

*Kryvenko N.**

ON UKRAINE'S POSITION IN SOLVING THE GLOBAL PROBLEMS

Abstract

Globalization's unfolding is ministerial to the substantial changes in the economic, political and cultural spheres of the society. Almost every country depends upon intensity and depth of globalization processes. Analyzing and forecasting advantages and disadvantages of the globalization, the states develop the proper strategic programs for the further development. Possible prior directions of Ukraine's development in the modern terms of globalization with consideration of its potential are given in this article. Taking a dignified position in the international division of labor, using the presence of comparative advantages, developing such factor as knowledge, Ukraine will be able to aid the solving of global problems of the mankind and the growth of the population's welfare.

Keywords: globalization, international economic integration, innovations, agrarian sector, export.

The scale of globalization processes is increasing and they are already characteristic of almost all the spheres of human life – economy, politics, culture, religion, innovations, science etc. The development of world's economy and the international economic integration, creation of transnational companies, supranational managerial bodies, world finances, international information systems and a number of other factors redound to countries' interdependence increase and the globalization's deepening. The problems of the world economic crisis have recently become relevant and the search for the ways to overcome the crisis is now essential. The majority of problems reaches global scale and requires efforts from all the mankind to solve them. Among large number of them, we find it important to highlight the following: the problem of ecology, supply, energy and the spiritual problem that are all bound tight with each other. If the satisfaction of society's needs (notably – global needs) becomes a prerogative of country's home and foreign politics, it will secure the country's valuable place in the international division of labor, effective development of foreign economic contacts and redound to national economy's development.

Globalization's ponderable influence on development of the countries, growth of their interdependence, the necessity of unification (in order to solve the global problems) has conditioned the intense studying of this phenomenon by many economists, financiers, philosophers, sociologists, political scientists. The scientists, who study the globalization, expose its positive sides as well as its negative influence, therefore some of them support this process, the others – deprecate it. Although the notion of "globalization" is comparatively new, works of many foreign and home scientists are devoted to the studying of this phenomenon; particularly the works by Byelorus O, Veber A., Vlasov V., Delyagin M., Inozemtsev V., Kochetov E., Levit T., Luk'yanenko D., Sokolenko S., Filipenko A., Chumakov A., Shyshkov Y., Shnyrkov O, and the others. Researchers explore the globalization's influence on socio-economic processes of the devel-

* Ph.D. of the National Scientific Center "The Institute of agrarian economy"

oped and the developing countries, analyze the consequences of the state management in weakening the challenges of the globalization, changes on the world market etc. It is reasonable to discover the prior directions of Ukraine's economy's development (taking its potential into account) with the purpose of participation in the solving of global problems.

So it is necessary to rationalize Ukraine's position on the world level in the conditions of globalization, taking the present potential and the existing prospects into account, in order to define Ukraine's domestic and external economic policy.

It is expedient to unite and direct the efforts of the scientists, the governments to the global ecological problem to avert the ecological crisis. The question of ecology is extraordinarily important in the conditions of industrial and postindustrial society.

It is interesting to notice that in the 60-th years of the XX century, according to the research by professor V.A.Kovda showed that humanity produces 2000 times more wastes of organic origin than all the rest of the nature. Nowadays, the biosphere is unable to contest with activity of man, and the irretrievable changes in it have already begun.

An intergovernmental panel on climate change (IPCC) has stated that if the volume of carbon dioxide produced on the planet is not immediately reduced by 60%, nature will not be able to adjust to the changes and the man will not be able to control them. Forecast that the rise of the average temperature by 2,5 degrees will result with additional 215 thousand of deaths per a year, 200 million deaths because of malaria, and famines, indirectly related to the climate change, will cause 900 million deaths during 2010–2030. Mass usage of the freon gas in production and household also ruins the Earth's ozone layer. The increase of the cancer disease is being geared to the destruction of the ozone layer. Supplies of fresh water on a planet diminish catastrophically. According to the UNO data 1,3 billion people have no access to the high-quality drinking water. 20% of the urban and 75% of the rural population have their need for water dissatisfied. Mankind annually uses 5% of average annual water supplies, but another 40% get unusable because of contamination [1, c.60, 62-63]. Therefore, together with the other countries and directly Ukraine is to co-create the terms of saving and protecting the environment. Presence of the curative waters of Carpathians, Ukraine's recreation zones, especially in Crimea, which are attractive for tourists, should be considered. Arrival of foreigners is equal to the export of home products, as it brings the foreign capital inside the state.

The state management is to be aimed at protection of the natural environment, as it assists to development of healthy nation and at production of the ecologically clean goods, competitive on the world market. This will create the internal demand for high-quality products, and will also assist the diversification of Ukraine's foreign trade connections, as the demand for the high-quality products is growing in the world, especially in the developed countries. The food safety problem will be to some extent solved by the foreign investments involvement.

The acknowledged economist, I.I.Lukinov stated, that "Ukraine has the best chances of getting out of the food crisis, satisfying its own needs in food, exporting... Skillful apportion of the areas of the eco-clean food production, this product's processing and proper commodity packing by means of the modern technology, will make our products competitive even in the highly replete European market"[2, c.86]. We fully share the scientist's opinion, considering that the state is to promote and accelerate apportion of the ecologically clean areas and to stimulate the raw material processing.

The ponderability of the listed problems will grow, which is explained by the world population growth, reduction of the forests and exhausting of natural resources.

For example, from 1961 to 2006 the world population grew more than twice, mostly in the countries of Africa, Southern and Central America, Asia, and such a tendency is preserved. The largest numbers are representative of the United Arab Emirates, Qatar, Djibouti, Kuwait, Jordan,

Saudi Arabia, Andorra, Cote d'Ivoire, Bahrain and others. At that, the population growth of practically all of the European countries is insignificant (About 1,1 – 1,2 times).

At that, the majority of the population lives in Asia, about 60% (the overwhelming part of it is the population of China and India), and also in America and Africa.

The population grows rapidly in the countries, which are unable, due to their natural and climatic conditions, to produce the sufficient amount of provision. At that, the population grew over the given period more than trice in dozens of the countries. And while the Asian states do have the satiable demand, the African countries experience the contrary situation. That's why it is needed to secure such production that would satisfy the existing demand.

It is known, that quantity the starving people varies within the limits of one billion.

The society's alert on the present problem is also recognizable by the large number of the conferences on food security, especially the high level conference on the world food security, which was held by FAO in Rome in June 2008, international conference "Joint food security of the CIS: problems and the ways of solving them" in Alma-Ata (July, 19-20, 2008), International Conference "The problems of the food supply security:: national and international aspects" in Moscow (October 28-29, 2008) and others.

Alongside with that, the amount of production and trade in agricultural goods in the world is growing substantially. The predominant producers and the exporters of these goods are the developed countries.

Let us highlight the major suppliers of the agricultural product on the world market according to the volumes of export of special types of product (cereals, wheat, corn, rice, sunflower seed, sunflower butter, potato, dried milk, chicken meat etc) on the table 1.

Table 1. Major exporters of particular types of agricultural product (2007)

	Cereals	Wheat	Maize	Rice	Sunflower seed	Sunflower oil	Potatoes	Milk Dry	Total Meat	Chicken meat
1	USA	USA	USA	Thailand	Hungary	Ukraine	France	New Zealand	Brazil	USA
2	Argentina	Canada	Argentina	India	France	Argentina	Netherlands	USA	USA	Brazil
3	France	Australia	Brazil	Vietnam	Romania	Russian Federation	Germany	Australia	Netherlands	Netherlands
4	Canada	Russian Federation	Hungary	Pakistan	Ukraine	Netherlands	Belgium	Germany	Germany	China, Hong Kong SAR
5	Australia	France	China	USA	Bulgaria	France	Canada	France	Australia	France
6	Russian Federation	Argentina	France	China	USA	Hungary	Israel	Netherlands	Denmark	Belgium
7	Brazil	Kazakhstan	India	Egypt	Canada	Belgium	Egypt	Belgium	Canada	United Kingdom
8	China	Germany	Paraguay	Uruguay	China	USA	China	Ireland	France	Germany
9	India	China	Ukraine	Italy	Russian Federation	Germany	USA	Argentina	Belgium	Argentina
10	Germany	United Kingdom	Germany	Argentina	Slovakia	Bolivia	United Kingdom	United Kingdom	Spain	Poland

Source: FAO (www.fao.org)

So, the major exporters on the listed types of goods are mainly the developed countries – European countries, Canada, the USA, Australia and also Brazil, China, India and comparatively new countries in this market – Kazakhstan, Russia, Ukraine (in wheat, sunflower seed and sunflower oil)

At the same time, more than the half of the world export of the agricultural goods is done by the countries which are in the ten of its biggest suppliers. For example, in 2007 (1997), their share of cereals was 77% (75%), wheat in particular – 89% (91%), corn – 95% (94%); rice – 93% (89%); sunflower seed - 82% (89%); sunflower oil – 84% (76%), potatoes – 78% (65%); dried milk – 72% (74%), total meat – 72% (61%), chicken meat – more than 90% (a little more than 78%). Tendency of preserving the first positions in a world market is characteristic of these countries from 1997 till 2007. This also regards the goods production.

The solving of the above mentioned problems should in a great extent assist the development of the agricultural complex, which is especially important for Ukraine with its considerable potential. So, for example, Ukraine is one of the major suppliers in the world market of wheat, corn, and the sunflower seed.

Conducted computations of the RCA index show that Ukraine takes some advantages in trade in wheat, corn and sunflower seed. There is the opposite situation in relation to milk. In addition, the calculation of the indexes of the competitiveness makes it visible, that the competitive ability of home wheat and corn rises. The development of the foreign trade in agrarian products in general and in particular (in the special kinds of goods) is shown by the value of the balance and the coefficient of coverage of export by the import, and the index of pure trade and the others.

Up to this day, raw materials supply predominates in the commodity pattern of Ukrainian foreign trade. It needs to be reoriented to the after-processing products. This will save the added value inside the country, redound to growth state budget revenue, decrease unemployment and increase the competitive ability of the home product. It is important to keep in mind, that Ukraine has the needed capabilities and scope. For example, Ukrainian sunflower oil is imported by dozens of countries with such developed countries among them as Great Britain, Switzerland, France, Italy, Spain, Canada, the USA and others.

Therewith, the trade in particular kinds of agrarian production is done with the countries of all the continents. In spite of this, due to the current conditions, not only increase of the production, but also the increase of its quality is the essential precondition for the export increase.

Similar research is executed regarding the agricultural production import (table 2).

It is visible out of the shown data (tabl.2), that the considerable part of import of products of plant-growing falls on the countries of Asia and Africa. Therewith, Ukraine is its considerable producer oriented mainly on the countries of Asia. For example, in 2006 more than a half of the exported corn was fell exactly on these countries. It should be considered that the region is characterized by the growth of population and, therefore, cheap labor. The region attracts the transnational companies by the presence of considerable supplies of oil. All this items assist the growth of solvent demand for the agricultural product. But Ukraine is to be both East- and West-oriented, aimed at the countries which are the basic importers.

The energy problem should be in great extent solved with the usage of untraditional energy sources, bio-fuel production. It is known that Ukraine is one of the world's biggest producers of corn and turnip, therefore it is reasonable to increase the quantity of refineries to satisfy the home demand, to become energetically a less dependent country and to diversify geographic and goods structure of the trade, supplying the world market with the finished product. It is known that the developed countries, being in a position to import petroleum, pay special attention on the bio-fuel development and production.

For achievement of the put purpose the special value should be given to the development and application of the innovations and the high-effective technologies, which will be instrumental for the agricultural production increase, the ecological safety, and the solving of the energy problem.

Table 2. Major importers of particular types of agricultural product (2007)

	Cereals	Wheat	Maize	Rice	Sunflower seed	Sunflower oil	Potatoes	Milk Dry	Total Meat	Chicken meat
1	Japan	Brazil	Japan	Philippines	Turkey	Germany	Belgium	Algeria	Russian Federation	Russian Federation
2	Mexico	Italy	Korea, Republic	Indonesia	Spain	United Kingdom	Netherlands	Indonesia	Japan	China
3	Spain	Egypt	Mexico	Senegal	Netherlands	France	Spain	Netherlands	United Kingdom	China, Hong Kong SAR
4	Korea, Republic	Japan	Spain	Saudi Arabia	Pakistan	Netherlands	Italy	Mexico	Germany	Saudi Arabia
5	Netherlands	Algeria	China	South Africa	Italy	Belgium	France	China	U S A	Mexico
6	Egypt	Netherlands	Egypt	Benin	Germany	Spain	Germany	Philippines	Italy	Japan
7	Italy	Morocco	Netherlands	Iran, Islamic Republic	U S A	Italy	U S A	Malaysia	France	United Kingdom
8	Saudi Arabia	Belgium	Iran, Islamic Republic	Cote d'Ivoire	Austria	South Africa	United Kingdom	Saudi Arabia	Mexico	Germany
9	Brazil	Spain	Colombia	Malaysia	Romania	Turkey	Portugal	Singapore	Netherlands	United Arab Emirates
10	China	Mexico	Malaysia	Korea, Democratic People's Republic	Kazakhstan	Egypt	Russian Federation	Germany	China	Netherlands

Source: FAO

It is reasonable to mention that innovations become the major factor of the developed countries' economic growth. 25% of production additions in these countries are the result of direct exterior investments of capital, approximately 35% - labor qualification upgrades and more than 40% falls to the usage of scientific achievements and inventions – the engagement of innovations. [3, c.5]. Also, according to the experts' calculations in the 90-th more than 70% of post-industrial countries' national product was conditioned by the spread of new information technologies, labor's education buildup and other factors that regard to the intellect knowledge and information [4, c.20]. That's why Ukraine needs to encourage the development and the deepening of scientific, experimental and construction projects, promote cooperation with foreign international institutions, involve investments where necessary, create special economic zones, innovation poles etc. It should be kept in mind, that the transnational companies are considered to be the major motive power of the global innovation process [3, c.55]. It is necessary to stimulate scientific work and innovations using different methods and instruments. There are two major groups of such instruments pointed out in the world - the financial motivations (which include different forms of direct state financing of the scientific projects via subsidies and privilege credits) and the tax fillips (accelerated amortization, tax exemption, tax credit, tax vacations, personal income tax exemption, import rate exemption) [3, c.84-85]. It is reasonable to apply the proper instruments for the innovative process development in Ukraine.

It is important that the main instruments of the EU's mutual scientific and technical policy are the framework programs that cover all the directions of the Commonwealth's activities. Over the last 25 years the analysis of the framework programs development showed that the constant upward trend in the financing, the increase of the framework programs expenditures is accompanied with the decrease of the national state help on sector goals, and the traditional spheres in particular, which shows the structural changes in the European Union's economic policy in favor of the up-to-date ways of production; the priority trends change in the framework programs financing from the power economy, information technologies, telecommunication to the health

protection, production technology etc. It is an interesting fact, that the last framework program 7 (2007-2013) defines ten basic research trends: healthcare; food, agricultural and bio-technologies, information and communication technologies; nano-sciences, nanotechnology, new materials and new production technologies; power economy; environment and the climate change; the transport and the aeronautics; the social economic sciences and the humanities; the Space and the researches in the scientific sphere. This program offers the increase and deepening of the cooperation with the third countries [3, c.122-125]. Thus, on May 13-14, 2010 the Information day “The EU Seventh Framework Program (FP) on Research & Technology Development: Opportunities for Ukraine’s Research Communities” and the Consultation day “How to prepare a successful proposal in FAB (‘Food, Agriculture and Fisheries, and Biotechnology’) and Environment priorities” took place. JSO-ERA project, aimed at assisting the 7th framework program of the cooperation of the Ukrainian and European scientists and the scientists from the other countries, highlights the importance of the scientific researches and the human capital nowadays.

It is not for nothing that N.Ivanov states, that as the global informational, financial and production networks is forming the global market of the specialists and scientists. In the last years the expenditures on the education (and on the high school especially) has increased in all of the developed countries. That’s why a new notion appeared in the researches on the economy – “the intellectual capital of the firm”. The importance of the social capital, related to the social networks, norms and trust, is growing, which creates the conditions for the coordination and cooperation for the mutual benefit. The depth of the social income differentiation and the mutual trust factor substantially influence the investment activity inside the country and, as the result, on its socio-economical development. Besides, the World Bank researches on the problems of the conversion from the “grey” economy to the market economy states, that the redundant income differentiation breaks the socio-political stability, lowers the investments level and the temps of the economy growth. It is also important, that the social-oriented distribution of the income in the state is one of the decisive conditions that guarantees the competitive ability of the economy on the world level [5, c.21-30]. So, this confirms the importance and the necessity of the science development and the rising of the spiritual level of the society, which should be in many ways supported by the state.

International economic integration is a typical phenomenon for the second half of the XX century and the globalization. Creation of the integration groups is seen between almost all of the countries on all the continents – EU, NAFTA, MERCOSUR.

The economies of the EU countries are the most competitive in the world. One third of the world’s scientific potential and 21% of all the GDP (2006) falls to this group, which is conditioned by the high level of the innovation activity development and the economy of knowledge. Alongside with that, European innovation system spreads its open character, involves the elements of national innovational systems of the other countries into the general process of creation and engagement of knowledge [3, c.6].

With the purpose of Ukraine’s economic potential development and Ukraine’s integration in the world economy, it is necessary to concentrate the efforts of the scientists, governments and enterprises on the solving of the existing problems through the Ukraine’s agricultural food product export increase, the development and application of the innovations with the help of the up-to-date production technologies (their application and development of will assist the cooperation of enterprises, bringing in the foreign investments), participation in the international programs, collaboration with the integration groups.

With consideration of the pointed conditions of Ukraine's geographic position, the level of foreign trade with the EU, entry in the WTO, the following items are to be encouraged: creation of the free trade zone with the EU, involvement of the foreign investments, grouping and cooperation of the enterprises, development of the inner-branch trade as one of the pre-conditions for the integration etc. In this respect, special attention should be paid on deepening and development of national scientific research projects, engagement of innovations, high technologies, keeping and development of the agricultural sector to become a country, which is not only interested in the EU, but which other countries can be interested in. Entering the EU should redound to further development of national innovations and the engagement of the new innovations, which in great extent is a result of group development programs. Therewith, significance must be attached to the problem of global spiritual, for all the efforts to build better society not to inherit the example of the Babylon Tower. Ukraine must pay special attention not only on adoption of the laws, but their execution with preservation of everyone's rights and freedoms, as pre-conditions for the entry into the world community on equal terms with the other states. Otherwise, King Solomon's words will be on the front burner: "Except the LORD build the house, they labour in vain that build it: except the LORD keep the city, the watchman waketh but in vain" [6, Ps.126:1], which are always fulfilled regarding the countries, which do not abide the laws. In our view, powerful producers and exporters of the agricultural goods must necessarily assist the African countries that do not possess enough resources for satisfaction of the home demand for food.

Literature:

1. Тураев В.А. Глобальные проблемы современности: учебное пособие [для студентов высших учебных заведений] / В.А.Тураев. – М.: Логос, 2001. – 192 с.
2. Лукинов І.І. Вибрані праці / Іван Іларіонович Лукинов. - К.: ННЦ ІАЕ, 2007. – 816 с. - (Праці: у 2 кн./ І.Лукинов; кн.1).
3. Шнирков О.І. Європейський Союз у глобальному інноваційному просторі: монографія / Олександр Іванович Шнирков. - К., ВПЦ "Київський університет": 2008. – 143 с.
4. Економіка знань: виклики глобалізації та Україна. / [Семиноженко В.П., Гальчинський А.С., Львовчкін С.В. та ін.; Під заг. ред. А.П.Гальчинського, С.В.Львовчкіна, В.П.Семиноженка]. – 261 с.
5. Иванов Н. Человеческий капитал и глобализация / Н. Иванов // Мировая экономика и международные отношения. – 2004. - №9. – с.19-31.
6. Библия. – Минск, 2002. – 296 с.