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## ASSIGNMENT THEORY AS A THEORETICAL AND METHODOLOGICAL BASIS OF INSTITUTIONALISM

*The article is devoted to the development of theoretical and methodological basis of institutional trends in modern economics. Unlike attempts to solve this problem by thought definition the area of institutionalism its main definition is "institute" in the frame of behavioral concept. The article decision is justified he perspective of the common system relation which is an assignment featured form from ownership.*

*In this regard, the article suggests that the reverse side of the form assignment is a form of power and justifies the idea accounting to which the objective and necessary form of assignment in a modern society is directly social form of assignment which is concluded by each member of the society the productive force of society or another generic powers of man (this is a joint interest).*

*The modern society is characterized by the fact that the power carrier is the people, and therefore the representative power and all its branches are be defined so that in its activities and production ensures and institutional production it ensured authority carrier interest i.e. the people.. In a word the institutionalization of power relations means the organization and specification of powers subjects of competence under which the joint interest of the people and private interests, including the interests of power representatives would be solidarial. In solidarity system the common interest, i.e. the possibility of assignment birth force by each member of the society does not oppose private interest as the latest lies in the same. The common interest institutionalized accordingly, does not deny the private interest, but only limits the subordination by an individual or a group of individuals the other individuals and groups in the variety of social activities.*

**Keywords:** *Institute, institutionalization, assignment, assignment form, ownership, private ownership, power.*

Transform period in the economy is accompanied by a radical restructuring of the entire institutional structure of the society, but institutional changes are developed to progressive directions of the society only in case institutional reforms are carried out interconnecting with in relation to the society needs. The nature of institutional phenom-

ena is very complex and ambiguous, and therefore institutions as complex objects cannot be reduced simply to the rules and regulations, they define both the possibilities and limitations, rights and duties, roles and status. They are characterized by historicity, consistency, ability to transplant and mutations, both conservative and innovation.

The aim of the article is validate the forms of assignment as a theoretical and methodological basis of all modern economic theories including institutional trends in the economics.

Diversity, complexity and ambiguity of the institutions, as well as self-constrained definition of the role of institutions, institutional direction makes it difficult or even impossible to product common methodological framework of the institutionalism. A lot of works are devoted to the problem of the research of institutionalization by such scholars as T. Veblen [1], W.C. Mitchell [2], J. Commons [3], North [4], Jepersson R.L. [5], G. M. Hodgson [6], W. H. Hamilton [7] and others. Nevertheless it's known that institutionalism does not have common theoretical and methodological basis. The solution to this problem is seen from the point of classical economic theory, and especially the standpoint of its advanced and transformed version - Marxism. In other words, if you move away from self-constrained role of institutions in the society development and present them as the result of an objective-mediated social interaction between members of social production, defined the relations of production, i.e., material relations - independent from the will and awareness of the relationship, but rather determining this will and awareness, institutionalism gets a unified theoretical and methodological basis, as relations of production are the relationship of appropriation. This approach, putting the institutionalism on a strong unified theoretical and methodological basis, does not exclude the active role of institutions and therefore must meet the institutional area in need for a common methodological framework. At the same time, it should warn the institutionalism critics from simplified understanding of the production relations, and institutions, the result that she did not take into account

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the constructive criticism. In particular, O. Mamedov - one of the famous Russian economists criticizing institutionalism and quite fairly criticized, however, in our opinion, is not free from the simplified understanding of the production relations and institutions. A simplified understanding of the production relations and institutions based on the distinction between the concepts are not "relations of production" and "economics" in their identification.

The basis of the social relations totality for the production of social life are the relations of production (the subject of the study) as material relations, independent from the will and awareness being the product of the previous manufacturing process development, manifested as interests, but come from the being, as necessity, up to date, operated -being through practical aware-volitional activity of subjects of social production to change the political, legal, economic and legal relations, i.e. changes in certain segments of legal system, for example, the system of law in the economic sphere of the society, and in some cases the whole system of law, which leads to a gradual change in the system of informal relations and institutions in all spheres of life: economic, political, legal and socio-cultural.

Therefore Marxist political economy does not oppose the institutionalism, and it is a fundamental theoretical and methodological basis, as it defines the institutions not only as the rules of the game in the society or bounding boxes created by the man that organize human relations (political, economic and social), and reduce transaction costs, and as well as the institutions, through which the production relations, as economic structure of the society from being, as appropriate, enters a real-operated for-being, and that the possibilities of institutional development, including the perspective of the relationship between people and the reduction of the transaction costs, depends on how the institutions of the society, and above all the basic institutions that reflect the economic structure of the society (industrial relations) dictated by the level of the society productive forces development. It follows that, according to Karl Marx, industrial relations and economic relations are correlated as the essence of the phenomenon. Economic relations, as the phenomenon of industrial relations, in shot form contain explicitly of all other spheres of society. Moreover, taking into account the production relations, according to Marx there is a relationship of appropriation and, as such, they have a relationship of some form of appropriation, as a material relationship so an in-

tegral expression of the system of industrial relations, as their system-wide entity then, and do basic ( including ownership), and other institutions are understood as institutions historically specific form of appropriation, as a certain unity of the entire system of relations and institutions.

Methodological importance of the theoretical position of political economy is particularly high during the systemic transformation of the society, because only on the role and functions of the institutions in the whole can be understood in all their phenomena essential richness. Only with such positions of political economy can be approached in a systematic transformation of the concept of the institutional system of the society from the standpoint of the unity and integrity, a single expression of this unity is a form of appropriation, which we distinguish the form of property, the latter is a form of its movement, exercise. Oblivion or inadequate understanding of the provision implicitly contained in the works of Marx, and that he did not structure, the result of which was the inaccuracy of some of his theory, especially regarding the future of the society, leads to the fact that the different subject areas of economics, including institutionalism, the new political economy have no unique theoretical - methodological basis, compete with each other for the priority role and importance of an institution or group of institutions: economic, political, legal, socio-cultural, without having clearly based criteria for this. Therefore, Marxist political economy does not oppose the institutionalism, and shows its ontological basis, the functional role of the institutions in the system of social production, in terms of the transition of the industrial relations from being as necessity in the actual functioning of their phenomena here as economic relations, i.e. they're in real-being here, therefore, is a fundamental theoretical and methodological basis of the subject area of institutionalism in general and its subject areas.

The formation of an adequate system of industrial relations of the institutional environment, in essence, means creating the conditions and prerequisites, in which the market plunges and that only new institutional prerequisites can act as a carrier of the new social forms of appropriation as a system-wide ratio, which is the flip side of power relations, as a system relation. Therefore the most important institution of the society as a whole is the institution of government. On adequate institutionalization of power relations, in terms of their compliance with the material relations of social production depends institutionaliza-

tion adequacy of all other relationships in the society, to overcome the duality of morality, which is so often talked about in our society. Thus, institutionalists have a lot of work, and the first priority is to develop the concept of institutions reforming.

The content of forms of appropriation is multidimensional. Each aspect has its own function. Therefore, the institutionalization of assignment relations must be done so as to maximize the functionality of each aspect of the assignment. The first aspect of the assignment is expressed by the principle of distribution of the product produced. Hence the institutionalization of this aspect of the property is the institutionalization of distributive relations. The second aspect of the assignment is the aspect of belonging, which applies to the conditions of production and the proportion of the product that goes to the participants of social production. The institutionalization of this aspect means the establishment of the exclusive rights of the relevant subject of production, conservation and protection of this right. The third aspect of the property is structural aspects, meaning the splitting of the property rights and property rights exchange, which reflects the structure of production and exchange.

The roots of the mistakes of social systems reforming are, firstly, in not distinguishing between ownership and forms of appropriation, in the failure to understand that the social system is the ratio form of appropriation, not the ownership. Second, a lack of understanding of socio system distinction relation, which is a form of appropriation and forming system-relation, which is a form of power. On someone who is the carrier of power the appropriation form depends. In this context, we turn to the work of Professor Dementiev "The economy as a system of power" [8], in which we study the problem of power and there is the statement of prominent scientists about the role of government in social development: "The power - believes Toffler is an inevitable part of the manufacturing process, and it is the truth for all economic systems, capitalist, socialist, and in general of any kind" [9, p.53]. ... Rassell notes that the government is a fundamental concept in social science in the same sense in which the energy is a fundamental concept in physics [10, p.9]. ... According to Samuels for institutionalists the central economic problem is the organization and control of the economy, which is the result of its power structure [11, p.110]. According to Olson, "power and not only the power of the State has the ability to cause a forced submission and, therefore, en-

tails a mandatory authority and ability to coerce. Therefore, to explain the power means "not enough to understand the theory of voluntary exchange: we also need to understand the logic of force." [12, p.23]. We complement these statements of philosophers: "Every center of power ... - said Nietzsche - from itself constructs the rest of the world" (of course, to the best cash prerequisite-added) ... Values and their changes are due to an increase in the face of force establishing the value "[13]. According to Heidegger, "The value is thought to be a condition of self-assertion of will .... Here, and only here, "selfishness" cleans up the rule to be metaphysical understanding, which has no relation to the naive "solipsism" ... yet no common understanding of the necessary and grasped them. Our very presence is achieved through a shift of the human being as a whole and, therefore, based on the understanding of the needs of life as such and in its truth "[14, p.22-23]. Developing the above aforesaid thoughts of great scholars, we note that the truth of modern life - is the need of this being in the form of direct and public assignments, and the logic of power is accommodated to the logic assignment in the frames of value determinations of the subject.

The logic of power development is always subjected to the assignment, so the institutions of government must be created so that the agents of power holder acted on behalf the power carrier. The current stage of the society development characterized by the fact that the power carrier is the people, and therefore the legislature and all its branches are to be defined so that the legislative power by its activities and institutional production ensure interests of power holder, that is, people which is to assign each member of the community of productive forces of society or another generic powers of a man (this is a joint interest). In short, the institutionalization of power relations means the specification of power subjects of power, in which the joint interests of the people and private interests, including the interests of representative government would be joint and steady. In solidarity system, common interest, i.e. the possibility birth force assignment each member of the society, does not oppose of the private interest, as the latter lies in the same plane. Joint interest institutionalized accordingly, does not deny the private interest, but only limits the subordination to the individual or group of individuals other individuals and groups, i.e. it is an exclusion of domination and subjugation of a man by another man, and it concerns the relations in all spheres of social life: economic, political, legal and socio-cultural.

Formation a directly social form of assignment begins with the abolition of relations of domination and subordination between people through appropriate institutionalization.

The main, basic contradiction i.e. contradictions between the needs and capabilities, in terms of solidarity are manifested in the form of antagonistic contradictions between people concerning appropriation the productive forces of the society. Removal of alienation in this aspect is the premise of the conscious activity of the society to address the other forms of exclusion. In other words, the overcome of the alienation forms begins in reverse order to their appearance.

Regularity as a definite form of production is born in the womb of capitalism as a specific system of state regulation and national economy management. Originally logic of the planned development is subjected to the capitalist appropriation and resolves its contradictions through the introduction of regulations, guidelines and other institutional elements of regulation in various spheres of social production nationwide. As a result the capitalist market economy was slowly sinking into a state-regulated domestic and foreign institutional environment. In other words systematically shaped by the evolution in the frame of the emerging conceived the production planning, and thus led to the change in the social and economic structure, which could not but affect the evolution of the state, the evolution of requirements of the production, and, consequently, the institutional production, the further evolution of the external and internal environment of the market economy, which is increasingly becoming a social market economy. The capitalist nature of the assignment in this course of development gradually abolished positive (not negative, that is, preserving the capital assignment, but in a different institutional environment), in the sense that at the micro-level income remained the ultimate goal, but the immediate goal dictated by the internal and external institutional environment of market economy, the level of the productive forces development is to create conditions for the full development of the individual, as the human factor is the determining one in the success of competitive production, and thus achieve the ultimate production target at the enterprise level i.e. profits.

Along with this the priority to meet the needs in the community has changed including at the micro-level. The need for education, training, personal, intellectual development, the formation of abilities change professional activities have been put forward. All this together with other as-

pects of the institutionalization of the assignment is a gradual process of universal human development and, therefore, a prerequisite to the assignment of each productive force of the society, tribal forces which in fact are the process of forming a directly social form of appropriation.

Humanism from an abstract moral and ethical imperative gradually turns into a real life practice dictated as by the current institutional system, and not only formal but an informal as well and internal definition of human society (that is, under the influence of the achieved level of the productive forces and appropriate scientific institutional to system forms so called existentially-personal principle, which coincides with the regulatory values formulated by the community in the sense that does not opposed to the start values forming by the society and considers them as a condition of its realization). Because of this forming such an institutional system in which self-interest and common interest gradually identify themselves but do not replace each other. All the above described is the only legitimate expression of the western society and consequently the process is not adversarial and without certain abnormalities, but the society is open to solve these issues in organizational and institutional relationships and in their inner certainty within the possibilities dictated by the level of the productive forces development.

Modern political economy does not oppose the neoclassical synthesis from the market model as it regards exchange of goods at the present stage of the productive forces development as a necessary production relation, and the problems of the neoclassical synthesis stay objectively meaningful. Economics the core of which is the neoclassical synthesis is indifferent to a form of appropriation and in fact is an optimizer of economic entities behavior and the optimizer of effective decisions which is a very important practical significance. In other words, the core of economics has a different objective function in the system of economic sciences, different from the objective function of Marxist political economy as a science which is a reflection of the totality of relations for the production of the social life as the integrity and the laws of development integrity.

Another matter that economics in the current version has almost reached the top of its development and has locked on itself, gradually turning into a branch of mathematics, of less suitable in their mathematical applications, for practical use, but it is not an argument against economics. Economics continues to be demanded in practice because the market model is a form of com-

munication of businesses. Criticized static economics is not its fault, because the decisions made within the framework of certain events by human beings possessing a certain information and producing the missing information in process of practical cooperation within the frames and through certain developing institutions. Therefore economics as a textbook gradually includes the specific subject areas of institutionalism. Economics is not a science, but a collection of specific subject areas of economics, complementing each other. For this reason in economics as a set of different conjugated subject areas including Marxist political economy as a theory of social development as well as fundamental theoretical and methodological basis of the unity of the entire system of subject areas of economics before overcoming its theory of the absolute ownership assignment and deriving from this absolutization some provisions of its social development theory. This problem is, in our view, the key in formation the process of modern economics and opportunity for the development of new already emerging subject areas of economics including areas subject in the family of a new political economy some of which claim to be title as political economy. If we look more attentively these new subject areas are action-oriented trumped-up of Karl Marx, but authorized by the relative isolation and specification in a particular private teaching (theory), in the frames of political economy or in the conjugate to it already existing or emerging science.

Summarizing, we note firstly that not one substantive area of economic theory, in a strictly scientific sense, cannot claim the name of political economy rather than the Karl Marx social development theory as a dynamic one explicated in time and space. There are other particular theories of certain aspects of the society that are becoming more comprehensive, systemic and from practical point of view are more useful if they are developed in the context of the whole expression of the social development theory. Secondly the mentioned key objective of modern political economy formation is put in its most general form and its solution requires in our opinion the scientific community efforts.

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