

RESOURCE CURSE: THE ROLE OF WEAK INSTITUTIONS AND CRONY-SECTORS

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Annotation. *The article analyzes the effect of «resource curse» in view of the inherent characteristics of resource-dependent countries: insufficient development of institutions, domination of informal rules and procedures in making managerial decisions, falling quality of life for the overwhelming majority of population, state usurpation in the interests of the ruling elites. The hypothesis of a direct relationship between the mineral export and the development of crony-sectors and the power distance is tested. Also another hypothesis of an indirect relationship between the mineral export and the political stability is tested. Based on the analysis of combination of the political regime, mineral exports and democracy index, the rentier countries were grouped into four groups. Conclusions about Ukraine's compliance with the level of the analyzed indicators for the group of democracies with weak institutions have been made.*

Key words: *resource curse, oligarchic economy, quality of institutions, governance, power distance, policy, resource wealth, commodity export, political regime.*

The full text of this article is accessible in Ukrainian.