0	0.098	0.113	1.157	0.746	0.593	0.011	0.1
7000,1 – 8000,0	0.080	0.108	1.350	0.827	0.701	0.009	0.1
8000,1 – 9000,0	0.044	0.066	1.478	0.871	0.767	0.003	0.0
9000,1 – 10000,0	0.037	0.059	1.568	0.909	0.826	0.002	0.0
10000,1 – 11000,0	0.030	0.042	1.436	0.938	0.868	0.001	0.0
11000,1 – 12000,0	0.019	0.030	1.584	0.957	0.898	0.001	0.0
over 12000,0	0.043	0.102	2.367	1.000	1.000	0.004	0.0
	1.000	1.000	x	x	x	0.1116	0.4344
Rural population							
under 3000,0	0.272	0.137	0.506	0.272	0.137	0.037	0.0
3000,1 – 4000,0	0.225	0.180	0.801	0.496	0.317	0.040	0.1
4000,1 – 5000,0	0.187	0.198	1.057	0.683	0.515	0.037	0.1
5000,1 – 6000,0	0.126	0.170	1.343	0.810	0.684	0.021	0.1
6000,1 – 7000,0	0.076	0.120	1.574	0.886	0.804	0.009	0.1
7000,1 – 8000,0	0.045	0.079	1.758	0.931	0.883	0.004	0.0
8000,1 – 9000,0	0.031	0.049	1.585	0.962	0.932	0.002	0.0
9000,1 – 10000,0	0.012	0.023	1.919	0.974	0.955	0.000	0.0
10000,1 – 11000,0	0.016	0.027	1.738	0.989	0.982	0.000	0.0
11000,1 – 12000,0	0.006	0.009	1.688	0.995	0.992	0.000	0.0
over 12000,0	0.005	0.008	1.601	1.000	1.000	0.000	0.0
	1.000	1.000	x	x	x	0.1511	0.4585

Source: compiled by the authors according to the State Statistics Service of Ukraine.

The decile coefficient is another indicator of income differentiation. It shows how many times the minimum income of 10 % the richest population exceeds the maximum income of 10 % the poorest population. It is calculated as the ratio between the cumulative income of 10 % of the poorest population

and the cumulative income of 10 % of the poorest population. According to the statistics, income disparity in Ukraine in 2015–2019 made 5.44 times.

Other sources indicate that the difference in income between the 10 % the richest and 10 % the poorest Ukrainians, taking into account the shadow income, is almost

40 times larger (Time, 2013). Official statistics reveals a rather moderate degree of inequality that meets European standards, but in reality Ukrainian researchers, experts and the population are convinced that the population is very stratified. This is confirmed by poverty indicators and the stratification of the population – according to the data of various ratings of Ukraine among the world countries, the country does not hold first positions in the ratings. The underestimation of the income inequality indicator and its discrepancy with the actual level of the population inequality is predetermined by insufficient quality of sample surveys of households, inaccurate information on income level and high share of the shadow economy, which does not allow to objectively assessing households' income. The shadowing of the economy exists in the EU, but according to Professor F. Schneider, it remains at a safe level. According to the Ministry of Economy, the level of the shadow economy in 2020 increased to 30–40 % of the total gross domestic product (The level, 2021), i.e. it exceeds the safe level. According to other domestic and foreign estimates, the level of the shadow economy makes 40–60 % of Ukraine's economy (Rybchak, 2009). Thus, statistical information does not reflect the real level of population inequality that currently exists in Ukraine, as the data are subjective, relative, underestimated and do not reflect an improvement in the level and quality of life of the population.

Poverty is a form of social irregularity. The coronavirus pandemic has not only crippled the health of Ukrainians, but it also dealt a significant blow to their financial situation (Report, 2020). Therefore, a process of redistribution of cumulative income in favor of the wealthy population has been taking place in Ukraine, and the share of income of the poorest population is de-

clining. In the first half of 2020, compared to the same period in 2019, the poverty rate increased from 41 % to 51 %, which resulted in the loss of consumer opportunity (Report, 2020). According to the results of 2020, poverty rate made 45–50 % (Althoughda, 2021).

According to the National Academy of Science of Ukraine, about 19.4 million people lived below the poverty line in the first half of 2020 while in 2019 there were 4 million fewer of them (Althoughda, 2021). However, poverty in Ukraine is radically different from poverty in industrial and developing countries – a high level of poverty is the case among the working population, including the highly skilled one, and being employed does not guarantee the minimum prosperity. The problem of poverty on a national scale has taken extreme forms. In many respects, the modern socio-economic development of Ukraine does not meet the concept of basic needs in providing minimal benefits based on public demand (Althoughda, 2021).

Cash-in-hand wages payment, minimization of official income by entrepreneurs and households, corrupt incomes, imperfect tax system should be borne in mind while considering the issue. Reasons for income differentiation also include: distinctions in the abilities of the population, level of their education, professional skills, inequality in property ownership, uneven distribution of economic resources, distinctions in market position, different attitudes to risks, different relations, the number of family members and their age, disabled members in the family. However, the main reason for inequality is the lack of fair social policy, the inability of trade unions to protect the interests of workers and vulnerable groups (Farion, 2015), deteriorating living standards and quality, increasing emigration of skilled professionals, violation of social justice,

loss of motivation to work and reduce it along with businesses bankruptcy, military aggression by a neighboring state and the coronavirus pandemic.

Therefore, the problems of income inequality and poverty reduction cannot be currently solved without the state intervention. We need to combine economic development with the development of social trust, strong relations within society, mutual respect. It is due to social capital that European societies achieve their goals through the formation of a new model of behavior of economic entities, improving production efficiency and welfare (Duchynskiy, 2015). We should also keep in mind that it is trust, activity, mutual assistance, support for the democracy foundations that will help to decrease the level of corruption.

Conclusions and future perspectives of the study.

According to the State Statistics Service, Ukraine has a moderate differentiation in household incomes, and Ukraine is among the countries with the lowest income irregularity. According to Ukrainian researchers and experts, the population in Ukraine is very stratified due to the poor quality of household sample surveys, inaccurate information on the level of income and a high share of the shadow economy. Economically unjustified inequality of the population and its impoverishment is negatively perceived by the population and it is the main reason for the departure of the able-bodied citizens' population from Ukraine. And this can lead to social tensions and slow economic growth. We should keep in mind the very structure of the society. In the industrial countries the middle class is considered the basis of social life as it provides political stability and plays an important role in

economic growth. In Ukraine, the rich and the poor are distinguished, and the middle class does not correspond to the classical idea of it (Libanova, 2012).

In order to develop the economy of the country and increase the social welfare of the population, the proper level and quality of life of all sections of the population along with equal access to economic resources and services is to be ensured, and excessive differentiation of income is to be restrained. To achieve these, it is necessary to stop the war in the east of the country, to increase the tax burden for large businesses and the wealthiest sections of the population, to deprive the oligarchs of their influence on the government, to create conditions for the development of small and medium-sized businesses.

In addition, it is necessary to increase the level of wages and improve the wage system, to reduce unemployment and create new jobs, to increase the level of employment for the economically active population and the provision of social protection of non-competitive categories of the population, to reduce the level of corruption, to create equal opportunities for all sections of the population in education and health care.

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Анотація. Нині економіка нашої держави характеризується нестабільним становищем, зумовленим політичною й економічною ситуацією в країні, а також пандемією, які зумовили нерівність у розподілі доходів населення країни, що позначилося на споживанні та його обсязі.

У статті досліджується нерівність у розподілі доходів домогосподарств. Аналіз показав, що в Україні протягом останніх років прослідковуються позитивні зрушення в структурі сукупних доходів міських і сільських домогосподарств, а точніше наявне зростання питомої ваги оплати праці, трансфертних платежів у вигляді пільг і субсидій, доходів від підприємницької діяльності, а також зменшення питомої ваги натуральних доходів і пенсійних виплат. Проаналізовано їхню структуру за 2020 рік, розраховано частку оплати праці в формуванні доходів населення. Досліджено показники соціально-економічної нерівності (крива Лоренца, коефіцієнт Джіні, децильний коефіцієнт). У порівнянні з розвинутими країнами світу загальний рівень доходів українців лишається низьким, із переважанням витрат на споживання. Останнім часом прослідковується зменшення зареєстрованих доходів від найманої праці й тому більшість домогосподарств приховують свої статки, а це впливає на рівень життя та зменшення надходжень до державного бюджету.

Також було проаналізовано динаміку доходів і витрат домогосподарств. Досліджено, що переважна частка міських і сільських домогосподарств країни витрачає свої доходи на споживання, не маючи можливості здійснювати заощадження. Зазначено основні шляхи зменшення нерівності в розподілі доходів, а саме: припинення війни на сході країни; підвищення податкового навантаження для великого бізнесу та найбільш заможних верств населення; позбавлення олігархів впливу на владу, підвищення оплати праці; зростання рівня зайнятості; зменшення рівня корупції; розвиток малого та середнього бізнесу, створення рівних можливостей для всіх верств населення в сфері освіти й охорони здоров'я.

Ключові слова: дохід; диференціація доходів; нерівність доходів; витрати; крива Лоренца; коефіцієнт Джіні; децильний коефіцієнт; бідність населення