

INFLATION AND DEVALUATION INFLUENCE ON PRICING IMBALANCES IN CROP PRODUCTION IN UKRAINE AND AREAS OF THEIR OVERCOMING

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The article deals with the exploration of price disparities and changes in crop production cost-based mechanism under the influence of inflation and devaluation processes in Ukraine at different periods of their activity, determines socio-economic impact of such disparities, proposes a methodical approach to determining the development of a spiral "prices – cost – prices" in consumer chains, suggests measures to overcome these disparities.

Two periods of a significant activity of inflation in the history of independent Ukraine's economic development were: 1991–1998 and 2014–2015 years. The author concludes that the inflationary effects in the early 90s of the XX century repeated the global trend and were much deepened by internal processes in Ukraine. There was a violation of integrated cross-sectoral economic relations in agriculture that existed in the Soviet Union and the implementation of price liberalization shock without a transition period.

The peculiarity of inflation in Ukraine in the second period of the 2014–2015 years was strengthening of the devaluation of the currency. The author studied the effects from inflation-devaluation processes in the food chain. Price discrepancies are found both in terms of creeping inflation and a significant period of inflation, exacerbated by the devaluation of the currency. There is argued that the share of retail trade by an excessive demand forms an excessive margin.

Sales in retail trade occur daily and this section instantly responds to high demand and increases retail prices, while agricultural producers are deprived of such opportunities.

There is researched an effect of cost inflation and its impact on overall inflation in the country. The author observes synchrony in fluctuations in consumer prices and energy both at global and national level.

The author proposes a methodical approach by comparing the growth rate of costs and consumer prices in Ukraine, the estimation of inflationary spiral "prices – cost – prices". It is made on products typically for the domestic food market and related to the global market: corn, wheat, sugar beet, potatoes.

There is proved that levelling from of-devaluation processes is possible only in the conditions of complex scientific and practical approaches. One of the most important measures is an objective assessment of the level of profitability in terms of inflation and especially when compounded by the devaluation of the currency. The author proves that incorrect calculation of high efficiency leads to biased decision and threatening for agriculture governmental decisions, as was the case in 2015

The author proposes to address economic and organizational inconsistencies in the relationship in the food chains in terms of inflation-devaluation processes by organizing work of interbranch commission on prices, costs and revenues in food chains.