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CONCEPTUAL APPROACHES TO THE ANALYSIS OF THE LABOR MARKET

**Raising of problem.** The specific of transformations to Ukraine and world stipulates the objective necessity of development of successive policy of government control of labour-market. Besides there is an objective difference in forming and decision of problems his functioning in different countries, in that labour-markets and public policy of their adjusting differ substantially.

**Analysis of the last researches and publications**. Fundamental bases of analysis of essence and adjusting of labour-market are stopped up by the scientists of classic, neoclassical, Keynes, monetarist |, marxist and institutsionalnyh schools: J. Keynes, F. Kenn, T. Malthus, K. Marx, A. Marshal, A. Oken. of Patty, A. pigou, F. Riccardo, P. Samuelson,. Sismondi, Adam Smith, Solow, A. Phillips of M. Friedman and it is not.

In addition foreign (H. Damask, F. Michon, J. Ruber, G. Standing, F. Hayek) and home scientists (D. Goddess, A. Grishnova, V. I. Gerasimchuk E. M. Libanova, V. V. Onikienko and other) pay attentions to this question.

Without regard to the ponderable contribution of these researchers to the decision of this range of problems of the optimal decision not found until now and discussions last until now. Thus a theme requires the further working.

**Research aim.** An evaluation of effectiveness of conceptions of market of labour analysis is in modern realities.

**Exposition of basic material of research.** In western economic theories a labour-market is a market, where realized only one of many resources. It is here possible to distinguish a few basic conceptual going near the analysis of functioning of labour-market: classic, neoclassical, Keynes, монетаристський|, інституціоналістський| and marxist approaches.

To large депресії| *the classics* of А. Smith, D. Ricardo, J. Mill et al - considered that the market system is able to provide the complete use of resources in an economy, including labour. Id est, in their opinion, full employment is the norm of market economy, that is a characteristic automatically саморегулюватися|. The conclusion they grounded impossibility of insufficiency of the combined charges for the purchase of mass of the products got due to full employment. This impossibility they showed out of law of G. B. Sеya: the process of producing goods creates a profit that equals the cost of mine-out commodities. It actual for the ideally functioning model of economy.

The classics interpreted a law thus: the production of any volume of products creates profits necessary for the purchase of this products at the market automatically. In their understanding at insufficiency of the combined charges such levers of adjusting are automatically connected at once, as a price and salary (including rate of percent), as a result of what the general cost cutting does not result a real production, employment and real incomes cutback. The mechanism of this adjusting consists in indemnification of the combined cost cutting proportionally a price-cutting, id est for the less sum of charges it is possible to buy the same amount of products. In fact a price-cutting conduces separate businessmen to the decline of incomes.

In opinion of economists-classics, a barrier here will be a decline of rates of salary. Reduction of the combined demand at the commodity market will result in a decrease in demand on labour force and other resources, the remuneration of labour will begin to fall. Workers will be forced to agree to more subzero rates force-feed competition from the side of unemployed persons. It will assist the further decline of level of salary until her rates will not become such subzero, that will advantageously hire all present workers employers at the equilibrium rate of salary. Thus, everybody can easily find job after the rate of salary that is determined by a market. The classics drew conclusion Therefore, that in a market economy the forced unemployment is impossible, and that the state must pursue a let-alone policy in the processes of functioning of market of labour force.

Classic explanation of unemployment can be today named primitive: it goes out interdependence between the cost of labour and demand on labour. The decline of salary stimulates demand on labour, and and employment; the increase of salary increases suggestion of labour, but detains demand. А. Pigy, author of «Theory of unemployment» (in 1903), so interpreted the elemental adjusting of employment : employment, salary, prices, go down during depression. But the real salary, shown in the basket of commodities that can be bought, falls slower than prices, or even kept at former level. In the conditions of modern general price advance this idea sounds archaically, however we can approach her to today, if will remember, that prices grow unevenly, and sometimes really a nominal salary can rise a bit more noticeable than commodity price advance.

«Effect of Pigy» : if the real incomes do not go down or even grow slightly, then it means that consumer demand, without regard to depression, is kept. If there is demand for the purpose consumption, then it goes out, he is on capital goods. Will add to it relatively the subzero borrowed percent characteristic for the period of depression. We get a situation that determines passing to the revival and increase of employment. Otherwise speaking, according to А. Pigy, there is a fact of relative increase of the real salary as compared to investments. If a salary exaggerates the limits of »net product of labour«, id est deputizes and part of fee for a capital, then it causes a decline in a production and demand on labour force.

Postulates of classic political economy are the basis of to conception *of neoclassicisms.* Her А. adhere to Marshall, John. Per, P. Samuelson, M. Feldstein, Hall and other, and also supporters of conception of economy of suggestion (D. Gidler, А. Laffer and other). On their persuasion a basic market regulator is a cost of labour force (salary), that regulates demand and supply.

The theory of equilibrium eliminates unemployment, and presence last explained him by voluntarily character, and also aspiration of workers to maximally advantageous work.

The cost of labour force flexibly reacts on a situation at the market of labour, increasing or diminishing in exact accordance with the vibrations of demand and supply [11]. The difference of this postulate from the real life neoclassicisms explain influence of trade unions, imperfection of informative base of labour-market, action of minimum rates of salary and т|. п.|

Thus, at exceeding of demand above suggestion, workers offer the labour force after rates higher from market, for that employers must pay her. And when suggestion exceeds demand, employers hire workers after more subzero from a market rates salary. However, why do not all hired workers in case of exceeding of their suggestion above demand offer the labour force at more subzero price? On this question neoclassicisms were not able to give an answer. Also not explained vibrations of unemployment depending on the phase of economic cycle in a counterbalance to the thesis about her voluntarily character.

Other going Keyness and monetarists adhere to near explanation of functioning of labour-market. In conception *of Keyness* (Keynes, later Gordon and other) a labour-market is characterized by a permanent equilibrium. The Keynes model goes out that the cost of labour force (salary) is hardly fixed and does not change (especially aside reduction) practically. This element of model is not in any way, he undertakes as an absolute fact. A price is not the regulator of labour-market, and there must be an external regulator.

Keyness consider the state the basic regulator of labour-market. Reducing taxes, the state stimulates the increase of demand and consumption that results in the increase of production and employment. Thus, increasing or diminishing the combined demand for goods and on labour force, the state will liquidate an unequilibrium at the market of labour.

Thus, Keyness deny the mechanism of classic theory of employment - automatic control of rate of percent and correlation of prices and salary. According to their theory, unemployment for a «clean capitalism» is the appropriate phenomenon. To avoid him, the active policy of the state is needed.

The insufficient volume of effective demand stipulates the languor of investment process and, thus, impossibility of providing of employment that conduces unemployment to the increase. An exit is from this situation of Keynes saw in an increase to the role of the state in forming of the combined demand due to the increase of the government spending, first of all - on investment commodities.

As see, Keyness explain to unemployment the decreases in the combined demand, while neoclassicisms consider the only groundless rising in price of commodity reason of his origin «labour force». After this conception a labour-market does not regulate the process of purchase-sale of labour force directly, and only creates terms for satisfaction of demand and supply.

Keynes came forward as an opponent А. Pigу. An achievement of full employment is in of Keynes quite not assumes absolute employment of all capable of working population. The question is about employment of all persons interested to get work.

For Keynes, a level of employment is a function of effective demand that includes the expected charges on a consumption plus investments and determines economic behavior of businessman.

Equalization of demand on labour and his suggestions, according to the Keynes model, takes place at maintenance of surplus at the market of labour. Unlike classics, Keynes considered that resolution of labour reserve by the decline of salary limitedly by the scopes of effective demand.

The Keynes chart of dependence between inflation and unemployment was fixed in basis of policy of the «rapid reacting», that assumed that measures for stimulation of employment must come true due to a financing deficit, tax liberalization and т|. п.|, and overcoming of inflationary flights is not possible without reduction of employment. Й| nevertheless intercommunication of prices and unemployment became the heel of Achilles of the Keynes studies.

*Monetarists* criticized the Keynes model too. They declined interpretation of inflation as paying for employment. For Keyness businessmen and economic agents are oriented on money (nominal) profits, satisfied with today's position. But on the measure of increase of inflation in practice people all more often begin to correlate profits and prices, id est to take into account the change of the real incomes. And, at the proper foresight of price advance, the role of inflation as a factor of increase of employment is taken to the zero.

On the measure of disappearance for the economic agents of money illusions the effect of inflationary stimulation disappears. In such case the curve of Philips gradually acquires type of vertical line.

Creation of workplaces by means of inflation from the point of view of monetarists is the factor of brief influence. The effect of financing deficit in general fleeting. A government forces to the repeated inflationary shocks, more considerable «pumping of demand», at a result that relaxes. Monetarists consider similar practice senseless.

As well as the supporters of Keynes approach, representatives of монетаристського|, straight go out the hard pattern of prices on labour force and, moreover, from pre-condition of their onedirected підвищувального| motion. Monetarists (F. Machlup, L. Robbins and other) at the head with M. Friedman enter a concept «natural» unemployment rate. In their opinion, it removes structural descriptions of market labours that do prices on him inflexible such that prevent to his normal functioning, increase his unequilibrium and, it began to be, unemployment.

By the instrument of achievement of equilibrium at the market they counted the mechanism of monetary policy. With his help it maybe to stimulate investment and business activity that will give an opportunity to increase employment. They chose the rate of central bank and sizes of obligatory backlogs of commercial banks the basic levers of monetary policy on the accounts of central bank in the conditions of free competition at the market of labour with flexible prices. Monetarists denied the action of external levers and considered that the state and trade unions must not interfere in functioning of labour-market.

M. Friedman asserted that, if a government tries to support employment higher than her natural level by means of traditional budgetary and credit methods of increase of demand, then these measures will have a brief effect and will result only in a price advance.

Among the arguments of monetarists concerning imperfection of the Keynes policy the main was pull out unforeseeableness of results of state interference through large delays in the display of effect from these measures.

Monetarist the methods of adjusting of employment are radical enough. Monetarists accuse the workers of that the last restrain from work and get indemnification as a help. From here are recommendations to abolish this help, to compel people to work. Monetarists suggest to give up stimulation of the economy growing by the increase of demand. However, the policy of limitation of demand can cause the sharp worsening of standard of life of population that will affect social situation.

*Institucionalisty* (John. Dunlop, L. Ullmanand other) in the approach try to explain character of existent labour-market by the features of dynamics of separate industries, professional and demographic groups. Basic attention they spare to the analysis of professional and branch differences in the structure of labour force and corresponding to her levels of salary; they carry the sphere of analysis from a macroeconomic level [10].

Conception of «natural unemployment» is supported by practically all economists [5; 6]. Spores go only about that causes the increase of unemployment higher than natural level, is insufficiency of the combined demand or regulative policy of the state, that violates the natural mechanism of forming of employment and salary at the market of labour [9].

Thus, western economists acknowledge that unemployment is an inalienable attribute of the market system of economy, it unavoidable, and in the natural variant even useful to providing of necessary flexibility of labour-market.

*К. Marx* distinguished a market to labour as special, although he functions in accordance with general market conformities to law. From other markets him, first of all, a difference separates between a commodity «labour force» and by a physical capital. Yes, labour force in the process of labour creates a cost, at that time, as all other resources of production only carry the cost to the new cost [8, p. 178]. Except that, in opinion of marxists, the feature of labour force as a human factor of production consists in that she as a commodity influences on the state of affairs of market and on the level of the price. These features distinguish labour force from other resources, give to her key value in an economy.

Modern scientists express different opinions in relation to the brought conceptions over of functioning and adjusting of labour-market [3; 4]. Most widespread is an idea in relation to their erection in three groups and giving of one advantage of them:

 - non-interference of the state is in the process of adjusting (the classics and neoclassicisms);

- government control of labour-market is through influence on the volume of effective demand (Keyness);

- pointlessness of total state interference is with the sphere of macroeconomics (monetarists and інституціоналісти|)[1; 2; 7].

Conclusions. Almost each of the considered conceptions of labour-market has defects. None of approaches exposes the mechanism of functioning of market, they only represent him separate elements. International comparisons testify to considerable divergences in position of labour force at the market of labour. Meantime, in opinion of London school of economy, there are some universal copulas in the world, that it follows to bear in a mind at making of policy of management of labour a market. More complete picture of labour-market can be got, examining all conceptions in totality.

Thus, labour-market, to the підпорядковуючися| laws of demand and supply, after by the enormous amount of constituents shows by itself a specific market that has a row of substantial differences from other markets. As regulators on him come forward not only мікро| - and macroeconomic factors but also social and socialpsychological that not always have a direct influence on forming of cost of commodity «labour force».