

Global economic processes and Ukraine*

SVITLANA RADZIEVSKA¹

ABSTRACT. The paper presents main trends in global economic development and impact thereof on Ukraine. A characteristic feature of the contemporary world is acceleration of globalization caused by achievements of the scientific and technological progress, which have provided technical means for successful overcoming the factors of time and space, whereby making the world more compact and ensuring the possibility of functioning as a single economic mechanism.

Growing of opportunities for solving global problems is accompanied by aggravation of the latter such as: population growth, depletion of natural resources, deterioration of the environment, the mounting danger of climatic changes, potential failure to provide people with foods and potable water. Growth of social inequality in the world is also observed, as is increased differentiation of population by income level, which intensifies migration processes and thereby creates new problems related to coexistence of people belonging to different civilizations, cultures and value systems. An integral part of globalization is formation of regional associations which requires Ukraine to participate in this phase of globalization by means of becoming a member of a regional integration association with the purpose of improving its competitiveness and ensuring decent living for Ukrainian people under conditions of humanity functioning as a single planetary organism.

KEY WORDS: Globalization, financialization, real and virtual economy, core and peripheral countries, unequal exchange, local civilization, uni- and multi-polar world.

Introduction

By the end of the 20th century, the world has become uni-polar and well-structured along with distinguishing the core (centre) formed of developed countries and the rest that formed its periphery. The core countries mainly belong to the Western civilization, characterized by a high level of technological development and high standards of living whereby forming the so-called “golden billion”.

The issue of globalization has become quite pressing, being defined as a *contemporary process* associated with the age of information revolution and the communication media revolution, whereas also as a certain response to the global economy development structural crisis as the highest stage of internationalization, thus transforming the world into a single global system functioning in real time of the entire planet².

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¹ **Svitlana Radzievska** — PhD in Economics, PhD in Philology, Assistant Professor of the Organizational Management and Logistics Department, State Economic and Technological University of Transport. Main research areas: global trends in the world economy development, international economic integration, translation in the field of nanotechnologies. Email address: radzievskaya@yahoo.com

² *Sidenko V.R.* Globalization — European integration — Economic Development: Ukrainian model [Text]: in 2 vol. — K., 2008. Vol. 1: Globalization and Economic Development / V.R. Sidenko. — K.: Phoenix, 2008. — p. 96 [In Russian].

Professor B. Havrylyshyn points out: “Globalization, which became possible due to the rapid progress of telecommunications, computerization and transport, is a major determinant of economic relations between countries, making them economically co-dependent. The main drivers of globalization are major international financial, industrial and commercial enterprises. The USA, Japan and several Western European countries housing such enterprises have on their account become key actors in the global economic arena”³.

Among the studies of global economic development trends which formed by the end of the last century, one should note works by such foreign scientists as I. Wallerstein⁴, M. Castells⁵, H. Martin⁶, J. Stiglitz⁷, F. Fukuyama⁸, S. Huntington⁹, as well as by Ukrainian scientists O. Bilorus¹⁰, V. Heyets¹¹, D. Lukianenko¹², Yu. Makohon¹³, Yu. Pakhomov¹⁴, V. Sidenko¹⁵, S. Sokolenko¹⁶, Ya. Stolyarchuk¹⁷, A. Filipenko¹⁸, S. Tsyhanov¹⁹,

³ Sokolenko S.I. Globalization and Economy of Ukraine / S.I. Sokolenko. — K.: Logos, 1999. — p 3 [In Ukrainian].

⁴ Wallerstein I. The End of the World As We Know It: Social Science for the Twenty-First Century / I. Wallerstein; translated from English by V.L. Inozemtsev. — M.: Logos, 2003. — 355 p. [In Russian].

⁵ Castells M. The Information Age: Economy, Society and Culture / M. Castells; scien. edition, translated by O.I. Shkaratan. — M.: GU VSHE, 2000. — 607 p. [In Russian].

⁶ Martin H. Martin H.-P., Schumann H. The Global Trap: Globalization and Assault on Prosperity and Democracy / Martin H.-P., Schumann H. — M.: Alpina, 2001. — 335 p. [In Russian].

⁷ Stiglitz J. Globalization and Its Discontents / Joseph Eugene Stiglitz; translated from English by A. Ishchenko — K.: KM Academia, 2003. — 252 p. [In Ukrainian].

⁸ Fukuyama F. The End of History and the Last Man / F. Fukuyama; translated from English. — M.: AST; Yermak, 2007. — 588 p. [In Russian].

⁹ Huntington S. The Clash of Civilizations / S. Huntington. — M.: AST, 2003. — 603 p. [In Russian].

¹⁰ Bilorus O.G. The economic system of globalization / O.G. Bilorus. — K.: KNEU, 2003. — 357 p. [In Ukrainian].

¹¹ Heyets V.M. Society, state, economy: phenomenology of interaction and development/ V.M. Heyets. — K.: Institute for Economics and Forecasting, National Academy of Sciences, 2009. — 864 p. [In Ukrainian].

¹² Lukianenko D.H. Economic integration and global problems of today / D.H. Lukianenko. — K.: KNEU, 2005. — 204 p. [In Ukrainian].

¹³ Makohon Yu.V. Globalization and Ukraine in world economy // Yu.V. Makohon, T.V. Orekhova. — Donetsk: DonNU, 2004. — 478 p. [In Russian].

¹⁴ Pakhomov Yu.N. Ukraine and Russia Between East and West / Yu.N. Pakhomov // Economic Journal XXI. — 2010. — No. 5–6. — p. 3–8 [In Russian].

¹⁵ Sidenko V.R. Globalization — European integration — Economic Development: Ukrainian model [Text]: in 2 vol. / V.R. Sidenko. — K., 2008. Vol. 1: Globalization and Economic Development. — K.: Phoenix, 2008. — 376 p. [In Russian].

¹⁶ Sokolenko S.I. Globalization and Economy of Ukraine / S.I. Sokolenko. — K.: Logos, 1999. — 568 p. [In Ukrainian].

¹⁷ Stolyarchuk Ya.M. Global asymmetries of economic development / Ya.M. Stolyarchuk. — K.: KNEU, 2009. — 302 p. [In Ukrainian].

¹⁸ Filipenko A.S. Economic Globalization: origins and results / A.S. Filipenko. — M.: Ekonomika, 2010. — 512 p. [In Russian].

¹⁹ Tsyhanov S.A. Problems of sustainable development in the context of neo-liberal model of globalization / S.A. Tsyhanov, A.M. Yanshina // Ekonomika Ukrayiny. — 2013. — No. 4. — p. 4–14 [In Ukrainian].

O. Shnyrkov²⁰ and many others. Analysis of the studies leads to the conclusion that the world is experiencing escalation of competition between countries, along with aggravation of international division of labour, elapsing of the time for traditional state international relations existence as a main means of ties, growing dominance of transnational and multinational corporations, regional associations of countries and supranational governmental institutions with the prospects of transforming into global corporations and global governance institutions.

According to the leading international economists, globalization discredits traditional notions regarding conditions, factors, sources and criteria for success of individuals, small and large groups of people in virtually all fields of activity, corporations, countries, and regions of the world²¹. The contemporary world is in an unstable, transitional state while approaching certain crossroads leading either to transformation of the existing and unfair uni-polar world into a fair multi-polar one, or to the collision of poverty and wealth, the clash of Western civilization expanding to all other countries with other civilizations²² and subsequent apocalypse. At that, it should be taken into account that contemporary economic theory can not predict the future, or even interpret the current reality, since the gap between science and practice is increasing to the favour of the latter²³.

Domestic scientists have concluded that in the context of globalization, including global tendencies to “trade and economic blockade”, Ukraine also has to join a regional integration association, as it remains one of the few major countries in the EEA, not yet being a member of an integration association²⁴.

The paper objective is to review the main trends of global economic development, as well as to study their impact on the state and integration prospects of Ukraine in terms of the global trend to transition from the uni- to a multi-polar world.

²⁰ Shnyrkov O. Priorities of Ukraine's free trade areas / O. Shnyrkov // Bulletin of Taras Shevchenko Kyiv National University. International Relations. — Issue 38/39/2012. — K. : Kyivskyi Universytet, 2012. — p. 37–38 [In Ukrainian].

²¹ XXI Century Global Economy: The Human View / D.H. Lukianenko, A.M. Poruchnyk, A.M. Kolot et al.; under editorship of D.H. Lukianenko and A.M. Poruchnyk. — K.: KNEU, 2008. — p. 20 [In Ukrainian].

²² The global challenges of our time: social and geographical view / B.P. Yatsenko, V.K. Kiptenko, V.V. Smal et al.; under editorship of B.P. Yatsenko, V.K. Kiptenko. — K.: Kyivskyi Universytet, 2012. — p. 3.

²³ Lukianenko D.H. Global economic integration / D.H. Lukianenko. — K.: Natsionalny Pidruchynk LLC, 2008. — p.3–4 [In Ukrainian].

²⁴ Ukraine in the former Soviet Union integration processes: modeling alternatives: analytical report / I.V. Klymenko, Yu.M. Kharazishvili, O.M. Sharov, I. V. Us. — K.: NISD, 2013. — p. 90 [In Ukrainian].

Global trends in economic development

Major trends in economic development of the world are studied by many of the modern scientists. According to the results of work carried out by Ya. Stolyarchuk, the main trends of the world economic development in historical perspective are determined by asymmetry as a universal form of global economic development, which reflects systemic changes in the global economy²⁵.

Professor V. Bazylevych distinguishes between *five contemporary world economic development megatrends*: 1) *globalization*; 2) *financialization*; 3) *informatization*; 4) *intellectualization*; 5) *socialization*²⁶. Particular attention is paid by the Ukrainian economist to *financialization*, reflecting fundamental shifts in the global economy structure associated with exaggerated dominance of the financial sector. The scientist points out that in terms of *informatization* the behaviour of economic agents is determined also by the information of manipulative nature, whereas *intellectualization* progressively increases the human factor impact in the socio-economic development, while global development *socialization* demonstrates subordination of economic processes to the interests of the individual and society development as a whole.

David Gregosz describes the following *2020 megatrends*: 1) *insufficient level of consolidation in the West*, tending to decrease; 2) *emergence of new global centres of influence*; 3) *increase in population*, which is already a real challenge; 4) *lack of resources* in terms of their use volume increase, which requires certain counteraction; 5) *digitalization*, accelerating and connecting everything in the world²⁷.

While analyzing *global trends of contemporary world development*, Russian Professor V. Yakunin identifies the most vital “streams” formatting the world such as: 1) *power industry* of the world and energy flows; 2) the new “industrialism” and global civilizational *conflict of the real and virtual economies*; 3) *food balance of the world*; 4) *human flows*; 5) *information*²⁸.

V. Muntyyan, a Corresponding Member of NASU, notes that the structure of international relations is greatly influenced by

²⁵ *Stolyarchuk Ya.M.* Global asymmetries of economic development / *Ya.M. Stolyarchuk*. — K.: KNEU, 2009. — 302 p. *Ya.M. Stolyarchuk.* Global asymmetries of economic development / *Ya.M. Stolyarchuk*. — K.: KNEU, 2009. — 302 p. [In Ukrainian].

²⁶ *Bazylevych V.* Modern economic theory: in search of a new paradigm / *V. Bazylevych* // Bulletin of Taras Shevchenko Kyiv National University. *Ekonomika*. — 2013. — No. 146. — p. 5–6 [In Russian].

²⁷ *Gregosz D.* Economic Megatrends up to 2020. What can we expect in the forthcoming years? / David Gregosz // Facts and Findings No.106, August 2012. — Konrad-Adenauer-Stiftung, 2012. — 15 p.

²⁸ *Yakunin V.I.* Global trends of modern world development / *V.I. Yakunin* // Global trends of world development. Materials of the All-Russian Scientific Conference, June 14, 2012. — M.: Nauchnyi Expert, 2013. — p. 10 [In Russian].

*three global economic processes: general economic effects of the Earth population growth; increase in average world income per capita; expansion of internationalization and globalization of the economy*²⁹.

A scientific study under the leadership of M. Zhurovsky has proved that for the first half of the 21st century *the first and the most pressing challenge to humanity is rapid depletion of organic fuels extracted from the bowels of the Earth against increasing consumption volume thereof*, especially by China and India. However, in the early 2020s the curves of energy consumption and production will cross as regards energy generated from oil, whereas in the early 2030s — energy generated from gas, and in 2050s — energy generated from uranium-235. The study resulted in arriving at the conclusion that until humanity has discovered energy sources that could adequately replace organic fuels and nuclear energy, the energy security of single countries and the world in general will keep reducing³⁰. This is also facilitated by globalization, accompanied by continual planetary looting of resources as well as expansion of economic and financial crime³¹.

In our view, it is important to point out that fuel extracted from the bowels of the Earth will remain the dominant source of primary energy and provide for over three-fourths of energy consumption by 2030. With the end of the 21st century first quarter the era of oil use ends and the era of gas use begins. The main increase in gas production will account for traditional gas reserves most of which are concentrated in three countries — Russia, Qatar and Iran. At the end of the 21st century, *renewable energy sources should ensure transition to the new energy use system — one not based on hydrocarbon energy, which ought to significantly change the situation in the world*³².

According to Ukrainian researchers, the second challenge to humanity is the threat of imbalance between biological capacity of the Earth and the needs of mankind in the biosphere in the context of changing demographic structure of the world. The threat implies that there will be more people on the planet than

²⁹ Muntiyani V.I. Economy of the noosphere as a tool for overcoming the global financial and economic crisis / V.I. Muntiyani // The economic security of the state: an interdisciplinary approach [collective monograph] / under scien. editorship of Ye.V. Khlobystov. — Cherkasy: Yu.A. Chabanenko Publishing, 2013. — p.107 [In Ukrainian].

³⁰ Analysis of Sustainable Development — Global and Regional Contexts / International Council of Scientific Unions (ICSU) [et al.]; scient. supervisor M.Z. Zhurovsky. — K.: NTUU“KPI”, 2010. part 1. Global analysis of safety and quality of life of people. — p. 16 [In Ukrainian].

³¹ Muntiyani V.I. Loc. cit. — p.107.

³² Yakunin V.I. Loc. cit. — p.10–13.

it can sustain, based on available natural resources. Pentagon experts say that already in 2020, the humanity may face real problems associated with catastrophic shortage of water, energy and foods, which may cause new conflicts on Earth³³.

The third threat implies growing inequality between people and nations on Earth. In 2011, the rich and poor countries ratio by GDP per capita at PPP made 1:250; the ratio in 2005 had been 1:175; whereas in 2000 it had made 1:100. That is, over the past decade the differentiation has increased by 2.5 times³⁴. According to the World Bank data of 1973, three of the richest people on Earth had capital in excess of those in 47 poor countries, 475 richest people controlled half of the whole human capital. The ratio between one fifth of the richest and one-fifth of the poorest people on Earth has reached 1:75. The gap between the richest and the poorest people on Earth in terms of living standards over the past 20 years has increased almost tenfold³⁵.

*A danger to the future of humanity lies in restricted access to potable water: a fifth of humanity has no access to it*³⁶. The Russian Federation territory has more than a quarter of the world's fresh water reserves, with as much as 23 % found in the endemic Lake Baikal³⁷.

Thus, *countries differ in terms of wealth and respectively — living standards of their people, while the planet's resources are being exhausted.* Under these conditions, the global economy faces the task to ensure sustainable development and to overcome the tendency of aggravating inequality, whereby also reducing the existing inequalities between people and countries, and achieving unity and solidarity of mankind.

In theory, this is what the world globalization should be aimed at, with the globalization being the first and most important megatrend of the modern economy creating opportunities for rich countries to import the necessary resources and manpower

³³ Analysis of Sustainable Development — Global and Regional Contexts: monograph / International Council of Scientific Unions (ICSU) [et al.]; scient. supervisor M.Z. Zhurovsky. — K.: NTUU“KPI”, 2010, part 1. Global analysis of safety and quality of life of people. — p. 16 [In Ukrainian].

³⁴ Tkalenko S. Financial flows and security of the state in the context of globalization and global integration processes / S. Tkalenko // Mizhnarodna ekonomichna polityka. — 2013. — No. 1(18). — p. 92 [In Ukrainian].

³⁵ Analysis of Sustainable Development — Global and Regional Contexts: monograph / International Council of Scientific Unions (ICSU) [et al.]; scient. supervisor M.Z. Zhurovsky. — K.: NTUU“KPI”, 2010, part 1. Global analysis of safety and quality of life of people. — p. 17–18 [In Ukrainian].

³⁶ Analysis of Sustainable Development. Loc. cit. — p. 20.

³⁷ Andreyev I.L. Fresh water as a strategic resource of Russia in the international arena / I.L. Andreyev // Global trends of world development. Materials of the All-Russian Scientific Conference, June 14, 2012 — M.: Nauchnyy Expert, 2013 — p. 381 [In Russian].

from poor countries, whereas for poor countries — to import high-tech products, equipment, technologies and expert human resources. In terms of such exchange, any country may incur losses, in the first place due to lowered price of its goods and services, and secondly, because of its currency undervalued exchange rate against the currency in which a commercial transaction is carried out. Therefore, a special attention is paid to *financialization* (V. Bazylevych), or to the relation between the virtual and real economies (V. Yakunin), as well as to the problem of fixing world prices, which, as believed by many economists, would according to Maslow's hierarchy of needs provide primarily for physiological survival of mankind.

Active participation of the peripheral countries in globalization processes is promoted by the *emerging trend to growing national external debts in terms of the world's financialization*. In this context it should be noted that aggravation of the debt crises in Europe starting in the summer of 2010 was a turning point marking commencement of “ending the era of Western democracies debts”, followed first by the period of restrictions; secondly, by structural reforms and, thirdly, by search for new sources of income³⁸.

By analogy with narcology terms, the phenomenon of debt was given a specific description in the economic literature — “taking up a debt habit”, “getting in a debt trap”, while the phenomenon became an integral part of today's global economy operating mechanism of enforcing countries to participate in foreign trade, even under unfavourable price conditions for them, because of the need to obtain foreign currency, mainly, the U.S. dollars for servicing and repaying their foreign debts. Third World countries annually pay over USD 375 billion to redeem their debts, which 20 times exceeds financial support they receive from foreign countries³⁹.

At present, volumes of transactions in international lending, investment, and particularly, currency markets, several times exceed those of commodity sales activities, whereas for every U.S. dollar in the real sector of the global economy there are USD 50 in the financial sector. Speculative transactions in international financial and investment markets reach 95 % of the total transactions, while the daily volumes of speculations counted in *trillions*

³⁸ Gregosz D. Economic Megatrends up to 2020. What can we expect in the forthcoming years? / David Gregosz // Facts and Findings No.106, August 2012. — Konrad-Adenauer-Stiftung, 2012. — P. 3.

³⁹ Muntiyani V.I. Economy of the noosphere as a tool for overcoming the global financial and economic crisis / V.I. Muntiyani // The economic security of the state: an interdisciplinary approach [collective monograph] / under scien. editorship of Ye.V. Khlobystov. — Cherkasy: Yu.A. Chababenko Publishing, 2013. — p.105 [In Ukrainian].

exceed the value of international sales by tens of times⁴⁰. The virtual economy allows instant performing speculative transactions involving goods, money and securities, while creating giant financial pyramids⁴¹.

In the world of phantom financial instruments investment activity keeps losing to *financial speculations* in terms of economic returns on the one hand, while on the other — a large part of humanity is gradually turning into a society of *excessive material benefit consumers*. As the excessive consumer society faces restriction of all kinds of resources, the social inequality is aggravated and social tensions increase⁴². This confirms actuality of the threat posed by increasing inequality between the countries to humanity.

It is quite clear that the conflict between the virtual and real economies is based on the fact that the benefits produced and consumed by people are obtained by two basic methods: firstly, being result of work; and secondly, being result of appropriating benefits produced by another person or unearned incomes of various types. V. Yakunin emphasizes that invention of substitutes for financial benefits has spawned virtual economy, usury, trading and financial margin. That is, in the 20th century a remarkable invention took place: *initiating non-cash issue of money along with total rejecting financial security thereof*. Technological progress has spawned non-restricted issue of electronic money, resulting in usurious rent appropriation and direct financial fraud entailing imbalance between the real and speculative sectors of economy. The scientist believes socialist revolutions to be a response to the conflict of interests between the owner of the means of production and the employee. Under present conditions, *appropriation* through the right to issue and circulation of money and substituting securities again causes global conflict⁴³.

The conflict of virtual and real economies is dwelled upon by V. Heyets, A. Hrytsenko and S. Zhovnir, emphasizing that: “Globalization as well as formation of information and network economy create new common factors, change the nature of social development as well as create wealth concentration mechanisms not through development of production but through mechanisms of its redistribution”⁴⁴. In fact, scientists have already proven

⁴⁰ Lukianenko D. Global management strategies /Dmytro Lukianenko, Tymur Kalchenko // Mizhnarodna ekonomichna polityka. — 2009. — No. 8–9. — p. 7–9 [In Ukrainian].

⁴¹ Political measurement the global financial crisis. Phenomenology, theory, elimination /Problem Analysis and State Managerial Projecting Centre — M.: Nauchniy Expert, 2012. — p. 370 [In Russian].

⁴² Bazylevych V. Loc. cit.. — p. 6.

⁴³ Yakunin V. Loc. cit.. — p.13–14.

⁴⁴ Institutes of employment and unemployment: current trends and challenges for Ukraine: scient. report / [V.M. Heyets, A.A. Hrytsenko, V.V. Blyznyuk et al.]; under editorship by V. M. Heyets, A.A. Hrytsenko; Institute for Economics and Forecasting, National Academy of Sciences.” — K., 2013. — p. 3, 240 [In Ukrainian].

the leading role of Great Britain in creating prerequisites for reproducing the Anglo-Saxon model of capitalism on a global scale as well as demonstrated factors due to which Great Britain and the United States receive absolute advantages in forming the rules of international economic activity based on ideology and values of market fundamentalism, allowing the two countries to reallocate for their own benefit a significant proportion of added value created by other participants in the process of globalization⁴⁵. Most probably, the financial centre of the world will be moved from America to Eurasia, since “struggle for the issuing machine” in the world grows more intensified, with the “issuing machine” no longer based on a certain common currency⁴⁶.

The global economy financialization trend is closely linked to its informatization providing for parallel functioning of the real and virtual economies, due to which opportunities emerge for use of high information and communication technologies (ICT) to appropriate results of the real economy functioning.

Thus, resolving contradictions between the real and the virtual economy as well as *overcoming speculative processes in the society* through which appropriation of labour results and rent by certain sections of society and even nations occurs proves only possible on account of owning specific modern ICT, which is becoming one of the factors in the global economy intellectualization⁴⁷.

Particular importance is vested in the global economy informatization in connection with such global *trend* of the world development as *attempting to unify the system of human values* by replacing the palette of values existing in the world and corresponding to the system of values in local civilizations by values of the Western civilization (westernization). The task of unifying human values gives rise to the *tendency of reinforcing information impact on the world's population and thus forming the desired model of behaviour*. At that, the said impact is effective: the weakening of spiritual continuity of generations raises the problem of confrontation between the values of the older generation, socialized in terms of clearly regulated patterns and

⁴⁵ Kuznetsov O.V. Anglo-Saxon model of capitalism in the world economy: abstract of PhD in Economics thesis: 08.00.02 “world economy and international economic relations” / O.V. Kuznetsov; Institute of World Economy and International Economic Relations. — K., 2011. — p. 5 [In Russian].

⁴⁶ Muntiyani V.I. Economy of the noosphere as a tool for overcoming the global financial and economic crisis / V.I. Muntiyani // The economic security of the state: an interdisciplinary approach [collective monograph] / under scien. editorship of Ye.V. Khlobystov. — Cherkasy: Yu.A. Chabanenko Publishing, 2013. — p. 105 [In Ukrainian].

⁴⁷ Political measurement the global financial crisis. Phenomenology, theory, elimination /Problem Analysis and State Managerial Projecting Centre — M.: Nauchniy Expert, 2012. — p. 151-166 [In Russian].

the values of the younger generation formed in terms of spontaneous socialization⁴⁸. Along with this, the information is presented not only as an economic but also as a social and even an environmental category⁴⁹.

The contemporary world is also characterized by the fact that the rich countries demonstrate a slight growth in population with it aging, whereas the poor countries demonstrate a significant population increase. The annual population growth rate in developing countries is on average 6 times higher than in the developed ones⁵⁰. An important *trend in the world development is intensification of human flows and population migration*. This process is generated by existence of regions with concentrated major global wealth as well as regions where the majority of the world's population resides. The imbalance between these regions is the source of future conflicts. The USA and the EU countries account for over 50 % of migrants, with the USA leading in terms of the international migrants number (in 1960 — 9.74 million people; in 2000 — 34.99; in 2010 — 42.81 million)⁵¹.

The conflict between labour productivity growth and employment also grows exacerbated, as reflected by the increase in unemployment and the army of so-called superfluous men. Exactly due to this, global economy socialization becomes an important megatrend.

It is important to note that *for the world's leading economies the globalization process facilitates not only access to the natural resources of the peripheral countries, but also use of their capitals*. Thus, when studying the main trends of globalization of savings and investment in the global economy, N. Navrotska concludes that the integration of economies into a global economy has significantly altered the mechanism of transforming savings into domestic accumulated funds and given rise to a new problem — the lack of real investments against a background of a fairly large amount of domestic savings. There is a *tendency of absolute and relative decline in the share of savings in developed countries along with simultaneous increasing of savings in the developing ones*. Due to

⁴⁸ Bazylevych V. Loc. cit. — p. 6.

⁴⁹ Muntiyani V.I. Loc. cit. — p. 109; Selivanov A.I. Tradition and marginality in the XXI century: confrontation, interaction, impact on social dynamics. Portal of RAN Institute of Scientific Information for Social Sciences. — [Electronic resource]. — Access mode: <http://www.rkpr.inion.ru> Published on 13.07.2013 [In Russian].

⁵⁰ Kyslytsyna O.V. International labour migration in the context of globalization: abstract of PhD in Economics thesis: 08.00.02 “world economy and international economic relations” / O.V. Kyslytsyna; Tukhan-Baranovsky Donetsk Economics and Trade University. — Donetsk, 2011. — p. 8 [In Ukrainian].

⁵¹ Kyslytsyna O.V. Loc. cit. — p. 9.

exporting, the developing countries earn funds from the USA and other developed countries, whereas to a large degree reinvest the earned funds also there. The imbalances in distribution of savings and investments entailed development of global net lenders and net debtors. It was in the last decade that along with the declining savings rates the developed countries started investing their national economies partly on account of savings in the developing countries. That is, countries with huge needs in modernization are engaged in exporting of capital⁵².

The presented global economic processes are taking place in terms of contemporary uni-polar economy dominated by the USA and Western civilization.

Global trend of transition to a multi-polar world

In view of the considered existing major development trends in the global economy the question arises as to the capability of poor countries to provide for informatization, intellectualization and socialization of their economy development at the same level as that of the rich countries. Unfortunately, the answer to this question cannot be affirmative.

It seems appropriate to quote opinion of the NASU academician P. Tolochko regarding these processes: “talks about the process pattern regarding world globalization, which have become one of the Western propaganda myths, as well as talks about freedom of peoples and democracy are nothing but an attempt to justify the right of the strong to free accessing the world's wealth”⁵³. A similar opinion was offered by A. Vdovichen claiming that over the past forty years the most powerful countries led by the USA have created “a system of forceful globalization — a worldwide exploitation mechanism unprecedented in the history of mankind”⁵⁴. Indeed, rich countries are the most powerful also in the military way, which may be used as an argument in resolution of international conflicts.

Obvious to all researchers of global economic processes is also the fact that *achieving living standards of the core countries by*

⁵² Navrotska N.A. Driving trends in globalization, savings and investments in the global economy / N.A. Navrotska // Problemy Ekonomiky. — 2013. — No. 2. — p. 16 [In Ukrainian].

⁵³ Tolochko P.P. Ukraine: State or Country?! P.P. Tolochko. — K.: Dovitra, 2008. — p. 181 [In Ukrainian].

⁵⁴ Vdovichen A.A. The causes of disproportionate development of the world economy / A.A. Vdovichen // Bulletin of Chernivtsi Trade and Economics Institute. Ekonomichny Nauky. Issue 11 (50). Chernivtsi, 2013. — p. 82 [In Ukrainian].

those of the periphery is impossible, since the planet's resources are not sufficient: according to certain calculations, to achieve the above five such planets like Earth would be needed⁵⁵. However, foreign scientists emphasize importance decrease of the globalization role and the fact that in the future the developing countries will be gaining more opportunities to improve their indices, especially in view of the significant increase in the number of global leaders, which will greatly affect the structure of the world economy⁵⁶. This is evidenced, in particular, by GDP dynamics of country groups (see Fig. 1) presented in the plenary report of O. Moskvina, the Deputy Director of the Macroeconomic Statistics Department with the State Statistics Service of Ukraine.

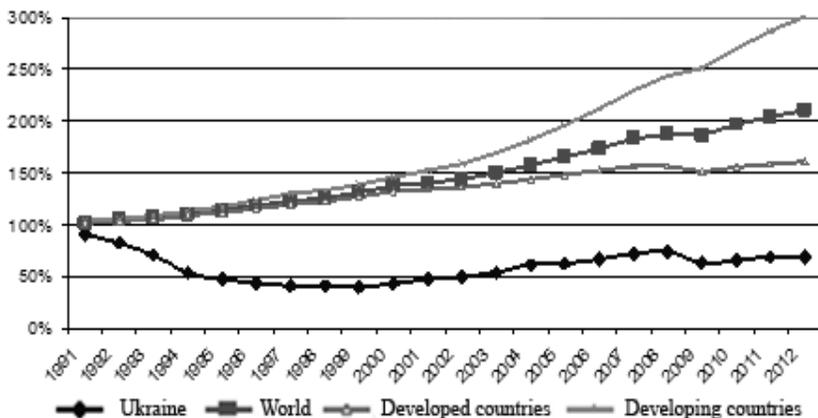


Fig. 1. GDP dynamics of country groups

Source: *Moskvina O.* Structural changes in the economy of Ukraine in the context of globalization // Transformation of national models of economic development in the context of globalization. Kyiv National Trade and Economics University, November 20-22, 2013

Despite the fact that the USA keeps occupying the first place in the world in terms of GDP (for 2012, the GDP made USD 15,650 billion), in terms of real GDP growth rate the USA ranked 134 in the world, while the EU-27 — 191. These are dis-

⁵⁵ *Kuchukov R.A.* Globalization, postmodern, posthistory / *R.A. Kuchukov, A.V. Savka* // Global trends of world development. Materials of the All-Russian Scientific Conference, June 14, 2012 — M.: Nauchnyy Expert, 2013 / Problem Analysis and State Managerial Projecting Centre. — M.: Nauchnyy Expert, 2013. — p. 600 [In Russian].

⁵⁶ *Pacek N.* Five Mega-trends facing international businesses through to 2020 / *Nenad Pacek* // The Insight Bureau, IssueNo.44. — November 2009; *Hankel W.* Megatrends of the Global Economy of Tomorrow / *Wilhelm Hankel, Robert Isaak* // The World Financial Review [Electronic resource]. Access mode: <http://www.worldfinancialreview.com/?p=499>

turbing indicators showing a negative trend aimed at extinction of the West economic development⁵⁷.

In our view, one should agree with scientists convinced that *today's world is transitional*. Leadership during uni-polar period adopted by the USA and the Western civilization showed historical and value-conscious vulnerability. A global attempt of forcing the world to ensure rent-based existence of minority (the core countries) at expense of most of the rest of the world (the peripheral countries) is nearing completion within the next 10-20 years, which will result in changing the global financial system and geo-economic space, whereas *leadership of the West will be replaced by that of the East*⁵⁸. The scientific literature also expresses an interesting idea that the future will not belong to the East or the West, but to some third party, which will preserve the best contained in each of them⁵⁹.

The essence of the above transition lies not in a change in leadership from the West to the East, while strengthening the East's role is undeniable, but in *creation of new poles of the world*, which is taking place today. Ukrainian scientists point out: "there is a process of demarcating geopolitical space into two poles: the Atlantic (USA-Europe) and the Pacific (China, Japan). Russia (and its satellites) will still have determine themselves within the new geopolitical structure, as will have the Islamic world, India, Latin America and Africa"⁶⁰.

It should be noted that overcoming the tendency to *increasing inequalities between people and nations on Earth* proves possible by donating a portion of the core countries' wealth to those of the periphery, from the rich to the poor, which would be possible only under the domination of spiritual values over material ones. Therefore, one should expect *aggravating collision of high human values with self-seeking interests and consumer model of life*. Despite new technological breakthroughs in material life, characteristics of the 21st century development will be determined not

⁵⁷ Muntiyani V.I. Economy of the noosphere as a tool for overcoming the global financial and economic crisis / V.I. Muntiyani // The economic security of the state: an interdisciplinary approach [collective monograph] / under scien. editorship of Ye.V. Khlobystov. — Cherkasy: Yu.A. Chababenko Publishing, 2013. — p.103 [In Ukrainian].

⁵⁸ Pakhomov Yu.N. Ukraine and Russia Between East and West / Yu.N. Pakhomov // Economic Journal XXI. — 2010. — No. 5-6. — p. 3-8; V. Yakunin. Loc. cit. — p. 28 [In Russian].

⁵⁹ Mezhuhev V.M. East and West from a historical perspective / V.M. Mezhuhev // Russia's role in the world: the right to exist and historical manifestations. — M.: Nauchnyy Expert, 2011. — p. 105 [In Russian].

⁶⁰ The global challenges of our time: social and geographical view / B.P. Yatsenko, V.K. Kiptenko, V.V. Smal et al.; under editorship of B.P. Yatsenko, V.K. Kiptenko. — K.: Kyivsky Universytet, 2012. — p.9 [In Ukrainian].

by material but by spiritual values⁶¹. It proves quite logical to conclude that “in terms of world economy convergence megatrend as all new countries will inevitably be enhancing economic activity, all the countries (and especially the central ones) will have to look for new development models, otherwise... the clash of civilizations prediction may become reality”⁶².

New development models are by a number of researchers associated with rejection of the uni-polar world and the current Western neoliberal model of globalization thereof. Thus, it is argued that the socio-economic system can not exist without the ideological antagonist and therefore only based on differences in nations and states, primarily, in terms of space and time, a truly fair and rational world of the future can be built⁶³.

A more common and justified becomes the opinion that the *current course of the world development is not objectively determined while instead being a consequence of unequal exchange of economic activity results between core and peripheral countries artificially imposed by those of the core*, which after World War II and collapse of the USSR transformed the old colonial system to a new system of *neo-colonial exploitation of the world by selected countries of the “golden billion”*⁶⁴. The basis of the system is the *appropriation* mechanism formed as a result of financialization on account of the right to issue and circulation of money and securities. The mechanism's effect is closely related to the fact that the leadership of the peripheral nations is economically dependent not only on the quality of economic management in their countries, but rather on complying with the requirements of international and supranational institutions as well as influential core countries.

It is known that the transnational protest movements are against the current neoliberal model of the world economy globalization, with those called anti-globalization and alter-globalization movements⁶⁵.

⁶¹ Pakhomov Yu.N. Ukraine and Russia Between East and West / Yu.N. Pakhomov // Economic Journal XXI. — 2010. — No. 5-6. — p. 3-8; V. Yakunin. Loc. cit. — p. 29 [In Russian].

⁶² The global challenges of our time: social and geographical view / B.P. Yatsenko, V.K. Kiptenko, V.V. Smal et al.; under editorship of B.P. Yatsenko, V.K. Kiptenko. — K.: Kyivsky Universytet, 2012. — p.12 [In Ukrainian].

⁶³ Globalization of the world economy: a geospatial view / O.O. Lyubitseva, V.K. Babarytska, B.P. Yatsenko et al. — K.: Kyivsky Universytet, 2010. — p. 13-14 [In Ukrainian].

⁶⁴ Gorelov A.A. Global neo-colonialism: the state and the involution / A.A. Gorelov // Global trends of world development. Materials of the All-Russian Scientific Conference, June 14, 2012 — M.: Nauchnyy Expert, 2013 / Problem Analysis and State Managerial Projecting Centre. — M.: Nauchnyy Expert, 2013. — p. 69-82 [In Russian].

⁶⁵ Alter-globalizm and anti-globalization movement in the contemporary world: Coll. of reviews and summaries/ Centre for scientific and information studies of global and regional problems. Global problems department. — M.: INNION RAN, 2006. — 152 p. [In Russian].

Pressing is for countries in the periphery the *problem of preventing formation of a certain managerial stratum of population, which based on own interests can make decisions not to the national favour* (in particular, the impact of elite savings in foreign banks). One of the forms of influencing the peripheral countries is the possibility of arresting their accounts in foreign banks, as indicated by A. Hrytsenko when referring to the problem of foreign exchange reserve: “Take, for example, foreign exchange reserves perceived by public consciousness as certain stock values not exposed to situational factors and available to help out in the event of unforeseen difficulties. However in fact, this stock is mainly foreign currency (usually U.S. dollars and euros) placed with foreign banks in reliable short-term securities of countries with stable economic and financial systems. Foreign exchange reserves (excluding gold, whose share is small, and moreover, it is often stored in foreign banks) do not provide any real values, while being just entries in the accounts or securities granting the right to receive foreign currency (also in the form of entries in the accounts), in exchange for which one can gain real values. In fact, the foreign exchange reserves embody trust to the country with a stable financial system and the current world financial order, whereas at that, the trust is mutual. For example, if a country keeps its foreign exchange reserves in U.S. treasury bonds (which is very common), and the USA may for some reason decide that the country is improperly behaving on the international scene and arrest its assets, the foreign exchange reserves will no longer be regarded as such. The loss of trust is the loss of foreign exchange reserves”⁶⁶. During recent years, this influence was repeatedly applied in the international practice.

While considering the major global development trends of the world, many scientists came to the conclusion that one of them was the multi-polar world formation trend. Ukrainian scientists argue that “over the past 25 years, the world has radically changed: the USA – USSR bipolar system disappeared, and a uni-polar world system led by the USA was created. A multi-polar world system is discernible where giant countries such as China, India, Russia, medium countries such as Japan and Brazil, and integration associations such as the EU, etc. become new centres of geopolitical influence”⁶⁷. Thus, S. Huntington notes

⁶⁶ Institution of trust in terms of economic space and time: [monograph] / [A.A. Hrytsenko, T.I. Artyomova, T.O. Krichevska et al.], under editorship by A.A. Hrytsenko; Institute for Economics and Forecasting, National Academy of Sciences. — K., 2012. — p. 7–11 [In Ukrainian].

⁶⁷ Adaptation of Ukraine to the world-system transition from uni-polarity to multi-polarity. Analyt. rep. / [coll. of authors: M.I. Mykhalchenko, Yu.Zh. Shayhorodsky, O.K. Shevchenko et al.; under editorship by M.I. Mykhalchenko]; I.F. Kuras Institute of political and ethno-national studies, National Academy of Sciences. — K.: I.F. Kuras IPENS, 2012. — p. 112 [In Ukrainian].

that in one or two decades a really multi-polar 21st century will come to existence. R. Greenberg, the Director of RAS Institute of Economics, believes that the existence period of the uni-polar world established after collapse of the USSR is approaching expiry much like quincentenary of Euro-Atlantic civilization dominance⁶⁸.

Impact of global economic processes on Ukraine

The considered major trends of the world development influence the socio-economic development of Ukraine, while being manifested by deterioration of energy supply problem and increasing energy-carrier prices, increasing openness of the national economy and enhancing its participation in the globalization processes, dollarization and financialization of the economy, exacerbation of the conflict between the real and the virtual economy, increasing gross external debt and emerging situation of Ukraine being caught in a debt trap.

A serious threat to Ukraine lies in aggravation of the population social inequalities, demographic situation showing signs of depopulation, degradation and marginalization⁶⁹, as well as migratory processes, which may give rise to civilization conflicts that occur in the neighbouring countries, however so far virtually absent in Ukraine.

Paramount importance for the economy of Ukraine is vested in energy supply sector due to its energy intensity: under conditions of obtaining energy carriers at world prices the economy becomes unprofitable, which was proved back in 1992 by the NASU Institute of Economy showing that calculations of the balance of payments for import and export of basic raw materials and finished goods in trade between Ukraine and other republics of the Soviet Union during 1989 in terms of world prices demonstrated negative balance in the amount of USD 9.79 billion, while the import taken into account the deficit reached as much as USD 18.33 billion. Calculations showed that the reason for such a large negative balance was a significant difference between domestic and world prices for energy carriers in the first place. In the former USSR, "the domestic price of oil in 1990 had made

⁶⁸ *Greenberg R.S.* Contours of the new economy and chances of Eurasian integration / *R.S. Greenberg* // Global trends of world development. Materials of the All-Russian Scientific Conference, June 14, 2012 — M.: Nauchnyy Expert, 2013 / Problem Analysis and State Managerial Projecting Centre. — M.: Nauchnyy Expert, 2013. — p. 31 [In Russian].

⁶⁹ *Mandybura V.* Political and economic aspects of modern social-class population structuring of Ukraine / *V. Mandybura* // *Ekonomichna Teoriya*. — 2010. — No. 2. — p. 16–30 [In Ukrainian].

only 0.9 % of the world market price, with the share of energy costs in the cost structure for industrial production amounting to small percents, and sometimes to portions thereof”⁷⁰. Therefore, under current conditions and global levels of energy prices the economy of Ukraine will be growing along with increasing gross foreign debt.

Negative impact on the development of Ukraine is produced by dollarization of the economy, imperfectness of foreign exchange control and currency regulation. Strengthening of the conflict between the real and the virtual economy is promoted by unaccountability of the National Bank of Ukraine to the Government of Ukraine, while in terms of the economy financialization — also the NBU larger degree of integrity with the global financial system than with the Ukraine's system of economy state control.

Not the economy of Ukraine is 'in the heart' of the current money issue system and ensuring stability of the national currency, but foreign currency instead, mainly the U.S. dollar. The entire global economy uses the U.S. dollar as a reserve currency, therefore such a situation is observed in other countries as well⁷¹.

The global financialization trend in the world development has manifested itself also in the current system of moving capital resulted from economic activity to offshore zones and influx thereof to Ukraine in the form of direct foreign investment⁷².

An undisputed impact on the economy of Ukraine is produced by the global society informatization trend, which provides for implanting values of the Western civilization to the country's population, with the civilization having given birth to the modern neoliberal model of globalization. The impact of global trends of informatization, intellectualization and socialization of society contributed to significant income differentiation of Ukraine's population — the difference in incomes of the poor and the wealthy sections of the population reaches 40 or more tens of times⁷³. The differentiation is grounded by the necessity of significant investment in human capital, which is however frequently manifested

⁷⁰ *Burlaka V.H.* Strategy of Ukraine's oil sector development / *V.H. Burlaka*; National Management Academy. — K., 2012. — p. 228–229 [In Ukrainian].

⁷¹ To the centennial of creation of the Federal Reserve System: implications for the history and modernity. The third meeting of the "Free Thought" Intellectual Club // *Svobodnaya Mysl.* — 2013. — No. 6. — p. 68, 79.

⁷² *Mazaraki A.A.* National measurement of integration with global production networks / *A.A. Mazaraki* // Transformation of national models of economic development under conditions of globalization: materials of the International scient.-pract. conference (Kyiv, November 20–22, 2013) / under editorship by *A.A. Mazaraki.* — K.: National Economics and Trade University, 2013. — p. 89 [In Ukrainian].

⁷³ Inequality in Ukraine: the scope and opportunities to influence / under editorship by *E.M. Libanova.* — Uman: Sochinsky Publishing, 2013. — p. 13 [In Ukrainian].

not by knowledge or skills improvement of employees and increasing their commitment to practical activity, but rather by turning them into *excessive material benefit consumers*.

The aforementioned global trends pose certain threats of national sovereignty restrictions, as well as those of the country's economic situation deterioration and decline in living standards⁷⁴.

Accession to the World Trade Organization and formation of FTAs with several countries can still hardly be called a success for Ukraine both in terms of trade balance dynamics, which in 2006 proved negative with subsequent deterioration trend (see Table 1) and exports structure, which is mostly dominated by raw materials and semi-finished products.

**Table 1 Trade balance dynamics
(Ukraine's trade with countries of the world), mln. USD**

Years	2001	2002	2003	2004	2005	2006	2007
Balance	2886.5	3844	2836.7	6918.6	1291.8	-2884.5	-7263.6
Years	2008	2009	2010	2011	2012	2013	
Balance	-13294.7	-1312.6	-3025.3	-6657.0	-8985.3	-8475.8	

Source: Statistical Yearbook of Ukraine for 2003 / State Statistics Committee of Ukraine. — K., 2004. — p. 263, 273 [In Ukrainian]; Ukraine's foreign trade: Stat. collection / State Statistics Committee of Ukraine. — K., 2010. — p. 8 [In Ukrainian]; Ukraine's foreign trade: Stat. collection / State Statistics Service of Ukraine. — K., 2013. — p. 8 [In Ukrainian]; Foreign trade balance of Ukraine / State Statistics Service of Ukraine. Express issue. 14.02.2014. No. 59 / 0 / 08.2ap-14 [In Ukrainian].

Dollarization of the Ukrainian economy is accompanied by UAH exchange rate continual decline against the U.S. dollar, thereby worsening conditions of Ukraine's gross external debt repayment, which as per the end of 2013 third quarter amounted to USD 137.7 billion. In relation to GDP the total debt makes 77.3 %⁷⁵.

Geo-economic determination of Ukraine is one of the most important problems in the context of national development⁷⁶, successful resolving of which requires careful studying impact of the major global trends on Ukraine's economy under the present conditions. Certain challenges are seen by Ukraine in the global trend of multi-polar world establishing, manifested by the problem of developing integration processes with countries of the European and Eurasian Unions.

⁷⁴ Mocherny S National and economic sovereignty of the country / S.Mocherny // Ekonomika Ukrayiny. — 2005. — No. 10. — p. 4-13 [In Ukrainian].

⁷⁵ Balance of payments and external debt of Ukraine. 2013 third quarter. — K.: NBU, 2013. — p. 81 [In Ukrainian].

⁷⁶ Lukianenko D.H. Economic integration and global problems of today / D.H. Lukianenko. — K.: KNEU, 2005. — p. 4 [In Ukrainian].

In this context it should be noted that the importance of simultaneous access to two powerful European and Eurasian markets is highlighted in the work by Professor A. Shnyrkov⁷⁷. Considerably interesting are the results of calculations performed jointly by Ukrainian and Russian scientists as regards benefits of cooperation with the Eurasian Union⁷⁸. It should be noted that foreign scientists write both about Russia's role strengthening, considering the country as one of the future leaders of Eurasia, and on improving efficiency of cooperation between the Eurasian continent countries, which in their view, would in the future result in the policy of the Eurasian Union influencing the European Union policy and even that of the United States and China⁷⁹.

The most important task for Ukraine lies in its provision with energy resources, specifically — with Russian gas. The second most important task for Ukraine is to ensure production and export of products with significant added value. In our view, accomplishing these two tasks is related to cooperation with the Eurasian Union. Certain interest may also be posed by transition to own currencies in terms of Ukraine cooperating with those countries (given the correlation between the Ukrainian hryvnia and the Russian ruble, as well as impact of the financialization trend).

For Ukraine, particular importance is vested in the impact of the trend implying existing uni-polar world transformation into a fairer multi-polar world, *with the core countries of the current uni-polar world having implemented and supporting the neoliberal model of globalization*. In the struggle between *maintaining the uni-polar world* (which is in the interests of the “golden billion” leading countries) and *establishing a multi-polar world* (which is beneficial to the peripheral countries), intentions of Ukraine's integration with the West will support the first global players. Hopes of gaining financial assistance from the European

⁷⁷ Shnyrkov O. Priorities of Ukraine's free trade areas / O.Shnyrkov // Bulletin of Taras Shevchenko Kyiv National University. International Relations. — Issue 38/39/2012. — K. : Kyivskyi Universytet, 2012. — p. 37–38 [In Ukrainian].

⁷⁸ Ivanter V., Geets V., Yasynskiy V., Shirov A., Anisimov A. The Economic Effects of the Creation of the Single Economic Space and Potential Accession of Ukraine. Eurasian Integration Yearbook 2012. — Almaty, 2012. — P.19–42.

⁷⁹ Adomeit H. Putin's 'Eurasian Union': Russia's integration project and policies on post-Soviet space. Neighbourhood policy paper. A Project of the German Marshall Fund: Center for International and European Studies. July 2012, No.4; Cohen, A. (2013). Russia's Eurasian Union could endanger the neighborhood and U.S. interests. June 14, 2013: The Douglas and Sarah Allison Center for Foreign Policy Studies; Dragneva, R., Wolczuk, K. (2012). Russia, the Eurasian Customs Union and the EU: Cooperation, Stagnation or Rivalry? August 2012: The Royal Institute of International Affairs. — 16 p.; Delyagin, M. The Global Crisis: Why Mankind Needs Russia. — The Schiller Institute's April 13-14 conference on “The Future of Eurasian Cooperation”, Frankfurt, Germany: Executive Intelligence Review. May 3, 2013, Vol.40, No.18 P. 70–73.

Union, given its current state⁸⁰, prove quite doubtful. According to data of 1995, the share of the Western civilization population in that of the world made 13 %, while the share of Orthodox-Slavic amounted to 8 %, whereas by the share of world gross domestic product the figures were respectively 47 % and 4 %⁸¹. In case of Ukraine joining the Eurasian Union, it will contribute to strengthening the multi-polar world and Eurasian Union obtaining the status of a new global centre in conjunction with establishment of other new global centres⁸², however, this will be contrary to the interests of the leading core countries.

It still remains to be seen, which of the two ways will be chosen by Ukraine, or whether it will try to avoid selecting and restrict itself to participation in the integration processes at the stage of forming free trade areas with the CIS, GUAM and, possibly, with other countries.

Conclusions

Global economic processes are characterized by the following major megatrends: globalization, financialization, informatization, intellectualization and socialization. There is a rapid depletion of organic fuels extracted from the bowels of the Earth against increasing consumption volume thereof and growing inequality between people and countries.

During 1990s, the world has become uni-polar along with distinguishing the core (centre) formed of developed countries and the rest that formed its periphery. The core countries mainly belong to the Western civilization, characterized by a high level of technological development and high standards of living whereby forming the so-called “golden billion”. Achieving core country standards of living by peripheral countries proves impossible on account of lacking resources of the planet.

Today's world is transitional. In terms of ever more new countries intensifying economic activity it is required to look for new models of development associated with rejection of the uni-polar world and the current Western neoliberal model of globalization

⁸⁰ The deepening divisions in Europe and the need for a radical alternative to EU policies. Euro-Memorandum 2014. — European Economists for an Alternative Economic Policy in Europe. — 54 p.

⁸¹ *Filipenko A.S.* Economic development of modern civilization / *A.S. Filipenko*. — K.: Znannya Ukrainy, 2006. — P. 33 [In Ukrainian].

⁸² Adaptation of Ukraine to the world-system transition from uni-polarity to multi-polarity. Analyt. rep. / [coll. of authors: M.I. Mykhalchenko, Yu.Zh. Shayhorodsky, O.K. Shevchenko et al.; under editorship by M.I. Mykhalchenko]; I.F. Kuras Institute of political and ethno-national studies, National Academy of Sciences. — K.: I.F. Kuras IPENS, 2012 — 120 p. [In Ukrainian]; *Savin L.* Establish a multi-polar world order / Leonid Savin // *Geopolitika* Informational and analytical portal. 30.03.2013. [Electronic resource]. Access mode: <http://www.geopolitika.ru/node/1702>

thereof. The result will imply the uni-polar world transformation into a multi-polar in the interests of mankind.

Geopolitical space division by poles as follows is observed: the Atlantic pole (USA-Europe) and the Pacific pole (China and Japan); along with the prospect of isolating Russia and the Customs Union countries, the Islamic world, India, Latin America and Africa. Under these conditions, Ukraine has the following options: 1) to sign the “Ukraine-EU Association Agreement” choosing the path to become a EU member in the future; 2) to join the Eurasian Union; 3) to keep to the current status of relations with both unions. Which of the three integration ways will be chosen by Ukraine still remains to be seen.

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