

## GLOBALIZATION PROCESSES: CHALLENGES FOR UKRAINE

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The processes of globalization - the growing interdependence of citizens and states in the modern world, have become a challenge for most national states, despite their geographical location or the level of political, economic and cultural development. Global integration has significant benefits: international division of labor, the scale effects and the rapid spread of innovations in different countries.

Ukraine can hope to take its proper place in global integration processes, while at the same time gaining significant advantages, namely: using the latest achievements of scientific and technological progress, participating in the world division of labor on the basis of self-analysis and creating a favorable legal and infrastructural environment; increase of tourist flow; increase in volumes of direct and portfolio foreign investment. However, the realities of globalization make each state clearly defined with its geopolitical choices.

For assessing the level of globalization, existing ratings are used, each of which is based on its own system of indicators. Now the most cited is the KOF index, covering the period from 1970 to 2015, with the calculation of 42 parameters for 209 countries (version 2018) [1]. The KOF Globalization Index determines the economic, social and political dimensions of globalization. Economic globalization reflects flows of goods, services, capital and information. In economic globalization separate trade and financial components are singled out. Social globalization (informational, cultural and interpersonal components) contains the dissemination of thoughts, information, ideas, impressions. Political globalization is characterized by the spread of government policy to other countries, the creation of supranational authorities. Calculation of the Globalization Index (KOF) It is the most widespread and cited among all the globalization indices. The calculation is made for 200 countries in the period from 1970 to 2015 [1].

In addition to the division into economic, social and political components, there is also a division into action indicators (de facto) and policy indicators (de jure). Thus, the actions characterize the intensity of actual flows that symbolize globalization (export / import, international investment, migration and tourism, information exchange), policy indicators assess the working capacity of instruments and mechanisms of

globalization: legislation, taxation of export / import income, trade restrictions [1].

As for the position of Ukraine in terms of individual components of the globalization index, economic globalization has left the country only 89th in the world. However, in terms of de facto economic globalization, Ukraine ranks 26th, ahead of Germany, Poland, the Czech Republic, Slovakia and Lithuania. However, in terms of de jure, the country was only 120th place, which determined the low rating. Thus, the lack of mechanisms for promoting economic globalization at the legislative, institutional level creates barriers for real economic globalization processes that are reflected in the volume of international trade, investment [2].

In terms of social globalization, Ukraine was on the 97th place in the world (the de facto indicator is 78th, de jure - 102th in the ranking) [2]. Here, the lack of mechanisms for promoting information, interpersonal and cultural globalization (de jure globalization), along with the low level of real processes of globalization in society (communication, business communication and business relations, international tourism and migration) hinder the growth of globalization processes in the country's social sphere. Regarding political globalization, Ukraine occupies the 30th position in the world (37th place de facto and 25 de jure position) [2].

If we analyze the dynamics of the globalization index of Ukraine, it is noticeable that de-jure indicators are greater than de facto ones. The institutional mechanism for promoting globalization is created, but it is not really involved in processes of economic, social and political nature. However, the index of globalization of Ukraine prevails on the average world level. But if compared with the countries of Europe and Central Asia, then the index of Ukraine is somewhat inferior to the average European, but the tendency of development gives hope that in the future the level of globalization of the country will reach it. If we compare the index of globalization of Ukraine and Poland (located at the 31st position in the ranking), then the dynamics of the change in the index of globalization of the two countries is similar - the graphs are almost parallel, but the indicators of Poland are somewhat better, which has the expression in a larger overall score.

Integration into European and world economic, informational and social space allows to activate the flow of goods and services, investments, information, interpersonal communication. One of the indicators of globalization is an increase in the share of exports and imports of goods in the structure of GDP of the country. According to the data of the NBU [2] and the State Statistics Service of Ukraine [1], the volume of exports in 2017 increased by 18% compared with 2016. Main exports: food products

(share in exports increased from 13% in 2005 to 44% in 2017), metal production (by contrast, the share decreased from 42% in 2005 to 25% in 2017). The share of machine building decreased for the analyzed period from 13% to 7%. The volume of imports in 2017 increased by 26% compared to the previous year. Machinery, equipment and transport vehicles (30%), mineral products (25.6%), chemical industry products (20.5%) have the largest share in the structure of imports in 2017. It is positive that one third of the imports relate to equipment: the use of energy-efficient advanced equipment will improve the quality of products, which means it strengthens its competitiveness.

Among the sectors most promising for further development and increase in exports, we can highlight the information technology sector. The IT service export revenue balance is steadily increasing. According to the National Bank of Ukraine report, in 2017 he brought the state budget 2.25 billion dollars. In 2016 Ukraine exported to other countries IT-services for a total of \$ 3.2 billion. At the same time, Poland's revenues from similar exports amounted to 16.3 billion dollars, and the undisputed leader in the ranking was the United States with a profit of 177.8 billion dollars. [3].

Thus, the processes of globalization and integration, in which Ukraine plays an increasingly important role, can both intensify the spread of the newest technologies and create a basis for attracting domestic enterprises, firms, research organizations and universities to international projects and grants.

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