

CONSTITUTIONAL FOUNDATIONS OF THE ECONOMIC SYSTEM: TRANSFORMATION OF LEGAL REGULATION

Dmytro Byelov¹, Dmytro Petsa², Oleksandr Pifko³

Abstract. The article under scrutiny is an in-depth analysis of the constitutional underpinnings of the nation's economic structure, with a particular focus on the interplay between constitutional democracy and the market economy. The subject of the present study is the constituent function of the constitution in relation to the economic system, the mechanisms of constitutional regulation of economic relations, the mutual influence of economic doctrines and constitutional norms, as well as the processes of transformation of the constitution without formal changes to its text. This text focuses on the constitutional and legal mechanisms for ensuring the stability of the economic system under martial law. It also explores the prospects for constitutional reform in the context of post-war reconstruction in Ukraine. The work is founded upon a doctrinal analysis, synthesising a theoretical and legal approach with the study of constitutional practice. The method of system analysis is utilised to unveil the dialectical relationship between constitutional and democratic mechanisms and economic indicators (GDP, inflation, unemployment, economic growth rates). The historical and legal method was applied to study the evolution of the constitutional regulation of economic relations, from the liberal "night-watchman state" model to the concept of the state actively participating in economic processes. The comparative legal method facilitated the analysis of the experience of other countries in constitutionally regulating the economy within different legal systems. The influence of dominant economic doctrines (ranging from conservative to neoliberal) on the content of constitutional regulation, as well as the practice of applying mobilisation economic strategies in emergency conditions, was studied separately. The purpose of the article is threefold: firstly, to clarify the nature and mechanisms of constitutional regulation of economic relations; secondly, to identify the patterns of transformation of constitutional norms in the sphere of economics; and thirdly, to determine strategic directions for improving the constitutional and legal foundations of the economic system of Ukraine in the context of military challenges and future post-war recovery. The objective of the present study is to develop a conceptual framework for creating an effective legal mechanism for the economic revival of the state. This will be achieved by finding the optimal balance between state regulation of the economy and constitutional guarantees of economic freedoms. The study concluded that the transformation of the constitution is a complex, multidimensional process that is implemented in two main ways: firstly, through official changes to the normative text of the Basic Law and secondly, through informal "transformation" of the constitution. The latter can be defined as evolutionary changes in the interpretation and practical application of constitutional norms without textual modifications. It has been demonstrated that the constitutional provision of the stability of the economic system is a vitally critical factor for preserving the constitutional order and national security, especially in extreme conditions of armed aggression and post-war reconstruction. The objective factors that have led to the transformation of constitutions in post-socialist countries have been identified. These factors include the systemic reconstruction of social relations, the establishment of an effective mechanism of public power, the search for a balance between the interests of the individual, society and the state, and the reforming of the economic system. The central task of transforming constitutional norms in the sphere of economic relations is to create a comprehensive legal mechanism for the economic revival of the state, which provides for: establishing an optimal balance between state regulation of the economy and freedom of entrepreneurial activity; constitutional guarantees of the country's investment attractiveness and economic security; the formation of constitutional

¹ Uzhhorod National University, Ukraine (*corresponding author*)

E-mail: dmitriy.belov@uzhnu.edu.ua

ORCID: <https://orcid.org/0000-0002-7168-9488>

² Uzhhorod National University, Ukraine

E-mail: ddpetsa@ukr.net

ORCID: <https://orcid.org/0000-0002-5812-7907>

³ Uzhhorod National University, Ukraine

E-mail: oleksandr.pifko@uzhnu.edu.ua

ORCID: <https://orcid.org/0000-0002-9180-2564>



and legal foundations for the development of critical infrastructure and economic modernisation; the creation of legal guarantees for the social protection of vulnerable groups, especially those affected by the war. The study offers politicians, scientists and European institutions practical recommendations on how to harmonise economic management with constitutional principles.

Keywords: constitutionalism, constitutional economy, economic system, constitutional democracy, market economy, economic doctrines, transformation of the constitution, legal regime of martial law, post-war recovery, economic security, constitutional reform, constituent function of the constitution.

JEL Classification: K10, H11, P51, H56, E60

1. Introduction

The Constitution, as the foundational law of the state, fulfils a pivotal role in the consolidation of political and legal institutions, in addition to establishing the fundamental principles of the economic system of society. The issue of constitutional regulation of economic relations assumes particular pertinence in the context of profound transformation processes, which Ukraine is currently undergoing, primarily as a consequence of the large-scale armed aggression perpetrated by the Russian Federation. It is constitutional norms that determine the limits of state intervention in the economy, guarantee property rights, freedom of enterprise and establish mechanisms for ensuring the economic security of the state.

The relationship between constitutional democracy and a market economy is not mechanical or unambiguous; rather, it is characterised by a complex dialectic, where economic indicators affect the stability of constitutional institutions, and constitutional principles, in turn, determine the framework of economic policy. As demonstrated by the experience of developed democracies, economic crises have the potential to engender political instability, the resignation of governments, and even constitutional changes, thereby emphasising the profound interdependence between the legal and economic spheres.

The historical evolution of constitutional regulation of the economy demonstrates a gradual transition from the liberal concept of the "night watchman state", which prevailed until the beginning of the 20th century, to a model of active state participation in economic processes. This transition occurred due to deep economic crises, which prompted a rethink of the role of the state. This led to the inclusion of constitutional provisions that restrict property rights and establish the social functions of the state. At the same time, during emergencies such as wars, pandemics or deep crises, the implementation of established economic doctrines is often suspended in favour of mobilisation strategies involving increased state intervention.

This article aims to provide a comprehensive examination of the constitutional foundations of the economic system, focusing on three interrelated aspects:

the theoretical and legal dimensions of constitutional economic regulation, the challenges and mechanisms for maintaining constitutional economic stability under martial law, and the potential for transforming constitutional economic regulation in the context of Ukraine's post-war reconstruction and reform. The study is based on an analysis of the scientific work of leading domestic constitutionalists and economists, as well as an examination of the constitutional practices of various states.

The research methodology is based on doctrinal analysis, combining a theoretical and legal approach with the study of constitutional practice. Methods of systems analysis are employed to reveal the relationships between constitutional norms and economic processes; the comparative law method is used to analyse foreign experience; and the historical and legal method is employed to study the evolution of constitutional regulation of economic relations.

The article demonstrates that constitutional regulation of the economy functions as both a legal principle and a practical tool. By combining theoretical analysis with the study of constitutional practice, it shows how a balance can be struck between the need for state economic regulation and constitutional economic freedom guarantees, even in sensitive areas such as martial law and post-war state reconstruction.

2. Constitutional and Legal Regulation of the Economic System: Theoretical and Legal Dimension

The establishment of constitutionalism as both a comprehensive political and legal phenomenon, and an autonomous theoretical construct, is inextricably associated with the process of constitution formation, legal consolidation, and practical functioning in its modern, classical sense. It is imperative to underscore that, despite the inherent interconnectedness between constitutionalism and the fundamental law of the state, their relationship does not adhere to a mechanistic or automatic framework. In other words, even the formal existence of a constitutional text as a legal document does not in itself create sufficient preconditions for the automatic formation of an

effective model of constitutionalism in the country. At the same time, it is fundamentally important that the existence of a constitution as such – considering this concept in its broad, substantive meaning – is a necessary prerequisite and starting point for the possibility of not only theoretical discussion but also practical implementation of the ideas of constitutionalism in a particular society.

V. Shapoval's definition of the fundamental, deep essence of constitutionalism is both conceptually accurate and apt. It is presented through the dialectical interaction and organic combination of two key, interrelated elements: first, the system of constitutional and legal norms as a formal and legal basis, and second, the real practice of their consistent implementation, application and embodiment in the social and legal life of the state. The unification of the normative and practical dimensions, their interdependence and complementarity, is essential for the establishment of authentic, effective constitutionalism that transcends the conventional formal and legal approach, thereby acquiring genuine social substance (Shapoval, 1997).

The employment of such terms as "ancient", "medieval", "totalitarian" or "Soviet constitutionalism" in scientific works, including monographic studies, is therefore questionable, given that in the aforementioned historical periods the constitution in its modern sense had not yet emerged as a legal phenomenon. Concomitantly, the scientist emphasised the significance of highlighting that it was during these historical eras that the fundamental principles were formed and developed, which subsequently served as the basis for the emergence of constitutionalism in its modern form (Stetsiuk, 2004).

The Constitution can be regarded as the foundational architectural structure upon which the legislative system of the state is largely based (Onishchenko, 2005). The Constitution, as the foundational legal text of a nation, delineates the framework and particulars of its prevailing legislative framework. It governs the legislative process, delineating the authorities of diverse entities to promulgate regulatory instruments, their relative ranking, designation, and legal efficacy. Additionally, it establishes the procedural dimensions of legislative operations. Concurrently, the legal framework delineated by the Constitution stipulates potential avenues for the evolution of the legislative system, while ensuring its integrity and consistency across all components. In this sense, some authors compare constitutional norms with "empty vessels", emphasising their open nature and the need for meaningful interpretation for practical application (Shevchuk, 2002).

As a rule, the adoption and entry into force of a new constitution initiates a large-scale process of radical renewal, systemic transformation and comprehensive

reform of the state's entire body of current legislation. This is because the constitution establishes new legal standards, principles and requirements that the entire national legal system must comply with as the fundamental law. A similar pattern became fully manifest in Ukrainian realities after the adoption of the Constitution of Ukraine in 1996, when a long and complex process of bringing sectoral legislation into line with new constitutional provisions began. Despite the considerable efforts of the legislator during the almost three decades of the Fundamental Law, the existing system of legislation in a number of countries has not yet achieved full, comprehensive compliance with the legal framework, standards and requirements established by the Constitution. This inconsistency is evident in the maintenance of certain obsolete regulatory acts that are incongruent with constitutional principles, as well as in the incomplete legislative regulation of specific domains of social relations that necessitate constitutional concretisation. Such circumstances give rise to specific legal conflicts, impede law enforcement practice, and hinder the development of a constitutional state in which all components of the legal system function in concord with the provisions of the Basic Law (Opryshko, 2000).

As stated in the substantiated statement, fundamental constitutional values are characterised by a dual nature. This is to say that they possess not only a socio-legal and ideological aspect, but also a material, economic dimension which is realised and manifested directly through the functioning of the market economy. The dual nature of constitutional values highlights the inextricable relationship between the legal and economic spheres of society.

Thus, researchers are faced with the complex methodological question of how to objectively and quantitatively assess and measure the effectiveness of constitutional democracy in a market economy. V. Campo's proposed solution is a comprehensive interdisciplinary approach involving a systematic analysis of a number of interrelated indicators and metrics. In particular, the following require detailed analysis: the results of national elections at different levels and their legitimacy; the frequency and reasons for government resignations; the circumstances surrounding the early dissolution of parliament; all-Ukrainian and local referendums; and the decisions of the supreme and constitutional courts, particularly those concerning the constitutionality of legislative acts. Other institutional mechanisms and instruments of constitutional democracy also require analysis. At the same time, it is crucial to consider all these political and legal indicators alongside key macroeconomic indicators, particularly gross domestic product (GDP), economic growth rates, inflation and unemployment (Campo), as they are closely related and correlated.

The above-cited researcher emphasises the need to consider the two-way influence of the interaction between constitutional and democratic mechanisms and economic processes. In other words, political decisions do not only affect the economy; economic indicators can also have a direct and often decisive impact on the functioning of these constitutional mechanisms and democratic institutions. A paradigmatic illustration of such a reverse influence can be observed in circumstances where a protracted economic recession, escalating unemployment, a decline in real incomes, and a deterioration in the general standard of living of citizens engender the prerequisites for political instability. This, in turn, can give rise to a loss of confidence in the government, its forced resignation, or even to the early dissolution of parliament. Consequently, the economic crisis metamorphoses into a political crisis, thereby underscoring the profound interdependence between constitutional democracy and the market economy, as well as between legal stability and the economic well-being of society (Campo).

The primary function of the constituent function of the constitution is to provide the primary legal consolidation of key socio-economic and political institutions of society. Concurrently, constituent norms dictate the configuration of the state apparatus, facilitate the implementation of democratic institutions and political and administrative structures, and delineate the system and powers of state bodies. The fundamental purpose of the constitution is revealed through its capacity to establish and direct the evolution of the nation's fundamental institutions, as well as those of society itself. The Basic Law constitutes the most significant constituent legal norms that serve as the basis for further legal regulation. The scientist posits that it is imperative to accentuate the fact that the constituent nature is intrinsic not only to individual constitutional norms, but also to the constitution in its totality. It is a foundational document that establishes the principles governing the state's and society's functioning, the formation of legislation, and the activities of the country's political and corporate institutions (Pustovalova, 2022).

It is imperative to acknowledge the inherent interconnection between constitutional democracy and a market economy in Ukraine, a connection that warrants meticulous examination and consideration. Failure to do so will result in socio-economic losses for society as a whole, and political figures may find themselves subject to popular distrust or political oblivion. It is evident that high-ranking officials who transgress the tenets of constitutional democracy and a market economy must assume both political and legal responsibility (Campo). It is evident that the notion of a constitution cannot be comprehensively elucidated without addressing the implications of its

legal and economic dimensions. It is important to note that the modern economic system is a complex, multi-level structure consisting of interconnected and interacting elements. These include economic and social institutions of various types and purposes, clearly defined or implicit goals, and strategic development guidelines. There are also various horizontal and vertical relationships between economic entities, numerous business structures ranging from small businesses to transnational corporations, and a wide range of formal and informal mechanisms of regulation and coordination based on legislation, institutions, customs, traditions and oral agreements. Concomitantly, these elements are inextricably linked to the human, anthropological factor, given that humans function as both the creator and participant of economic processes, as well as the beneficiary of these processes. Simultaneously, it is imperative to underscore the dialectical interplay between humanity and the economic sphere. On the one hand, the complete realisation of the individual, personal growth, and self-actualisation are inherently contingent upon active engagement in diverse economic processes within society, encompassing production, distribution, exchange, and consumption of both material and intangible commodities. Conversely, the specific cultural characteristics of a people, such as their deeply held values and value orientations, historically formed traditions and customs, established social ties and networks of interaction, and mental attitudes and behavioural patterns, directly and significantly determine the specific structure and architecture of their economic system, its strategic goals and development priorities, and the specific methods, tools and mechanisms used to achieve their economic objectives (Bielov, Hromovchuk, 2019).

It is imperative to acknowledge that this interaction is characterised by reciprocity and two-way directionality. The intensive economic activity of individuals, coupled with their perpetual engagement in economic processes, invariably gives rise to and exacerbates their multifaceted reliance on extant economic institutions, operational market mechanisms and the dynamics of macroeconomic indicators. Moreover, the established cultural patterns, value systems, and behavioural models within society are not fixed or static. They are continually transformed, modified, and reshaped under the powerful influence of socio-economic change and modernisation processes, as well as by the goals and aspirations – both material (such as income growth, increased consumption, and wealth accumulation) and intangible or spiritual (such as attaining social status, achieving professional self-realisation, and ensuring quality of life) – that are actively promoted, propagated, and institutionalised by the dominant economic system through various channels of socialisation, education, the media, and culture. Consequently, the economy and culture are in a state of constant interaction and

mutual influence, forming a unique socio-economic reality of each society (Pustovalova, 2022).

In recent decades, the study of the influence of constitutional norms on the economic development of society and the state has attracted considerable attention from scholars in both law and economics. Notwithstanding the fragmentation of research on the constitutional and legal regulation of economic relations, the field of legal science has developed significant theoretical provisions and conclusions. Nevertheless, the issue of the extent and nature of economic relations that necessitate constitutional consolidation remains a contentious subject among legal scholars and specialists in the legislative sphere (Loshchykhin, 2018). Notwithstanding the variances in scientific approaches to this issue, it is noteworthy that the legal provisions of constitutions demonstrate extensive opportunities for legal regulation of economic relations, thereby establishing a legal foundation for economic activity and ensuring economic stability (Pustovalova, 2022).

It is evident that the examination of the factors contributing to the heightened focus on economic functions within contemporary constitutions constitutes a significant scientific imperative. The late 19th and early 20th centuries represent a historically significant era, characterised by a substantial transformation in the role of the state in the regulation of the economy. Prior to this period, the notion of the "night watchman state" held sway, founded upon the tenets of absolute liberalism. However, economic crises prompted a rethink of the role of the state in the economic sphere. As a result, a new model of constitutional regulation of economic relations emerged, in which the state acts as an active participant, not just as an arbitrator, but also as a guarantor of social protection. This transformation is reflected in modern constitutions through the introduction of special norms that impose restrictions on the right to property, which is a fundamental principle of economic relations. This approach demonstrates a desire to balance private economic interests with public needs (Babenko).

The relevance of constitutional regulation of economic issues has become particularly acute due to the new economic and security challenges that have arisen as a result of the large-scale military invasion of Ukraine by the Russian Federation in February 2022. This is primarily the case for Ukraine, but also for Europe and the rest of the world. The issues of comprehensive post-war reconstruction and development of the Ukrainian state require urgent consideration (Bedrii, 2023). O. Batanov rightly emphasises the need for the country to undergo comprehensive institutional and functional restoration, including the reconstruction of various infrastructure facilities such as transport networks, medical and

social institutions, municipal enterprises, production facilities, housing, the energy sector, communication systems, and the military-industrial complex. The top priorities are also the modernisation of the economy, fighting unemployment, providing social protection for vulnerable members of society, particularly those affected by the war, and preserving cultural heritage (Batanov, 2023). Additionally, developing strategic reforms for the war and post-war periods is paramount: particular focus should be given to reinforcing constitutional mechanisms to regulate the economic revival of the state, necessitating a thorough examination and implementation of pertinent constitutional initiatives (Bedrii, 2023).

The supremacy of the constitution necessitates comprehensive provision through a system of institutional and procedural guarantees. When considered collectively, these guarantees reveal the essence of the basic law. Moreover, these guarantees establish qualitative standards for the legislative framework, administrative practice and judicial proceedings. Simultaneously, the character of the constitution and the constitutional order is defined by the interplay of static and dynamic components of constitutional matter. The social environment exerts a substantial influence on the establishment of the constitutional essence, as authentic constitutional legal relations are constituted under the influence of the attributes of a specific society and civilizational context. Furthermore, the nature of the constitution is determined by the prevailing legal tradition, which is based on the paradigm of constitutionalism. This encompasses constitutional consciousness, culture, the national characteristics of governance, and the system of social values. The diversity of approaches to determining the nature of the constitution is attributable to the specifics of the combination of these elements in the process of constitutional creation and the development of the constitutional order (Savchyn, 2009).

The constitution's content is revealed through several key aspects. Firstly, it reflects the consensus in society on fundamental values that require legal protection. Secondly, it determines the mechanisms for implementing democratic procedures and forms of public control over the activities of public authorities. Thirdly, it ensures the legitimacy of the exercise of power. Fourthly, it establishes the permissible limits of state intervention in an individual's private sphere. Finally, it establishes the legal principles of the state's international co-operation. Thus, the constitution represents a specific form of social organisation based on establishing the legitimate boundaries of power in order to promote the public good by balancing public and private interests (Bielov, 2012).

Therefore, it is accurate to say that, in the context of an armed conflict with Russia, there is an extremely

urgent need for constitutional and legal mechanisms to ensure the stability of states' constitutional orders. The scope and substance of constitutional and legal regulation depend significantly on the state of the economic and financial systems, as well as the level of the state's financial and economic potential. In the context of the future post-war recovery of the country, the relationship between state institutions, the legal system, the economy and the financial sector is of particular importance (Bedrii, 2023).

3. Constitutional Economics under Martial Law: Challenges and Mechanisms for Ensuring Sustainability

Researchers pay particular attention to the fundamentally important observation that the processes and substance of constitutional regulation are significantly – and in some cases decisively – influenced by the economic doctrines and theoretical concepts dominant in a given historical period. These doctrines and concepts – whether consciously or unconsciously, explicitly or implicitly – shape the basic methodological approaches, strategic priorities, and practical instruments used to address key social issues related to the organization of economic life, the role of the state in the economy, and the balance between private and public interests (Bielov, Sidorenko, 2019).

Well known and well documented in economic history is the consistent evolutionary change in leading economic concepts in public administration in developed countries: from classical conservative approaches that emphasised traditional values and the limited role of the state, to liberal doctrines with their emphasis on the free market and minimal state intervention; then to neoliberal concepts that reinforced demands for deregulation, privatisation and globalisation; and later to neoconservative approaches that attempted to combine economic liberalism with social conservatism. This is why, in extraordinary and emergency conditions affecting states and national economies, such as world wars, deep economic crises, pandemics, or other threats to national security, the implementation and application of these established doctrinal concepts is temporarily, but radically, suspended or significantly adjusted. This is done to allow for the immediate implementation of fundamentally different mobilisation economic strategies characterised by increased state intervention, centralisation of decision-making, and concentration of resources on priority areas. Concurrently, it is imperative to emphasise that following the effective implementation of their anti-crisis functions, the attainment of specific strategic objectives, and the restoration of socio-economic stability, these extraordinary mobilisation strategies, characterised by stringent state intervention, were meticulously dismantled and phased out over time.

This, in turn, created the prerequisites for states and their national economies to return to organic, natural and evolutionary development. It also led to the restoration of market mechanisms of self-regulation and the transformation of doctrinal approaches in line with new social challenges, technological opportunities and global economic trends (Bielov, Hromovchuk, 2019).

It is the contention of the present study that the experience of Western European countries and the USA in the period following World War II constitutes an illustrative example of such cyclicity. The war economy, with its centralised planning, rationing and total control, gradually transformed into a mixed market economy with elements of a welfare state. Similar processes were observed after the global financial crisis of 2008–2009, when large-scale state intervention in the banking sector and economic stimulus programmes were subsequently replaced by more liberal approaches. This historical experience demonstrates that mobilisation strategies are a temporary anti-crisis response tool, not a permanent economic system model. Their timely termination is necessary for restoring long-term economic dynamics and society's innovative potential. In this complex and multifaceted context, the scientific and practical interest lies in conducting a deep, systematic analysis of the dialectical relationship, mutual influence and interdependence between the economic doctrine dominant in a particular society and among the political elite, and the current constitutional doctrine. It is imperative to comprehend this relationship, as it facilitates a more profound understanding of the intricate processes through which abstract economic concepts, theoretical frameworks and ideological paradigms are metamorphosed, solidified and personified in specific constitutional norms, principles and institutional frameworks. Conversely, the reverse process is equally significant in that it involves the comprehension of how fundamental constitutional principles, values, and procedural guarantees establish certain boundaries, frameworks, and restrictions for the state's economic policy. Alternatively, these principles can be viewed as providing the state's economic policy with constitutional legitimacy, legal justification, and public support (Zadykhailo, 2007).

In the context of the subject of this study, it is evident that, provided the constitution is indeed stable, the most probable and optimal manner for its advancement is the effective implementation of its provisions within current legislation and law enforcement practice, thereby ensuring that the Basic Law is not violated. Conversely, when the immutability of the constitution is maintained artificially by higher authorities, such stability is merely formal. Should the stability of the constitution become an impediment to social progress, and certain of its norms prove unviable, there will be an inevitable necessity to make constitutional

amendments or even a complete revision of the Basic Law (Savchyn, 2012).

It can be posited that constitutional practice, which has undergone dynamic development since the adoption of a particular Constitution, as a rule, demonstrates the possibility of transforming constitutional norms without formal changes to the text of the Basic Law. Indeed, a transformation of the Constitution is underway, entailing substantial alterations in the interpretation and implementation of prevailing constitutional provisions. This "transformation" can be regarded as a viable substitute for conventional textual amendments to the current Constitution, encompassing such forms as amendments, supplements, or its comprehensive revision (Bielov, 2012).

At the same time, among the objective factors determining the transformation of the Constitution (primarily in post-socialist countries), the following should be noted: the gradual systemic restructuring of socialist-type social relations, which previously dominated various spheres of society and the state; the dynamism and instability of social relations; the formation of an internally consistent and effective mechanism of state power at both the national and local levels; the complex and ambiguous process of finding an optimal balance between the interests of the individual, society and the state; and the ongoing reform of the economic system.

It is the opinion of the present authors that the introduction of the latest concept of Ukrainian constitutionalism is inextricably linked with the implementation of constitutional and legal reform in the country. The present process of constitutional reform in the state is marked by intricacy, multifacetedness, contradictions, and a clear incompleteness. This necessitated a phased analysis of the process, with the identification of its key directions. The revealed relationship between constitutional changes and processes in the economic sphere of society emphasises the historical significance and fateful nature of this reform for the future of the state (Bielov, 2012).

4. Conclusions

Thus, the transformation of the constitution is a complex, multidimensional and dynamic process implemented in at least two main ways. Firstly, it involves official, formal changes to the normative text of the Basic Law according to the established procedure. Secondly, it involves the informal "transformation" of the constitution, which comprises evolutionary but significant changes in the interpretation, construction and practical application of constitutional norms that occur without any textual modifications to the constitutional document itself. This issue is of

exceptional relevance and practical significance in the context of the constitutional and legal regulation of economic relations, an area which has undergone radical evolution historically. This evolution has seen the transition from the classical liberal model of the "night-watchman state", which intervened minimally in economic processes, to the modern concept of the state actively participating in economic processes as a regulator, arbitrator, and guarantor of social justice. In situations of ongoing armed aggression (primarily that of the Russian Federation against Ukraine), as well as in the context of future large-scale post-war reconstruction of the country, the reliable constitutional provision of stability, resilience and efficiency of the economic system assumes a vital and strategic importance. This is not only crucial for preserving the constitutional order, but also for ensuring the national security of the state as a whole.

Concurrently, the primary objective of modifying constitutional norms in the domain of economic relations should be the establishment of a comprehensive, internally consistent, and maximally effective legal apparatus capable of ensuring accelerated economic revival and sustainable development of the state. At a minimum, this ambitious task requires progress along several interrelated strategic directions. First, it involves establishing and sustaining an optimal, dynamic balance between the level of state regulation necessary to protect the public interest and the constitutionally guaranteed freedom of entrepreneurial activity that underpins a market economy. Secondly, it calls for the creation of a robust constitutional framework that enhances the country's investment attractiveness on the international stage and strengthens its overall economic security. Thirdly, it necessitates the development of clear and effective constitutional and legal principles and mechanisms to support the large-scale expansion of critical infrastructure – transport, energy, communications – and to facilitate the deep technological modernisation of the national economy. Finally, it requires the consolidation of genuine and effective legal guarantees of social protection for the most vulnerable groups, particularly those who have suffered directly as a result of the war: internally displaced persons, veterans, persons with war-related disabilities, and the families of fallen defenders. The profound, inherent connection between constitutional amendments and fundamental economic processes within the socio-economic domain is indisputably evident. This underscores not only the contemporary pertinence but also the historical magnitude, transformative character, and direct consequences of constitutional reform for the prosperous and autonomous future of Ukraine as a democratic and legal state.

References:

- Babenko, K. A. (n.d.). Constitutional foundations of the development of the economic system of Ukraine. Available at: <https://6aas.gov.ua/ua/proekty/articles/b/211-konstitutsijni-osnovi-rozvitku-ekonomichnoji-sistemi-ukrajini.html>
- Batanov, O. V. (2023). Trends in the development of constitutional law and problems of transformation of the Constitution of Ukraine in the dimension of constitutional economy. *Almanac of Law*, 14: 139–144.
- Bedrii, R. (2023). The concept of constitutional economy and the need to update the Constitution of Ukraine in terms of regulating financial and economic relations. *Ukrainian Journal of Constitutional Law*, 4: 68–76. DOI: <https://doi.org/10.30970/jcl.4.2023.5>
- Bielov, D. M. (2012). Reflection by the norms of the institute of the foundations of the constitutional order of real social relations in the state: A comparative legal analysis. *Law Review of Kyiv University of Law*, 2: 341–343.
- Bielov, D. M. (2012). Constitutional reform as a consequence of the formation of a new paradigm of constitutionalism. *Viche*, 18: 17–20.
- Bielov, D. M. (2012). Transformation of the constitution: Features of practical implementation. *European perspective*, 3(2): 12–16.
- Bielov, D., & Hromovchuk, M. (2019). The basic law of the state: Legal and political content. *Baltic Journal of Economic Studies*, 5(3): 59–66. URL: <https://doi.org/10.30525/2256-0742/2019-5-3-59-66>
- Bielov, D., & Sidorenko, O. (2019). Boundaries of constitutional and legal regulation of economic relations. *Baltic Journal of Economic Studies*, 6(31): 9–17. URL: <https://doi.org/10.30525/2256-0742/2020-6-31-9-17>
- Campo, V. (n.d.). Constitutional democracy and market economy in Ukraine: What practitioners need to know. Pravo.ua. Available at: <https://pravo.ua/konstyutsiina-demokratiia-i-rynkova-ekonomika-v-ukraini-shcho-treba-znaty-praktykam/>
- Loshchykhin, O. M. (2018). Constitutional economy and economic functions of the modern state in the context of globalization: Conceptual aspect. *Fundamental and Applied Researches in Practice of Leading Scientific Schools*, 26(2): 239–246. Available at: <https://farplss.org/index.php/journal/article/view/337/306>
- Onishchenko, O. V. (2005). The Constitution of Ukraine as the main source of constitutional law of Ukraine. Doctoral dissertation, Kyiv National University. Kyiv.
- Opryshko, V. F. (2000). The Constitution of Ukraine is the basis of the national legislation system. "Pravova derzhava" Scientific articles yearbook. Vol. 14: 118–125.
- Pustovalova, I. S. (2022). The constitution as a constituent document regarding the economic system of society. *Uzhhorod National University Herald. Series: Law*: 69, 63–71. DOI: <https://doi.org/10.24144/2307-3322.2021.69.10>
- Savchyn, M. M. (2012). Constitutional Assembly. The problem of democratic legitimacy. *Legal Bulletin of Ukraine*, 11: 4–6.
- Savchyn, M. V. (2009). Constitutionalism and the nature of the constitution. Polihraftsentr "Lira".
- Shapoval, V. M. (1997). Constitutional law of foreign countries: Textbook. Kyiv: ArtEk; Vyshcha shkola.
- Shevchuk, S. (2002). Fundamentals of constitutional jurisprudence: Tutorial. Kharkiv: Konsum.
- Stetsiuk, P. B. (2004). Fundamentals of the theory of constitution and constitutionalism. Part one: Manual for students. Lviv: Astroliabiia.
- Zadykhailo, D. (2007). Constitutional doctrine and regulation of economic relations in the context of constitutional reform. *State Building and Local Government*, 3: 25–37.

Received on: 02th of October, 2025

Accepted on: 23th of November, 2025

Published on: 24th of December, 2025