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## **COMPETITION STRATEGY OF DEVELOPMENT OF UKRAINE IN THE CONDITIONS OF GLOBALIZATION**

### **II. Competitive strategy of integration of Ukraine into the international economic space**

*The competitive strategy of Ukraine's entry into the global economy, including the use of the effect of scale and synergy, formation of new markets, promotion of innovative products, product lines, complex products, long-term integrated programs, involvement of macroeconomic factors of influence on the competitiveness of production national producers for price and cost characteristics.*

**Keywords:** blue ocean strategy; competition at the cost of the product; market competitive strategies; price strategies; production synergy strategies; strategies for promoting long-term integrated programs; strategy of product lines promotion; strategy of promotion of complex products; strategy of using the effect of scale of production.

References 35; Figures 2.

Determining the potential for successful reconstruction of the Ukrainian economy in conditions of intensification of international economic interaction, the formation of an effective institutional system for its provision is the starting point for developing a strategy for Ukraine's competitive integration into the global economic space. Consider its main components as elements of a single comprehensive geo-economic policy of the state, aimed at achieving the geopolitical goals of the successful alignment of Ukraine in the system of international relations.

Continuous development of the global economic environment, improvement of tools<sup>1</sup>, methods<sup>2</sup>, mechanisms<sup>3</sup> achievement of advantages over potential competitors complicate the competitive strategy, leading to the differentiation of its components both at the level of individual economic entities, and at the national level. At the same time, this differentiation only increases the significance of an integrated approach to the application of the strategy, the possibilities and necessity of using methods and tools that combine price, quality benchmarks, micro, meso, macro and megaeconomic mechanisms to achieve competitive advantage. Moreover, the universality of the tools used determines that the very components of a competitive strategy that differ significantly in objectives may include the same tools, methods, and even mechanisms for obtaining competitive advantages. In addition, the achievement of one strategic goal can be a prerequisite for the success of another.

Let's highlight a series of closely interconnected components of a comprehensive competitive strategy that can successfully integrate Ukraine into the world business space. In a generalized form,

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<sup>1</sup> Under the tools of the national competition strategy means the means of state influence on the processes of management, designed to strengthen the position of national producers in particular and the economy as a whole in global markets. The most common and effective are quotas, standardization, government procurement, taxation, budget financing, discount rate regulation, preferential lending to exporters, forecasting of socio-economic development, indicative planning, development of development programs.

<sup>2</sup> Under the methods of the national competition strategy is a set of theoretical concepts and practical tools used in the process of ensuring the strategic goals of achieving national producers and the national economy as a whole competing benefits in global markets. The following methods of economic policy are distinguished: direct (direct administrative regulation - budget expenditures, price regulation, etc.) and indirect (creation of conditions for economic actors when they are interested to choose those directions and forms of activity in which the state is interested). It is worthwhile to mention a certain conventionality of the given division, since the regulated regulation provides for the possibility of using the means of direct re-negotiation as more sophisticated tools of strategies for the formation of competitive advantages in foreign markets.

<sup>3</sup> Under the mechanisms of the introduction of the national competition strategy is understood a set of processes, organizational structures, specific instruments, methods of economic policy and legal rules aimed at gaining competitive advantages in global markets, both individual producers and the national economy as a whole.

according to the criterion of the source of obtaining competitive advantages, they can be divided into the following groups: market, price, financial, production, technological, expansion of the object of export activity. Consider the components of the competitive strategy of Ukraine in more detail.

### **Market strategies**

A group of market strategies focuses on ensuring diving and expansion of markets for the supply of raw materials and goods for the national economy. The success of this component of the competitive strategy of Ukraine is a starting point for the formation of other areas of its competition policy in foreign markets. Over two decades of independence of the Ukrainian state, significant progress has been made in the formation of markets for national production. However, along with the raw material orientation of national exports, the insignificant level of diversification, structural distortions with excessive accentuation on products of only a few industries constitute a great threat to the Ukrainian economy during periods of instability of the world economy and internal shocks. Consequently, the task of transitioning to integrated competitive strategies of differentiation and improvement of geographical and commodity structures, deepening of the processing of the exported product, growth in absolute volume and the share of added value appears. Redirection of supply of raw materials for the supply of semi-finished goods, end-use products, integrated products, investment products and long-term integrated programs can make cost-effective cooperation with many partners from the remote regions of Asia, Africa, Central and South America.

An important and promising part of the market strategies for raising the international competitiveness of Ukraine may be the support and encouragement of the reorientation of efforts of designers with the attempt to enter existing high-competitive markets for the formation of new product and geographic markets of their own production. In this context, interest is the work of Ch. Kim and R. Moborn, in which the philosophy of the blue ocean strategy is promoted - strategies for creating innovative business models based on the emergence of new markets for unique goods or services of their own production [26]. In our opinion, the most promising for Ukrainian enterprises in this regard is the food production sector. If food markets in Europe are overpowered by high quality and widely recognized products, then, in Asia, which are successfully merging, on the contrary, due to the growth of household incomes, it is now rapidly emerging new food markets and a new food culture. Ukrainian manufacturers are well positioned to take on them a segment of high-quality products with moderate prices and become an alternative to unwrapped western brands.

Moreover, the introduction of such a system would provide the basis for the transition to a production synergy strategy, would close the cycle from admission to the institution, obtaining professional qualifications and employment, establishing and maintaining constant links between the country of study and the country of application of professional knowledge by former graduates of the Ukrainian Higher education institutions are citizens of these countries. And the last, in Ukraine learns a lot. Such a model could serve as the basis for the development of an alternative to the large oligarchic structures of the small business sector, clusters of small family enterprises (SMEs) like "Third Italy". It fully meets the peculiarities of the national mentality and the urgent needs of economic development and increasing its international competitiveness. In this context, the state's task is to initiate and maintain, especially at an early stage, the corresponding cluster structures and peculiar value added chains that can unite potential market participants.

One more direction of market strategies of Ukraine's development is connected with the diversification of sources of provision and supply first of all scarce energy resources. This component of the formation of a competitive development of the country is connected with the necessity of reorientation of the state by the motivation of business structures to find rental income at the expense of a monopoly position in the markets for acquisition, transportation and supply of end-consumers of relevant goods for the implementation of energy and resource-saving technologies, diversification of these sources of raw materials supply and components, the transformation of technological processes and the product line in the direction of reduction, depending on the scarce resources and reliance on those with what country has competitive advantages.

### **Pricing strategies**

Price strategies are based on increasing the competitiveness of the national economy through the formation of price, value and currency benefits, as well as the benefits of moving from participating in global systems for the creation and redistribution of value as a party accepting external pricing conditions, to participate as the initiating side, which determines the cost

characteristics of the individual components of the Global Value Added Chains (GVAC) and the end product as a whole. Attention should be drawn to two aspects that distinguish between price and cost competition. In the first case, we are talking about the competitive price of a product that a manufacturer can offer a consumer in a particular market. Consequently, the key role in determining it is played by the manufacturer himself. In the case of cost competition, we are talking about the cost of creating a commodity, in the formation of the prerequisites for the change of which is the participation of the state.

Exiting on the international level reveals new opportunities for price competition. Among them is the minimization of expenses at the expense of geographical diversification of production, transfer pricing, monetary, spatial, temporal, tax arbitration, improvement of logistics operations. It should be noted that the first, second and third only partly depends on the specific manufacturer, therefore, price competition strategies, respectively, are complemented by the cost component.

Consequently, an important criterion for defining a national competitive strategy is the characteristics of markets in which national producers are forced to enter into price competition. On the one hand, expansion into markets of perfect competition only exhausting both individual producers and the national economy as a whole, leads to a washing up at the lowest price of the factors reliant on the world markets of production. On the other hand, the output of national producers to markets of imperfect competition allows for additional income. Respectively, the state policy of support for exporters requires a thorough calibration of the choice of enterprises that, through the use of the better technologies, better organization of the production process, the differentiation of sales markets really able to limit the impact price factor on a competitive position in foreign markets and in some way de-motivate producers who are satisfied only with price advantages.

Competition for the price of goods or services for a variety of reasons, in our opinion, is the least promising and attractive form of competition in international markets. Producers from the highly developed countries of the world-system kernel are primarily trying to engage in competition in markets with other criteria for identifying competitive advantages and at the same time, due to targeted government policies, have the ability to level the price advantages of potential competitors. It should be reminded of the ambiguous impact of WTO rules on the ability of national governments to slow down the expansion of potential foreign competitors [27]. The possibilities of using tariff methods of international trade regulation are rather limited and non-tariff methods are used in parallel. The higher the level of economic development, the more appropriate are the instruments of national producers' protection [28].

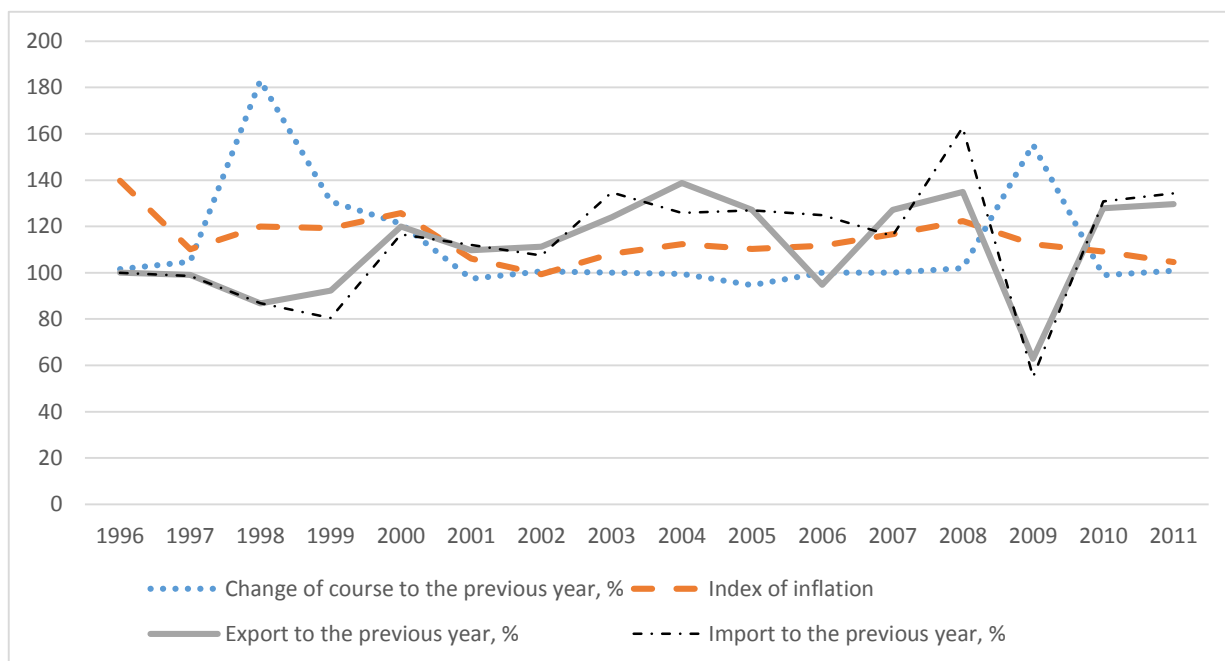
In turn, competition at the cost of a product is based on the benefits of differences in the cost of factors of production, components of the final product, individual stages of the production process, arising as a result of the entry into international markets of factors of production, international cooperation in the production process, promotion of goods in international markets. As in the case of the price, the microeconomic actors act as the direct subject of the cost competition, but at the same time they have different sources of advantages. In the first case, it is about the possibility of managing the price, and in the second case, the use of the effects of fluctuations in the value of the components of the production process and the final product resulting from the advancement of the production process and sales to the international level.

Their formation depends to a large extent on the economic policy of the state. The leading role in this is played by macroeconomic factors. First of all, this is the ability of the state to influence the cost of production factors, availability, ability and interest of economic actors in the application of new technologies, the potential of using the effect of economies on the growth scale of production. Creating value advantages for national producers - the task of the macroeconomic level, the product of the economic policy of the state. It is the state that can actively influence the formation of the proportion of the price on the factors of production, creating incentives for the active use of one and, conversely, inhibiting the use of others. As an example, state can vary charge a fee for the extraction and use of mineral, land, water resources. Moreover, such payments can become an effective tool for managing the entrepreneur's productive activity, directing it to the creation of exclusively competitive products, and a means of preventing the receipt of unproductive rental income. Through the management of the redistribution of the social product, the state is able to influence both the average cost of labor, and its differentiation by sectoral, professional, official criteria, performance,

social utility and demand of activity. Among the tools for ensuring cost competitive balances is the tax policy, the policy of forming a refinancing rate, which ultimately determine the price parameters of national producers' products.

Let's take into account the active and passive components of the state policy, which is intended to support the inclusion of national producers in international cost competition. Active policy involves targeted actions aimed at changing the value ratios of factors of production in the domestic and foreign markets. Examples can be the introduction, adjustment or cancellation of the excise duty rate. Thus, the waiver of excise duty on alcohol supplied to pharmaceutical companies in Ukraine was motivated by the need to reduce the cost of drugs for the population. At the same time, its secondary consequence is the receipt by domestic pharmaceutical companies of cost-competitive advantages over Western manufacturers of similar drugs, which will enable them to expand sales through the entry to relevant markets. Enterprises receive additional profits, which can be used, including for the modernization of production, and the state - additional foreign exchange earnings.

Specific kind of cost competition can be considered currency competition. The devaluation of the national currency rate is a common practice for improving the state of payment and trade balances. Foreign exchange dumping by China remains one of the sources of contradictions between it and the US and the countries of Western Europe. The underestimation of the yuan rate provides China with competitive advantages. Even in the pre-crisis period, the difference between the rate of purchasing power parity and the market rate of hryvnia reached five. This situation largely ensured the competitiveness of Ukrainian enterprises in world markets. The back side of the situation is a significant increase in import goods. At the same time, if the rise in prices of consumer goods is considered an acceptable social consequence, because richer consumers pays for the possibility of expanding labor markets, in the case of investment imports, a significant overpayment for goods designed to provide innovative development, becomes the payment for its very opportunity.



**Fig. 2. "Flight effects" of hryvnia, dynamics of volumes of export and imports of Ukraine in 1996–2016**

Made by the author based on data: Ministry of Finance of Ukraine [Electronic resource]. - Access mode: <http://index.minfin.com.ua/index/inf/>; National Bank of Ukraine [Electronic resource]. - Access mode: <https://bank.gov.ua/control/uk/curmetal/currency/search?>; State Service of Statistics of Ukraine [Electronic resource]. - Access mode: <http://www.ukrstat.gov.ua>.

Usually, the sharp fall in the national currency (occurred in 1997–1998, 2008–2009, 2013–2016) was combined with longer periods when inflation in the national economy was accompanied by its (course) slight decrease, stable or even some growth. Periods of a sharp fall in the course of the national currency coincide with a certain time lag, with periods of crisis shocks in the world

economy (in particular, 1997–1998 and 2007–2008) and the sharpening of the situation in Ukraine (2013–2016). The fall in the exchange rate of the national currency served as an instrument for improving the competitive position of domestic producers both on the external and on domestic markets, precisely because of the acquisition of cost advantages. After all, goods of Ukrainian production due to the fall of the hryvnia exchange rate lost in price on foreign markets, which contributed to the preservation of the competitive position of national producers, even in the context of the deployment of crisis phenomena in importing countries. At the same time, prices for foreign goods on the domestic market increased, and as a result, imports decreased. Due to the significant gap between the decrease of the national currency rate and the inflation index, domestic entrepreneurs gained advantages in domestic markets to foreign producers of similar goods. The cheapening of the hryvnia to a large extent provided the support of the competitiveness of Ukrainian enterprises in the global markets during the crisis.

The success of price strategies is largely based on the qualitative organization of the work of the national financial system, trust in the national monetary unit. There is a need to develop a strategy of financial support for national competitiveness (namely, in shaping the appropriate institutional infrastructure, taxation conditions and foreign economic cooperation).

In essence, value, currency and financial competitive strategies are associated with strategies for creating conditions for obtaining national preferences in geo-economic cooperation by national producers. It should be noted that the natural resources of the country (geographic location, reproducible and non-renewable natural resources, landscape, climate), the socio-cultural environment (features of national culture, institutional environment), technical and technological and infrastructural potentials can be their sources. The key importance is the ability to maximize the use of strong components and minimize the impact of the weak. A striking example of the successful implementation of such a strategy is the post-war success of Japan, a country that imports up to 95% of raw materials for the productive sector.

### **Production strategies**

Production strategies for increasing national competitiveness are based on the transformation of production processes, including through its reorganization, the introduction of a smart enterprise system, sectoral and territorial diversification, the formation of cluster structures, value added chains, the inclusion in global production systems, the use of synergy effects and the growth of returns from the scale of production [29; 30; 31; 32]. They are intended to target national producers to obtain benefits through reorganization and improvement of production processes, in particular organizational principles, the transition from its localization in one enterprise and in one place to the allocation of elements of the production process within the country, region, spatial, inter- and intra-industry specialization, the formation of national and international cluster structures, global production systems with the involvement of many independent producers, inclusion in existing GCAV or initials their creation, to the organization, coordination of the interaction of participants and to ensure the promotion of products in global markets.

The social orientation of values dominant in national culture, and the institutional system built upon them, impose certain restrictions on the possibility of using certain instruments to achieve competitive advantages. The starting point for these differences lies in the fact that in cultures based on the values of individualism, starting with the microeconomic level, the mechanism of competition is based on the admissibility and encouragement of the collision of the personal interests of the participants in the competitive process. In cultures, built on the values of communitarianism, by contrast, the subject of the competitive process can be recognized only a group, production unit, the company as a whole. Accordingly, achieving competitive advantage in different cultures will involve the use of different methods and tools. Thus, in the case of price competition, an important component of stimulating the increase efficiency of resource using is the promotion of hired workers to more productive work, carried out on the basis of both personalization and collective motivation. The introduction of individualized incentive methods in communitaristic cultures, and collective incentive methods in individualistic cultures can lead to results that are contrary to expectations. In the case competition for quality of production, the impact of the features of national cultures on the tools for improving competitive positions can be traced already at the selection stage between the introduction of new and improved existing products and technologies. After all, the propensity for interaction, collective cooperation is the basis of concerted activity, aimed at improving certain

elements of the product or production process, collective accumulation of relevant knowledge, skills and competences, consistent, incremental innovations. Conversely, in an individualized culture, competitive strategies will rely on radical innovation. The collision in the Ukrainian culture of individualistic and communitarian values leads to the use of both approaches to motivating staff, which, of course, requires a more attentive attitude to their application.

Of particular significance for Ukraine is the fact that the history of the formation and evolution of the GCAV knows examples of success when new firms or contract manufacturers from both developed and developing countries managed to move at higher levels of GCAV (organizers, technology platforms) and, correspondingly, the global technological pyramid. In this context, you can name Lenovo, Huawei (communication equipment), Haier (home appliances and consumer electronics); the possibility of vertical specialization most clearly demonstrated by the company Chery Automobile [31, c. 44–45, 100–102, 108].

Ukrainian manufacturers have the potential to succeed in incorporating into GCAV not only as contract manufacturers. The very natural resource potential, material and technological, scientific and educational base, the qualification level of the workers form the preconditions for the creation of their own GCAV, advancement of the position of leading firms, firms creating the technological platform-forms. An example of an industry in which Ukrainian enterprises have potentials for inclusion in the GCAV are aircraft engineering. Moreover, this is the industry in which our manufacturers are able to act as firms-creators, firms-leaders of technological platforms. After all, the prospect of serial production of the AN-132 aircraft is foreshadowed by the involvement in the cooperation, in addition to Ukrainian enterprises, of suppliers from a number of other countries of the world. This creates opportunities for further expansion of cooperation within the framework of GCAV.

Important components of production strategies are the strategies for using the effects of scale production and synergy. The strategies for using the scale of production in modern conditions are based on the stimulation of the transition from the production of goods characterized by the effect of reducing the return of production, to the goods that provide its expansion [33, c. 131-196]. The difference between them is the distribution of the role and costs of factors of production, involved in their creation as well as the ability of the manufacturer to increase the scale of activity. Increasing production due to the growth of labor force use and its quality (factor "labor"), natural resources (factor "land"), means of production and funds (factor "capital") leads to increased costs. More so, increasing the use of these factors can lead to higher prices for themselves. At the same time, the goods in the production of which they play a leading role, as a rule, represent highly competitive world markets. Accordingly, the manufacturer is forced to adapt to those requirements, including prices that dictate the market. Such are the majority of foreign markets in which Ukrainian producers promote their products. First of all, these are the markets for the agrarian, metallurgical sectors of the national economy. At the same time, the introduction of new, more productive technology (the factor of "knowledge"), the emphasis on their leading role provides the opportunity to increase the return on the scale of production, create conditions and put the manufacturer to the need to expand the external markets, as the main costs he carries at the stage of creating a new technology, product (knowledge). Accordingly, in the future, as the volume of output increases, the average costs for each additional unit of the product are only shrinking. At the same time, creating a new technology, a new unique product, the manufacturer gets the opportunity to form his own unique market, where he can establish conditions for interaction with potential consumers. We are again returning to the leading role of the state as a subject designed to ensure such conditions of enterprises, when it is the acquisition of competitive advantages in world markets will be the only source of their rental income [34].

Production synergy strategies are based on the cumulative effect of incorporating into the production process a single product or a single production program of many manufacturers from different sectors of the national economy. It should be noted that the size of the domestic markets of Ukraine creates start-up opportunities for the development of a sufficiently wide range of productions that can gain competitive advantage through synergy and economies of scale. The relevant state policy should focus on identifying priority, promising areas in which it is possible to obtain savings at their expense and support in the period of entry into foreign markets, creating incentives for their development.

E. Reinerts connects the production synergy strategies with the activation of the introduction of production models, aimed at obtaining the effect of increasing the return on the scale of production. After all, this precisely determines the increase of labor productivity, incomes and living standards of the country's population. The starting point is the connection of the theory of the life cycle of products, technologies and investments with the concept of successive passage through the evolution of the production process of growth stages and reduction of return on scale of production. At the same time, the nature of competition (price or quality of products) and innovation (product or procedural) are interrelated with the mechanisms of occurrence of effects from the scale of production and, ultimately, determines the country's place in the international division of labor. Significant potential for its build up is based on the use of high technology. Their embedding into highly differentiated technological, production, sales and consumer chains throughout the economy creates synergistic effects of the dramatic increase in productivity of labor in the economy as a whole.

History knows a lot of examples, when individual technological innovations gave impetus to radical changes in the entire economic complex [35]. The search, finding and support of catalysts, production models and areas of activity that can take over the role of the locomotive of the development of the national economy are of key importance. The landmarks are innovative products that are at the stages of the life cycle of entry into the market and growth, capable of ensuring international competitiveness in quality, the complex diversification of the production process within the group of industries of the national economy and the synergistic effect of their implementation. Significant cumulative potential in Ukraine continues to be reindustrialized with the use of information, nano- and biotechnology in the agro industrial complex, machine building, primarily agricultural, aircraft and automotive. Thus, in the first case, synergetic effects can cover enterprises and industries involved in the production, processing, promotion of agricultural products, production of modern technology, development of the corresponding infrastructure, new technologies, financing, ensuring access to foreign markets, preparation personnel, satisfaction the needs of the rural population. Another example of the strategy of production synergy, we considered earlier in the context of the expansion of markets for food sector of the national economy.

#### **Technological strategies**

Technological strategies provide for conditions to the transition from the development and use of competitive advantages in the technologies of goods and services to meta technologies, which, due to high efficiency and cost of independent development, provide not only a monopoly position in the market, but also the consent of consumers for control from the developer on their use (computer programming) and High-Hume-Technologies, which at the global level are able to manage the consumer's preferences of potential clients.

The meaning of High-Hume-Technologies consists in managing the consciousness of the people on which the influence is directed. In the context of the purpose of the work, attention is focused on taking into account the opportunities and threats generated by their use in the process of promoting the products of national producers in foreign markets. It is enough to recall the numerous cases in which mass media of the countries where the products of Ukrainian enterprises are exported have launched campaigns to discredit it, for example, in supplying low-quality oils, dairy products, etc. The role of the state in this context is, first of all, to ensure the effective functioning of the system of quality control of products, support of national producers in the case of unreasonable allegations from foreign partners, and taking measures to create a positive image of Ukrainian producers' products on world markets.

A successful long-term national competitive strategy in this area should focus on creating conditions and incentives for the training of professionals capable of developing, producing, using and promoting competitive global high-tech products on global markets. The presence of specialists is just one of the conditions that ensure the availability of technologies and the ability to use them. An entrepreneur should be interested in developing, implementing and improving them. In turn, this is possible under the conditions where the only real source of obtaining rental income in the field of entrepreneurship will be a situation of imperfect competition for the product it produces. Mechanisms for achieving this may be: modernization of production technologies; cardinal transformation of the existing product; creating a new product. All paths are based on the introduction of new and upgrading existing technologies.

The formation of a situation of imperfect competition also affects the result of the redistribution of income derived from the effect of the scale of production. If, in perfect competition, it is distributed between the producer and the consumer, then the imperfect producer gets considerably more opportunities for its redistribution in his favor.

A special case is the situation of monopsony - depending on the markets in the former Soviet republics, especially in Russia - which is characteristic of the Ukrainian economy in the transit period. Events in the Crimea and Donbass only accelerated the painful rupture of this dependence, intensified the state's policy to stimulate the development of alternative markets, based on the improvement of technological processes. Significant in this respect are the successes of the Ukrainian aviation industry, which has traditionally been focused on the Russian market, due to the consent of the American partner to invest 140 million dollars to finance the completion of work on the introduction of the production of a military transport aircraft An-74.

### **Strategy expansion of the object of export activity**

The strategies for expanding the export business include the support and encouragement by the state of switching national enterprises from promotion to international markets of specific goods to product line strategies, and then on integrated product strategies and long-term integrated program promotion strategies. In the first two cases, it is about creation of favorable conditions for the enterprises on foreign markets. State support measures may include preferential lending to exporters, tax holidays and preferential taxation of investments into fixed assets of exporters, introduction of rules for accelerated depreciation of the corresponding equipment, etc. At the same time, with the complication of the structure of the product being promoted, the importance of supporting the state of national producers in foreign markets increases.

The strategies of integrated products include, in addition to the direct delivery of the material object, such additional services as fitting and upgrading the product in accordance with the requirements of the particular buyer, installation and commissioning, personnel training, further maintenance and improvement of the performance characteristics. It is about strategies to support the state of access to foreign markets of Ukrainian manufacturers of complex home appliances and manufacturing equipment. In the first case, at least there is a need to create a network of warranty service, supplies of consumables and components that need to be replaced during the operation. The second case can be illustrated by the example of "Turboatom", one of the world's leading manufacturers of turbines for power plants. The enterprise supplies the appropriate equipment and ensures its further service. The state should, along with assistance in finding potential partners, working with them, providing legal support, organizing the coordination and cooperation of national producers in promoting their products in certain segments of the global market.

In turn, strategies for promoting long-term complex programs include the participation of an exporter in the design, construction and further operation of a particular object in the territory of another country. They provide a versatile guaranteed long-term interaction between the exporter and the importer, and hence the export proceeds to the country. Examples of unrealized such programs in the history of Ukraine can be projects of construction railroad and concessional mining of carbon resources in Libya, the project to deploy assembling An-140 in Iran.

### **Conclusions**

Competition of microeconomic actors in the context of economic globalization becomes a means of global competition of states, an instrument of a geoeconomic strategy for the formation of economic models, regimes of support of national producers in foreign markets, which can ultimately ensure an increase in the quality of life of citizens and a decent position of the country in the geopolitical space. The key components of achieving this goal is the formation of a national idea, capable of uniting citizens of the country, and the creation of mechanisms for the functioning of the national economy able to provide on the basis of reconstructive development the competitiveness of the national economy at the global level. An important starting point for developing a scenario for Ukraine's competitive development is determining its place in the global economy as a country that has maintained a single, diversified economic complex or as a developing country with a limited number of export-oriented industries. An effective competitive strategy should take into account the long-term effects of the use of natural resource potential for the national economy as a whole: to encourage the expansion of the level of processing of exported resources; to start corresponding import-substituting production; minimize the possibility of obtaining rental income due to the export



of natural resources and the import of resource-intensive goods, the production of which can be developed in Ukraine; take into account the prospects of exhaustion of certain resources, reorientation of consumer preferences, the emergence of new technologies, changes in technological structure, influence of external, including political, factors. The mediocrity of the geographical position of Ukraine leads to a contradictory combination in our national culture of values and institutions of subsidiary and communitarian ideologies, limited of the family circle of trust. Accordingly, an alternative to the domination of family oligarchic oligopolistic groups may be the formation of a two-sectoral economic model in which large FIGs are bordered by the sector of small family enterprises that are integrated into cluster structures that can be incorporated into existing ones and form new GHAVs at the expense of the introduction of competitive innovative technologies and products, output and continuous expansion of its presence in foreign markets as the only source of rental income formation and success in the competition. Involvement of the general population in active economic activity can become an objective basis for the definition of a Ukrainian national idea built on the basis of national culture, a dream as a landmark, a roadmap and, at the same time, a set of values, guidelines, capable of uniting the nation and ensuring the success of a competitive strategy of Ukraine. The orientation towards the formation of the complementary institutional component of the socio-economic system based on the values of solidarity, embodied in the peculiarities of building institutional blocks of corporate governance, industrial relations, education and personnel training, innovation development and social protection, can become a prerequisite for the formation of an effective competitive strategy for the reconstruction of Ukraine in conditions globalization.

Creating a competitive strategy for Ukraine's integration into the international economic space requires an integrated approach, envisaging the coverage and consideration of a wide range of possible sources, instruments, methods and mechanisms for gaining competitive advantages in global markets. By criterion of the source of obtaining competitive advantages, it is possible to distinguish such elements as market, price, financial, production, technological strategies and strategies for expansion of the export activity object. Market strategies are intended to target national producers to differentiate and improve the geographic and commodity flow of exports, sources of supply of raw materials and goods for the national economy, the formation of new markets for unique products of their own production, the deepening of the processing of the export product, the growth in its share added value. Especially attractive in this context are rapidly developing Asian markets. Their development is quite capable of ensuring the effect of production synergy due to the involvement of a wide range of national enterprises, including SFEs, within the framework of GCAVs. Price strategies focus on strengthening the competitiveness of the domestic economy through the formation of price, value, currency preferences, as well as the benefits gained through the transition to the role of the party that initiates GCAVs, determines the cost and price characteristics of the components and the final product as a whole. The state policy is aimed at supporting exporters who are able to limit the influence on the competitive position of price factors, minimize the cost of components of the production process through the internationalization, the management of the cost characteristics of factors of production, the corresponding adjustment of the exchange rate and the disabling of producers, which are guided by price advantage. Productive growth strategies of national competitiveness are based on stimulating the state to improve production processes through reorganization, sectoral and spatial diversification, the formation of cluster structures, GCAVs, the use of synergy effects and increased returns on scale of production. The choice of methods and tools for organizing production relations and the production process is determined by the peculiarities of the national culture.

The collision in the Ukrainian culture of individualistic and communitarian values simultaneously creates opportunities for finding alternatives and requires a meticulous approach to their application. Activating the use of expansion strategies for an export activity object involves shifting the emphasis in the foreign economic policy of the state to stimulate the exit of domestic producers to external markets to support their interests in competitive interaction at the global level. Intensification of international economic interaction in the conditions of globalization causes the growth of the role and importance of the state as an organizing nucleus, designed and able to ensure the success of national producers and the economy as a whole in the field of geo-economic and geopolitical relations. A prerequisite for success is the formation of an effective competitive strategy for Ukraine's development in a globalized world.

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