

## ECONOMIC HUMAN RIGHTS: FORMATION AND DEVELOPMENT IN DOMESTIC AND EUROPEAN PRACTICE

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**Abstract.** The *subject* of the study is the international, European and constitutional framework for the formation and protection of economic human rights, with particular attention to their development in Ukraine under conditions of post-socialist transformation, war and European integration. The paper focuses on the relationship between human dignity, property protection, entrepreneurial freedom, labour rights, social security, legal certainty and effective judicial protection. Special attention is paid to the role of the European Court of Human Rights in expanding the understanding of economic rights through the interpretation of Article 1 of Protocol No. 1 to the European Convention on Human Rights. *Methodology.* The research is based on a combination of historical-legal, comparative-legal, systemic and doctrinal methods. The historical-legal method made it possible to trace the evolution of economic human rights from classical liberal concepts of property and freedom to modern social-state and human dignity approaches. The comparative-legal method was used to analyse international, European and Ukrainian legal sources, including the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the European Social Charter, the European Convention on Human Rights and the Constitution of Ukraine. The systemic method allowed economic rights to be examined as an interconnected group of guarantees that combine negative obligations of non-interference with positive obligations of the state. The doctrinal method was applied to assess the case law of the European Court of Human Rights concerning property, pensions, social benefits, licences, business interests and legitimate expectations. The *aim* of the work is to define the legal nature and structure of economic human rights, identify their international, European and constitutional foundations, and determine the specific features of their realization in Ukraine under conditions of institutional transformation, martial law and European integration. The *results* of the study show that economic human rights are not a secondary or purely social group of rights, but an essential component of human dignity and real individual freedom. Their content includes the right to property, entrepreneurial freedom, the right to work, fair remuneration, social protection and an adequate standard of living. At the international level, these rights were formed through universal human rights instruments that transformed economic guarantees from political declarations into legally significant obligations of the state. At the European level, their protection is ensured through the European Social Charter and the case law of the European Court of Human Rights. The Court's autonomous interpretation of «possessions» has extended protection to a wide range of legally recognized economic interests, including pensions, welfare benefits, licences, corporate interests and legitimate expectations. For Ukraine, the study demonstrates that constitutional recognition of economic rights is only the starting point. Their real value depends on effective public administration, fair administrative procedures, judicial independence, enforcement of court decisions, fiscal stability, compensation mechanisms for war-related destruction and harmonization with European standards. *Conclusion.* Economic human rights should be understood as a legal foundation of human dignity, social justice and democratic statehood. In Ukraine, their importance has increased significantly due to full-scale war, destruction of property, economic instability, social vulnerability and the need for post-war recovery. Martial law may justify temporary restrictions of certain economic freedoms, but it does not eliminate the legal nature of economic

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rights. State interference must remain lawful, necessary, proportionate, temporary and subject to effective control. Ukraine's future development in this sphere depends on strengthening institutional guarantees, ensuring enforceability of judicial decisions, protecting property and entrepreneurial activity, improving compensation mechanisms, and aligning domestic legal regulation with European rule-of-law standards. Economic rights are therefore not merely social promises, but a practical measure of the maturity of a democratic and law-governed state.

**Keywords:** economic human rights, human dignity, right to property, entrepreneurial freedom, right to work, social protection, adequate standard of living, European Court of Human Rights, Article 1 of Protocol No. 1, legitimate expectations, legal certainty, martial law, post-war recovery, Ukraine.

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## 1. Introduction

Economic human rights belong to those legal categories, the significance of which is especially clearly revealed in periods of social instability, economic crises, military upheavals and deep transformations of public administration. While in the classical liberal tradition, human rights have long been perceived mainly through the prism of personal freedom, inviolability, political participation and protection from arbitrary state interference, the development of the social state, international human rights law and European legal doctrine has gradually proved that human freedom cannot be real without minimal economic guarantees. The right to property, the right to work, entrepreneurial freedom, the right to social protection, fair remuneration, an adequate standard of living and protection of economic interests form the material foundation without which human dignity remains only a formally proclaimed value. For the purposes of this article, economic human rights are understood as a group of rights that protect a person's property sphere, labour capacity, entrepreneurial freedom, access to social security and the material conditions necessary for a dignified life.

The international legal consolidation of economic human rights after the Second World War reflected the recognition that the legal status of a person cannot be reduced to protection against arbitrary state interference. Universal and regional human rights instruments gradually established that property, work, social security, fair remuneration and an adequate standard of living are necessary conditions for the real exercise of human dignity and freedom. Consequently, economic rights evolved from general political declarations into legally significant obligations of the state.

In the European legal space, economic human rights develop in two interrelated areas. The first is related to the European Social Charter, which directly enshrines rights in the sphere of work, social security, fair remuneration, safe working conditions, protection from poverty and social exclusion. The revised European Social Charter explicitly states that everyone has the

opportunity to earn a living by work that they freely choose (European Social Charter (Revised), 1996). The second dimension is related to the practice of the European Court of Human Rights, which, although the Convention does not contain a distinct catalogue of economic rights, actively protects property and socio-economic interests through Article 1 of Protocol No. 1 to the Convention for the Protection of Human Rights and Fundamental Freedoms. According to this provision, every natural or legal person has the right to peaceful possession of his property (Protocol No. 1 to the Convention for the Protection of Human Rights and Fundamental Freedoms, 1952).

For Ukraine, the problem of economic human rights is of particular importance, since their formation took place in the context of the transition from an administrative-command economy to a market model, the formation of private property, the development of entrepreneurship, the reform of social policy and gradual integration into the European legal space. The Constitution of Ukraine establishes a broad system of economic rights, among which a special place is occupied by the right to private property, entrepreneurial freedom, the right to work, the right to social protection and the right to an adequate standard of living. In particular, Article 42 of the Constitution of Ukraine provides that everyone has the right to entrepreneurial activity that is not prohibited by law (Constitution of Ukraine, 1996). This provision has not only economic, but also constitutional and legal significance, since it defines the limits of permissible state interference in the sphere of private initiative, competition and economic freedom.

At the same time, the formal consolidation of economic rights does not in itself guarantee their real implementation. The practical value of such rights depends on the quality of legislation, the foreseeability of administrative procedures, the effectiveness of judicial protection, the enforcement of court decisions, the stability of fiscal policy and the ability of the state to strike a balance between the public interest and the rights of a particular person. This issue is particularly acute under martial law, when the state

is objectively forced to restrict certain economic freedoms, redistribute resources, introduce special regimes of property, labour, entrepreneurship, finance and social support. However, even under such conditions, economic rights do not lose their legal nature and cannot be arbitrarily "disabled". Their restriction must meet the criteria of legality, necessity, proportionality, temporality and effective control.

The relevance of the study is also due to the fact that in modern Ukraine, economic human rights are increasingly associated not only with individual capabilities, but also with the overall quality of public administration, anti-corruption policy, transparency in the use of budget funds, the implementation of decisions of the European Court of Human Rights and the post-war restoration of the state. In this context, economic rights are not a secondary element of a person's legal status, but one of the criteria for the maturity of a state governed by the rule of law. A state that declares ownership, labour, entrepreneurship and social protection but does not provide effective judicial protection, enforcement of decisions and predictable regulation effectively reserves these rights in the sphere of political promises.

## **2. Theoretical and Legal Formation of Economic Human Rights: International, European and Constitutional Sources**

The formation of economic human rights is the result of the long-term development of legal, philosophical and political ideas about freedom, dignity, justice and the role of the state in ensuring real conditions for human existence. In the classical liberal tradition of the seventeenth and eighteenth centuries, human rights were primarily understood as rights of a negative nature, namely as a protected sphere of individual autonomy into which the state should not arbitrarily interfere. The dominant emphasis was placed on personal liberty, security, freedom of expression, religious freedom and protection against arbitrary governmental action. Thinkers such as J. Locke associated freedom primarily with the protection of life, liberty and property, arguing that "the great and chief end... of men's uniting into commonwealths, and putting themselves under government, is the preservation of their property" (Locke, 1689). This approach significantly influenced early constitutional models in Europe and North America, where property rights were often viewed as the central economic guarantee of personal independence.

At the same time, the classical liberal model gradually revealed substantial limitations. Formal legal equality did not eliminate structural poverty, exploitative labour practices, social exclusion or extreme economic dependency. The Industrial Revolution fundamentally

transformed labour relations by creating mass wage labour, urban poverty, unsafe working conditions and deep inequalities between owners of capital and workers. The social consequences of industrial capitalism prompted increasing criticism of the idea that non-interference alone could ensure genuine human freedom.

This criticism was strongly articulated by K. Polanyi, who argued that unrestricted market liberalism threatened social stability and human dignity. In his seminal work *The Great Transformation* (1944), he wrote that "to allow the market mechanism to be the sole director of the fate of human beings... would result in the demolition of society" (Polanyi, 1944). His argument reflected a broader intellectual shift toward recognizing that economic relations could not remain entirely outside legal and institutional regulation if human dignity was to be preserved.

Similarly, T. H. Marshall fundamentally redefined the relationship between rights and social justice by arguing that citizenship evolves through the successive recognition of civil, political and social rights. In his influential essay *Citizenship and Social Class* (1950), he wrote that "Citizenship is a status bestowed on those who are full members of a community. All who possess the status are equal with respect to the rights and duties with which the status is endowed" (Marshall, 1950). This idea became crucial for understanding why economic and social rights should be regarded as essential components of human dignity rather than optional state benefits.

The catastrophic consequences of the Great Depression of 1929-1933, followed by the devastation of the Second World War, further demonstrated that the absence of minimum economic guarantees could threaten not only individuals but also democratic institutions themselves. Mass unemployment, social instability and economic insecurity contributed to political radicalization across Europe and exposed the vulnerability of societies built solely on formal legal freedoms. In response, post-war constitutionalism increasingly embraced the concept of the social state, recognizing that freedom requires material foundations.

This intellectual transformation was clearly reflected in the work of F. Roosevelt, who in his 1944 State of the Union Address declared: "Necessitous men are not free men". He further argued that "true individual freedom cannot exist without economic security and independence" (Roosevelt, 1944).

These ideas significantly influenced the drafting of the Universal Declaration of Human Rights in 1948 and later international human rights instruments (Universal Declaration of Human Rights, 1948).

As a result, the twentieth century witnessed the emergence of a broader understanding of human rights in which formal legal liberty was no longer

considered sufficient. A person who has no access to work, property, fair remuneration, social protection and a minimum standard of living is, in fact, unable to fully exercise other rights. Economic rights therefore emerged as a legal response to the practical limitations of formal freedom and became an essential component of modern constitutional democracy, social justice and the protection of human dignity.

For this reason, economic human rights gradually emerged as a separate, but not isolated, group of rights combining the freedom of an individual's economic conduct, guarantees for the protection of their property sphere and the positive obligations of the state to create proper conditions for a dignified life. Their nature is dual. On the one hand, they protect individuals from arbitrary interference with property, labour, entrepreneurship and other economic interests. On the other hand, they presuppose an active role of the state in shaping the legal order, the system of social security, the labour market, fair conditions for economic activity and effective judicial protection.

The first universal international act to systematically enshrine economic human rights was the Universal Declaration of Human Rights of 1948. Its significance lies not only in proclaiming the universal value of human dignity, but also in combining classical civil liberties with economic and social guarantees. Thus, Article 17 of the Declaration provides that "Everyone has the right to own property alone as well as in association with others" and also prohibits arbitrary deprivation of property. This provision became one of the basic international reference points for the further development of the right to property as a fundamental economic right (Universal Declaration of Human Rights, 1948).

No less important is Article 23 of the Universal Declaration of Human Rights, which establishes everyone's right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment. In this provision, economic freedom is no longer reduced merely to the right to own property. It includes the ability of a person to participate in social production, receive remuneration, provide for themselves and their family, and not be pushed outside economic life. Article 25 of the Declaration, in turn, links economic rights with the right to an adequate standard of living, including food, clothing, housing, medical care and necessary social services (Universal Declaration of Human Rights, 1948).

These provisions were further developed in the International Covenant on Economic, Social and Cultural Rights of 1966. Unlike the Universal Declaration, which has a programmatic and declaratory character, the Covenant establishes treaty-based international legal obligations of states. Article 6 recognizes the right to work, Article 7 the right to just

and favourable conditions of work, Article 9 the right to social security, and Article 11 the right of everyone to an adequate standard of living for themselves and their family. Of particular importance is Article 2(1) of the Covenant, according to which each state party undertakes to take steps, to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the Covenant. Therefore, economic and social rights are not acts of state charity, but legally significant obligations requiring legislative, administrative, financial and institutional measures (International Covenant on Economic, Social and Cultural Rights, 1966).

Thus, at the international level, economic human rights were formed as rights covering three interconnected blocks. The first block consists of property rights, primarily the right to property and protection against arbitrary deprivation of property. The second block consists of labour rights, including the right to work, fair working conditions, remuneration, a safe working environment and protection against unemployment. The third block consists of socio-economic guarantees related to an adequate standard of living, social security, protection of the family, motherhood, childhood and persons in vulnerable situations. It is precisely the combination of these three blocks that makes it possible to speak of economic rights as the basis of real, and not merely formal, human freedom.

In the European legal space, the formation of economic human rights has its own specific features. It developed through the interaction of two main legal systems: the system of the European Social Charter and the system of the Convention for the Protection of Human Rights and Fundamental Freedoms. The European Social Charter is directly oriented towards the socio-economic dimension of human rights. It provides that everyone shall have the opportunity to earn their living in an occupation freely entered upon and recognizes workers' rights to just conditions of work, safe and healthy working conditions and fair remuneration sufficient for a decent standard of living. Therefore, the Charter treats work not merely as an economic function, but as a condition of social inclusion, personal independence and human dignity (European Social Charter (Revised), 1996).

Accordingly, the European Social Charter shifts the understanding of labour rights from formal freedom of work to the broader requirement that employment conditions should preserve human dignity and prevent social exclusion.

Another, more judicial-protective dimension of the European development of economic rights is shaped by the European Convention on Human Rights. Economic and social rights are not presented in the Convention as a separate broad catalogue; however, this does not mean that economic interests are

absent from the Convention system. Their protection is primarily developed through Article 1 of Protocol No. 1, which has become the basis for the Court's case law on property, social benefits, pensions, licences, business interests and legitimate expectations (Council of Europe, n.d.).

It is through this provision that the European Court of Human Rights has developed a substantial body of case law concerning the protection of property, social benefits, pensions, licences, permits, corporate interests, legitimate expectations and other legally significant economic positions, since the Convention understanding of "possessions" may include not only physical property, but also shares, patents, licences, leases and welfare benefits where they have a sufficient legal basis (Protocol No. 1 to the Convention for the Protection of Human Rights and Fundamental Freedoms, 1952).

Thus, the European model of economic rights has two distinctive features. First, it does not reduce economic rights merely to social guarantees, but combines them with the right to property, freedom of economic activity, access to a court and protection against discrimination. Second, it views economic rights through the prism of balance: between private and public interests, between market freedom and the social responsibility of the state, and between budgetary capacity and minimum standards of human dignity.

The constitutional entrenchment of economic rights in Ukraine reflects precisely this comprehensive approach. The Constitution of Ukraine defines Ukraine as a social and law-governed state, which is of fundamental importance for understanding the entire system of economic rights. The social character of the state means that it cannot remain indifferent to the material conditions of human existence, while the law-governed character of the state requires that any regulation of the economic sphere be carried out on the basis of law, legal certainty, proportionality and respect for human rights.

One of the central economic rights in the Constitution of Ukraine is the right to property. Article 41 provides that everyone has the right to own, use and dispose of their property and the results of their intellectual and creative activity (Constitution of Ukraine, 1996). This provision establishes not only the property autonomy of the individual, but also the general limits of state interference in the private sphere. In the constitutional sense, the right to property is not merely an economic asset, but a legal guarantee of personal independence, the ability to plan one's life, engage in entrepreneurial activity, participate in civil circulation and defend one's interests in court.

At the same time, the Constitution of Ukraine does not absolutize the right to property. It allows compulsory alienation of objects of private property only as an exception, for reasons of public necessity, on the

basis of and in the manner prescribed by law, and subject to prior and full compensation of their value. Under conditions of martial law or a state of emergency, subsequent full compensation is permitted (Constitution of Ukraine, 1996). This construction is of particular importance for contemporary Ukraine, since it demonstrates that even in crisis conditions the state does not acquire unlimited power over private property. Interference is possible, but it must have a legal basis, an exceptional character, public necessity and a compensatory mechanism.

The second important constitutional element is the right to entrepreneurial activity. Article 42 of the Constitution of Ukraine provides that everyone has the right to entrepreneurial activity that is not prohibited by law (Constitution of Ukraine, 1996). This provision forms the basis of the individual's economic freedom in a market system. Its content is not limited to the possibility of registering a business or making a profit. It encompasses a broader legal regime: freedom of initiative, predictability of the regulatory environment, protection against arbitrary administrative interference, access to justice, equality of competitive conditions and prevention of unlawful restrictions on economic activity. At the same time, Article 42 also requires the state to ensure the protection of competition in entrepreneurial activity and prohibits the abuse of monopolistic position, unlawful restriction of competition and unfair competition (Constitution of Ukraine, 1996). Therefore, Ukrainian constitutional law treats entrepreneurial freedom not as unlimited market autonomy, but as freedom exercised within a framework of fair competition, consumer protection and public economic order.

Alongside entrepreneurial freedom, the Constitution of Ukraine enshrines the right to work. Article 43 proclaims everyone's right to work, which includes the opportunity to earn a living by work that a person freely chooses or to which they freely agree. The same article prohibits the use of forced labour (Constitution of Ukraine, 1996). By its nature, this right has individual, social and economic content at the same time. It guarantees a person not only the opportunity to work, but also freedom from coercion, the right to choose a profession, protection against exploitation and participation in creating the material basis of their own life.

The social dimension of economic rights in Ukraine is revealed through the right to social protection and the right to an adequate standard of living. Article 46 of the Constitution of Ukraine guarantees the right to social protection, which includes provision in the event of full, partial or temporary disability, loss of a breadwinner, unemployment due to circumstances beyond a person's control, as well as in old age and in other cases provided by law. Article 48 establishes everyone's right to an adequate

standard of living for themselves and their family, including adequate nutrition, clothing and housing (Constitution of Ukraine, 1996).

These provisions show that the Ukrainian constitutional model of economic rights is not reduced to market freedom. It also contains the social obligation of the state to support a person in situations where they are objectively unable to secure an adequate level of existence on their own. It is here that the connection between economic rights and human dignity becomes apparent. The state must not only refrain from obstructing a person's activity in the economic sphere, but also prevent their complete social exclusion.

Thus, international, European and constitutional sources form a multi-level system of economic human rights. At the international level, universal standards of the right to property, work, social security and an adequate standard of living have been established. At the European level, these standards are specified through the social guarantees of the European Social Charter and the judicial protection of property interests within the case law of the European Court of Human Rights. At the national level, the Constitution of Ukraine integrates these approaches into its own system of the legal status of the individual, combining the right to property, entrepreneurship, labour, social protection and an adequate standard of living.

In conclusion, economic human rights should not be regarded as a secondary group of rights, but as a necessary condition for real individual freedom. Their formation proves that human dignity requires not only political recognition, but also material and legal support. A person must be protected not only from arbitrary arrest or censorship, but also from arbitrary deprivation of property, exploitation, economic discrimination, disproportionate regulatory interference, non-fulfilment of social guarantees and the absence of effective judicial protection. This is why the modern law-governed state is assessed not only by whether it formally proclaims economic rights, but also by whether it is capable of ensuring their actual realization in legislation, administrative practice and judicial protection.

### **3. Economic Human Rights in the Practice of the European Court of Human Rights and European Institutions**

The development of economic rights within the European legal system demonstrates a distinctive institutional feature. Unlike universal international law, which directly codifies economic and social rights in separate legal instruments, the European human rights framework protects economic rights through a combination of judicial interpretation, supranational social guarantees and institutional oversight

mechanisms. This model has produced a dynamic legal environment in which economic rights are often protected not through explicit constitutional-style catalogues, but through evolving judicial doctrines related to property protection, proportionality, legitimate expectations, procedural fairness and non-discrimination.

A central role in this process belongs to the European Court of Human Rights, which has significantly expanded the practical understanding of economic rights through its interpretation of Article 1 of Protocol No. 1 to the Convention. Although this provision is formally framed as a guarantee of property protection, the Court has interpreted it as covering a wide range of economic interests, including property, social benefits, pensions, licences, business assets and legitimate expectations (Protocol No. 1 to the Convention for the Protection of Human Rights and Fundamental Freedoms, 1952).

The key doctrinal feature of this case law is the autonomous interpretation of "possessions". For the Court, possessions may include not only tangible property, but also legally recognized economic interests, provided that they have a sufficient basis in domestic law or established legal practice.

One of the foundational cases in this area is *Sporrong and Lönnroth v. Sweden*, where the Court examined prolonged restrictions on property rights caused by expropriation permits and construction prohibitions imposed by Swedish authorities. The Court held that excessive restrictions violated the principle of proportionality and famously emphasized the necessity of maintaining "a fair balance" between the demands of the general interest and the protection of individual rights. The Court stated that: "The search for this balance is inherent in the whole of the Convention" (*Sporrong and Lönnroth v. Sweden*, 1982).

This decision became one of the most influential precedents in European property law because it introduced the proportionality doctrine as a central mechanism for evaluating state interference in economic rights.

This doctrine of fair balance became the foundation for several lines of economic rights protection in the Court's case law: protection against disproportionate property interference, protection of legitimate expectations, protection of social benefits and pensions, and protection of business interests from arbitrary administrative decisions.

In *James and Others v. the United Kingdom*, the Court addressed the compulsory transfer of property under leasehold reform legislation. It accepted that states enjoy a wide margin of appreciation in implementing social and economic policies, but emphasized that property interference must pursue a legitimate aim in the public interest and preserve a reasonable relationship of proportionality between the means

employed and the aim pursued (James and Others v. the United Kingdom, 1986).

Similarly, in *Beyeler v. Italy*, the Court emphasized legal certainty in matters involving state interference with private property. The Court ruled that unpredictability of state actions may itself violate property rights, particularly where individuals cannot reasonably foresee legal consequences of government actions (*Beyeler v. Italy*, 2000).

The doctrine of legitimate expectations became especially important in *Kopecký v. Slovakia*. The Court clarified that a future economic interest may fall within the scope of "possessions" only where the applicant has a sufficiently established claim under domestic law. A mere hope of obtaining property is insufficient; legitimate expectation must be based on a legal provision, final judicial decision or other sufficiently established legal basis (*Kopecký v. Slovakia*, 2004).

This doctrine significantly expanded the protection of economic rights because it recognized that modern economic activity often depends not only on existing assets but also on predictable legal frameworks and stable expectations regarding future rights.

The Court has also extended economic rights protection to social security payments and pensions. This development is particularly important because it demonstrates that the Court does not view economic rights solely through market-oriented property relations.

In *Stec and Others v. the United Kingdom*, the Court confirmed that social welfare benefits may fall within the scope of Article 1 of Protocol No. 1 where domestic legislation creates an enforceable entitlement to such benefits. This approach is important because it demonstrates that the Convention system can protect not only market-based property interests, but also legally established social security entitlements (*Stec and Others v. the United Kingdom*, 2006).

This case law significantly influenced the understanding of pensions and welfare benefits as legal entitlements capable of receiving property-based protection under the Convention.

A similar approach was adopted in *Kjartan Ásmundsson v. Iceland*, where the Court found that the complete removal of disability pension benefits imposed a disproportionate burden on the applicant (*Kjartan Ásmundsson v. Iceland*, 2004).

In *Moskal v. Poland*, the Court further strengthened protection of legal certainty by holding that abrupt withdrawal of pension benefits violated the applicant's legitimate expectations and undermined trust in state institutions (*Moskal v. Poland*, 2009).

For Ukraine, these cases are especially important because social security disputes constitute a significant proportion of domestic litigation involving pension payments, social benefits and public obligations.

The protection of entrepreneurial freedom also occupies an increasingly important place within European jurisprudence. Although the Convention does not explicitly recognize a separate right to conduct business, the Court has repeatedly protected business interests through property guarantees, fair trial rights and procedural protections.

In *Tre Traktörer AB v. Sweden*, the Court held that the withdrawal of a restaurant's alcohol licence affected the economic value and operation of the business and therefore constituted an interference with possessions (*Tre Traktörer AB v. Sweden*, 1989).

Likewise, in *Capital Bank AD v. Bulgaria*, the Court found that arbitrary state interference in banking operations violated economic rights by undermining lawful commercial activity (*Capital Bank AD v. Bulgaria*, 2005).

In *Pine Valley Developments Ltd and Others v. Ireland*, the Court protected legitimate commercial expectations connected with development permits and investment planning (*Pine Valley Developments Ltd and Others v. Ireland*, 1991).

These cases illustrate that modern economic rights extend beyond classical ownership and increasingly include regulatory predictability, licensing stability and protection against arbitrary administrative intervention.

The role of European institutions in protecting economic rights extends beyond judicial mechanisms. The European Committee of Social Rights supervises compliance with the European Social Charter and monitors labour protections, fair wages, collective bargaining rights and social welfare obligations.

At the same time, the legal order of the European Union increasingly connects economic rights with broader principles of social inclusion, labour mobility, anti-discrimination, consumer protection and economic dignity. The Charter of Fundamental Rights of the European Union contains provisions concerning workers' rights, social assistance, healthcare, fair working conditions and freedom to conduct a business.

Furthermore, the execution of judgments of the European Court of Human Rights has itself become an important economic issue. The effectiveness of economic rights depends not only on judicial recognition but also on state capacity to implement judgments. This issue is particularly relevant for Ukraine. The Council of Europe emphasizes that effective execution requires the implementation of both individual and general measures through action plans, action reports and continuous supervision by the Committee of Ministers (Council of Europe, 2015).

This issue becomes particularly significant when repetitive violations generate long-term financial burdens for states through repeated compensation payments and structural reforms.

Thus, European practice demonstrates that economic rights have evolved far beyond traditional property protection. Modern European legal institutions increasingly recognize that economic dignity requires protection of property, pensions, labour rights, entrepreneurial freedom, legal certainty and effective implementation of judicial decisions.

The contemporary European model therefore treats economic rights as an integral component of the rule of law. A state that formally guarantees property rights while tolerating arbitrary regulation, pension instability, administrative unpredictability or non-enforcement of judicial decisions cannot be regarded as fully compliant with modern European human rights standards.

#### **4. Domestic Practice of the Development of Economic Human Rights in Conditions of Transformation, War and European Integration**

The development of economic human rights in Ukraine has occurred under considerably more complex circumstances than in many stable European democracies. Ukraine has had to construct its own model amid post-socialist transformation, repeated economic crises, institutional instability, armed conflict, full-scale war and ongoing European integration. Consequently, the Ukrainian model of economic rights reflects both significant constitutional ambitions and persistent implementation challenges.

Following the collapse of the Soviet Union in 1991, Ukraine faced the difficult task of transforming a centrally planned economy into a market-oriented system based on private ownership, entrepreneurial freedom and economic competition. This transformation required not only structural economic reforms but also a fundamental reconsideration of the legal understanding of individual economic rights. During the Soviet period, economic rights were largely interpreted through collective ownership and state-controlled labour guarantees. The emergence of private property rights, contractual autonomy and entrepreneurial freedom required the creation of an entirely new constitutional and legislative framework.

The adoption of the Constitution of Ukraine became a turning point in this transformation. The Constitution established a broad catalogue of economic rights that largely reflected both European constitutional traditions and international human rights standards. Article 41 guarantees the right to own, use and dispose of private property. Article 42 protects entrepreneurial freedom. Article 43 guarantees the right to work. Article 46 protects the right to social security, while Article 48 guarantees the right to an adequate standard of living (Constitution of Ukraine, 1996).

These constitutional guarantees created a normative foundation for economic freedom. However, constitutional recognition alone did not automatically ensure effective realization of such rights. Throughout the 1990s and early 2000s, weak institutions, corruption, inconsistent privatization policies and unstable economic regulation frequently undermined practical implementation of constitutional guarantees.

One of the most problematic areas of domestic development involved the protection of property rights. During the transition period, Ukraine experienced numerous legal disputes involving privatization, land ownership, restitution claims and unlawful state interference in business activity. Weak judicial institutions often failed to provide effective remedies, which eventually contributed to Ukraine becoming one of the leading respondent states before the European Court of Human Rights.

A major systemic problem involved the prolonged non-enforcement of domestic court decisions, including judgments concerning salary arrears, pensions, social payments and other monetary claims against the state. This issue was directly addressed in *Yuriy Nikolayevich Ivanov v. Ukraine*, where the Court identified a structural dysfunction in the execution of domestic judgments (*Yuriy Nikolayevich Ivanov v. Ukraine*, 2009).

Later, in *Burmych and Others v. Ukraine*, the Court struck more than 12,000 repetitive applications out of its list and held that the underlying systemic problem should be addressed within the execution process of the *Ivanov* pilot judgment under the supervision of the Committee of Ministers (*Burmych and Others v. Ukraine*, 2017).

These decisions clearly demonstrated that economic rights require not only formal legal recognition but also functioning institutions capable of enforcing judicial decisions.

The protection of social rights has also become an important area of constitutional litigation in Ukraine. The Constitutional Court of Ukraine has repeatedly examined disputes involving pensions, social guarantees and limitations arising from budgetary restrictions. In Decision No. 20-rp/2011, the Court emphasized that social rights cannot be arbitrarily restricted by the state and that any limitations must comply with constitutional principles of legality and proportionality while considering the financial capacity of the state (Constitutional Court of Ukraine, 2011).

This reflects a broader constitutional dilemma frequently faced by developing democracies: balancing social obligations with fiscal sustainability.

The development of entrepreneurial freedom has become another central issue in Ukraine's domestic legal practice. Although Article 42 of the Constitution guarantees entrepreneurial activity that is not prohibited by law, the practical realization of this

freedom has often been complicated by excessive regulatory pressure, arbitrary inspections, licensing barriers, inconsistent tax administration and corruption risks (Constitution of Ukraine, 1996).

To address these challenges, Ukraine adopted the Law of Ukraine "On Basic Principles of State Supervision (Control) in the Sphere of Economic Activity", which introduced procedural safeguards designed to limit excessive administrative interference (Law of Ukraine No. 877-V, 2007).

Similarly, the Law of Ukraine "On Administrative Services" sought to reduce bureaucratic barriers for businesses and individuals through procedural simplification (Law of Ukraine No. 5203-VI, 2012).

A particularly important development occurred with the adoption of the Law of Ukraine "On Administrative Procedure", which introduced broader guarantees of procedural fairness, legal certainty and limitations on administrative discretion (Law of Ukraine No. 2073-IX, 2022).

These reforms demonstrate that modern protection of economic rights increasingly depends on procedural guarantees rather than solely substantive constitutional declarations.

Russia's full-scale invasion of Ukraine in 2022 created entirely new challenges for the protection of economic human rights. Martial law required extraordinary state interventions, including restrictions on certain forms of economic activity, changes in labour regulation, emergency fiscal measures and special regimes concerning the use or alienation of property.

The Law of Ukraine "On the Legal Regime of Martial Law" permits temporary restrictions of certain constitutional rights and freedoms where such restrictions are necessary for national security and defence. However, martial law does not eliminate the legal nature of economic rights. State interference must remain based on law, pursue a legitimate aim, be temporary, necessary and proportionate, and remain subject to institutional and judicial control (Law of Ukraine No. 389-VIII, 2015).

Compulsory alienation of private property constitutes one of the most intensive forms of interference with economic rights. Under the Constitution of Ukraine, such alienation is permissible only as an exception, for reasons of public necessity, on the basis of and in the manner prescribed by law, and with compensation. Under martial law or a state of emergency, subsequent full compensation is permitted. This constitutional construction confirms that even in wartime the state does not acquire unlimited power over private property.

One of the most significant wartime challenges concerns the destruction of private property. Millions of Ukrainians have lost homes, businesses and economic

assets due to Russian aggression. In response, Ukraine adopted compensation mechanisms through the Law of Ukraine "On Compensation for Damage and Destruction of Certain Categories of Real Estate as a Result of Hostilities" (Law of Ukraine No. 2923-IX, 2023).

Although this mechanism does not cover all types of war-related economic losses, it reflects an important new dimension of economic rights protection. The legal recognition of the state's role in compensating at least certain categories of destroyed or damaged real estate and restoring the material foundations of human dignity.

Wartime financial governance has also become directly connected with economic rights. International financial assistance currently supports pensions, salaries, healthcare expenditures and social payments, thereby directly influencing the realization of socio-economic rights in Ukraine. The World Bank emphasized that external financial assistance has become essential for maintaining basic public services, including healthcare, education and social protection during wartime (World Bank, 2024).

Similarly, the International Monetary Fund noted that international financial support plays a critical role in preserving macroeconomic stability, maintaining public expenditures and ensuring the functioning of key social obligations of the Ukrainian state (International Monetary Fund, 2023).

Ukraine's path toward European Union membership has further intensified reforms in the field of economic rights. European integration requires stronger protection of property rights, judicial independence, anti-corruption reforms, competition law modernization and greater regulatory predictability.

The European Commission has repeatedly emphasized judicial reform, anti-corruption measures and stronger protection of investors as necessary conditions of Ukraine's accession process (European Commission, 2023).

Thus, the domestic development of economic rights in Ukraine reflects a highly dynamic legal process shaped simultaneously by post-socialist transformation, wartime survival and European integration. Ukraine has been forced to protect private property, ensure social stability, rebuild destroyed economic infrastructure and align its legal system with European standards at the same time.

Ultimately, the future of economic rights in Ukraine will depend not merely on constitutional declarations but on the state's ability to build effective institutions, ensure enforcement of judicial decisions, maintain fiscal stability, rebuild war-damaged property and establish legal predictability consistent with European rule of law standards.

## 5. Conclusion

Economic human rights have evolved from general political declarations into legally significant guarantees that define the material dimension of human dignity, freedom and social justice. Their development demonstrates that formal legal liberty remains incomplete where a person lacks effective protection of property, access to work, fair remuneration, entrepreneurial freedom, social security and an adequate standard of living.

International and European legal sources have played a decisive role in this transformation. The Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the European Social Charter and the European Convention on Human Rights created a multi-level system for the protection of economic rights. In this system, economic rights are protected both directly, through labour and social guarantees, and indirectly, through property protection, procedural fairness, proportionality and non-discrimination.

The case law of the European Court of Human Rights confirms that the protection of economic rights cannot be reduced to classical ownership. Through the autonomous interpretation of "possessions", the Court has extended Convention protection to legally recognized economic interests, including pensions, social benefits, licences, business interests and legitimate expectations. This approach places legal certainty, proportionality and effective remedies at the centre of economic rights protection.

For Ukraine, economic human rights are of particular importance because their development has taken place under the simultaneous influence of

post-socialist transformation, institutional instability, armed conflict, full-scale war and European integration. The Constitution of Ukraine provides a broad catalogue of economic rights, including the rights to property, entrepreneurial activity, work, social protection and an adequate standard of living. However, the Ukrainian experience demonstrates that constitutional recognition is only the starting point. The real value of these rights depends on effective institutions, fair administrative procedures, independent courts, enforceability of judgments, fiscal sustainability and predictability of public administration.

Russia's full-scale invasion has created new challenges for the protection of economic rights. Martial law allows temporary restrictions, but it does not eliminate the legal nature of these rights. Even during war, state interference must remain lawful, necessary, proportionate and subject to control. At the same time, reconstruction, compensation for destroyed property, international financial assistance and European integration have turned economic rights into one of the key legal foundations of Ukraine's post-war recovery.

Therefore, the future development of economic human rights in Ukraine should be based not only on harmonization with European standards, but also on the strengthening of institutional guarantees. The decisive issues are legal certainty, proportionality of administrative interference, enforceability of judicial decisions, transparent compensation mechanisms, protection of property and business activity, and restoration of war-damaged economic assets. In this sense, economic rights are not secondary social promises; they are essential guarantees of human dignity and a practical measure of the maturity of a democratic state governed by the rule of law.

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