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CREDIT FROM THE PERSPECTIVE OF EXISTING APPROACHES IN ECONOMICS

Considered and analysed approaches to the definition of “credit” given in domestic and foreign scientific literature. At a theoretical level, it is proved that the research of a question of the credit impact on the economic development in order to ensure the process of social reproduction through a combination of a cycle of financial and credit resources is important. The results of the research are the basis for solving practical problems of a proper scientific approach to understanding this concept at the modern stage.

Credit in the modern business environment is characterized by certain specific features, plays an important role in the economy of the country. The concept of credit is specific and peculiar for all spheres of human activity, primarily – economic one. In Ukraine, an integral part of the economic system is just a loan. In our opinion, the credit relationship between creditor and borrower in practice are necessary to be built and carried out based on ensuring the unity of legal interest of such relations, and only their commonality is a prerequisite for the effective development and operation in practical implementation.

The conducted research of credit relations shows that credit growth leads to significant changes in the organization and functioning of entities. In terms of economic theory, any economically unjustified state interference in market mechanisms’ work, providing certain preferences for one market participants and creation of artificial limits for others distort the effect of market laws and make the economy less efficient. Under current economic conditions, the establishment of credit relationships of banks with borrowers is possible only if the theoretical justification of the nature of the loan and its role in the reproduction process.

The issue about the nature of the loan becomes now more and more important. Given this, one of the key tasks in the course of reforming the national economy is a profound theoretical analysis of scientific approaches to the credit definition. The research of the essence of the concept of “credit” is made on the basis of a comprehensive analysis of scientific sources and in-depth theoretical understanding of the subject by the author.