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## STATE TARGET PROGRAM FOR VETERANS' SOCIAL ADAPTATION AS A FACTOR IN STRENGTHENING HUMAN CAPITAL WITHIN THE CONTEXT OF ECONOMIC RECOVERY

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**Abstract.** *The article explores the urgency of the problem of preserving and reproducing Ukraine's labor potential in the conditions of prolonged martial law and systemic post-war recovery. The traditional model of social support, focused on the passive provision of benefits, has exhausted its effectiveness, which requires a scientific rethinking of the mechanisms of state financial support for the professional reintegration of veterans.*

*The purpose of the article is to substantiate the theoretical, methodological, and applied foundations of financing the active employment of veterans as a strategic tool for the institutional transformation of national veteran policy. In this context, special attention is paid to the State Target Program "Veteran. Work" for 2026–2027, which is considered as a basic foundation for creating mechanisms for the professional self-realization of defenders.*

*The methodological apparatus of the study is based on a systematic analysis of current statistical data regarding the demographic and social profile of the veteran community as of 2026. By combining a substantive assessment of the professional expectations of demobilized persons and a comparative analysis of the experience of Israel, the USA, and Canada, an approach to assessing barriers in the civilian sector of the economy was formed.*

*The main results of the article prove that the introduction of differentiated financing through voucher security mechanisms and grant support generates a powerful transformative multiplicative effect for the financial system. It is calculated that the systemic integration of veterans into the legal employment segment transforms the state's expenditure obligations into a stable source of budget revenue, ensuring high economic efficiency and rapid payback of investments in vocational training.*

*The practical significance of the results lies in the formation of an approach to inclusive reintegration, where the main role is assigned to the support of socially responsible employers. The proposed approaches allow state authorities to optimize human capital management and strengthen the financial stability of the state in conditions of prolonged global instability.*

**Keywords:** *human capital, state financial support, State Target Program, state budget,*

*social security, financial stability of the state.*

Under the ongoing martial law in Ukraine, the issue of effective state financing for targeted economic and social adaptation programs for war veterans has acquired exceptional strategic urgency. With the registered veteran population exceeding 1.76 million individuals, state policy is undergoing a major paradigm shift. Financial resources are increasingly directed away from passive welfare payments toward active human capital restoration, which serves as a critical resource for maintaining the continuity and resilience of the national economy. The State Target Program "Veteran. Employment" designed for 2026–2027 serves as a key fiscal instrument to fund active countermeasures against post-demobilization unemployment, focusing directly on the institutional deployment of grants, training vouchers, and compensatory employer payments.

The domestic labor market faces structural mismatches as demobilized personnel encounter psychosocial hurdles alongside the physical destruction of pre-war enterprises and the depreciation of prior professional qualifications. Empirical evidence from recent thematic surveys, including the comprehensive "Veteran Profile 2025," underscores a severe misallocation in support consumption: while 69% of recipients still rely on passive municipal utility subsidies, only 10% utilize educational or retraining services. This low priority correlates with high systemic anxiety, given that over 73% of surveyed veterans evaluate their risk of long-term civilian unemployment as highly probable. Furthermore, health restrictions represent a profound operational barrier, with 49.5% holding an official disability status and 25.5% reporting complex psycho-emotional strain, alongside reported corporate biases and wage discrepancies during civilian hiring processes.

To successfully decouple veterans from chronic budget dependence, the State Employment Service must optimize its active labor initiatives. Current statistics reveal that out of 18,000 applicants, only 55% utilize institutional integration mechanisms, pinpointing bureaucratic delays and rigid vacancy profiles as key attrition factors. Financial modeling proves that investments in targeted retraining offer substantial direct fiscal returns. Facilitating the official employment of just 8,400 veterans at an average monthly salary of UAH 25,000 generates UAH 1.134 billion annually via personal income tax, unified social contributions, and the 5% military tax. Consequently, the program's entire two-year budget of UAH 276.47 million is completely recovered within the first six months of active employment, generating a net positive fiscal gap of UAH 1.3 billion through accumulated tax revenues and reduced unemployment benefit spending.

Systematizing global best practices indicates that sustainable integration requires non-coercive, incentive-based frameworks. Adapting structural elements from Israel's entrepreneurial seed capital programs, the United States' military-to-civilian pre-discharge internships like SkillBridge, and Canada's digital skills-matching infrastructure allows Ukraine to build a highly agile domestic reintegration model. Educational focus should align with specific veteran professional preferences, notably within public administration, logistics, and localized security sectors, thereby refreshing the state's institutional capacity. Ultimately, targeted public expenditure on veteran professional adaptation transforms demobilized individuals from passive budget recipients into active fiscal donors, securing a sustainable, self-contained loop of defense-economic support and driving long-term macroeconomic stability during the post-war recovery period.

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