

JEL Classification: D71

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INSTITUTE OF PUBLIC-PRIVATE PARTNERSHIP IN THE CONTEXT OF THE POSSIBLE DIRECTIONS OF THE SOCIAL CAPITAL FORMATION

Introduction. The article is devoted to the study of the institute of public-private partnership (PPP) and possible directions of the social capital formation. The paper analyzes the modern practice of realization of public-private partnership projects. Such projects include the presence of trust between central or local authorities and the private sector.

The objective of the article is to substantiate the directions of the social capital formation in the process of implementation of the institution of public-private partnership.

Results. The analysis of the institute of public-private partnership as an opportunity to mobilize previously unused private sector resources at the local and regional levels was carried out. Studies have shown that with the transition to an innovative way of development, public-private partnership becomes an effective institutional form of attracting private capital for solving problems in the field of scientific research, construction of infrastructure

facilities, energy, and social sphere. In our opinion, it is not a new institution, in one form or another, it accompanies all historical periods of state development, but at the present stage it becomes of special significance. The conducted researches suggest that the successful implementation of projects through PPP largely depends on such a universal cultural characteristic as the confidence level of a given society. It was revealed that the lack of trust is one of the most significant causes of social tension, the erosion of social networks and the reduction of social capital.

Proposals have been developed that suggest that the state is the most active in partnership for the implementation of the social function, since it is less interested in preserving the exclusivity of sovereign powers in this area.

Thus, social capital not only provides a stable flow of public capital, but also sets the social vector of its development through the institution of public-private partnership.

Keywords: *institute, public-private partnership; social capital, state, contract.*

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