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## **THE MAIN DIRECTIONS OF ASEAN FOREIGN TRADE STRATEGY**

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**Abidova Y. R. , Maksymenko O. V. The main directions of ASEAN foreign trade strategy.** The article considers the place and role of ASEAN in the world economy, the creation and development of the organization, as well as the prospects for the development of ASEAN integration processes and the dynamics of foreign trade of the participating countries. The current state of economic relations and relations in general between Ukraine and ASEAN, the prospects for their development are analyzed.

**Keywords:** ASEAN, cooperation, economics, globalization, integration, trade, Ukraine.

**Абідова Ю. Р., Максименко О. В. Основні тенденції зовнішньоторгівельної стратегії АСЕАН.** У статті розглядається місце і роль АСЕАН у світовому господарстві, створення та розвиток організації, а також перспективи розвитку інтеграційних процесів АСЕАН і динаміку зовнішньої торгівлі країн-учасниць. Проаналізовано поточний стан економічних зв'язків та відносин України з АСЕАН, перспективи їх розвитку.

**Ключові слова:** АСЕАН, глобалізація, економіка, інтеграція, співробітництво, торгівля, Україна.

**Абидова Ю. Р., Максименко Е. В. Основные направления внешнеторговой стратегии АСЕАН.** В статье рассматривается место и роль АСЕАН в мировом хозяйстве, создание и развитие организации, а также перспективы развития интеграционных процессов АСЕАН и динамику внешней торговли стран-участниц. Проанализировано нынешнее состояние экономических связей и взаимоотношений Украины и АСЕАН, перспективы их развития.

**Ключевые слова:** АСЕАН, глобализация, интеграция, сотрудничество, торговля, Украина, экономика.

The object of the article is ASEAN as a regional organization. The subject is ASEAN Foreign Trade in the context of globalization. The purpose of the article is to study the commodity and territorial structure of the foreign trade of ASEAN countries along with determining the place and role of ASEAN in the relations system of the world economy, foreign trade trends of the

participating countries, its dynamics and structure. The purpose also includes evaluating the prospects for cooperation between Ukraine and ASEAN. The relevance is based on the fact that currently ASEAN has become one of the most respected organizations of multidisciplinary cooperation not only in the Asia-Pacific region, but also in the world, and stands out for its dynamic development. There are powerful external forces that stimulate the development of the Association. Among them is a new institution, which was called "ASEAN plus three" (China, Japan, South Korea). China and Japan are large states that have different views on the future and different ambitions. One more powerful external force is globalization. ASEAN countries and enterprises in these countries have realized that globalization is affecting their economies, financial sectors, and their currencies. To survive and prosper, it is not enough to have a strong position just in a particular country or region. Another powerful external force is China. The PRC has set a world record for economic growth, and its impact on ASEAN is enormous. On the one hand, this is good for ASEAN since China is an economic locomotive of the region and a rich market, and on the other hand, it is bad, because the level of economic competition is growing. That is why the problem of the development of ASEAN in the context of globalization requires constant research, representing great theoretical and practical significance in modern international relations.

The modern development of the world economy is characterized by such opposite tendencies: the role of globalization increases and the integrity of the world economy increases; international integration groups are being formed and are developing. Under modern conditions, there are over 40 integration associations with participation of more than 120 countries, which differ in the depth and nature of the chosen integration strategy and institutional structure, scope and scale of activity, and the number of participating countries [7].

The formation of ASEAN in the mid 60s of the XX century was not due to economic reasons but to the need for military-political

stabilization in South-East Asia. In the future, the political factor contributed to the integration interaction in the economic sphere, and also provided a favorable image of ASEAN in the world arena.

An important step on the path of ASEAN's development was the first meeting held on February 23-24, 1976 in Bali, Indonesia. The Agreement on Friendly Relations and Cooperation in South-East Asia was adopted, aiming at securing peace, friendship and cooperation between nations for a common cause [4, p. 83].

According to this treaty, the relations between ASEAN member states are built on the following fundamental principles:

- mutual recognition of independence, sovereignty, equality, territorial integrity and national identity of these peoples;
- recognizing the right of each country to self-motivation, free from external interference, subversive activity or coercion;
- non-interference in each other's external affairs;
- settlement of disputes and disputes peacefully;
- refusal to use force power;
- effective cooperation [2].

The ASEAN Council also received the ASEAN Concord Declaration. Its main provisions are the supervision of such directions of cooperation as politics, security of the management system; economy, cooperation in the production of basic goods, food and energy resources in particular, industrial and trade cooperation; joint solution of international and world economic problems; interaction in the social sphere, culture and the use of information resources [8].

Therefore, the main areas of cooperation within ASEAN are:

- political interaction and security;
- economic cooperation;
- business cooperation;
- development of cooperation.

Consecutive steps that ensure the achievement of a result in a particular area of regional development of the Association are aimed at:



- the harmonization of the policy of gradual creation of a regional legislative base;
- the harmonization of the institutional mechanism of implementation of the regional regime of management, especially in the state sector;
- creation of the possibility of development and support of sectors, which initiate institutional changes in the direction of achieving harmonization [5, p. 129].

In their practical activities, ASEAN countries are particularly stimulating the economic sphere, where cooperation extends to trade, customs, standards, investments, as well as agriculture and forestry, the environment, science, technology and social development.

But the reduction of tariffs on trade within the bloc of ASEAN countries does not protect against the influence of disintegrating factors (obligations are legally framed, economic inequality of countries, restrictions on the labor movement, etc.), and it cannot solve the problems of ASEAN foreign trade. However, the introduction of duty-free trade within the Association, according to experts, stimulates the flow of foreign investment for the production and subsequent export of goods to the participating countries [1, p. 119].

Before the creation of ASEAN, trade between its participants was insignificant, but thanks to the successful application of the CERT scheme, it increased from 43.7 billion US dollars in 1993 to 879.3 billion US dollars in 2014, which testifies to the strengthening of cooperation and expansion of integration ties [3, p. 71].

A comparison of the main indicators of ASEAN with those of other regional groups indicates its significant lag behind GDP and trade, but ASEAN has significant advantages in terms of population and GDP growth rate, which reflects its strong regional potential.

Integration with international markets for goods and services has increased significantly since the second half of the 80s of the XX century, and the countries of Southeast Asia began to feel the advantage of globalization. Since the late 90s of the XX century, ASEAN's formal initiatives were aimed at strengthening relations

with neighboring countries and enhancing internal regional integration [6, p. 28].

A part of ASEAN (1.5%) in world trade is low, although in dynamics it has more than doubled compared to the moment it was created (in 1967). ASEAN + 3 (Japan, China, South Korea) shows a significantly higher specific gravity (5.8%); in 2000-2014, it almost doubled. In the region's total trade volume, ASEAN accounts for 26%, ASEAN + 3 – 29%, but their dynamics grew much slower – 1.4 and 1.1 times, respectively, which indicates increased interdependence within the integration group and expansion of trade ties with the most influential neighboring countries [12, p. 22].

An important role in the formation of the ASEAN free trade zone and investment zone belongs to the bilateral relations between Japan and Singapore, which were formalized in a comprehensive agreement in 2002. It covers not only the liberalization of the movement of goods and services, but also trade, investment assistance and economic cooperation [11, p. 81].

The large ASEAN market and the number of consumers, as well as its economic potential, are attractive for investors, given the possibility of making a profit. However, it is important whether integration brings stability and competitiveness to the region.

That is why the current state of integration processes in Southeast Asia depends on the solution of such basic problems:

- weak institutional framework for the implementation of various initiatives;
- the lag of macroeconomic and monetary coordination measures from other forms of cooperation and insufficient stability in the region;
- isolation of regional integration and internal reforms from one another [12, p. 39].

Despite the remoteness of the ASEAN member countries from Ukraine and at first glance, the presence of little in common with the distant countries of Southeast Asia, there is a constantly growing interest, predetermined by globalization, in integration processes in other regions of the world. Moreover, cooperation opportunities are

attractive due to the inevitable prospect of the transition of the world center of economic development to the Asian region, in particular, Southeast Asia.

Ukraine has opportunities for partnerships with ASEAN countries in the field of geological exploration of minerals. The countries of this subregion, in particular, Vietnam, Indonesia, Myanmar, need help in conducting exploration and prospecting, organizing the extraction of minerals, and processing of precious and semiprecious stones [10].

Due to the constant increase in the costs of ASEAN countries for the purchase of military equipment for special purposes, Ukraine should optimize the forms of work in the market of Southeast Asia. Given the fierce competition in the arms market of Southeast Asia, it should look for ways to stimulate the sale of its products by offering attractive comprehensive agreements for the creation of joint ventures and licensed production of individual types of military equipment in the territory of customer countries, repair, and modernization of samples of military special equipment appointments, possibly based on customer countries, as well as the maintenance of such equipment in these countries [9, p. 192].

Until now, the task of establishing and developing contacts to expand the circle of potential investors in the economy of both parties remains relevant. Many companies in ASEAN countries have significant financial capabilities and experience in participating in various investment projects abroad. Despite the economic crisis, there are still opportunities for attracting investments from these countries into the Ukrainian economy, in particular in the light and food industries, construction of housing infrastructure, hospitality, etc.

Thus, the main tasks of ASEAN for the future are to complete the formation of a free trade zone, improve the investment climate, strengthen the investment potential, and rebuild institutional structures. Ukraine has opportunities for partnership with ASEAN countries in various sectors such as geological exploration of

minerals, construction businesses, production of military equipment, light and food industries and many others.

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## INFORMATION SECURITY IN CANADA

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**Achkasova Yu.I., Broslavska Ye.M. Information security in Canada.**

The article discusses the notion of information and the processes involved in its reception, processing and use. The study also focuses on the issue of cybersecurity and analyzes the main tasks in the field of ensuring information security in Canada.

**Keywords:** cybersecurity, information flow, information security, information security in Canada, limited access information, public information.

**Ачкасова Ю.І., Брославська Є.М. Інформаційна безпека в Канаді.**

У статті розглядається проблема інформації та процеси, які пов'язані з її отриманням, обробкою та використанням. порушуються питання основних завдань в галузі забезпечення інформаційної безпеки в Канаді.

**Ключові слова:** інформаційна безпека, інформаційна безпека в Канаді, інформаційний потік, інформація з обмеженим доступом, кібербезпека, публічна інформація.

**Ачкасова Ю.И., Брославская Е.М. Информационная безопасность в Канаде.** В статье рассматривается проблема информации и процессы, связанные с ее получением, обработкой и использованием. Затрагиваются проблемы основных задач в области обеспечения информационной безопасности в Канаде.

**Ключевые слова:** информационная безопасность, информационная безопасность в Канаде, информация с ограниченным доступом, информационный поток, кибербезопасность, публичная информация.

The object of this article is Information security. The subject of this article is information security in Canada. The purpose of this article is to study the notion of information and the processes associated with its reception, processing and use as well as identify the main tasks in the field of ensuring information security in Canada.

Information security is the process of ensuring confidentiality, integrity and accessibility of information, that is, the need to prevent the leakage (disclosure) of any information; changes in the performance of any operation on it, whether it is transmission,

storage or display; providing access to information and related assets of authorized users as necessary. [1]

Information protection includes a set of measures aimed at ensuring information security.

Depending on the category of access, information is divided into public and limited access. Public information includes well-known information and other information, access to which is not limited, in particular:

- normative legal acts affecting rights and freedoms and the responsibilities of man and citizen;
- normative legal acts establishing the legal status of organizations and the powers of state bodies and local authorities;
- environmental information;
- information on the activities of state bodies and local self-government bodies, on the use of budget funds, with the exception of information constituting state or official secrets;
- information accumulated in open collections of libraries, museums and archives, in state municipal and other information systems created or intended to provide citizens and organizations with such information;
- other information, the inadmissibility of restricting access to which is established by federal laws. [3]

Limited access information includes information constituting state, commercial, official and professional secrets, as well as personal data of citizens (individuals).

### **Protection of information security in Canada**

Canada is one of the first states to proclaim a policy of pursuing an information policy and building an information society. Like other states, Canada pays great attention to information security and pursues a policy to ensure it both at the national and international levels. [5]

One of the main tasks in the field of ensuring information security is the development of criteria and methods for assessing the effectiveness of systems and means of ensuring information security, as well as the certification of these systems and tools.

In 1993, experts at the Security Center, part of the Canadian Communications Security Authority, developed the Canadian Computer Systems Security Criteria, which are currently taken as a basis in many other countries. [2]

The main objectives of the document include:

1. Development of a single scale of criteria for the possibility of comparing various information processing systems according to the degree of security.
2. Creating the basis for the development of specifications for secure computer systems.
3. Development of a unified approach and standard tools for describing the characteristics of secure computer systems.

A characteristic feature of these criteria is that they are aimed at a wide range of computer systems [3].

In May 2001, the Special Commissioner for the communications security of Canada issued an annual report on the state of information security. The report notes that in recent years the number of intrusions in the information system of Canada increased significantly. This event prompted Canada to strengthen measures to protect information from external threats.

In this regard, as well as to enhance the efficiency of activities of the units of the Ministry of Defence active work is currently ongoing with the Canadian Forces Information Operations Group, CFIOG, established in April 1998. The need to transform the information environment, increase the role and significance of information warfare in achieving national policy objectives allowed putting forward the following priority tasks:

1. to improve services and products in the field of information security;
2. to become an authorized government center in understanding and implementing the hidden capabilities of the global network;
3. to protect and develop the Canadian information infrastructure. [5]

Also, one of Canada's important steps in ensuring information security was building an information highway which can enable transition to the information society and knowledge economy.

In April 1994, the federal government formed the Information Highway Advisory Council whose mandate was to issue proposals to the government on ensuring interconnected and interacting networks, protection of privacy and network security, competition in the production of equipment, products and services, etc. The information highway presupposed active work with e-government, that is, providing complete information and services of the government through the network by 2004. [4]

In 2005, the Government of Canada announced the establishment of the Cyber Incident Center (CCIRC). The center serves as the national focal point for cybersecurity, preparedness and response. It has the mandate to deal with threats and attacks on critical infrastructure around the clock, seven days a week. [3] The center provides the following services for owners of critical infrastructure:

- coordinating and supporting incident response efforts;
- monitoring and analysis of cyber threats to the environment;
- providing technical advice on IT security;
- creation of national capacity (standards, practices, information, education).

In 2010, the Canadian Cybersecurity Strategy was published, including such aspects as:

- protection of government systems;
- cooperation in order to protect cyber systems located outside the federal government;
- ensuring the safety of Canadian citizens in an online environment.

The government also intends to maintain a holistic emergency management system that includes mitigation programs, protection of critical infrastructure, information security, information exchange between federal ministries and departments, agreements with



international partners and protection of the private information sector. [3]

The next step was testing the digital signature authentication system for various government services.

During the project, an integral infrastructure was created, which was necessary for the protection, confidentiality, and flawlessness of transactions with government agencies.

As of this day, interaction between the government and Canadian citizens is carried out through the official website of Canada and the government. [5]. There are proposals to build a strategy of access to services and content on the basis of 4 principles: universal, accessible and equal access, customer orientation and a variety of information, competence and participation of citizens, open and interactive networks.

**Conclusion.** The state in Canada is the main subject of managing all information flows, which uses different methods and regulatory mechanisms. Canada has one of the best information security systems in the world, with an ever-developing, institutional system for ensuring information policy. This includes the creation of a single information space, the creation of electronic government, maintaining free access to information, government regulation of the media, the development of the Internet, the normative regulation of all information relations and processes, and the translation of most public services into electronic version.

The information security policy is recognized by the entire international community and it is noted that the Canadian criteria for the security of computer systems can be credited as the most significant national standards for information security.

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## IMPACT OF NEW MEDIA AND SOCIAL NETWORKS ON POLITICS

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**Altukhova M.D., Davydenko I.V. Impact of new media and social networks on politics.** The article provides the review of media influence on politics as an actual force exerted by a media message, which resulting in either a change or reinforcement in audience or individual beliefs. The article also analyzes the level of trust in politicians in various media, including social networks.

**Key words:** government, new media, online, policy, public opinion, social networks.

**Алтухова М.Д., Давиденко І.В. Вплив нових медіа та соціальних мереж на політику.** У статті здійснюється огляд впливу ЗМІ шляхом медіа-повідомлень, які призводять до зміни, або зміцненні окремих переконань аудиторії. У статті також аналізується рівень довіри до політиків у різних ЗМІ, в тому числі в соціальних мережах

**Ключові слова:** громадська думка, нові медіа, онлайн, політика, соціальні мережі, уряд.

**Алтухова М.Д., Давиденко І.В. Влияние Новых медиа и социальных сетей на политику.** В статье рассматривается влияние СМИ путем распространения медиа-сообщений, которые приводят к изменениям или укреплению отдельных убеждений аудитории. В статье также анализируется уровень доверия к политикам в разных СМИ, в том числе в социальных сетях.

**Ключевые слова:** новые медиа, политика, правительство, общественное мнение, онлайн, социальные сети.

The o b j e c t of the article is interconnection between new media and modern politics. The s u b j e c t of the article is influence of mass media and social networks on policy. The p u r p o s e of the article is to define methods of influence of news in social networks on the reputation of politicians and policy.

Since now it is the era of the Internet, the effect of Internet has extended in sphere of our life. Politics is no exception, the

relationship between organization and public opinion has been influenced by new media.

New media are forms of media that are native to computers, computational and rely on computers for redistribution. Some examples of new media are telephones, computers, virtual worlds, single media, website games, human-computer interface, computer animation and interactive computer installations.

More and more people prefer new media to traditional because of lower limitation of new media, such as time limitation and space limitation. Most people have a cell phone or a computer. They can catch the news anytime in anyplace. The use of social media in politics including Twitter, Facebook, and YouTube has dramatically changed the way campaigns are run and how Americans interact with their elected officials. The prevalence of social media in politics has made elected officials and candidates more accountable and accessible to voters. And the ability to publish content and broadcast it to millions of people instantaneously allows campaigns to carefully manage their candidates' images based on rich sets of analytics in real time and at almost no cost [5].

As a result, new media have a greater impact on people and vice versa, public opinion also affects politics through the new media. New media provide a two-way communication, which achieves an interactive role. People can directly send message to government and politicians can comment online. If people are dissatisfied with the government, they can express their thought through social media and discuss it with other people online. When those comments are gathered together, they will draw public opinion to focus on the wrongdoings of the government.

Since new media have a large user base, the political activity is followed by more people than before. New media let people better supervise government behaviour. Also, governments can know public opinion through new media as reference for decision making. Although new media have both positive and negative effects on politics, they narrow the relationship between the public and politics. Public is not only an information receiver anymore. People also can

give their advice and opinion to the government. Government also has a chance to get to know the thought of citizens [6].

One study concluded that social media is allowing politicians to be perceived as more authentic with a key finding that shows voters feel politicians to be more honest on social media, compared to interviews or TV shows. This is the case especially among young voters, because the only media platform that is more trusted by voters in the age group 30 years and younger is social media, a finding that correlates with the comparatively higher social media usage in this demographic segment. However, the youngest voters are more likely to perceive politicians as honest when they appear on social media, then in other way this age group is also more likely to perceive politicians as dishonest on social media. This paradox might be explained by the overall more sceptical attitude among the young voters and that the group is fairly polarized; they either trust politicians in social media or find them to be dishonest [1, p. 5].

Moreover, social media and opinion pieces are arenas where politicians can correct the mainstream media, and present their “honest” version of the story in a seemingly unmediated and unfiltered way. A key motivation for news consumers to follow politicians on social media was that they preferred information that was unfiltered by journalists and the news media [4, p. 43].

Social media are networked communication and users contribute to the posts’ credibility through feedback and comments. People tend to trust their friends and relatives and, thus, also their online networks more than the corporate media; social media networks often serve as verifiers of information, and media items that are recommended by known others or by large aggregate of numbers of unknown others are generally seen as more credible [3, p. 420].

However, social networks and new media can be used both for good and for harm. For instance in 2016 misuse of data and "cheating" by Cambridge Analytica and other companies associated with the firm may have altered the outcome of both the U.S. presidential election and the U.K.'s Brexit referendum, a company Whistleblower told British lawmakers. Chris Wylie, the former

director of research at Cambridge Analytica, which has been accused of illegally collecting online data of up to 50 million Facebook users, said that his work allowed Donald Trump's presidential campaign to garner unprecedented insight into voters' habits ahead of the 2016 vote. Over four hours of testimony, Wylie gave insight into how Cambridge Analytica was able to build complex data analysis tools to target potential voters during multiple U.S. campaigns. That included ties to Aggregate IQ, or AIQ, a Canadian company which helped to develop the underlying algorithm that was used by Cambridge Analytica to target Facebook users. Both companies deny such a connection [5].

Direct access to voters also has its downside. It allows a politician to send out unfiltered tweets or Facebook posts; it has landed many candidates in hot water or embarrassing situations. A good example is Anthony Weiner, who lost his seat in Congress after exchanging sexually explicit messages and photos with women on his Twitter and Facebook accounts. Weiner lost the New York mayor's race following a second scandal and ended up serving prison time when one of his "sexting" partners turned out to be underage. Many campaigns hire staffers to monitor their social media channels for a negative response and scrub anything unflattering. But such a bunker-like mentality can make a campaign appear defensive and closed off from the public [4].

**C o n c l u s i o n .** For people who are interested in politics, the Internet is an easy way to find out the point of view of a politician, to communicate with other interesting people and to be potentially engaged in any political process. New media make politics more accessible for people; nowadays voters are more likely to perceive politicians as honest when they appear on social media. This is why social networks are becoming more and more influential as more and more people join them and make it a part of their daily lives.

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## THE PHENOMENON OF OVERTOURISM AND ITS NEGATIVE IMPACT ON TOURISM DESTINATIONS

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**Ardiukova I. B., Litovchenko Y.M. The phenomenon of overtourism and its negative impact on tourism destinations.** The article analyzes phenomenon of overtourism and its negative impact on main tourists destination. The article reveals that the number of international tourist arrivals is increasing eliciting more destinations experiencing the negative impacts of tourism, in particular, difficulties for the locals as the prices have risen and short-term rentals have caused housing shortages. The article provides examples of fast-growing tourism industry and its consequences as phenomenon of overtourism.

**Key words:** negative impact on tourism, overtourism , tourism destinations, tourism

**Ардукова І.Б., Літовченко Я.М. Феномен овертуризму та його негативний вплив на туристичні напрямки.** У статті розглядається феномен овертуризму та його негативний вплив на основні туристичні напрямки. Кількість міжнародних туристських прибутків збільшується, викликаючи все більше напрямків, які зазнають негативного впливу туризму. У популярних туристичних напрямках овертуризм викликав труднощі для місцевих жителів, оскільки ціни зросли, а короткострокова оренда викликала дефіцит житла. У статті наведено приклади швидко зростаючої галузі туризму та її наслідків, як феномен «овертуризм»

**Ключові слова:** негативний вплив на туризм, овертуризм, туристичні напрямки, туризм

**Ардукова И.Б., Литовченко Я.Н. Феномен овертуризма и его негативное влияние на туристические направления.** В статье рассматривается феномен овертуризма и его негативное влияние на основные туристические направления. Количество международной туристической прибыли увеличивается, вызывая все более направлений, которые испытывают негативного влияния туризма. В популярных туристических направления овертуризм вызвал трудности у местных жителей, поскольку цены выросли, а краткосрочная аренда вызвала дефицит жилья. В статье приведены примеры быстро растущей отрасли туризма и ее последствий, как феномен «овертуризм»



**Ключевые слова:** негативное влияние на туризм, овертуризм, туристические направления, туризм

The object of the article is overtourism whereas the subject is negative impact on tourism destinations. The aim of the research is the definition of the phenomenon of overtourism and consequences of its on global tourism for the understanding future perspectives of current issues.

Tourism is one of the largest and fastest-growing industries in the world. World Tourism Organization UNWTO has forecasted that by the year 2030 the number of international tourist arrivals will be about 1.8 billion. As the number of tourists is continually growing, the negative impacts of tourism become increasingly noticeable [3].

Environment and the host communities are functioning under pressure to manage the constantly growing tourist flows. Some destinations have reached the point in which the carrying capacity has been exceeded by the number of visitors, in other words the destinations are then coping with overtourism. Traveling has been a popular activity for centuries and it should continue to be so. However, it should be executed in a way that secures the existence of the tourism destinations. The decisions made now should be long-term oriented and thus provide the opportunity for future generations to visit the same tourist destinations as earlier generations. [4]

Overtourism and ever-growing tourism flows are posing a threat for many well-known tourism destinations around the world. The epidemic is not limited to any specific area or continent in the world. The problem occurs worldwide from the geysers of Iceland to the beaches of Thailand. Tourism Council published a report in 2017 about managing overcrowding in tourist destinations. The report states that overcrowding is not a new phenomenon in the tourism industry, but many destinations are reaching to the point in which something needs to be done about it. [4].

Tourist destinations are facing overcrowding and some destinations cannot cope with the stress that increasing tourism is causing. The incapability to control the impacts in time has driven some destinations to take some strict actions. Thailand, for example,

closed one of its islands due to the harm caused by too many visitors. Some destinations have restricted the number of visitors due to the stress that overtourism causes.

However, additional solutions should be sought. Impacts of overtourism can physically be seen in the environment, for example, littered tourist attractions. In addition, overtourism has also intangible impacts that are not visible but still exist. A tourist might feel that overcrowding is diminishing his or her experience, similarly the locals can feel that tourism is impacting their daily lives. One might think that only mass tourism and package tours are solely to blame. Overcrowding does not exclude backpackers nor other types of tourists. Even if one does not identify oneself as a part of mass tourism concept, it does not exclude him or her from being contributor to the negative impacts. Unfortunately, even backpackers can contribute to this problem, depending on the destinations visited [5].

The issue of negative impacts of tourism on the tourist destinations is not only a concern of today's tourism. The industry is expected to grow rapidly, and the visitor numbers are forecasted to increase significantly. In 2017, the number of international tourist arrivals (overnight visitors) worldwide was 1.322 million. The growth to the previous year was 7% and the growth is expected to continue at a rate of 4 to 5 percent in 2018. The 7% growth was strongest compared to seven previous years. In Europe, the growth in number of international arrivals increased by 8% compared to year 2016. This was 55 million international tourist arrivals more than in 2016. [3].

Moreover, the growth was not limited only to Europe. The number of tourist arrivals grew in other parts of the world as well. In Africa, the growth was 8%; in Asia and Pacific 6%; in Middle East 5% and in Americas it was 3%. [3].

Certain factors that contribute to the growth of tourist numbers can be stated. Firstly, the cost of air transportation has fallen, enabling frequent flying to many. Many passengers take more than just one short haul flight during a year. The scale of transport has grown during the past ten years. The deposit of passengers and frequency of arrivals lead to growing tourist arrivals.

Secondly, house rental platforms, such as Airbnb, offer more accommodation options for tourists to choose from. These kinds of platforms create problems in the housing markets as the rent prices rise and the residential neighborhoods change their characteristics as those on low income are forced to relocate themselves to more affordable neighborhoods.

In some touristic destinations, tourists are outnumbering the locals. In Venice, tourists outnumber the permanent inhabitants. The number of the residents is half of what it was 30 years ago. When in 1950 the number of residents in Venice was 175,000, in 2016 it was only 55,000 . The number of tourists a day, 60,000 is exceeding the number of local inhabitants by 5,000 [4].

For example, Dubrovnik in Croatia is also a popular tourist destination and during the peak season from April to October the city is visited by 1.7 million tourists. Daily, the number of visitors can be up to 15,000. Tourists outnumber the locals while the number of residents has declined. Currently, only 1000 people live in the city, whereas two decades ago the number was five times higher. Locals are pushed out of their city by overtourism. In addition to high rental prices and annoyance for tourists, work offerings or the lack of those force local people to move. Having tourism as the main industry, Dubrovnik is suffering of brain drain, as educated people move out of the city. [5].

Another example shows that In Barcelona the locals blame overtourism for the rising rent and higher prices at bars and stores, forcing them to relocate themselves to more affordable neighborhoods. In 33 the neighborhood of the Ramblas around 45% of the local residents have had to move elsewhere . The Mayor of Barcelona, Ada Colau, acknowledges the consequences of growing tourism and its impacts on the city and the residents. According to her, the city shouldn't tolerate the fact that tourism drives the locals away. Colau has addressed her concern that uncontrolled tourism increases rent prices and therefore the locals move away. Eventually cities become depopulated and turn into theme parks, where are no longer residents, only visitors. [5].

As a result, overcrowding can occur in destinations that can be very different in nature. Places with cultural and historical importance as well as destinations with environmentally fragile ecosystems can be experiencing pressure caused by too many visitors. The definition of 'too many' is somewhat subjective, therefore the solutions need to be tailored according to a destination. Single solution that could be applied to all destinations which would then provide equally successful solutions is unlikely to be found due to the differing characteristics of the destinations. Thus, destinations different in nature need different solutions. Nevertheless, a solution that is suitable in all circumstances is undoubtedly the correct method to take, some basic rules could be applied to majority of cases. Recreational tourism causes a lot of problems as discussed in the thesis. To educate people about the negative impacts of tourism is most often recommendable. Yet many people travel to take a break from normal life; the routines, hurry, worries and stress. If people are motivated to travel in order to alleviate those factors, is it reasonable to expect them to worry in the destination as well. While to make changes in one's traveling habits would not require major actions and are reasonable, it could be argued that the care for the wellbeing of the tourist destination should be executed by other players in the tourism industry.

In conclusion, the increasing tourist numbers in Europe demonstrate the importance of traveling for recreational purposes. Yet the tourism industry is impacting the environment in which it is most practiced in. These impacts are often multidimensional and complex as they are constructed by many components of the tourism field. Overtourism has caused impacts for the environment and for the locals. The information gained on the negative impacts of tourism might encourage changes in one's behavior and the manner in which one travels. Actions of the individual traveler can help to alleviate the negative impacts and are therefore important to be acknowledged. Traveling and tourism provide opportunities for individuals to explore the globe.

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## **PROBLEMS OF COMPETITIVENESS OF UKRAINIAN PRODUCERS IN THE GLOBAL HONEY MARKET**

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**Bal D. O., Bezzubko Y. I., Oliynyk N. A. Problems of competitiveness of Ukrainian producers in the global honey market.** The article analyzes the state of export of Ukrainian honey and the problems of Ukrainian honey producers when entering the international market: high level of competition, insufficient assortment, the level of product quality.

**Keywords:** competitiveness, global market, honey, international competition, Ukrainian producer.

**Баль Д. О., Беззубко Ю. І., Олійник Н. А. Проблеми конкурентоспроможності українських виробників на світовому ринку меду.** У статті проаналізовано стан експорту українського меду та проблеми українських виробників меду при виході на міжнародний ринок: високий рівень конкуренції, недостатній асортимент, рівень якості продукції.

**Ключові слова:** конкурентоспроможність, мед, міжнародна конкуренція, міжнародний ринок, український виробник.

**Баль Д. А., Беззубко Ю. И., Олейник Н. А. Проблемы конкурентоспособности украинских производителей на мировом рынке меда.** В статье проанализировано состояние экспорта украинского меда и проблемы украинских производителей меда при выходе на международный рынок: высокий уровень конкуренции, недостаточный ассортимент, уровень качества продукции.

**Ключевые слова:** конкурентоспособность, мед, международная конкуренция, международный рынок, украинский производитель.

The honey market is the most dynamic and promising for Ukraine, but it is highly competitive with a large number of producers. In order to be a 'successful player' in this market, Ukrainian producers need to use their advantages to the maximum, reduce existing risks and solve problems. In this regard, the topic of the article, dedicated to assessing the activities of Ukrainian honey producers and existing problems in the global honey market, is

important so the relevance of the study is determined by the need to increase the competitiveness of Ukrainian honey in the world market.

The object of the study is the problems of competitiveness of Ukrainian producers in the global honey market. The subject of the study is the competition in the global honey market. The purpose of the study is to look into problems experienced by the Ukrainian producers in the global honey market.

Before approaching the problems of Ukrainian honey producers, it is necessary to analyze the state of Ukrainian honey market. Ukraine ranks first in Europe and fifth in the world in honey production [5]. The volume of honey production in 2017 amounted to 66231 tons (Table 1).

*Table 1*

**Dynamics of honey production in Ukraine, tons**

Year	Production volume, tons
1990	50858
2000	52439
2010	70873
2013	73713
2014	66520
2015	63615
2016	59294
2017	66231

*Source: [3]*

The volume of honey production in Ukraine is much higher than the consumption of this type of product by Ukrainians due to the low purchasing power of the population. It should be noted that the actual consumption of honey was 60 grams per year per Ukrainian in 2016 [6].

Ukraine ranks 3rd among world exporters, second only to China and Argentina. The volume of honey exports from 2011 to 2017 increased almost 7 times and amounted to 67.8 thousand tons in 2017. Dynamics of export of honey from Ukraine is shown below in Table 2.

Table 2

**Dynamics of export of honey from Ukraine**

Years	Export volume, thousand tons	Export volume, million USD
2015	36	84,3
2016	57	97,3
2017	67,8	133,9

*Source: [4]*

In 2012 the export of Ukrainian honey occurred in only 11 countries, whereas according to the results of 2018, Ukraine exports honey to almost 40 countries of the world. The largest exporters of Ukrainian honey are Germany and Poland. According to the Food and Agriculture Organization of the United Nations (FAO), the EU continues to be among the major buyers of Ukrainian honey, while the top 3 importing countries include Germany (32 %), Poland (17%) and Belgium (12 %) [2]. The main importers of Ukrainian honey in 2016 are given in Table 3.

Table 3

**The main importers of Ukrainian honey in 2016, tons**

Country	Volume of honey imports from Ukraine
Germany	18,5
Poland	10,9
USA	10,0
Turkey	2,6
France	2,3
Spain	2,1
Belgium	1,3

*Source: Compiled by the authors based on [4]*

Ukraine carries out the main deliveries of honey to the markets of European countries and Ukrainian honey is in steady demand in the world market. In addition to this, Ukraine has several advantages in delivering honey to European markets:



- Duty-free quota (5.2 thousand tons) exists for Ukrainian honey.

- The close geographical proximity of Ukraine to European countries reduces logistics costs for product delivery.

However, Ukrainian honey producers have problems in delivering the product to international markets. Problems include the following:

1) High competition in the international honey market. The introduction of Deep and Comprehensive Free Trade Area between Ukraine and the EU since 01.01.2016 has created opportunities for increasing the production and export of beekeeping products. However, in the global honey market, Ukrainian companies are faced with the active trade policy of Chinese and South American companies. The quality of Ukrainian honey is much higher than that of Chinese honey. Nevertheless, Ukrainian honey loses in the competition for the following reasons:

- Huge volumes of honey production in China have a significant impact on prices;

- Chinese honey producers are more flexible and dynamic; they are constantly expanding their range of products and make adjustments to their production at the request of buyers.

2) The problem of product quality. In Europe, there are the most stringent requirements for the quality of honey, and there is a high demand for organic products. At the same time, the responsibility of Ukrainian honey producers for the quality of the goods delivered to foreign markets is increasing. Importing countries apply strict sanctions even for minor deviations in product quality.

3) The absence of the brand “Ukrainian honey”. The main Ukrainian honey (sunflower honey) is not very suitable for branding because of its rapid crystallization. Moreover, no investments are made in international marketing and Ukrainian honey brand development, while product promotion on external markets requires a comprehensive marketing strategy.

4) Problems with the pricing of honey supplies. Ukrainian honey is the cheapest in the world; its price is less than \$2 per

kilogram. The highest price is in New Zealand, it is \$24.32 per kilogram [1]. Thus, Ukrainian honey producers have insufficient profit due to the low price of Ukrainian honey.

5) The deterioration of the ecological situation in Ukraine and the cultivation of genetically modified agricultural plants. The use of large quantities of chemicals to protect plants from pests leads to the mass death of bees. Moreover, harmful substances (pesticides and herbicides) get into honey. Currently, Ukraine is working on a draft law on pesticides and other toxic chemicals. This law will strengthen the ability to control the use of agrochemicals and pesticides in agriculture. Ukrainian honey producers need to obtain certificates of ecological products. Hence, such a certificate will increase interest in products among honey consumers from Europe and the USA.

6) The lack of associations of Ukrainian honey producers does not allow implementing a unified policy towards honey exports. Uniting into cooperatives will allow Ukrainian beekeepers to lobby their interests more effectively to exporters, the state and foreign partners.

**C o n c l u s i o n .** To sum up, there is a positive trend in Ukrainian honey exports. However, domestic producers face several problems that impede increasing the competitiveness of Ukrainian products. The main ones are the imperfection of pricing, insufficient assortment, and product quality. To solve these problems, it is proposed that the government should ensure a high quality of honey in accordance with European standards. To do this, it is necessary to create a network of laboratories for checking the quality of honey and to ensure the protection of Ukrainian honey from environmental pollution in the legislation. It is also necessary to improve the pricing of Ukrainian products in countries importing honey by conducting an active marketing policy of Ukrainian producers in the global honey market. These suggestions would enhance the competitiveness of Ukrainian honey in the foreign market and increase the country's export potential.

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## THE CURRENT STATE AND PROSPECTS OF THE DEVELOPMENTS OF EVENT TOURISM IN THE WORLD

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**Bilenko Y. V., Saprun I. R. The current state and prospects of the developments of event tourism in the world.** The article considers event tourism as one of the types of tourism spread worldwide. The theoretical aspects of the essence of event tourism and its development have been analyzed. The possible ways of its development have been speculated about. The factors influencing event management on the tourist industry have been researched. Several types of events have been distinguished. The main prospects for the development of event tourism in the world have been examined.

**Keywords:** essence of event tourism, event management, event tourism, tourism industry, types of events.

**Біленко Я. В., Сапрун І. Р. Сучасний стан та перспективи розвитку подієвого туризму у світі.** У статті розглядається івент туризм як один із видів туризму у світі. Проаналізовано теоретичні аспекти сутності івент туризму та його розвитку. Можливі шляхи його розвитку оглянуті. Досліджено фактори, що впливають на організацію заходів в галузі туризму. Виділено декілька видів подій. Розглянуто основні перспективи розвитку івент-туризму у світі.

**Ключові слова:** івент туризм, організація заходів, сутність івент туризму, туристична індустрія, типи заходів.

**Биленко Я. В., Сапрун И. Р. Современное состояние и перспективы развития событийного туризма в мире.** В статье рассматривается ивент туризм как один из видов туризма в мире. Проанализированы теоретические аспекты сущности ивент туризма и его развития. Возможные пути его развития рассмотрены. Исследованы факторы, влияющие на организацию мероприятий в области туризма. Выделено несколько видов событий. Рассмотрены основные перспективы развития ивент туризма в мире.

**Ключевые слова:** ивент туризм, организация мероприятий, сущность ивент туризма, туристическая индустрия, типы мероприятий.

The o b j e c t of the article is the event tourism. The s u b j e c t is the current state and prospects of the developments for event tourism. The p u r p o s e is the analysis of theoretical aspects of the

essence of event tourism and its development in order to make predictions concerning some possible ways of its development.

Events act as important motivators for tourism. Every year myriads of tourists flock to a huge variety of destinations around the globe attracted by various kinds of events. In short, the development of tourism in a particular destination is directly concerned with the development of event management. For example, nobody will be interested in visiting a distant island or city unless some appealing tourism events are held at this place. If you look at the destinations that have gained popularity in recent times, you will find out that the flow of tourists to this place began after the successful event management. Therefore, it is the trigger that attracts visitors and travelers to a particular destination.

There is no single universally accepted definition of event. Many authors have discussed the definition of events and various terms used to describe them. However, there is only limited agreement on standardized terms, definitions or categories to use. The differences are manifested as a result of different approaches of authors to defining certain events. Most authors agree that the event in the economic sense is a part of service economy, and different approaches to defining the event are the consequences of the specific characteristics of the environment in which some of the authors work and create. In addition, the events are highly versatile; therefore the definition of the events can be flexible to suit different situations [3]. Events are special celebrations planned and organized in a place by different public institutions or private organizations that may contain a number of activities. Events may occur in a form of tourism in which the content of the events is associated with the specific resources of the place where it is held to attract potential visitors and where a range of tourism programs related to natural and other tourist resources and values is planned. Some destinations are visited by tourists only for a special event, for example, to organize a meditation retreat. This relates to annual concerts and festivals when thousands of people head off to a social event like fans.

Concerning the definition of “event management”, it can be specified as management activities to create and organize festivals,

conventions, meetings and other large-scale events. However, the area of events is much broader including dates, parties, sports events, meetings, concerts, charity events, conferences and many other types of people's communication. Tourism is not a part of event management. It is a set of activities related to traveling and learning new places, food, traditions, experiences, and people, of course. Currently, the notion of tourism has no limits, because traditional tourism expunged its borders and plunged into learning the world. Now, tourism can be divided into various types of goals such as ordinary traveling, hiking, shopping tourism, sightseeing, spa tourism, food traveling, extreme tourism and many other options. Although event management and tourism are different notions, it should be mentioned that they are closely aligned with each other. Actually, regardless of the type of tourism you choose, event management will accompany it within the entire period of activity [4].

The most popular types of tourism events, regardless of the tourism type, come in a wide range of exciting options. Various types of festivals and events have always existed as significant parts of human society. They are also devised as forms of public display, civic rituals, and collective celebrations, which includes certain tourist events. The following types of events seem possible to distinguish: 1. Mega events. 2. Hall mark events. 3. Major events. 4. Local events.

“Mega event” is an event that has impacts on the overall economic activity of the host country, and is globally covered by media. In economic terms, “mega event” is strongly reflected in the tourism and economic infrastructure of the host country. These events are generally associated to sports events. They include the Olympic Games, the Paralympic Games, the FIFA World Cup, the IAAF World Championships and World Fairs, but it is difficult for many other events to fit into this category [6]. Getz D. defines them: “Mega-events, by way of their size or significance, are those that yield extraordinarily high levels of tourism, media coverage, prestige, or economic impact for the host community, venue or organization” [1]. Hall C. M., the author of

“Hallmark Events and the Planning Process”, explains that “mega events” owe their name to their size in terms of attendance, target market, level of public financial involvement, political effects, extent of television coverage, construction of facilities, and impact on economic and social fabric of the host community [1].

“Hallmark event” is an event with the distinctive quality of the program. Hallmark events are so identified with the spirit and soul of a host community that they become synonymous with the name of the place, and gain widespread recognition and awareness. Hallmark events are of special importance and attractiveness both for participants and visitors, they attract great attention of the public, contribute to the image of destination and maintain and revitalize the tradition. Classic examples of hallmark events are Carnival in Rio, the Tour de France, the Oktoberfest in Munich and Wimbledon. These events are identified with the very essence of these places and their citizens, and bring huge tourist revenue as well as a strong sense of local pride and international recognition [5].

“Major event” is a large-scale event, with strong public interest and media coverage. Major events attract large numbers of visitors, and help the organizers achieve good economic results. In practice of management of events, these events are often sports-oriented, with an international reputation, and defined structure of the competition (example: Formula One Grand Prix).

“Local event” is an event that is targeted mainly for local audiences and staged primarily for their social, fun and entertainment value. These events often produce a range of benefits, including engendering pride in the community, strengthening a feeling of belonging and creating a sense of place. They can also help with exposing people to new ideas and experiences, encouraging participation in sports and arts activities, and encouraging tolerance and diversity.

Another common way of classifying events is by their form or content: 1. Cultural celebrations. 2. Arts and Entertainment. 3. Business and Trade. 4. Sport competitions. 5. Recreational. 6. Educational and Scientific. 7. Political and state. 8. Private events.

In fact, people in all cultures recognize the need to set aside certain times and spaces for communal creativity and celebration. They can successfully achieve this in terms of tourism and traveling activities as well because the industry opens many new horizons and provides opportunities to organize events more often and for diverse and multicultural environments. The role of events in tourism destination development should also be noted [6]. The key tourism goal for events is to attract more tourists (especially in off-peak seasons) to serve as a catalyst for urban renewal and to increase the infrastructure and tourism capacity of the destination to foster a positive destination image, which contributes to general place marketing to animate specific attractions or areas.

Tourism and event management are said to have evolved from primitive gatherings of people for agricultural or religious reasons into the more modern type of events—large-scale, corporate and governmental—as well as their long history of attracting tourists and establishing host communities as tourist destinations.

There are several perspective directions for the development of event tourism. The major reason why the role of event management in tourism is so important is that events trigger a boost of tourism. Tourists and travelers need to understand why they should visit a particular destination. Therefore, event tourism comes to the rescue. It can be compared with a small stream that turns into a large river when supported by other streams. Regardless of the activities we offer, e.g. organizing incentive trips, they will definitely attract more customers to destination. Tourism event management promotes the loyalty of regular customers. One of favorite destination for vacation offers some events which other have not experienced before. For this reason, the customers would prefer to remain loyal to the resort or place they usually visit rather than searching for other options.

One more characteristic feature is their stickiness of social events. This point mostly relates to lonely people who need to find a soul mate or friends. The arrangement of various social events promotes communication of people and building new relationships. As a result, a



couple, which was created at a particular destination, would be happy to recreate the romantic moments of their first meeting. In this sense, event management benefits for both tourism and society development.

Wedding has become a main social event in tourism. A new trend of arranging weddings in some special places is developing. People want to make this special date incredible and unforgettable. The event managers apply all their efforts to meet the requests of the most demanding customers. The next day after the ceremony, the newlyweds don't need to pack belongings and suffer in airports and airplanes. They are already in a place where they want to be. The role of events in tourism is well demonstrated in this particular case.

Event tourism is considered to be a multipurpose tourism. Management of events provides various opportunities for the travelers to spend their time without being bored. If a tourist plans to visit some exotic country, it does not mean that the vacation will be limited with rambling across the sights and historical monuments of the destination. There are opportunities to diversify the trip with extreme events or any social activities [4].

To sum up, tourism is the area or industry where different social events can be implemented. All the above-mentioned examples demonstrate the significance of managing events for tourism. However, the tourism itself is quite important for social activities. The development of tourism and the introduction of new destinations reveals the huge perspectives for the growth of event management. The majority of most social activities, such as festivals, recreational events have become possible due to the tourists who travel around the world in search of new impressions and emotions. It is obvious that tourism and event management can exist separately, but their consolidation can bring many benefits not only for the development of tourism but also for the development of the economy of countries or cities they are held in.

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## FUNCTIONS OF THE SHADOW ECONOMY

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**Bilous O. K., Skrypnyk T. I. Functions of the shadow economy.** The article “Functions of the shadow economy” defines the shadow economy and describes the criteria of its determination. Functions of the subjects of shadow entrepreneurship and the black market are examined in detail. The paper deals with the problem of the relationship between the shadow economy, corruption and organized crime. Measures to improve the economic policy of counteracting the shadow economy in Ukraine have been proposed.

**Keywords:** corruption, economic policy to combat the shadow economy, organized crime, shadow economy and shadow capital, the subjects of the shadow economy and shadow businessmen.

**Білоус О. К., Скрипник Т. І. Функції тіньової економіки.** У статті дається визначення тіньової економіки і розкриваються критерії її виділення. Розглянуті функції суб'єктів тіньового підприємництва та тіньового ринку. Показана взаємозв'язок між тіньовою економікою, корупцією та організованою злочинністю. Запропоновані заходи з вдосконалення економічної політики протидії тіньовій економіці в Україні.

**Ключові слова:** економічна політика протидії тіньовій економіці, корупція, організована злочинність, суб'єкти тіньової економіки, тіньова економіка, тіньовий капітал, тіньові підприємці.

**Белоус О. К., Скрипник Т. И. Функции теневой экономики.** В статье дается определение теневой экономики и раскрываются критерии ее выделения. Рассмотрены функции субъектов теневого предпринимательства и теневого рынка. Показана взаимосвязь между теневой экономикой, коррупцией и организованной преступностью. Предложены меры по совершенствованию экономической политики противодействия теневой экономике в Украине.

**Ключевые слова:** коррупция, организованная преступность, субъекты теневой экономики, теневая экономика, теневой капитал, теневые предприниматели, экономическая политика противодействия теневой экономике.

The shadow economy includes a system of industrial relations arising in the production, exchange, distribution and consumption of economic goods that harm and destroy society, the State,

municipalities, legal organizations, households. Therefore, the shadow economy is based on destructive economic relations that destroy the activities of subjects of the legal economy. Thus, the criteria of the shadow economy can be distinguished [4]:

1. Shadow economic goods are created, exchanged, distributed and consumed in the shadow economy [1, p. 18].

2. The shadow economy includes the shadow production relationships that arise and exist between its subjects.

3. Existing, replicable, shadow production relationships harm and destroy society, the State, municipalities, legal organizations, households.

4. Entities of the shadow economy function in an illegal form.

5. Participants in the shadow economy tend to have a hidden nature of activity [4].

Among the factors influencing the pace and forms of manifestation of the shadow economy in Ukraine there are follows:

– discrepancy of the pursued economic policy and the social and economic reforms which are carried out in the country;

– legalization of the shadow capitals which appeared and increased in days of planned economy and during dashing privatization of the 90s of the 20th century;

– crisis and depressive processes in the industries and regions of national economy;

– increase in inequality of economic and social development of regions;

– increase in the official and unregistered unemployment;

– reduction the living standards of a large part of the population;

– socio-economic differentiation of society [3, p. 39-40].

The functions of the shadow economy can be considered at micro and macro levels. At the micro level, they manifest themselves through the role of the shadow market and shadow business entities. The shadow market has a number of functions:

1. The price-forming function is the pricing of shadow goods and services.

2. The informing function is to communicate information about goods and services in the sphere of shadow economy to consumers and shadow entrepreneurs through the price mechanism.

3. The regulatory function is the distribution of shadow capital across areas of the shadow economy depending on their degree of return.

4. An intermediary function is to establish a link between shadow entrepreneurs and consumers of their goods and services directly, or through shadow intermediaries.

5. The incentive function is the interest of shadow entrepreneurs in using new ways to illegally increase shadow profits, reduce costs and avoid liability.

6. A destructive function is the destruction of resources in the legal sector of the economy as a result of:

- development of shadow entrepreneurship based on human defects (drug business, porn industry, illegal casinos);

- their transfer to the shadow sector, for example, through the use of various tax avoidance schemes.

The subjects of the shadow economy include all its participants, who perform certain functions. The most important and therefore the most dangerous subject of the shadow economy is the shadow entrepreneur, that is, any person engaged in shadow business at his own risk for profit. Therefore, the key feature of shadow entrepreneurship is profit generation [4].

All shadow economic acts can be conditionally divided into three groups. Accordingly, there are three forms of shadow economy. The first form is an informal, shadow economy, exemplified by black apparel workshops. The second form is a fictitious economy, exemplified by cunning operations to legalize black money and other criminal property. The third form is the black economy, which can include drug trafficking [2]. In real life, it is difficult to clearly attribute a shadow phenomenon to a specific form above.

Depending on which sector of the shadow economy the technological process takes place, it can manifest itself in different ways. Thus, in the black economy, shadow entrepreneurs seek

greater conspiracy, as their actions directly cause undisguised damage to society, government and citizens.

In the second and fictitious economy, the shadow entrepreneur may look decent, as the damage caused to him manifests itself not immediately (in cases of tax avoidance) or is hidden (for example, the sale of defective products under the pretext of quality goods).

Therefore, shadow entrepreneurs operating in the second and fictitious economy appear to the public as less dangerous than the initiators of the black economy. Moreover, entrepreneurs who do not pay the corresponding taxes are presented by the media and even by some scientists as victims of the arbitrariness of the Government.

Let's look at the functions of a shadow entrepreneur. The first involves connecting all resources into a single shadow process plan. For example, for the production of counterfeit audio (video) cassettes and discs, the offender-entrepreneur searches for a special room (often criminals seek to enter the territory of security facilities in order to make it difficult for law enforcement officials to access the shadow enterprise), purchases specialized equipment and materials, uses the employment of specialists.

The second function of the shadow entrepreneur is to solve the main issues of doing his business. It is necessary to distinguish the shadow entrepreneur from the manager, i.e. the hired manager, including in the field of finance. The shadow entrepreneur aims at illegal behavior initially, while the manager and accountant may not be aware of the true intentions of the initiator of the shadow economic activity.

The third function of the shadow entrepreneur is to find new ways and new areas of application of illegal behavior, as well as new methods of avoidance from responsibility.

The fourth function of the shadow entrepreneur is to carry out risky operations, as a result of which he risks not only losing his own shadow capital, but also being disclosed, prosecuted by law enforcement agencies or coming under the control of more powerful criminal structures.

Conscious consumers of goods created in the shadow economy also pose a danger to society. They not only witness shadow accounting, but also often initiate shadow business transactions.

At the macro level, the shadow economy has an impact on macroeconomic stability and official employment, which affects macroeconomic performance. At the macro level, the shadow economy generates:

1. Diverting resources from the legal sector of the economy. The fact is that with the decline in aggregate demand and revenues in the legal economy, the attractiveness of activity in the informal (second) form of the shadow economy is increasing.

2. Reducing the investment attractiveness of the country's economy. Manifestations of corruption and organized crime in Ukraine stimulate the export of capital from the country or its use in fast-moving industries, such as trade and services.

3. Technological backwardness of enterprises, as the development of the shadow economy does not stimulate entrepreneurs to reduce costs by using the achievements of scientific and technological progress.

4. Redistribution of income in society in favour of organizers of shadow entrepreneurship, which can be carried out by force; fraud; by price manipulation; as a result of the employment of employees by setting wages below the limit product of the limit worker.

5. Significant socio-economic differentiation of population, organizations and regions.

6. Inflation at the expense of money accumulated in the shadow economy.

7. Lobbying for the interests of the shadow economy. The large shadow revenues generated can be directed to lobby and finance narrow-minded political interests.

8. Reproduction of shadow economy in expanded volume. The obtained shadow revenues are invested in the shadow sector of the economy, reproduced in an expanded volume, both subjects of the shadow market and production relations between them.

At present, economic growth policies should be supported by economic policies to counter the shadow economy and corruption, namely, a set of economic measures aimed at reducing the activities of shadow economy actors. Depending on the content, a restrictive, preventive and legalizing form of this policy can be identified [1, p. 15].

As restraining measures for the development of the shadow economy, it is proposed to:

- to reveal, open and investigate as a matter of priority the corruption crimes committed in a large and especially large size;

- to limit not only the amount of cash payment under the contract between the organizations, but also number of such transactions for one day;

- to concretize responsibility of heads and founders of the organization for formation of shadow accounting, that is the system of collecting, registration and information processing about the obligations used in shadow economy and property;

- to try to obtain strict responsibility of officials for violation of constitutional rights and freedoms of citizens.

The multi-billion-dollar assistance provided by developed States in the context of the current economic crisis to the financial and real sectors of the economy under certain conditions could be redistributed in a shadow way not in the interests of society. Therefore, in order to prevent shadow economic activity, it is necessary that any financial programs to support the banking, real and other sector of the economy be based on the principles of transparency and openness to public control by:

1. Publicity of financial statements of organizations;
2. Disclosure of the amount of salary received by the first officials of the organization;
3. Prohibition of payment of bonuses, dividends and other additional payments during the year of receipt and use of public sources of financing.

Public assistance should be provided only to organizations that have developed and are implementing programmes to reduce the costs of products and services.



In order to legalize the informal (second) economy, it is necessary to:

- to use mainly notifying order of registration of limited liability companies and individual entrepreneurs;
- to apply the simplified accounting system more widely;
- to increase terms of submission of the reporting (once in half a year) for small business entities if they do not fall under requirements of obligatory audit;
- to develop gratuitous tax and other consultation of citizens in the field of business and social protection of workers, for example, on the websites of the federal ministries and services;
- to improve high-quality training of specialists, capable to work in new conditions of managing;
- to close understaffed qualitative shots institutes and their branches at increase in number of the budgetary places at the state universities;
- to return to the state the main role in implementation of social programs in the field of pension and medical care;
- to optimize tax burden of business activity and to lower it in the agrarian sector of economy.

In the calculation and payment of taxes, it is necessary to respect the equality of all forms of ownership, as well as to use a step-by-step scale of tax rates to evenly distribute the severity of taxation between small and large enterprises. It should be borne in mind that such a scale not only serves as a built-in stabilizer of the economy, but also will allow small businesses, first, to seek less to shelter tax revenues and, second, to have more financial opportunities to organize their own security and safety services on a legitimate basis.

In addition to equality, it is important to adhere to the certainty of taxes and tax incentives. Otherwise, taxpayers will face the arbitrariness of officials, which will increase corruption in the corridors of state power, and lack of certainty does not create a favorable climate for the growth of private investment. The tax principle of moderation, which means limiting taxes to a certain

level, is also important, after which tax rates begin to suppress economic activity and force entrepreneurs to leave for the shadow economy. The establishment of tax benefits will not have a significant impact on the investment activity of the population and firms, as in the absence of full tax control it is easier to escape taxes altogether than to comply with tax rules.

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## THE COMPETITIVENESS OF HOTEL ENTERPRISES

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**Bilykh I. A., Medvid M. M. The competitiveness of hotel enterprises.**

The article discusses the key criteria of competitiveness for hospitality establishments which function in the conditions of current growing competitions. The main principles and consistent patterns for ensuring competitiveness of hotel enterprises have been revealed.

**Key words:** competitive advantage, competitiveness, hospitality, hotel.

**Білих І. А., Медвідь М. М. Конкуреноспроможність готельних підприємств.** У статті визначені основні критерії конкурентоспроможності для об'єктів гостинності, що функціонують в умовах наростаючої конкуренції, розкритий основний зміст принципів і закономірностей забезпечення конкурентоспроможності

**Ключові слова:** готель, готельне господарство, конкурентні переваги, конкурентоспроможність.

**Белых И. А., Медведь М. Н. Конкуреноспособность гостиничных предприятий.** В статье определены основные критерии конкурентоспособности для объектов гостеприимства, функционирующих в условиях нарастающей конкуренции, раскрыто основное содержание принципов и закономерностей обеспечения конкурентоспособности

**Ключевые слова:** гостиничное хозяйство, конкурентные преимущества, конкурентоспособность, отель.

Global market changes are forcing modern hotel enterprises to adjust their business in order to survive on the market by satisfying their users. Modern hotel industry cannot be imagined nowadays without big international hotel chains and the emergence of new market niches. Hotel organizations are investing significant efforts in order to satisfy potential requirements of their customers and enhance the elements of their business offer.

Moreover, if hotel enterprises want to survive on the market, they must adjust to the trends. In order to improve competitiveness on the modern touristic market and stimulate guests' loyalty, hotels must rely on modern communication technologies and implement an

application for portable computers/notebooks and mobile phones. The advantage of using mobile applications is in the fact that a lot of employees will not have problems any more with a bunch of administration and the focus of their work will be on a higher level. Better experience will be available to them, both online and alive [4].

The o b j e c t of the article is the competitiveness of hotels as accommodation establishments. The s u b j e c t is advantages of hotel enterprises in the conditions of competition in the modern world. The p u r p o s e of the article is to expose possible competitive edges of hotels.

Enterprises try to increase their own benefits in competitive struggle. Meanwhile, the efficient operation of a hotel enterprise is carried out in the interests of the whole society.

Firstly, competitiveness has been a subject of study in the manufacturing and related sectors since the early 1990s. However, only recently have some researchers started to examine the tourism and hospitality competitiveness, both conceptually and empirically, with a particular focus on tourism destinations and the hotel industry. In addition to the role of firms in determining the national competitiveness, Newman, Porter, Roessner, Kongthong, and Jin listed a number of other factors that could influence national competitiveness. They believe that competitiveness encompasses everything from national government policies and citizens' attitudes to investments in infrastructure and manufacturing capability. National competitiveness exists because of competition [1-3].

Secondly, Francis argues that the presence of competition makes competitiveness a relative quality and competitiveness is essentially a zero - sum game. In other words, it is the quality of a competitor that determines its probability of winning the competition, which indicates that the competition has to be specified along with the competitiveness [5].

There's no doubt that the competitiveness of the hotel is determined by its financial situation, the level of organization of activities for the provision of services, the level of organization and management of marketing, the state of infrastructure, security of

residence, location of the enterprise, staff qualifications, classiness and quality of customer service [7].

Below is a number of main parameters by which competitiveness is assessed:

a) the ability of a hotel to offer consumers a hotel product with more attractive characteristics than competitors;

b) the effectiveness of the hotel on the market, defined as the ratio of the obtained market result to the costs incurred;

c) a market result that allows the hotel to develop quite successfully in the future and satisfy the needs of both owners and employees.

In addition, the competitive advantage of a hotel organization is those characteristics, properties of hotel services that create a certain superiority for a hotel over its direct competitors. These characteristics (attributes) can be very different and relate to both the basic service (accommodation, meals) and additional services (entertainment), organization and maintenance technologies, sales or sales forms specific to a particular hotel. The specified superiority is relative, determined in comparison with the competitor occupying the best position in the market or market segment. This most dangerous competitor is called priority.

Analyzing the competitiveness of hotels, you can rely on the following characteristics:

- hotel location;
- image of the hotel;
- a set of facilities, including living rooms, restaurants, other public areas, multi-purpose rooms, facilities and equipment for recreation;
- the level of service, the degree of formality of the service, the level of personal attention to the client, the speed of service and the efficiency of the staff, the price level.

Accordingly, these factors will have different significance for each tourist [6].

The next point is the hotel industry benefits from a destination's economic growth and stability and community developments, such as

office buildings, retail malls, and entertainment facilities, which draw both business and leisure travelers and help create demand for hotel rooms. There are many other factors (e.g., input, process, output, and outcome) that determine the hotel industry's competitiveness. Indeed, hotels utilize input factors and produce a variety of products and services (outputs), and the nature of these outputs depends very much on hotels' strategic and competitive positions in the region.

Furthermore, hotel productivity generally encompasses an umbrella concept that includes efficiency, effectiveness, quality, predictability, and other performance dimensions, as well as a concept reflecting only production efficiency (Sigala). According to Lovelock and Young ([1979](#)), service firms can increase productivity in four ways [8].

Firstly, the firm can improve its labor force through better recruiting or more extensive training (human capital). Secondly, it can invest in more efficient capital equipment (capital). Thirdly, the firm can replace works with automated systems (technology). Lastly, the firm can recruit consumers to assist in the service process. As labor costs generally account for the highest percentage of hotel operating expenses, these four ways of enhancing productivity could serve to help produce the highest level of output with the lowest level of input.

As competition in the hotel industry becomes more intense, it is increasingly important for hotels to invest more in marketing activities to attract and retain guests and distinguish themselves from their rivals in order to stay in the industry. Investment in processes is important, as it influences customer satisfaction and service quality in the end; if processes perform badly, it will affect the efficiency, and certainly competitiveness of firms. Like most companies, hotel firms typically spend considerable amounts of their budgets on marketing activities, including sales and promotion (branding).

Also, the level of service quality is an important factor in the guests 'experience during their visit or stay at the hotel. By creating value for the customer, hotels can successfully secure the return of these satisfied visitors. Hotel managers need to recognize the

importance of retaining customers, because attracting new guest is considered expensive and protracted.

Hotel companies need to identify market segments in which they want to perform, in order to enable rising profit margins and realize financial security. End users are nowadays well informed and affected by a number of information. This is the reason why hotel companies have to follow all the customers' needs and wishes in order to customize its service to their requirements [8].

The strategy of the hospitality company, consisting of a comprehensive plan for managing the hotel and restaurant organization structure, should strengthen the position of the hotel on the market of competitors and, thus, ensure the coordination of efforts and opportunities of the GROS (hotel and restaurant organization structure) aimed at attracting and satisfying potential clientele contingent, successful competition, achievement of global goals, as well as consideration of the nuances of the competitive conditions of the hotel market of Ukraine.

The process of developing a hotel strategy should be based on a detailed analysis of all possible areas of development of the hotel and restaurant industry, as well as based on an analysis of the activities of the main direct competitors for each categorization and type segment. Consequently, the hotel strategy algorithm consists in choosing: 1) a general business area for GROS, 2) the developed categorization and species segments of the domestic hospitality market, 3) the segments of consumers served, 4) the methods and methods of hotel competition, 5) the resources involved, 6) GROS control models [5].

**T o s u m m a r i z e**, in a multi - faceted industry like tourism and hospitality, the identifiable attributes that contribute to a destination's competitiveness will vary in their importance across locations, depending on the product mix and target market segments. In the past, some researches have attempted to assign "appropriate" weightings to different attributes of competitiveness based on differences in location and the size of economies to evaluate the level of competitiveness between destinations.

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## ECONOMIC CONSEQUENCES OF INTERNATIONAL LABOUR MIGRATION

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**Blinova M. O., Litvinenko D. V., Skrypnyk T. I. Economic consequences of international labour migration.** The article describes the current state of international labour migration. The authors analyze the features and economic consequences of international migration.

**Keywords:** economic consequences, international migration, labour.

**Блінова М. О., Литвиненко Д. В., Скрипник Т. І. Економічні наслідки міжнародної міграції робочої сили.** У статті характеризується сучасний стан міжнародної міграції робочої сили. Автори аналізують особливості та економічні наслідки міжнародної міграції.

**Ключові слова:** міжнародна міграція, робоча сила, економічні наслідки.

**Блинова М. А., Литвиненко Д. В., Скрипник Т. И. Экономические последствия международной миграции рабочей силы.** В статье характеризуется современное состояние международной миграции рабочей силы. Авторы анализируют особенности и экономические последствия международной миграции.

**Ключевые слова:** международная миграция, рабочая сила, экономические последствия.

Mass migration of labour has become one of the most characteristic phenomena of life of the world in the second half of XX century.

The r e l e v a n c e of the article is that international migration is one of the important demographic processes that affect the socio-economic development of many countries. The o b j e c t of the article is the process of international labour migration. The s u b j e c t of the article is the economic consequences of international labour migration. The p u r p o s e of the study is to determine the economic impact of international labour migration.

International labour migration is the movement of people across national borders in order to enter into employment relations with employers in another country. Economic causes occupy an important place among the main causes of migration. The main economic causes of international labour emigration include: low economic development, widespread unemployment, search for higher income, inability to fully realize the available labour potential. Making decisions about migration is affected by factors such as high level of skills of the migrant, the possibility of successful integration in the country (support of networks, including interpersonal connections of migrants, availability of public organizations of compatriots in the recipient countries), possibility of diversification of sources of income due to emigration, intensive development of transnational companies, which are powerful cultural, innovation-technological and material centers of the world economy, development of transport system (facilitates migration), etc. [1].

In 2015-2018, the number of international migrants was estimated at more than 250 million people (approximately 3.5% of the world population) [1]. Demand for temporary labour in developed countries is increasing. A large number of migrants are from developing countries.

The features of modern international labour migration are determined [1; 2]:

- 1) the magnitude and dynamism of the development of migration processes;
- 2) diversification of the geographical structure of international migration processes;
- 3) formation of new centers of gravity of labour;
- 4) increase in migration of highly qualified specialists, scientific staff and intellectuals;
- 5) an increase in inland continental migration compared to intercontinental migration;
- 6) strengthening of state and supranational regulation of international migration processes;

7) increase in the scale of illegal migration, first of all people of high level of vocational training, in particular managers, elite specialists, investors.

International labour migration has both positive and negative consequences. Based on the analysis of the professional literature, the positive economic impacts of migration processes for donor and recipient countries were identified (Table 1).

*Table 1*

**Positive economic effects  
of international labour migration**

Indexes	Donor countries	Recipient countries
Labour market	Minimizing the tension of the internal labour market by migration of people without job	Optimization of the structure of the labour market due to the employment of non-resident migrants in non-prestigious areas
Money and finance	Increase in monetary and financial inflows (transfers from expatriates)	Migrants' acquisition of valuables and belongings
Tax	Budget load optimization	Increase in tax revenues to the budget from migrants
Investment	Increase of scope and direction of investment activities	Development of entrepreneurship by migrants
Innovation and technology	Possibility of importing the latest innovative developments	Increasing the innovation and technological development of the economy through the work of highly skilled migrants

*Source: [2, 3, 4, 5]*

International labour migration is affecting the macroeconomic growth of countries of destination for immigrants and overcoming the poverty and backwardness of countries of emigration. Within the world economy, labour migration provides a more rational allocation of world labour resources. International migration also has negative consequences (Table 2).

*Table 2*

**Negative economic effects  
of international labour migration**

Indexes	Donor countries	Recipient countries
Labour market	Labour market imbalance	Increasing tension in the labour market (increasing competition between residents and non-residents; increasing pressure on wages)
Money and finance	Narrowing of potential financial transactions in the domestic market	Increase in the migration of capital to the donor country
Tax	Growing budget deficits (keeping migrants in shadow economic activity, tax evasion)	Increasing budget deficit due to forced additional investment of investment resources
Investment	Narrowing of potential investment investments by resident migrants	Increasing investment risk
Innovation and technology	Emigration of the intellectual elite	Inability to implement innovative technological developments due to insufficient development of the rupture

*Source: [1; 3; 5]*

The main negative effects of migration processes for donor countries are: increased competition between residents and non-

residents; increased pressure on wages; growth of the budget deficit due to forced additional investment of investment resources (related to migration processes) in various spheres of economy and more. The increase in migration flows at the same time as rising unemployment in host countries is leading to increased social tensions. The employment of a large proportion of migrants in the shadow economy causes wages to be much lower than even those of unskilled local workers.

**C o n c l u s i o n:** International migration is a global, complex, dynamic process. Mass migration of the population became one of the most characteristic phenomena of life of the world community of the second half of the XX century.

The role of migration is increasing. Labour migration has both a positive and a negative impact on the development of both donor and recipient countries. International labour migration is an important factor in the arrival of new technologies, experience, restructuring of the professional and qualitative structure of employment, rapid and effective adaptation to the conditions of the world market.

Harnessing the potential of migration and minimizing its negative effects mostly depends on the migration policies of the countries. The issue of balanced migration policy is not only a mechanism for minimizing migration risks, but also a guarantee for effective use of the positive potential of migration processes in the interests of further progressive socio-economic development, way to overcome the negative consequences of migration processes.

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## MULTILINGUALISM IN INTERNATIONAL LAW

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**Bobryshev N. M., Davydenko I. V. Multilingualism in international law.**

The article provides the review of the main advantages and disadvantages of multilingualism in the field of international law as well as of the peculiarities of the interdependence between international law and language. The main focus is on the interactions between the phenomenon of multilingualism and modern legal systems. The authors come to conclusion that multilingualism is important for the development, implementation and understanding of international law.

**Key words:** international law, language, legal system, lingua franca, multilingualism, translation.

**Бобришев М. М., Давиденко І. В. Мультилінгвізм у міжнародному праві.** У статті здійснюється огляд основних переваг та недоліків мультилінгвізму у сфері міжнародного права та особливостей взаємозалежності міжнародного права та мови. Найбільша увага приділена взаємодії феномена мультилінгвізму та сучасних правових систем. Автори приходять до висновку, що мультилінгвізм важливий для розвитку, імплементації та розуміння міжнародного права.

**Ключові слова:** міжнародне право, мова, правова система, лінгва франка, мультилінгвізм, переклад.

**Бобрышев Н. М., Давыденко И. В. Мультилингвизм в международном праве.** В статье рассматриваются основные преимущества и недостатки мультилингвизма в сфере международного права и особенностей взаимозависимости международного права и языка. Наибольшее внимание уделяется взаимодействию феномена мультилингвизма и современных правовых систем. Авторы приходят к выводу, что мультилингвизм важен для развития, имплементации и понимания международного права.

**Ключевые слова:** международное право, язык, правовая система, лингва франка, мультилингвизм, перевод.

The o b j e c t of the article is multilingualism in the field of international law. The s u b j e c t of the article is the peculiarities of the interdependence between international law and multilingualism.

The purpose of the article is to define the main advantages and disadvantages of multilingualism in the field of international law.

International law regulates interactions between the actors of international relations. It is very important to perceive international law properly in order to understand the state of the art of international relations. International law itself is a system of diverse legal texts compiled, usually, in several languages. Thus, we should choose the best way to translate it into a great number of languages without loss of meaning if we want to distribute the principles of international law around the world. This defines the relevance of the article.

The interdependence between law and language is multifaceted. Language determines a specificity of expression and perception of law, peculiarities of its interpretation, efficiency of law. And law, for its part, as a specific form of language existence, makes for the safety, development and enrichment of language. Often jurists are interested in an application of linguistic methodologies in the field of compilation or interpretation of legal texts.

The basement of international law is still the antique legal tradition which is clearly manifested in the law of treaties. An attempt to adapt this tradition to modern needs and create a new theory of international law was made in continental Europe. Especially remarkable is the fact of the dominance of Anglo-Saxon concepts and the English language in modern international law.

The second most important international language remains French. As English, it is the language of many international organizations. The third most important language of international communication is Spanish.

Lingua franca is a language used for communication between groups of people who speak different languages. And international community sees English as a lingua franca [3].

Lingua franca can give a proper understanding of legal texts, immediacy of communication, speed and secrecy of negotiations. And what are the reasons of using this or that language as lingua franca? At a first approximation, political factors are decisive. The



dominance of a state in the military, economic or cultural sphere determines the dominance of the language of the given state in international communication. Another group of arguments is based on the internal properties of a particular language: its accuracy, stability, logic, etc.

This phenomenon has another side. Legal systems that do not use the lingua franca are unable to influence international law. Obviously, simple attention to this problem is insufficient protection, the only way to solve it is multilingualism.

Multilingualism is the use of more than one language, either by an individual speaker or by a group of speakers [5]. It has several advantages. Firstly, it ensures parity and interaction of various legal systems, preventing the prevalence of one. In this case, international law is synthesized from several derivatives and does not copy any of them. This synthesis guarantees the originality of international law. Secondly, it has the opposite positive effect: rules of law expressed in national languages penetrate national legal systems faster and interact more intensively with its elements. In other words, it ensures the effectiveness of international law in domestic law and order. Thirdly, it helps to preserve the integrity of language, protecting it from external interventions. Fourthly, it is a guarantee of human rights because everyone can get acquainted with official versions of international legal texts in a language they understand. Fifthly, it helps to define the transcendental idea of law by comparing different linguistic forms in which it is expressed [1].

Multilingualism has several disadvantages. The first disadvantage is that multilingualism is difficult to implement. It requires large intellectual, technical and financial resources. The more languages are declared as languages of an international organization, the more likely only one of them will be used in practice. Some guarantees of multilingualism implementation exist only in cases of using two or three languages. For example, the UN International Court of Justice and American integration associations follow this principle. In other cases, multilingualism de jure is combined with the dominance of English de facto. A report of the

UN experts on multilingualism states: "In the context of economic realities and financial constraints, the trend towards monolingualism is far from weakening due to the dominant use of one language, English" [4].

Despite attempts to introduce multilingualism, the predominant language of international communication remains English. The English language is being used during 90% of work of the UN Secretariat and 70% of work of the European Union [1]. Most works on international law (including ones done by native speakers of other languages) are published in English.

The second disadvantage of multilingualism is its inability to ensure the identity of meanings of different language versions. That results in the high probability of inaccurate translation. The language into which the translation is carried out sometimes does not have functional analogues; as a result, terms that are close in meaning are used. If there are several versions of their interpretation, citizens, states and organizations do not know which one is the most reliable in case of discrepancy [6].

Multilingualism is based on several foundations: high-quality translation, language synthesis, synthesis of law and order.

Synthesis of law and order can be defined as the use of legal concepts of various law systems to create legal structures at the level of international law.

Synthesis of languages can be defined as the use of capabilities of several languages in the compilation, translation, interpretation and use of texts.

High-quality translation should be as close as possible to the original text and at the same time comply with stylistic standards of national language. Between these requirements might be a voltage that is not always eliminated. In most cases the complete identity of linguistic variants is impossible to achieve [1].

Translation is an effective way to understand the meaning of the text, in this regard, a lawyer with the skills of translator, as a rule, can give good interpretations. According to T. Schilling, the clarifying effect of translation is based on two facts. Firstly, while translating, it

is necessary to rethink original ideas of texts within the framework of another language system. Secondly, the translator is the most competent reader of the text who notices any inaccuracies [2].

In c o n c l u s i o n , we shall say that multilingualism is very important for a development, implementation and understanding of international law. This importance results from the necessity of proper translation and adaptation of international legal acts. But international jurists should know more than one – or even more than two – languages in order to advance this principle, as it will definitely lead to the cooperation and interaction in the field of international legal affairs.

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## **PRESERVATION OF CULTURAL HERITAGE WITHIN THE CONTEXT OF THE DEVELOPMENT OF CULTURAL TOURISM IN UKRAINE**

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**Bohdan D. V., Saprun I. R. Preservation of cultural heritage within the context of the development cultural tourism in Ukraine.** The article considers the importance of cultural heritage in the development of competitive cultural tourism in Ukraine. Its importance as a fundamental part of the prosperity of cultural tourism has been pointed out. The main challenges of heritage preservation in Ukraine have been highlighted. The problems of cultural heritage conservation in Ukraine have been analyzed.

**Keywords:** culture, cultural heritage, cultural tourism, cultural infrastructure, heritage preservation, history and culture monuments.

**Богдан Д. В., Сапрун І. Р. Збереження культурної спадщини в контексті розвитку культурного туризму в Україні.** У статті розглядається значення культурної спадщини в розвитку конкурентоспроможного культурного туризму в Україні. Наголошено на її важливості як фундаментальної частини процвітання культурного туризму. Виділено основні проблеми збереження спадщини в Україні. Проаналізовано проблеми збереження культурної спадщини в Україні.

**Ключові слова:** культура, культурна спадщина, культурний туризм, культурна інфраструктура, пам'ятки історії та культури, збереження спадщини.

**Богдан Д. В., Сапрун И. Р. Сохранение культурного наследия в контексте развития культурного туризма в Украине.** В статье рассматривается значение культурного наследия в развитии конкурентоспособного культурного туризма в Украине. Отмечена ее важность как основополагающей части процветания культурного туризма. Выделены основные проблемы сохранения наследия в Украине. Проанализированы проблемы сохранения культурного наследия в Украине.

**Ключевые слова:** культура, культурное наследие, культурный туризм, культурная инфраструктура, памятники истории и культуры, сохранение наследия.

International practice shows the development of tourism by involving immovable monuments of history and culture into the

economic cycle of the tourism industry is now a strategic resource for socio-economic development of the territory in Ukraine. Moreover, the investment in conservation and restoration are economically justified. The preservation of cultural heritage sites is a major prerequisite for the development of quality and competitive tourism. The o b j e c t of the article is the [significance](#) of preserving cultural heritage in tourism development. The s u b j e c t of the article is problems of conservation the cultural heritage as enablers of development tourism in Ukraine. The p u r p o s e of is to identify the main advantages of maintaining the cultural heritage, and the possibility of involving it to the circulation of cultural tourism industry. The author sets a goal to consider the basic types of preservation cultural heritage in the world, along with the problems of conservation efforts historical and cultural monuments in Ukraine.

According to UNESCO, “cultural heritage” is considered to be the sum of all objects and phenomena of tangible and intangible culture of the people, nationality, ethnic group, which were created by previous generations and are transmitted to the next generations. Furthermore, it is the basis for the preservation of cultural identity and factor of national unity. The cultural heritage includes: monuments of architecture, monumental sculpture, painting, archeology, history [5]. The main benefits of preserving cultural and historical heritage consist of the following:

1. The creation of new jobs mostly for locals. In fact, more than half of the costs are devoted to maintenance workers salaries. Therefore the investment remains in the region and also fosters the development of the local business environment and improves the investment attractiveness of the territory. Conversely, the reduction in the unemployment rate does not only promote [economic and social normalization](#) in the region, but also improves human potential in general.

2. Development of cultural tourism. Cultural tourism revives the cultural heritage and makes it a factor of socio-economic and spiritual development. Cultural tourism [is to be understood as a process of becoming familiar with](#) a “foreign” culture and

understanding of it. As a result, the person expands the range of his cognitive interests regarding to historical and cultural traditions, the customs of other nations and nationalities, consequently, tourism is a one of interculturalism. Thanks to culture tourism not only national culture of a certain country is represented in the world , but also the national identity is created inside the country leading to the revival of local traditions [2].

The expansion of this segment of tourism can be observed every year. According to the World Tourism Organization (WTO), the share of historical and cultural tourism will be 25% of the common world tourism indicators by 2020. Each part of Ukraine is attractive and interesting for the development of both inbound and outbound cultural tourism. In 2018 there were about 130000 state-owned cultural heritage sites in Ukraine. The UNESCO World Heritage List has 6 sites in Ukraine, which make up approximately 0.65% of the total World Heritage Sites in the world. The other 16 sites are supposed to be included on the World Heritage List in the near future. Unfortunately, there are more than 60 percent of landmarks in Ukraine in poor conditions and about 10 percent are in disrepair [1].

3. A further advantage is the development of related industries such as transport and utilities infrastructure, hospitality industry that leads to a better quality of life and raise of investment appeal.

The preservation of cultural assets is becoming one of the global problems.

It has long been acknowledged that there are four major ways of preserving cultural heritage in the world:

1. the development of heritage objects;
2. the promotion of cultural and cognitive tourism and establishment of tourism products and brands based on cultural heritage;
3. the privatization of monuments by private owners;
4. selling the image of the heritage object with the aim of increasing value of new real estate in historical places and separate historical areas [3].

The most effective conservation policies is represented in UK, France, Italy and Germany. For example, the French government implements policies that are aimed at declining in the overall income tax for the owner of the historical property in exchange for operation and repairing expenses. There is also a scheme of grants which is focused on encouraging restoration and reconstruction projects. Unfortunately, Ukraine does not ensure the adoption of integrated planning program for the comprehensive development of cultural heritage, such as: protection, preservation, appropriate content, relevant use and renovation. The major challenges of the Ukrainian preserving cultural heritage are inappropriate and outdated laws, a lack of digitized cultural heritage archives, limited sources of finance that cause misperception in the way in which the necessary funds can be obtained outside the government.

In addition, the fact that the heritage is a useful base for the successful development of the tourism industry is overlooked in Ukraine, the prosperity of the tourism industry should provide a cultural growth, which is supported by the following:

1. a low efficiency of using most of the major historical and cultural monuments for tourism purposes, despite the significant capacity of the country and its regions;
2. lack of coordination in the promotion of the tourism industry with the preservation and making cultural heritage topical;
3. the monuments are not included in the list of publicity materials concerning the country's [tourist destinations](#), and as a consequence to active tourism process;
4. cultural infrastructure (museums, reserves, theaters, galleries) are not used as a part of tourism infrastructure;
5. lack of [public associations](#) locally, which can take some responsibility for the tourist development of the territory and the use of cultural heritage as a resource;
6. absence of sufficient experience in the domestic tourist industry, proper marketing and advocacy at building the image of the country, region, city for the manufacture of tourist services and increase potential for tourism usage of historical and culture territories [4].

Thus it can be observed that our state is not able to provide a proper conservation of its cultural heritage nowadays. The complexity of the above-mentioned problems requires [an integrated systemic approach](#) to their solving and immediate action to apply economic instruments to protect it. Since the objects of the Ukrainian cultural heritage regions may become their competitive advantages, this permits to reinvigorate not only the economic situation and to reduce social tension, but also to update the cultural potential of society.

To sum up, it seems to be especially important to design and accept a set of legal and regulatory instruments that will promote the engagement of both budgetary and extrabudgetary funds in the system of evolution of cultural heritage objects. Accordingly, ensuring accelerated development in the tourism industry is crucial in order to demonstrate that Ukraine's cultural heritage has the material basis that will enable Ukraine to be a place in the post-industrial world and popularize it abroad. But it should be stressed that the development of cultural tourism must be carried out through the policy planning which will not let damage the objects of cultural heritage. That is how the development of cultural tourism allows to preserve and effectively use the cultural heritage within the tourism industry. At the same time it will establish new tourism products and routes by expanding the offer of historical and cultural monuments as display objects.

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## VALUE OF ARCHITECTURE AND INTERIOR DESIGN IN HOTELS` IMAGE SHAPING

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**Borisova P. P., Bezsonova N. S. Value of architecture and interior design in hotels` image shaping.** The article analyzes how the architecture affects the image of hotels. Accommodation facilities are one of the most important elements of tourism. Their task is to host tourists, to give a feeling of comfort and security during their stay in a foreign country.

**Keywords:** hotels, architecture, interior design, image, tourism.

**Борисова П. П., Безсонова Н. С. Важливість архітектури та дизайну інтер'єру в формуванні іміджу готелів.** У статті розглядається те, як архітектура впливає на імідж готелів. Засоби розміщення є одними з найважливіших елементів туризму. Їх завдання – розміщувати туристів, дарувати почуття комфорту та захищеності під час перебування в іншій країні.

**Ключові слова:** архітектура, готелі, дизайн інтер'єру, імідж, туризм.

**Борисова П.П., Бессонова Н.С. Важность архитектуры и дизайна интерьера в формировании имиджа отелей.** В статье рассматривается то, как архитектура влияет на имидж отелей. Средства размещения являются одними из самых важнейших элементов туризма. Их задача – размещать туристов, дарить чувство комфорта и защищённости во время пребывания в другой стране.

**Ключевые слова:** архитектура, дизайн интерьера, имидж, отели, туризм.

The o b j e c t of the article is the hotel industry, and the s u b j e c t is the influence of architecture and interior design on the establishment of a hotel`s image. The p u r p o s e of the study is to point out the importance of hotels in the tourism scope and to analyze what impact architecture has on a hotel and the creation of its image.

In the modern world, in the era of scientific and technological progress and the heyday of new technologies, during the period of economic integration and globalization, there is a rapid development

of the tourism and hotel business. The process of uniting Europe, the opening of the Iron Curtain, and the wide dissemination of new information technologies make the world more open. Every year, the number of people travelling for business or tourism purposes is growing. A full comfortable rest, the opportunity to see new cities and countries, visit historical places and attractions, enjoy the beauty of nature. Often the motive for the trip may be just a desire to change the atmosphere. Therefore, the role of the hotel in the modern tourism infrastructure is difficult to overestimate. It should meet all the expectations of the client, become for them at the time a cosy and comfortable home, be remembered as something individually unique. It is the creation of a positive image of the hotel, the idea of the client as an attractive place where you want to return again, and is the goal of the owner and staff and, ultimately, the key to the commercial success of the enterprise [3].

The image of a hotel is the concept of complex and multifaceted factors, it becomes the result of the implementation of the concept of the hotel, the idea that forms the basis of its creation. We can say that they were in a harmonious unity of form and content. The adoption of this decision should be carried out formally [4].

The architecture of a hotel or hotel complex is a complex and multifaceted concept that includes the appearance of buildings, their internal layout, landscape organization of the territory and the interior decoration of premises. All you need is only complete artistic solutions that match the overall idea of the hotel.

The role of architecture in shaping the image of hotels is extremely important. The expressive architectural appearance becomes the visual factor that makes the very first and strong impression on the client. Analyzing the variety of hotels and hotel complexes existing in the world today, we can conclude that almost all modern architectural trends and trends are reflected here. This is due to the fact that being an object complex and complex in its purpose, combining social and entertainment functions along with housing, the hotel allows the architect to realize the most daring innovative ideas and create an expressive and memorable image.

It is the creation of such a vivid image, and not just the construction, that is the goal that the customer-investor sets before the author of the project. At the same time, it is important that the object is harmoniously integrated into existing buildings or the surrounding natural landscape. An expressive plastic appearance, an original, memorable interior, the use of national characteristics of local architecture and traditional materials – these are the architectural means that create a unique atmosphere – an integral part of a hotel's image [7].

Architectural and planning decisions of hotels are often dictated by natural and climatic factors, cultural and historical features of a certain region, its architectural traditions. It is the use of traditional planning techniques and building materials for the area, combined with unexpected innovative ideas that make the hotel so attractive to visitors for the national flavour. The use of specific details in the decor and interior decoration – works of art or author's design, antique furniture or handicraft products completes the formation of a solid and vivid artistic image of the hotel, remembered by the client on an emotional level. Also, the rational functional organization of the hotel space is of great importance – its division into guest and service areas and providing convenient communication between them, as well as modern engineering equipment. Thus, even at the design stage, and then the construction stage, the foundations of a favourable image of the enterprise are formed and the foundation for its prosperity is laid [6, p. 14-19].

In today's world, there are a huge number of hotels. They vary in purpose, capacity, a number of storeys, type of structures, level of comfort, location and other characteristics. All these signs, in turn, affect the architectural and planning decisions, and therefore the image of a hotel. Indeed, today a hotel is no longer just a place for a temporary overnight stay. A high level of comfort is no longer enough. To succeed in the competition, the requirements of the modern market must be taken into account. Just entertaining the guests and ensuring their comfort – now this is not enough, one must also surprise, or even be overwhelmed [1].

It is pleasing to make guests stay at the hotel pleasant and not boring, to amuse and surprise them, to amaze the imagination and stay in their memory for a long time – the peak that not all hotels manage to achieve. It concerns only those who know the formula for success very well: an expressive architectural form must be filled with the content of high-class service [8, p. 89].

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## COMMUNICATION IN THE SYSTEM OF INTERNATIONAL RELATIONS

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**Boronnikov M. V., Broslavska Y. M. Communication in the system of international relations.** The article reveals the essence of communication in the system of international relations considering both communication between elements of the system of international relations and foreign policy communication of the state in this system. The study identifies basic dependencies of the state's foreign policy on the position of its communication in the system of international relations.

**Key words:** communication, foreign policy, international relations, state.

**Боронніков М. В., Брославська Є. М. Комунікації в системі міжнародних відносин.** Стаття присвячена розкриттю сутності комунікацій в системі міжнародних відносин. Розглядаються як комунікації між елементами системи міжнародних відносин, так і зовнішньополітичні комунікації держави в цій системі. Розкриваються основні залежності зовнішньополітичної діяльності держави від стану її комунікацій в системі міжнародних відносин.

**Ключові слова:** держава, зовнішня політика, комунікації, міжнародні відносини.

**Боронников М. В., Брославская Е. М. Коммуникация в системе международных отношений.** Статья посвящена раскрытию сущности коммуникаций в системе международных отношений. Рассматриваются как коммуникации между элементами системы международных отношений, так и внешнеполитические коммуникации государства в этой системе. Раскрываются основные зависимости внешнеполитической деятельности государства от состояния его коммуникаций в системе международных отношений.

**Ключевые слова:** внешняя политика, государство, коммуникации, международные отношения.

The object of the study is communication, which is understood as the whole set of tangible and intangible substances of surrounding reality, which can be transmitted in some way between the subjects of interaction in the system of international relations. For

example, information and signals, mineral resources, energy, technology, cultural and other spiritual and material objects. The subject of the study is communication in the system of international relations, which is perceived as many phenomena of this system, which have the ability and opportunity, under appropriate conditions, to transmit or receive various substances of the system of international relations. The set of communication subjects of the system of international relations includes: the system itself and the whole set of its elements (states, organizations, and even individuals). The purpose of the study is disclosure of the essence of communication in the system of international relations, the consideration of communication between the elements of the system of international relations and foreign policy communications of the state in this system.

The term “communication” is quite often used when considering many phenomena both in political theory in general and in the theory of international relations in particular. It is usually used in phrases such as: “international communications”, “interstate communication”, “international communication flows”, “intercultural communication”, “global communication”, etc. [see, for example: 2; 3; 4; 5]. All these concepts reflect some phenomena occurring in the system of international relations. However, the basic concept of “communication in the system of international relations” has not yet been disclosed. Therefore, sometimes communication is associated with the activities of states and other elements of this system, with the foreign policy of the state, which is terminologically incorrect. In this regard, the purpose of this article is the disclosure of the essence of communication in the system of international relations, the consideration of communication between elements of the system of international relations and foreign policy communications of the state in this system. In the system of international relations, all phenomena arise as a result of the interaction of elements of a given system and the relationships between them.

The foregoing means that communication as a phenomenon in this system is a consequence of the interaction between at least two such elements as, for example, states. Interaction between states is carried out as a result of their foreign policy activity, which is defined as a type of organized and appropriately secured activity of the state in influencing the objects of its foreign policy interests within the framework of the chosen tactics [1, p. 86]. Moreover, it is proposed to understand the connection in the system of international relations as the fact of any kind of interaction between the system and the environment, the system with its elements and between elements. Therefore, it is advisable to consider communication as a phenomenon related to the multitude of relations of the system of international relations, which includes three subsets: the relationship of the system with its elements; system communication with the environment; communication between the elements of the system.

The consequence of the communication of the system of international relations as a whole with a single state is the functioning of this element in this system. In this case, communication exists due to the transmission of control signals from the system to a particular state through appropriate communication channels, for example, regulatory (existing thanks to the norms of international law existing in this system) and moral and ethical (moral norms and rules of behavior recognized in this system). So, in case of violation by a state of international law, an impulse of influence implies that the state brings its behavior in accordance with applicable international legal norms. This momentum of the system is perceived by personified representatives of the state, for example, the president or the government, who themselves or through the executive authorities subordinate to them must make appropriate adjustments to the activities of their state in this system. Naturally, often such an impulse, although really perceived by the state, does not lead to any changes in the behavior of the state, since the state is not interested in this. In this case, the very fact of the completed communication is obvious (impulse transmission and its perception),



and the absence of changes in the state's behavior can be explained by the fact that it did not respond to the impulse received during communication. This example reflects one-way communication, since the state left the received impulse unanswered, and indicates that communication was carried out on the initiative of the system of international relations. The same can be said of the communication carried out through the moral and ethical channel.

An example of communication between the state and the system of international relations is the appeal of one of the states to the UN (as one of the system-forming elements of this system) about the violation of state rights by sending relevant messages. At the same time, the nature of international relations is much richer and includes not only communication about the exchange or transfer of any information, but also involves the transfer or exchange of other resources, material and spiritual values through various communication channels, for example, transport (sea, air, land), energy (oil and gas pipelines), humanitarian (parliamentary and public diplomacy). It should be recognized that the presented provisions on the state's communication with the system of international relations are abstract and theoretical. Indeed, many channels of such communications in the modern system of international relations are still imperfect, since the system itself continues to be formed. Meanwhile, in order to achieve the fact of communication, it is necessary to have at least the following components: a communication object, its transmitter (subject) and receiver (second subject), the channel through which this object is transmitted, and the transmission / reception means of the object.

The same basic components of communication are present in a subset of the relations of the system of international relations with its external and internal environment. An example of communication of a system of international relations with the environment is the transfer of various types of energy (sun, wind, sea). States that are the main elements of the system of international relations have already created receivers of these types of energy. Moreover, representatives of the system of international relations are trying to create new channels for

communication with the external environment, for example, sending signals to space and sending spacecraft to other planets. If answers are received to such signals, it can be assumed that communication with new subjects of interaction on the part of our planet will be carried out on behalf of the entire international community, that is, the system of international relations that will exist for that period of time. An example of communication between the system of international relations and the internal environment can be the phenomenon of the unification of states within the framework of various subsystems (NATO, UN, European Union, OPEC, etc.). In this case, communication is also carried out by transmitting the corresponding impulses from the system of international relations to individual states, encouraging such a union. The object of communication in this case is the very fact of the unification of states within the framework of the system of international relations. New structures become independent elements of the system and new channels are needed to communicate with them.

Communication is also present in the third subset of the relations of the system of international relations – relations between the elements of this system. Of greatest interest to us is communication in the implementation of state ties with other elements of the system. In all cases, the interaction of the state with participants in international relations is carried out as a result of its foreign policy activity, which, as a phenomenon, fulfils in the system of international relations a communication function between elements of the system. Establishing a relationship between the state and other participants in international relations means the possibility of starting communication between them.

When communication is established, then it can not only be carried out and maintained, but also develop (improve). Since the whole multitude of phenomena associated with the communication of the state can be subdivided into phenomena occurring in the system of internal political relations and in the system of international relations, then foreign policy communications of the state take place in foreign policy activities. It follows from this that one of the types of communication is a multitude of phenomena that are an integral part

of the state's foreign policy activity. The place of the phenomenon of "foreign policy communication of the state" in its activities is determined by the fact that communication performs supporting functions in the implementation of this activity. In this regard, in the conceptual and terminological system of the state's foreign policy activity, the concept of "state's foreign policy communication" should be attributed to many concepts corresponding to the category of "ensuring the state's foreign policy activity" [1, p. 164-186]. Thus, communication in the system of international relations is a complex and multifaceted phenomenon. Many aspects related to its nature have yet to be explored. However, on the basis of the above provisions, a conceptual series can be formed that generally reflects key communications in the system of international relations. It seems that this conceptual series can be represented by the following logical chain: "communication in the system of international relations" – "communication of the system of international relations with its environment" – "communication of the system of international relations with its elements" – "communication of the elements of the system of international relations" – "foreign policy communication of the state".

**Conclusion.** The state is forced to pay attention to ensuring its security on various communication channels with other elements of international relations, the system of international relations itself, as well as with the system of relations within the state and its elements. An adequate response to possible threats to state security associated with the use of various communications implies the existence of scientifically sound recommendations that can only be formulated as a result of a thorough study of the many phenomena under consideration. In this regard, the significance of theoretical provisions on communication in the system of international relations remains to be recognized and appreciated not only by scientists, but also by practitioners.

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## THE CURRENT STATE OF OFFSHORE BUSINESS

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**Borovay P. D., Radchenko E. I. The current state of offshore business.** The article deals with the problem of the global regulation of offshore business carried out by the Organization for Economic Cooperation and Development, the Anti-Money Laundering Group, the Financial Stability Board, the IMF, and the Tax Justice Network. The overview of these international institutions is presented. The crucial issues concerning changes to domestic law, the adoption of tax conventions, the exchange of financial information between countries, the intensification of international cooperation, and the fight against money laundering are discussed.

**Keywords:** global financial system, global regulation, international finance, offshore business, offshore zones.

**Борова П. Д., Радченко О. І. Сучасний стан офшорного бізнесу.** У статті розглядається проблема глобального регулювання офшорного бізнесу, яке здійснюється Організацією економічного співробітництва та розвитку, Групою з розробки фінансових заходів боротьби з відмиванням грошей, Радою з фінансової стабільності, МВФ, об'єднання «Справедливе оподаткування». Ці міжнародні інституції пропонують рекомендації щодо змін внутрішнього законодавства, ухвалення податкових конвенцій, обміну фінансовою інформацією між країнами, інтенсифікації міжнародного співробітництва та боротьби з незаконним відмиванням грошей.

**Ключові слова:** глобальна фінансова система, глобальне регулювання, міжнародні фінанси, офшорний бізнес, офшорні зони.

**Боровая П. Д., Радченко Е. И. Современное состояние оффшорного бизнеса.** В статье рассматривается проблема глобального регулирования оффшорного бизнеса, которое осуществляется Организацией экономического сотрудничества и развития, Группой по разработке финансовых мер борьбы с отмыванием денег, Советом по финансовой стабильности, МВФ и организацией «Справедливое налогообложение». Эти международные институты предлагают рекомендации по изменениям внутреннего законодательства, принятию налоговых конвенций, обмена финансовой информацией между странами, интенсификации международного сотрудничества и борьбе с незаконным отмыванием денег.

**Ключевые слова:** глобальная финансовая система, глобальное регулирование, международные финансы, оффшорный бизнес, оффшорные зоны.

### **The current state of offshore business**

The global regulation of offshore business is carried out by the Organization for Economic Co-operation and Development (OECD), the Anti-Money Laundering Group (AMLG), the Financial Stability Board, the IMF, and the international non-governmental organization Tax Justice Network. Nowadays the activities of international organizations that coordinate the operations of the OFCs and perform the regulatory function of international finance are aimed at limiting transactions financed by the capital of criminal origin and preventing the transnational movement of capital by illegal means [1, p. 19]. One of the major international offshore business agreements is the double taxation treaties and the Tax Information Sharing Agreement (TIEA) proposed by the OECD.

At present the OECD unites 34 countries including the G7 and the European Union. This organization helps the governments of the participating countries to confront the economic, social and governance challenges of the global economy. The organization has launched the Global Transparency Forum, which comes up with recommendations on changing the country's legislation system after examining the country's financial system in a peer-reviewed manner. The questions that the OECD is currently raising regarding tax haven activities are the effective exchange of relevant information with low- or zero-tax governments on taxpayers, transparency, and the requirement that such activities should be significant. Nineteen recommendations were made and they fall into three principal categories [5, p. 40–41]:

- 1) recommendations on the domestic legislation system – different countermeasures in domestic legislation;
- 2) recommendations on tax treaties – advantages of tax conventions, tax competition, taking internal counteraction measures, exchange of information;
- 3) recommendations on the increase in international cooperation – new ways of collective efforts of countries against dangerous tax competition.

The FATF was established in 1989 and consists of 36 OECD countries. The primary objective of the organization is to create standards related to anti-money laundering legislation and implement these standards worldwide. The FATF has been given the mandate to fight against terrorism after attacks in the United States. Moreover, the FATF issued 40 recommendations related to the fight against money laundering. According to these recommendations, the member states of the organization have undergone an internal monitoring process to align their domestic legislation systems. The pernicious rules and practices that allow criminals to avoid being responsible for money laundering have been analyzed in four categories: loopholes in financial regulation; obstacles caused by regulatory requirements; obstacles to international cooperation; inadequate resources to prevent and investigate money laundering activities.

The work of the Financial Stability Board is linked to the stability of the global financial system. The organization provides an interdisciplinary forum for those interested in regulatory issues regarding the international financial system.

The IMF, which currently has 188 member countries, was created to promote international monetary cooperation, currency stability, accelerate economic growth and high employment rates, and provide temporary financial assistance to countries in balance of payments deficits. The IMF regulates the activities of the OFCs in the following areas: constant monitoring of the OFCs activity and compliance with oversight standards; transparency of OFC oversight and activity systems; technical assistance related to donor countries bilaterally and multilaterally; working with standards regulators and offshore and offshore surveillance to strengthen standards and share information.

The Tax Justice Network Group was established to promote transparency in international finance and to eliminate financial secrecy. This group opposes tax evasion and all mechanisms that allow owners and managers of capital to avoid their duty to value-added companies. The organization has implemented the Financial

Secrecy Index, which allows the identification of countries whose governments create the conditions for secrecy of financial flows, identify current trends of increasing or decreasing the level of secrecy among countries, and identify new players in this field. The secrecy indicator consists of the following components: bank secrecy; registration of trusts and financial institutions; the ability to determine the ultimate owner of the company; the ability to identify the beneficiaries of public associations; accounting for public associations; exchange of information between countries; the degree of comparability of information for exchange; efficiency of tax administration; the presence of loopholes for tax evasion; the degree of complexity of the state regulatory mechanism; anti-money laundering measures; automatic exchange of information; the existence of bilateral agreements on the exchange of information; availability of international obligations for transparency of international operations; cooperation in international court proceedings [7, p. 24–25].

The Foreign Account Tax Compliance Act (FATCA) came into force in July 2014. The law requires banks and other financial institutions to provide information about their customers – individuals and entities (account numbers and account balances, as well as account turnovers) to the United States Revenue Service (IRS). The FATCA law is designed to counteract tax evasion by US taxpayers who own foreign financial accounts. The law requires U.S. non-resident companies to identify U.S. taxpayers who own directly or indirectly certain financial accounts and pass on relevant information to tax authorities. This law has potential implications for all individuals and entities working with the OFCs that are relevant to the US [3].

The European Commission has approved the EU Directive on Alternative Investment Fund Managers (AIFMD). It concerns, first and foremost, the managers of non-resident EU funds dealing with Private equity, real estate, infrastructure and hedge funds.

As a result of the annual summits, the G20 presents its own recommendations for changes in the legislation on the functioning of the OFC. The Basel Committee on Banking Supervision also



established an Offshore Banking Supervision Group, which works closely with the G20. Some scholars argue that the policy of the G20 will in no way seriously affect the profitability of offshore business, since it will eliminate only one of the many benefits of offshore jurisdictions – the confidentiality of financial information, and unobstructed access to information by the competent authorities. [2, p. 64].

Nowadays the global regulation of offshore business raises many questions. Global regulation of offshore business is carried out in two directions: combating unfair tax competition and counteracting the financing of criminal activity. At the international level this is the OECD's area of activity. At the national level offshore regulation is about creating legislation to reduce substantially losses from offshore companies. In order to control global financial transactions, as well as to prevent the use of offshore areas by non-residents to evade their country's laws, it is necessary to create a legislative framework consistent with all countries of the world. It is necessary to agree on the implementation of rigorous measures to monitor and control offshore businesses, combat illegal money laundering and criminal proceeds. The blacklisted countries must undertake large-scale reforms of the legal and regulatory systems for controlling the financial sector. As to advanced economies, serious companies are increasingly trying not to sign offshore contracts.

The issue of opening the final beneficiaries of offshore accounts was addressed at the G8 Summit in 2013. Most government officials have called for such disclosure to help banks combat dirty money laundering and other activities aimed at transparency of business and cooperation with government agencies in the area of tax evasion [6].

Currently, the negative aspects of the functioning of the AFS are: unfair tax competition and tax evasion; creating conditions for capital outflow; creating elements of instability in the world economy and finance; supporting the shadow economy; increasing

unemployment in donor countries; obtaining non-competitive advantages by those offshore companies [4, p. 120–121].

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**THE LANGUAGE AS THE CORE  
OF THE YUGOSLAV WARS:  
UNACCOUNTED AND UNFORGIVEN  
MISTAKES OF THE PAST**

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**Bulgakova O. O., Broslavska Y.M. The language as the core of the Yugoslav wars: unaccounted and unforgiven mistakes of the past.** The article discusses the problem of the genesis of the Yugoslav conflict of 1991-2001 years within the framework of linguistic historical instability and malleability of its participating countries to different internal and external factors as well as the nowadays consequences resulted from this war and the current language policy of these ex-soviet republics.

**Keywords:** cross-cultural communication system, human language rights, inter-ethnic, language policy, Slobodan Milošević, stumbling blocks, the Yugoslav wars

**Булгакова О. О., Брославська Є. М. Мова як першопричина Югославських війн: невраховані і непростені помилки минулого.** У статті обговорюється проблема генезису Югославського конфлікту 1991-2001 рр. в контексті мовної історичної нестабільності і схильності його держав-учасниць до впливу різноманітних внутрішніх і зовнішніх чинників, а також сучасні наслідки, зумовлені цією війною і поточна мовна політика цих пострадянських республік.

**Ключові слова:** захист мовних прав людини, камені спотикання, міжетнічний, система міжкультурної комунікації, мовна політика, Слободан Мілошевич, Югославські війни

**Булгакова О. О., Брославская Е. М. Язык как первопричина Югославских войн: неучтенные и непростенные ошибки прошлого.** В статье обсуждается проблема генезиса Югославского конфликта 1991-2001 гг. в контексте языковой исторической нестабильности и подверженности его стран-участниц к влиянию различных внутренних и внешних факторов, а также нынешние последствия, обусловленные этой войной и современная языковая политика данных постсоветских республик.

**Ключевые слова:** защита языковых прав человека, камни преткновения, межэтнический, система межкультурной коммуникации, Слободан Милошевич, Югославские войны, языковая политика

The object of the article is the process of the historical language genesis and development of Yugoslavia's participating states during the XXth century. The subject is the underestimation and negation of the importance of language factors, resulted in the Yugoslav wars of 1991-2001 years. The purpose of the article is to study the consistent embodiment and changing of the language variation of Yugoslavia's nationalities and to analyze the origins of the gradual socially-historical unification and crash of this largest South Slavic state. In addition to this, this work emphasizes the danger of the continuous negation of obvious linguistic issues at the internal and external levels, which can lead in the future or be purposefully used for all types of conflicts' reignition. This makes it more up to date for the solution of the modern international arena's issues of the same character.

In whatever context we are going to consider the significance of the language, it should be understood that it has always been much more than words.

An individual's language is the historically-social means by which people understand and conceptualize themselves and the world around them, finding in this way common interests and purposes which serve as the platform for the modern cross-cultural communication system of the 21st century.

If any internal or external factors limit the rights of the people or fully deprive them of the possibility to use their own language, we can speak, that this kind of discrimination is not only linguistic but comprehensive, preventing people from defining and expressing their genuine unique nature [1, p. 175].

Therefore, it becomes obvious, why the fiercest collisions and strikes of the world's international arena have been much more likely to happen due to the language conflicts throughout history, whether they occur within the territory of one country or between different states.

In in this way, this phenomenon stimulates much all modern governments to take some precautionary steps in this direction, which are in the first turn embodied in different domestic and

international laws and bills, as well as both regional and international human rights instruments aimed to protect human language rights under the principles of non-discrimination and equality all over the world [1, p. 176-176].

It should be also taken into account, that there is still a considerable amount of world languages that seek and deserve a certain extent of protection because of their frequent improper classification as 'minority' languages, which make them being "out of the area" of sufficient language legislation defense and so on.

In other words, with more detailed and careful study, it becomes obvious that the current international-language arena is still unstable, despite volumes of juridical and linguistic attempts resulting from the processes of ubiquitous integration and globalization to "equalize" and make it cross-national and cross-cultural indeed.

That is why the authors of this work decided to overview the latest and the most bitter conflict of the international arena [2, p. 49] from a linguistic point of view in order to stress how the language problems appearing as one of the "stumbling blocks" are very likely to turn then into the principal reasons or even the instruments of mass murder.

First of all, the reference should be made to the sociopolitical and linguistic situation in the countries of the former Yugoslavia. Despite the fact, that the last series of the Yugoslav Wars finished in 2001, we cannot speak about the full all-sphere stability of the states of this former governmental entity.

The destiny of four main languages of this territory is still malleable to any internal and external factors, including political, cultural, social and other disagreements growing among people at the level of everyday life.

The decision of combining the Serbian and Croatian languages into one, the Serbo-Croatian, was made as early as 1850 by the signing of the agreement in Vienna, in which the pronunciation rules, as well as the double alphabet and the dialect, adopted as the basis for the standard language, were established [3].

The “second” Yugoslavia, which sprang up after the WW II in 1945, found itself already in a much more difficult situation and was of the first multinational states that implemented an original and high-democratic language policy for the European practice. It was a federation consisting of six republics and with recognition, unlike the "first" Yugoslavia of all nations, which included such states as Slovenia, Croatia, Bosnia, Herzegovina, Montenegro, Serbia, Macedonia, as well as the autonomous province of Vojvodina and the autonomous region of Kosovo, which were both adhered to Serbia [4].

All republics, as well as the above mentioned autonomous regions, had their own constitutions, independently adopted laws regarding the language, could proclaim the official languages that did not have such status at the federal level, provided their people with the education, press, radio, television and other various “cultural goods” in native tongue.

In addition, the members of this interstate association could not only proclaim an administrative language but also, to distinguish it from the same language used in another republic, confirm and use a special norm for it. In other words, for the convenience and risk`s hedging of cross-national and cross-cultural communication, all countries could use the same language, but in their own-developed unique linguistic variations.

The described situation of that time is currently seen to be over ideal and to a very big extent utopian for everybody, not only for the scientists. Therefore, it could be quite expected from the very beginning, that it will crash one day, leading to much more extent and unpredictable consequences. This ultimately happened during the existence of the so-called “third” Yugoslavia (Federal Republic of Yugoslavia) of the time of Slobodan Milošević (1992–2003) which was formed in the result of the old federation`s collapse and consisted of only two republics: Montenegro in the south and Serbia in the north, and from two provinces: Kosovo and Vojvodina [3].

It was that crucial historic turn, when Serbian, and not Serbo-Croatian, as it was before, was officially adopted and approved as the only language by the President`s decision in the Constitution of 1992.

And, despite the fact that the former was a language that was known almost by all minorities` members, the world continues mourning about the subsequent 10-year tragedy (1991-2001) which claimed the lives of more than 150 thousand people and in which it played one of the key roles.

Thus the one language, the most diverse versions and interpretations of which were used, assimilated, "intertwined" or at least perceived by all the nationalities of the six ex-soviet republics, (including two provinces of Kosovo and Vojvodina) due to its significant facilitating and encouraging of inter-ethnic and intercultural dialogue between them, as well as "eroding" the existing territorial borders and other restrictions of a political and social nature, has become a real "hate speech" [5].

In addition, the currently observed national linguistic isolation of the newly emerged states (Croatia, Slovenia, Bosnia, Serbia, Herzegovina, Dalmatia, Montenegro, and partially recognized the Republic of Kosovo) from each other negates all their current efforts to restore their languages both on internal and external levels.

In the first case, such a policy becomes the cause of the linguistic "degradation" of the language – its extinction and "pollution", due to the impossibility of enrichment and diversification by others belonging to the same language group, and in the second – it significantly reduces all areas of these languages possible use at the international level, diminishing all the chances of their further promotion and spread in the international arena.

Therefore, in the end of this research, the authors can make an overall conclusion, that the language, being the key indicator of spiritual progress and regress of all international arena`s nationalities as well as of their preparedness to future reforms of different nature has not only historically been underestimated, leading to such continuous bloody massacres as The Yugoslav Wars, but to some extent is still ignored both in the very beginning or in the ending of such deadly conflicts. And in the view of the latter point, it becomes obvious, that the solution to this issue is urgent.

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## FRANÇAIS: LA NOUVELLE LANGUE INTERCULTURELLE DE L'EUROPE

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**Bulhakova O. O., Dudka L. A. Français: la nouvelle langue interculturelle de l'Europe.** Cet article examine le problème de la genèse de la langue française en tant qu'une des catégories de "langues internationales" du monde, le déclin de sa position dû aux facteurs historiques et aux transformations du siècle dernier, et sa régénération à un autre niveau, complètement nouveau, tracé depuis le début du 21<sup>ème</sup> siècle. De plus, des exemples spécifiques de promotion et de renouvellement de la politique linguistique française aux niveaux national et international sont discutés en détail.

**Les mots-clés:** Europe, Francophonie, interculturalisme, multilinguisme, processus linguistique et culturel.

**Булгакова О. О., Дудка Л. А. Французька: нова міжкультурна мова Європи.** У даній статі розглянуто проблематику генезису французької мови як однієї з категорії «міжнародних мов» світу, спад її позицій, обумовлений історичними чинниками та перетвореннями минулого століття, та її регенерація на іншому, абсолютно новому рівні, яка простежується з самого початку 21 століття. Додатково в роботі детально розглянуто конкретні приклади просування та відновлення французької мовної політики на внутрішньо- та зовнішньодержавному рівнях.

**Ключові слова:** Європа, кросс-культурність, лінгво-культурний процес, мультилінгвізм, Франкофонія.

**Булгакова О. А., Дудка Л. А. Французский язык: новый межкультурный язык Европы.** В данной статье рассмотрена проблематика генезиса французского языка как одного из составляющих категорию так называемых «международных языков» мира, спад его позиций, обусловленный историческими факторами и преобразованиями прошлого века, а также его регенерація на другом, совершенно новом уровне, которая прослеживается с самого начала 21 века. Дополнительно в работе подробно рассмотрены конкретные примеры продвижения и восстановления французской языковой политики на внутреннем и внешнем государственных уровнях.

**Ключевые слова:** Европа, кросс-культурность, лингво-культурный процесс, мультилингвизм, Франкофония.

Le o b j e t de ce travail est le processus de développement du statut de la langue française sur la scène internationale,

principalement en Europe et dans les pays de la Francophonie. Le sujet de cet article est la politique linguistique de la République française aux niveaux national et international dans le cadre de la stratégie nationale française. L'objectif de ce travail est d'étudier le développement et la formation des statuts principaux de la langue française en termes de la genèse historique et linguistique; retracer les étapes principales de ses hauts et ses bas, et leurs facteurs principaux; analyser la rivalité linguistique franco-anglaise sur la scène internationale, ses origines et son état actuel; caractériser les tendances principales et politiques actuelles du gouvernement français visant à mettre en œuvre et à consolider les nouvelles positions de la langue française sur la scène internationale du XXI-e siècle; examiner les instruments principaux et les avantages de la mise en œuvre de la politique linguistique française.

La France a une histoire riche et un patrimoine culturel impressionnant. L'attitude du pays vis-à-vis de son rôle planétaire, sa place parmi les autres États du monde s'est formée sur la base des particularités de la mentalité de la nation française.

Et l'un des instruments les plus importants de l'influence extérieure de cette République sur la scène internationale, qui continue d'assurer son développement et sa prospérité, est la langue elle-même [1, p. 75-76].

Cela tient avant tout aux tendances et aux principes actuels de l'Europe du XXIe siècle, qui, dans sa politique culturelle et linguistique, est orientée vers la promotion du multilinguisme, ce qui devrait stimuler le développement de toutes les langues, petites et grandes, qui devraient être également soutenus et encouragés par la communauté internationale [1, p. 76]. De ce point de vue, ce sont les langues européennes qui constituent la base de la composante principale de l'espace culturel européen. Il faut toutefois comprendre que la prospérité des langues modernes est impossible sans assistance appropriée des autorités de ces pays.

Dans cette optique, ces dernières années, les gouvernements français ont cherché non seulement à renforcer leur langue nationale en Europe, mais également à assurer son influence sur le processus

linguistique et culturel paneuropéen et sur le système d'enseignement et de formation des langues étrangères du Conseil de l'Europe.

Il est clair que le français reste la langue de la communication internationale et la deuxième langue la plus importante après l'anglais dans l'aspect de l'utilisation. Par exemple, dans l'Union européenne, le français est l'une des langues de travail, la langue de la communication politique et de la négociation (la langue des diplomates). Il occupe une position de premier plan dans le domaine du droit en raison des racines historiques profondes du droit français [3, p. 73].

Dans le Parlement Européen, le français est toujours la première langue de travail. Cette structure internationale d'importance mondiale est la seule où cette langue est dominante à cent pour cent. Si nous regardons un autre organe non moins influent de l'Union Européenne, nous verrons que depuis 1995, la grande majorité de documents de la Commission Européenne ont la première rédaction en anglais (55%) et la deuxième – en français (33%).

Une telle position du pays vis-à-vis de sa place et de son rôle dans la politique linguistique paneuropéenne, observée récemment, est bien sûr due aux certains facteurs, qui illustrent clairement de hautes ambitions de la France sur la scène géopolitique moderne [3, p.74–75].

Ainsi, le premier objectif de la politique linguistique européenne de la République est de préserver et de consolider le multilinguisme dans toute la région. C'est pourquoi les Français promeuvent activement leur idée de reconstruire le système européen de l'éducation et de l'apprentissage des langues étrangères afin que chaque Européen parle au moins trois langues: sa langue maternelle et deux langues étrangères [9]. À cette fin, la France se propose d'être un "pionnier" dans l'organisation de cette forme de l'enseignement trilingue, à partir de ses écoles nationales [2; c. 74]

En outre, la France d'aujourd'hui, en tant que l'un des héritiers des ex-empires maritimes, dans quelque mesure n'a pas encore perdu ses ambitions de ce caractère [4, p. 1]. Cela est dû principalement à l'hégémonie linguistique anglaise post-impériale et, par conséquent, au désir historique des Français de bénéficier du même statut de premier degré pour leur langue.

En d'autres termes, le fait que l'anglais, plutôt que le français, soit une langue de communication transnationale mondialement reconnue, malgré l'effondrement définitif de l'empire britannique à la fin du siècle dernier (1997), reste l'un des «pierres d'achoppement» principaux entre les deux nations une incitation pour les Français à changer la situation [6].

C'est dans ce but que la politique linguistique française du XXI-e siècle a pour objectif d'attirer l'attention du public sur le patrimoine culturel et linguistique de l'Europe. C'est-à-dire que de cette manière, la langue française, n'ayant pas réussi à se positionner comme une langue "multinationale internationale", a cédé le pas à l'anglais et cherche à devenir une langue interculturelle internationale.

En outre, "l'atout" extraordinaire de la France dans cette direction est ce qu'elle reste le premier et le seul centre de la Francophonie non seulement pour l'Europe mais aussi pour le monde entier, en ayant la possibilité d'influencer, par ce statut, un nombre important de décisions significatives dans ou contre des pays, qui font partie de cette organisation internationale [7].

Ainsi, les pays européens dans lesquels le français est la langue maternelle appartiennent au premier cercle de la francophonie et le second, respectivement, comprend les pays dans lesquels le français est resté la principale langue de la communication internationale en raison de circonstances politiques et historiques, c'est-à-dire le garant de la "survie" et de la reconnaissance de ce dernier arène internationale [7]. Comme on peut le constater, l'Europe est partie du premier et du deuxième cercles de l'Institut [4, p. 2-3].

Il est également important de comprendre que la langue française, qui est historiquement devenue la première langue de la diplomatie, n'a pas été perçue de cette manière depuis longtemps en raison du statut dominant d'anglais dans ce domaine. C'est pourquoi les dirigeants de la République promeuvent activement sa langue nationale à tous les niveaux des contacts politiques et de la législation en Europe, tout en cherchant à la souligner comme l'une des principales langues du droit international.

Ainsi, sur la base des objectifs susmentionnés de la politique de la langue française dans les pays d'Europe moderne et francophone, il est évident que la France moderne met simultanément l'accent sur la diffusion de la langue à deux niveaux – interpersonnel et interétatique [8].

Et nous ne pouvons que mentionner qu'une telle position est très pragmatique, équilibrée et en quelque sorte est un garant de la mise en œuvre intégrale des stratégies surmentionnées, car pour que le développement et "l'enracinement" réussissent au territoire national et au-delà, le langage de tout État doit être actif pour avancer, fonctionner et appliquer dans toutes les sphères de la vie publique.

Il convient de noter que les positions et les politiques de la République française en matière de langues officielles, décrites dans le présent document, ne sont pas interprétées aujourd'hui par la communauté internationale comme une tentative de promouvoir leur culture et leur éducation par le déplacement d'autres, mais sont perçues et encouragées comme un moyen d'échange efficace et pacifique. valeurs éducatives avec d'autres pays du monde [5, p. 35].

On peut donc en conclure que la politique moderne de la République française en matière de promotion et de promotion de sa langue à tous les niveaux de la communication interpersonnelle et interétatique, y compris la diffusion dans son propre pays et dans d'autres régions du monde, est extrêmement efficace et influente pour conduire l'État aux résultats souhaités et, en conséquence, ouvrir de nouveaux "horizons" d'influence interculturelle et interlinguistique.

Tout ce qui précède fait la France l'un des principaux acteurs historiques sur la scène internationale, qui, malgré les récessions et les crises multisectorielles fréquentes de grande ampleur, trouve inévitablement de nouvelles opportunités pleines de succès et des moyens pour créer un environnement digne et vraiment créatif au niveau international et conserver des positions de leader, en s'appuyant sur la richesse des atouts du passé, des possibilités du présent et des perspectives d'avenir.

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## INNOVATIVE TECHNOLOGIES IN BANKING

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**Buriak Y. A., Nikulimova I. G. Innovative technologies in banking.** The current stage of development of the banking services sector, taking place in the face of increased competition and crisis phenomena in the global money market, is characterized by three main trends: an increasing role of innovative technologies, an increase in the volume and diversity of retail banking services, an increase in the share of innovative technologies, and the formation of new segments of the public services market. This article discusses the trend associated with increased pressure on banks from fintech companies. It is becoming increasingly difficult for banks to keep up with the youngest and most mobile rivals. In the article, we think that the introduction of new technologies is the necessary measures to achieve economic growth, which will allow banks to satisfy shareholder requests and maintain payback at the proper level.

**Keywords:** banking sector, banking services, banking trends, innovative technologies, online banking.

**Буряк Ю. А., Нікулімова Я. Г. Інноваційні технології в банківській сфері.** Сучасний етап розвитку сфери банківських послуг, що проходить в умовах посиленої конкуренції та кризових явищ на світовому грошовому ринку, характеризується трьома основними тенденціями: зростаючою роллю інноваційних технологій, збільшенням обсягу та різноманітністю роздрібних банківських послуг, збільшенням частки інноваційних технологій та формуванням нових сегментів ринку суспільних послуг. У даній статті розглядається тенденція, пов'язана із посиленням тиску на банки з боку фінтех компаній. Банкам стає все складніше йти в ногу з найбільш молодими та найбільш мобільними суперниками. У статті ми вважаємо, що впровадження нових технологій банківську сферу – це необхідний захід для досягнення економічного зростання, що дозволить банкам задовольняти потреби акціонерів та підтримувати окупність на належному рівні.

**Ключові слова:** інноваційні технології, банківський сектор, банківські послуги, банківські тенденції, Інтернет-банкінг.

**Буряк Ю. А., Никулимова Я. Г. Инновационные технологии в банковской сфере.** Инновационные технологии в банковской сфере Современный этап развития сферы банковских услуг, проходит в условиях усиливающейся конкуренции и кризисных явлений на мировом денежном рынке, характеризуется тремя основными тенденциями: растущей ролью

инновационных технологий, увеличением объема и разнообразием розничных банковских услуг, увеличением доли инновационных технологий и формированием новых сегментов рынка общественных услуг. В данной статье рассматривается тенденция, связанная с усилением давления на банки со стороны финтех компаний. Банкам становится все сложнее идти в ногу с наиболее молодыми и наиболее мобильными соперниками. В статье мы считаем, что внедрение новых технологий банковскую сферу — это необходимая мера для достижения экономического роста, что позволит банкам удовлетворять потребности акционеров и поддерживать окупаемость на должном уровне.

**Ключевые слова:** инновационные технологии, банковский сектор, банковские услуги, банковские тенденции, Интернет-банкинг.

As of 2019, the Internet penetration rate in the world is 55%, and this indicator is expected to reach 80% in 2028. Today, the development of neo-banks and fintech companies are at an exponential growth stage, due to powerful technological innovations in the financial sector [1]. The amount of data generated is steadily increasing in the world, with about 5 terabytes of unique data per person today. Growing the amount of data, we generate, use, and store usually requires the creation of fundamentally new ideas and solutions. Digital Economy captures the world, and about 50% of world GDP, at the moment it is generated with it using [2].

The s u b j e c t of the study is new technologies in the banking sector, namely: smart identification, BigData, personal financial assistants, online wallets, contactless payment, banks without branches and P2P lending.

The o b j e c t of the study is the activities of commercial banks focused on the introduction of innovative technologies in banking processes.

The main p u r p o s e of this article is to analyze innovative technologies and their impact on the banking sector.

The r e l e v a n c e of the research topic is growing demand for banking services rendered using innovative computer technologies and the latest means of communication should stimulate banks to be not just universal, but focused on innovations that make it possible to use new ways to promote their services.



The main question of the future – what role we will play in the world of artificial intelligence? To date, the main technological trends are AR / VR, artificial intelligence, LoT, new energy (reproductive energy storage and transmission facilities) Blockchain, quantum computing, cyber expanding human intradermal devices. And among these trends in the global economy are those technologies that will be relevant in the banking sector in the near future.

The above technologies can be divided into categories by area of influence in banking: security ("smart" identification), analytics (Big Data, personal financial assistants), digital technologies (online wallet, contactless payment), automation (banks without branches) and P2P -crediting.

Soon enough, it would be impossible to imagine a bank without an advanced artificial intelligence system. We are talking about the technology of artificial intelligence in the mobile banking application. Development of IT applications allowed to add the interfaces and online functionality, which had not even thought of. The market has changed, technology has changed, and most importantly, customers have changed. Now people need deep personalization, the application must be truly customer-specific, personal and user-friendly. Without the use of artificial intelligence is impossible.

In the coming years, banking clients will not need to analyze their finances independently. Add-ons will make it faster and, admittedly, much more accurate than humans.

Further development of this trend is the simplification and automation of the same type of monotonous operations. The introduction of artificial intelligence into applications really says one thing: banks have finally stopped working for themselves and started working for their customers [3].

There is a trend in the banking sector to increase the share of remote provision of services and self-service services. One of the world's first service with a selection of mortgage housing through technology virtual and augmented reality proposed bank BNP

Paribas [4]. Before purchasing a home, bank customers can take a virtual tour of the property that interests them.

Technological innovations are widely implemented not only by European banks, but also by Ukrainian banks. It is important to note that in recent years the rapid development and widespread adoption of mobile and Internet banking technologies. Today, this technology – the most promising, convenient and progressive.

Of course, the leader in this field in Ukraine is the system of online banking "Privat 24". In 2016, the Forbes rating awarded PrivatBank the first place in the category "Innovative Companies of Ukraine", in 2018 the bank received the award – "Best Internet Banking" from Fin Awards 2018. According to Google Play on Android-smartphones, the application "Privat 24" more than 5 million times. The number of smartphones in the network of Ukrainian operators is about 10 million, we can conclude that the application "Privat 24" uses 2 million smartphone users, which is an absolute record for payment applications among Android users in Ukraine. [4].

FUIB Bank's Internet banking gives its depositors the opportunity to use a deposit constructor, by which it is possible to choose independently the amount of the deposit, the term, the method of payment of interest, the possibility of withdrawal and replenishment of funds. However, the banking institution itself determines and offers the interest rate based on the chosen set of parameters.

Today, Monobank is the trendiest and most progressive bank in Ukraine. However, in fact, Monobank is an online platform tied to Universal Bank. The most famous Monobank is that it offers cashback. Depending on the type of goods and services for which the Monobank customer will pay with the card, he will be refunded from 2 to 20% of the payment for the goods or services. Despite the fact that cashback is not surprising in Western countries for a long time, this option is quite innovative for Ukraine [4].

Please note that Monobank has received the Neobank of the Year award from Fin Awards 2018. In a short period of time, the

bank has created a successful mobile application with a user-friendly interface.

**C o n c l u s i o n s .** Banks should be comfortable and modern – this is a basic requirement for the introduction of new technologies. Online banks are changing the banking sector more than it seems – they are making statements that are a big challenge for the entire banking industry. Ease of use of interfaces, other ways of communication with clients, reasonable decisions – all this shows that the new approach to the development of banking institutions should not end only with rebranding. Finally, innovative technologies in the banking sector have to be closely associated with social values, because when there is a clear social position and value platform, which follows the bank, the Society promotes the development of the bank.

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## THE RATIO OF TAX BURDEN ON INDIVIDUAL AND CORPORATE TAXPAYERS

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**Buriakovska I. Yu., Nikulimova I. G. The ratio of tax burden on individual and corporate taxpayers.** The article analyzes the current approaches to the concept of "tax burden" and its ratio between individual and corporate taxpayers including results of calculating the level of tax burden and comparing tax burden in Ukraine and some of the Western European countries with recommendations to optimize the tax burden.

**Keywords:** tax burden, taxation of individuals, taxation of legal entities, taxes, taxpayers.

**Буряковська І. Ю., Нікулімова Я. Г. Співвідношення податкового навантаження на індивідуальних та корпоративних платників.** У статті аналізуються сучасні підходи до поняття «податкове навантаження» і його співвідношення між індивідуальними і корпоративними платниками податків, включаючи результати розрахунку рівня податкового навантаження та співвідношення цього показника в Україні і деяких країнах Західної Європи з рекомендаціями щодо оптимізації оподаткування.

**Ключові слова:** оподаткування фізичних осіб, оподаткування юридичних осіб, платники податків, податки, податкове навантаження.

**Буряковская И. Ю., Никулимова Я. Г. Соотношение налоговой нагрузки на индивидуальных и корпоративных налогоплательщиков.** В статье анализируются современные подходы к понятию «налоговое нагрузка» и его соотношение между индивидуальными и корпоративными налогоплательщиками, включая результаты расчета уровня налоговой нагрузки и соотношения этого показателя в Украине и некоторых странах Западной Европы с рекомендациями по оптимизации налогообложения.

**Ключевые слова:** налоги, налогоплательщики, налоговая нагрузка, налогообложение физических лиц, налогообложение юридических лиц.

The s u b j e c t of the study is ratio of "tax burden" between individual and corporate taxpayers in Ukraine and some of the Western European countries. The p u r p o s e of the study is to analyze the the situation of tax burden in Ukraine and its impact for different kind of taxpayers. The r e l e v a n c e of the study is determined by the effectiveness of the tax policy of the state, since

by conducting tax regulation, the state has the ability to influence the process of distribution and redistribution of GDP between different sectors, sectors of the economy, regions.

The tax burden is a financial concept that characterizes the volume of tax exemptions that affect the economy as a whole and their individual taxpayers [1, p. 312].

This research includes consideration and correlation of the level of tax burden on taxpayers, which, according to *Article 15.1 of the Tax Code of Ukraine*, are individuals and legal entities [5].

For corporate payers, the tax burden is the total amount of tax deductions to the budget in relation to the income received, which, in a certain sense, is the level of economic restrictions in relation to the enterprise. In general, legal entities at the legislative level act as payers of most taxes (income tax, value added tax, environmental, other income taxes) than individuals.

The modern methodology for determining the tax burden is the methodology developed by the World Bank in conjunction with the international financial company Price Waterhouse Coopers, which, as part of the DoingBusiness rating, conduct a joint study of PayingTaxes tax systems in 190 countries.

In the Paying Taxes2018 rating, Ukraine took 43rd place, for comparison, it was 84th in 2017 and 164th in 2014 [7].

The reasons for this improvement in taxation of Ukraine is a reduction in the unified social contribution (ERU), which amounted to approximately 42% in our country, but has now decreased to 22% [6]. In this regard, the tax burden on business entities decreased. Also, the general income tax rate is 11.9%, payroll tax is 24.8%, other taxes are 1%. That is, the general tax rate in Ukraine is 37.8%, which is less than the average rating value – 40.5% [7].

In turn, for individual taxpayers, the tax burden is a factor in the deterioration of the welfare of the population through taxation due to the substitution effect (replacement of goods taxed at a high rate for those that are not taxed or payable by a lower tax) and the income effect (decrease in real income through tax and a corresponding reduction in the consumption of market goods) [1, p. 317].

The main indicator of tax pressure for this category of payers is income tax for individuals, the rate of which is 18%. True, for some categories of payers there is an opportunity to reduce the amount of total monthly taxable income in the form of wages by the amount of tax social benefits. While the differential tax rate is used in Western European countries, it also rises as income rises. So, for example, in Germany from the minimum rate of 19% to the maximum – 53%, Spain – from 24 to 52%, France – from 5.5 to 75% [2, p. 172].

According to *Paying Taxes 2018*, payroll taxes account for 24.8% of the total rate of 37.8%, which is the highest rate among the countries of Central and Eastern Europe [7].

To determine the ratio of the tax burden between individual and corporate taxpayers, the author proposes to consider the following table (table 1.):

*Table 1*

**The results of calculating the level of tax burden  
in Ukraine during 2015 – 1st half of 2018**

Indexes	Periods			
	2015	2016	2017	I half of 2018
Tax revenues to the consolidated budget of Ukraine, billion UAH.	409,4	503,88	627,2	456,7
Personal income tax	45,1	59,8	75,03	105,6
Corporate income tax	34,8	54,3	66,9	57,1
Value added tax	178,5	235,5	313,98	174,3
GDP, billion UAH.	1988,5	2385,4	2982,9	1507,8
The level of budgetary tax burden,%	20,58	21,12	21,02	30,29
In particular, on personal income tax,%	2,27	2,51	2,52	7
Corporate income tax,%	1,75	2,28	2,24	3,79
Value Added Tax,%	8,98	9,87	10,53	11,56
Retirement Fund's own income, billion UAH.	169,9	111,7	158,9	213,4
Tax burden on labor,%	8,54	4,68	5,33	14,15
Total tax burden,%	29,12	25,8	26,35	44,44

*Source: Created by the author using information from [3],[4]*

Having analyzed the table. 3.1. we can conclude that the ratio of the level of tax burden between legal entities and individuals as of the first half of 2018 in percentage terms is approximately equal to 28%: 19%, or 1.5: 1.

This situation arose due to the effect of shifting the tax burden on value added tax to individuals who are real payers of this tax, and legal entities act as collectors of this tax. Also, data on the payment of a single tax were not taken into account; both individual entrepreneurs and legal entities can pay.

**C o n c l u s i o n .** Therefore, the indicator of the tax burden calculated by different methods is slightly different, however, it makes it possible to come to the conclusion that the tax system is favorable for business development.

An effective tax policy should focus on finding the best methods for tax evasion and the level of tax burden to stimulate economic growth. A positive effect will be the introduction of measures to improve the tax control system, the creation of conditions that exclude tax evasion, the limited use of tax benefits, as well as the optimal distribution of funds received, which requires further research and development of a mechanism for their implementation.

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**CRUISE TOURISM:  
INFLUENCE ON TOURISM INFRASTRUCTURE  
AND OPPORTUNITIES  
FOR THE GLOBAL TOURISM**

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**Burikin D. P., Litovchenko Y. M. Cruise tourism: influence on tourism infrastructure and opportunities for the global tourism.** The article analyses how cruise tourism has changed in recent times. The main economic indicators of this type of tourism and its development are considered. A study was conducted on how cruise tourism affects the industry as a whole. The modern trends of world's cruise tourism were outlined.

**Key words:** cruise tourism segment, destination, investments.

**Бурикін Д. П., Літовченко Я. М. Можливості розвитку круїзного туризму та вплив на розвиток туристичної інфраструктури.** У статті розглядається, як круїзний туризм змінювався за останній час. Розглядаються основні економічні показники даного виду туризму та його розвиненість. Було проведено дослідження як круїзний туризм впливає на галузь в цілому. Також були розглянуті сучасні тренди круїзного туризму у світі.

**Ключові слова:** інвестиції, круїзний туризм, місце призначення, сегмент.

**Бурыкин Д. П., Литовченко Я. М. Возможности развития круизного туризма и влияние на развитие туристической инфраструктуры.** В статье рассматривается, как круизный туризм изменялся за последнее время. Рассматриваются основные экономические показатели данного вида туризма и его развитость. Было проведено исследование как круизный туризм влияет на отрасль в целом. Также были рассмотрены современные тренды круизного туризма в мире.

**Ключевые слова:** инвестиции, круизный туризм, пункт назначения, сегмент.

The object of the article is cruise tourism whereas the subject is an impact of cruise tourism on tourism infrastructure development. The aim of the research is to provide information about cruise tourism development and to examine the impact of tourism infrastructure on flows of economic benefits of such kind of tourism.

The cruise industry is the most important growth sector in the entire tourism market. The market is still growing, despite the global economic crisis. North America is the primary market for cruise activities. Although this market is the most mature one – with the United States traditionally accounting for the majority of all cruise passengers – it is showing signs of saturation. Nevertheless, there is still enormous potential to be found in the worldwide cruise market. The European cruise sector is number two and represents the fastest growing market. The biggest European player is Great Britain. Ukraine at 27-th position in Europe, but the share of this country is growing every year.

The cruise market is one of the fastest growing segments in the travel and tourism industry and can make a significant contribution to a destination's economy. As cruise lines are increasingly looking for new destinations, cruise tourism can offer opportunities to Developing countries with harbour facilities and an interesting hinterland. However, barriers to entrance are high as cruise tourism requires a lot of investments in accessibility and competition is fierce. Furthermore, cruise tourism can also bring negative impact on a destination, for example environmental pollution. [2]

Cruise tourism is a form of travelling for leisure purposes, involving an all-inclusive holiday on a cruise ship of at least 48 hours, according to a specific itinerary in which the cruise ship calls at several ports or cities. [8]

A cruise can be a one-way or a round trip and generally has several ports of call where passengers can come ashore to explore and experience the attractions, activities, culture, nature and shopping of that town, city or region. Sometimes travellers first fly to a specific destination, take a cruise trip from there and then fly back, the so-called 'fly & cruise'. [3]

Cruise ships come in many styles and sizes, from under 100 to more than 6,000 passengers, with a wide range of variations in between. They also largely vary in price range, from budget cruises to luxury cruises. The focus of this Product Factsheets lies on small and medium-sized cruise ships, from around 80 to around 800

cabins. Large cruise ships generally have their own Destination Management Companies (DMCs) in which they have a share or a strong commitment. This makes it very difficult for small and medium-sized enterprises (SMEs) to work with them. [4]

A distinction can be made between river cruises and high-sea cruises. This Product Factsheet focuses on high-sea cruises as this offers the best potential for Developing Countries. In the current list of Developing Countries there are hardly any countries that have or are able to offer river cruises with overnights on board.

**Economic impact:** cruise tourism can make a significant contribution to a destination's economy, generating revenue and creating jobs. The cruise industry globally represented roughly €119.9 billion in economic impact, €39.3 billion in wages and 939,000 jobs in 2014. However, cruise ships often represent all-inclusive holidays. They generally stock up before they leave and purchase little local foods or supplies. Furthermore, cruise tourists generally spend little in the destinations, as all meals are included on board as well as entertainment. Cruise passengers are estimated to spend on average €73 per port of call. In addition, shore excursions are often organized by the cruise ships, which take most of the profit. This means that sometimes few benefits actually flow to the local communities. However, cruise tourism remains interesting for smaller local tourism companies due to the high volume of passengers. Furthermore, as these passengers are clustered in groups they are easier to handle. [5]

**Environmental impact:** cruise ships have environmental impacts. They emit for example more carbon per passenger kilometer than flying. Besides CO<sub>2</sub>, they also emit airborne particles, which have been linked to premature deaths worldwide. Furthermore, cruise ships can damage coral reefs and ecosystems and produce a large amount of waste water and solid waste which can be a major despoiler of the natural environment. Developing Countries that want to develop cruise tourism should therefore carefully research environmental impacts and develop policies to reduce these impacts as much as possible. [1]

**Social impact:** cruise tourism can cause changes in value systems and behavior and thereby threaten the indigenous identity. Changes often occur in community structure, family relationships, collective traditional life styles, ceremonies and morality. However, tourism can also generate positive impacts as it can serve as a supportive force for peace (peace stimulates tourism and tourism generates economic growth), foster pride in cultural traditions and help avoid urban relocation by creating local jobs. [3]

**Exploring the unknown:** cruise destinations and itineraries are becoming more globalized as cruise lines open new destinations to provide exciting new experiences for cruisers. This development also stimulated demand for 'fly and cruise'. The search for new, unknown destinations will drive new itinerary creation and cruise ship deployment and offers opportunities for Developing Countries that are able to comply with cruise tourism requirements, as they are often new or emerging destinations. [6]

**Increased specialization:** cruise lines are increasingly offering specialized cruises. Almost 78% of cruise agents say specialty cruising is a growing sales opportunity according to research of CLIA. The two segments, which are particularly large in specialization, are families and thematic cruises. Thematic cruises are centred on various educational themes or recreational activities such as culture, health, diving or wine tasting and the vessels are usually smaller. Furthermore, repeat cruisers are becoming more demanding, which is expected to result in a greater demand for specialized cruise products. This trend offers opportunities for Developing Countries that are able to offer specialized cruise products, for example a cultural heritage trail for specialized culture cruises, yoga classes at a natural scenery for health cruises or a safari for family cruises. [7]

**Advanced technology:** continuing development and availability of technology is facilitating and lowering the cost of on-board communication. Many large cruise ships are for example already offering wireless internet on-board. This means that cruise passengers have better access to internet while they are cruising

which increases the chance that they will look for information about attractions and activities at the next port of call. This means that it is very important for cruise destinations and local suppliers to invest in online marketing, for example a mobile-friendly website. [3]

Consolidation: globalization of the cruise industry has led to consolidation reducing the number of cruise operators to three main players: Carnival Cooperation, Royal Caribbean Cruises and Norwegian Cruise Lines. Together they control about 80% of the worldwide cruise market. Horizontal concentration of the industry will accelerate since the investment required to build a standard modern cruise ship easily exceeds €217 million.

In conclusion, in this scenario, only small, highly specialized cruise lines can survive alongside the large groups, which actually correspond to the target group that Developing Countries should target for cruise tourism development. Smaller ships are generally more in line with the capacity in Developing Countries than large cruise ships. Furthermore, they can sail into smaller places and allow easier embarkation and disembarkation. [2]

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**MULTIKULTURALISMUS UND DIE BRD:  
AKTUELLER ZUSTAND  
UND ENTWICKLUNGSAUSSICHTEN**

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**Butskhrikidze G., Krupkina T. V. Multikulturalismus und die BRD: aktueller Stand und Entwicklungsperspektiven.** Die politischen, sozialen und kulturellen Probleme, die in Deutschland aufgrund der Mängel der Zuwanderungspolitik der letzten Jahrzehnte gereift sind, werden im Kontext der Entwicklung Deutschlands und der EU in den letzten Jahren betrachtet. Die Geschichte des Multikulturalismus in Deutschland und die Politik, die am Beispiel der türkischen Bevölkerung in Deutschland durchgeführt wird.

**Schlüsselwörter:** Bevölkerung, Deutschland, Multikulturalismus, Politik, die Türkei.

**Буцхрикидзе Г., Крупкина Т. В. Мультикультурализм и ФРГ: современное состояние и перспективы развития.** Политические, социальные и культурные проблемы, назревшие в Германии в связи с недостатками иммиграционной политики прошедших десятилетий, рассматриваются в контексте развития Германии и ЕС последних лет. История возникновения мультикультурализма в Германии, политика, проводимая на примере турецкого населения ФРГ.

**Ключевые слова:** Германия, мультикультурализм, население, политика, Турция.

**Буцхрікідзе Г., Крупкіна Т. В. Мультикультуралізм і ФРГ: сучасний стан та перспективи розвитку.** Політичні, соціальні та культурні проблеми, які назріли в Німеччині в зв'язку з недоліками імміграційної політики минулих десятиліть, розглядаються в контексті розвитку Німеччини й ЄС останніх років. Історія виникнення мультикультуралізму в Німеччині, політика, що проводиться на прикладі турецького населення ФРН.

**Ключові слова:** мультикультуралізм, населення, Німеччина, політика, Туреччина.

Der Gegenstand dieses Artikels ist unmittelbar die deutsche Bevölkerung, die Politik Deutschlands und Zuwanderer. Das Thema ist die deutsche Einwanderungspolitik. Das Ziel des Artikels ist es, die modernen Beziehungen Deutschlands zu seinen Zuwanderern zu identifizieren, zu erforschen und

wissenschaftlich zu charakterisieren. Die Relevanz des Artikels ist auf das wachsende Interesse der Staaten an der Anwendung multikultureller Politiken bei der Arbeit mit Zuwanderern zurückzuführen.

Unter den gegenwärtigen Bedingungen der Globalisierung der Gesellschaft stellt sich die Frage nach der Wahrung der nationalen Identität, Tradition und Kultur bei gleichzeitiger Toleranz gegenüber Vertretern anderer Kulturen. Um ein gemeinsames sicheres Umfeld für Menschen aus verschiedenen Kulturen zu gewährleisten, verfolgen die Länder heute aktiv Einwanderungs- und Integrationsmaßnahmen.

Hervorzuheben sind die Länder Europas, für die Multikulturalismus wichtig ist und die aufgrund ihrer Größe das Zusammenleben verschiedener kultureller und religiöser Diaspora ermöglichen können, die durch einen Mindestwertkonsens miteinander verbunden sind – Treue zu den Verfassungsgrundsätzen dieser Staaten. Diese Staaten, die ihren Völkern eine neue Identität verliehen, haben denjenigen, die sich nicht davon trennen wollten, nicht die alte Identität genommen [2].

Das kulturelle und philosophische Konzept des Multikulturalismus geht von drei Postulaten aus: Jedes Mitglied der Gesellschaft hat eine ethnisch bestimmte kulturelle Zugehörigkeit, jede Kultur verdient Respekt, und der kulturelle Pluralismus der Gesellschaft braucht die Unterstützung des Staates.

Die Einwanderungspolitik in einigen Ländern wird hauptsächlich von Bedenken bestimmt, wie Einwanderer ferngehalten und bereits eingewanderte Personen beseitigt werden können, und in anderen Ländern, um sie schnell zu assimilieren oder zu integrieren. Letzteres ist genau der Wert Deutschlands.

Das Wort "Multikulturalismus", das in den 60er Jahren in Kanada während der Diskussion über die Einwanderungspolitik verbreitet und in ähnlichen Diskussionen in den USA und Australien verwendet wurde, wurde in Deutschland erst zu Beginn der 80er Jahre verwendet, und zwar nicht in der Politik, sondern auf der Ebene sozio-pädagogischer und sozio-religiöser Diskussionen. In der



deutschen Diskussion wurde in der Regel nicht von Multikulturalismus gesprochen, sondern von einer "multikulturellen Gesellschaft", die dieses Konzept auf einen Multikult reduzierte. Anschließend wurden beide Konzepte – "Multikulturalismus" und "multikulturelle Gesellschaft" – in das politische Vokabular aufgenommen, und da die Grünen und andere "linke Alternativen" dies taten.

Die Multikulturalismuspolitik Deutschlands ist ein System gezielter Maßnahmen auf allen Ebenen des öffentlichen Lebens, die darauf abzielen, das konstruktive Zusammenleben verschiedener rassischer, ethnischer, kultureller und religiöser Gruppen in einem liberal-demokratischen Staat zu gewährleisten. Tatsächlich widerspricht die Politik des Multikulturalismus nicht der Integration, im Gegenteil, sie wird im Interesse der Integration verfolgt und hat die Integration als oberstes Ziel, wie dies in Kanada der Fall war, dem ersten Land, das die Politik des Multikulturalismus offiziell verabschiedete. In der deutschen Diskussion wird eine multikulturelle Gesellschaft, Multi-Stumps, als optimales Gegengewicht zur Integration vorgestellt, die mit Assimilation gleichgesetzt wird.

Die meisten Zuwanderer aus Deutschland sind Vertreter arabischer Staaten, wobei die Zuwanderer aus der Türkei den ersten Platz einnehmen.

Das Erbe des spontanen Multikulturalismus ist die Unfähigkeit der modernen deutschen Gesellschaft, den Islam nicht mit der Religion als Ganzem zu konfrontieren, sondern mit seinen in Deutschland am häufigsten praktizierten Varianten, die von Immigranten aus weniger entwickelten ländlichen Gebieten der Türkei und arabischen Migranten aus islamischen Ländern ins Land gebracht wurden. So wollte die türkische Bevölkerung der Stadt Köln, dass die Minarette der neuen Kölner Moschee höher sind als die Türme des alten Kölner Doms, was später zu einer Veränderung der Silhouette des historischen Stadtkerns führen würde. Dank aktiver Proteste von Intellektuellen und gewöhnlichen Bewohnern der Stadt sowie zahlreicher Aktionen der Bürgerinitiative „Pro-

Cologne“ konnte die Umsetzung dieses grandiosen Architekturprojekts verhindert werden.

Eine Suche nach dringenden Fragen ist die Demografie Deutschlands, wo wie in allen anderen europäischen Ländern die deutsche Gesellschaft aufgrund der Verringerung der Geburtenrate altert und die Geburtenrate in den Familien der aus nichteuropäischen Kulturen nach Deutschland eingereisten Zuwanderer die Geburtenrate der indigenen Bevölkerung deutlich übersteigt. Dies kann langfristig zu unerwünschten Veränderungen der Bevölkerungsstruktur, einer Schwächung der deutschen Volksgruppe und damit zu einer Schwächung der Stellung Deutschlands in der Welt führen.

Heute ist der Islam in Deutschland am aktivsten beim Schutz von Rechten. Es sei angemerkt, dass türkische Organisationen und Gewerkschaften, die die Rechte der in Deutschland lebenden Muslime, die mit den Besonderheiten ihrer Religion verbunden sind, stark schützen, seine Ideologen von allen möglichen Standpunkten über den "anti-muslimischen Rassismus" der deutschen Gesellschaft sprechen. In Bonn, bekannt für seine ultra-konservative islamische Gemeinschaft, wurden solche Anschuldigungen beispielsweise während der "multikulturellen" Veranstaltung "Bonner Muslime zwischen Anerkennung und Isolation" erhoben. Die Rechte der Christen werden jedoch nicht von ihren Hirten geschützt. Im Gegenteil, von ihnen wird erwartet, dass sie für Multikulturalismus offen sind, armen Einwanderern helfen und fremde Kulturen tolerieren.

Der heutige Islam in Deutschland versteht die Integration muslimischer Einwanderer in die deutsche Gesellschaft als offensiven Prozess: Der Islam "integriert" sie in die Strukturen der Rechtsstaatlichkeit, versucht sie an sich anzupassen. 1972 glaubten nur 30% der befragten Muslime, dass sich Koran und das Grundgesetz nicht widersprachen 2004 – bereits 67%. Im Herbst 2010 übernahm der FDP-Abgeordnete Ayman Maziek die Führung des muslimischen Zentralrates Deutschlands und erklärte, die Scharia schließe die Einhaltung des deutschen Grundgesetzes nicht aus [4].

Studien zeigen, dass 91% der muslimischen Frauen, die Kopftücher tragen, angeben, ihre religiöse Zugehörigkeit zum Ausdruck zu bringen [3]. Zu verhindern, dass sie in einer liberalen Demokratie ein Kopftuch tragen, ist inakzeptabel.

Während der Regierungszeit der Großen Koalition von CDU / CSU und SPD 2006 versuchte Wolfgang Schäuble, ein bekannter christdemokratischer Politiker und Innenminister, dieses Problem zu lösen, indem er Vertreter einflussreicher muslimischer Organisationen unter dem Motto „Muslime in Deutschland sind deutsche Muslime“ am Verhandlungstisch zusammenbrachte. Die "Islamische Konferenz Deutschlands" wurde als ständiges Forum konzipiert, als institutionalisierter „Verhandlungsprozess zwischen dem deutschen Staat und Vertretern der in Deutschland lebenden Muslime“. Die Aufgabe war jedoch nicht einfach, vor allem, weil maßgebliche deutsche Muslime aus Gründen der Repräsentativität der Konferenz zur Teilnahme eingeladen wurden, aber in Fragen der Integration wie Milli Görüş kontraproduktiv waren. Bisher hat die Konferenz nur wenige Erfolge erzielt. Dennoch hat sie es bereits geschafft, sich in Fragen der Ausbildung von Imamen und Islamlehrern an deutschen Universitäten zu einigen, anstatt sie nach wie vor aus islamischen Ländern zu "importieren". 2019 wurde in Deutschland ein Pilotprojekt zur Ausbildung von Imamen gestartet. Mit ihrer Hilfe wollen die deutschen Behörden den ausländischen Einfluss, insbesondere den türkischen, auf deutsche Muslime begrenzen [1].

Als Aussicht zeigt es sich, dass Zuwanderer, die aus dem Nahen Osten kamen, aufgrund zu liberaler Ansätze in Deutschland indirekt oder direkt beginnen, die deutsche Gesellschaft zu beeinflussen, indem sie ihre kulturellen Werte fördern und teilweise das Deutsche verdrängen.

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**MIDDLE EAST VECTOR  
OF THE FOREIGN POLICY  
OF THE TURKISH REPUBLIC  
IN THE POST-BIPOLAR PERIOD**

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**Chumachenko A. A., Musaieva R. Sh. Middle East vector of the foreign policy of the Turkish republic in the post-bipolar period.** The article deals with the Middle East vector of the foreign policy of the Turkish republic in the post-bipolar period, political influence of the Republic of Turkey in the Middle East region. Particular attention was paid to Turkish-Israeli relations. In general, the article describes Ankara's role in Turkey's foreign relations.

**Keywords:** Ankara, foreign policy, Middle East, post-bipolar period, Turkish-Israeli relations.

**Чумаченько А. О., Мусаєва Р. Ш. Близькосхідний вектор зовнішньої політики Турецької Республіки в пост біполярний період.** У статті розглянуто близькосхідний вектор зовнішньої політики Турецької республіки в пост біполярний період, політичний вплив Турецької Республіки на Близький Схід. Особлива увага наділена турецько-ізраїльським відносинам. Загалом у статті описано роль Анкари у зовнішніх відносинах Туреччини.

**Ключові слова:** Анкара, зовнішня політика, Близький Схід, пост біполярний період, турецько-ізраїльські відносини.

**Чумаченко А. А., Мусаева Р. Ш. Ближневосточный вектор внешней политики Турецкой Республики в пост биполярный период.** В статье рассматривается ближневосточный вектор внешней политики Турецкой республики в пост биполярный период, политическое влияние Турецкой республики в ближневосточном регионе. Особое внимание было уделено турецко-израильским отношениям. В целом, статья описывает роль Анкары в международных отношениях Турции.

**Ключевые слова:** Анкара, внешняя политика, Ближний Восток, пост биполярный период, турецко-израильские отношения.

The o b j e c t of the study is the political influence of the Republic of Turkey in the Middle East region. The s u b j e c t of the study is a Middle Eastern foreign policy vector of The Republic of

Turkey. The purpose of the study is to defining features and foreign and domestic policy prerequisites the formation and implementation of the foreign policy of the Republic of Turkey Middle Eastern region. Systematize and characterize the source base and methodology of the research; outline the main stages in the evolution of the Middle Eastern vector of the Turkish politic; Identify the underlying concepts that underlie and influence the formation of the foreign politic of the country in the Middle East; Influence the Middle East's politic of Turkish participation in republic and regional organizations and associations. The relevance of the research topic is due to the fact that the Middle East is, on the one hand, one of the politically and safely unstable and problematic, and on the other – the most influential and richest in fuel and energy resources regions of the world. Its difficulty is not only exacerbated by its presence a long-lived and still unsolved Arab-Israeli complex conflict, but also opposition to Sunni and Shiite political forces destinations in different countries in the region. The Syrian conflict makes it, also the undisputed focus of attention of international actors, namely, the UN, major centers of global influence (US, EU, RF), and the flow of conflict affects the stability of the Middle East and the world at large. The prospects for the study are a comprehensive study of the Middle East vector. The foreign policy of the Turkish Republic allows us to identify the key ones regulations, initiatives and predict the further development of this vector foreign policy of the country through the lens of changing geopolitical situation in a region that can be of value to politicians, diplomats and economists. Factual material and article's conclusions can be used for writing of scientific works on the topic of regional integration, regional conflicts and international relations in the Middle East, as well as at preparation of training programs on courses "International Relations", "International organizations", "History of Asia and Africa", "Current status and main trends in the situation in the Middle East", "Current status and prospects for resolving the Syrian conflict", "The place and role of the Turkish Republic in Regional Policy".

Turkey's policy in the Middle East as a region leader with its own geopolitical interests can be characterized as: consistent, active and diverse. Country for the sake of securing its own foreign policy Priorities takes advantage of the geographical location of transit and economic potential, influential positions in regional and international organizations, and ideas of combining Muslim traditions with European standards and values [7, p. 187]. Foreign policy of the Republic of Turkey as a whole and it'sThe Middle East vector, in particular, has undergone several stages of evolution: from the search for allies in the West and the almost total diversion from cooperation with the countries of the Middle East and the Arab world, to another "return" countries in the East, in the direction of active regional policy, and establishing relations with Middle Eastern countries [2; 9]. Evolution the Middle Eastern vector of Turkish foreign policy is precisely in post-bipolar period is a separate research interest that is to reflect the changes in Turkey 's foreign policy prerogatives from expressed European direction, through diversification of the external country's policies to significantly dominate the Middle East vector in the system Ankara's foreign policy priorities. It is during this period of time to the full Ankara's path to her now-ongoing "return" to the Middle is traced East, during which the country is gradually becoming powerful a regional player with his own system of interests, the role of countries does not increase not only in the region but also in the international political arena, increasingly Turkey strengthens its position on solving regional problems, guarantees peace and security in the Middle East and neighboring regions and all more often it is at the center of important regional events [6, p. 84]. With its flexible and balanced foreign policy, underpinned by a number of internal political changes and economic transformations, in the post-bipolar period, Turkey was able to take its place of the regional leader and at a rapid pace continues to strengthen positions not only in the region but also in world politics. In the post-bipolar period the basic concepts of formation and the implementation of Turkey's Middle Eastern foreign policy vector "Zero problems with neighbors", "principle of peaceful

coexistence” and “development friendly relations with all neighboring states.”[ 8, p. 213]. But over time, because of the change the geopolitical situation in the region and the place and role of Ankara in it, mentioned above principles gradually began to fade into the background, as they were adhered to become more complex, and the implementation provided individual countries of different political regimes, which are often hostile one to one, quite difficult, and in most cases even impossible. This trend is especially evident in the aftermath of the revolutionary events “Arab Spring” [5, p. 33]. Against this background, the influence of the principles of theories is increasing neo-Ottomanism and Neo-Panturism in the foreign policy doctrine of the country. Their essence lies precisely in the consolidation of Turkey as a regional leader, development friendly relations with key countries in the region, expanding Ankara's influence to countries whose territories were previously part of the Ottoman Empire, aspiration to a more united Middle East, where Turkey will playsignificant role [1; 10].

There has also been a significant deterioration in Turkish-Israeli relations, which lasted quite a long time and almost led to a complete break diplomatic relations between the countries, but, over the last few years, everything trends in the establishment and development of Turkish-Israeli relations are more evident. Given the short term, considering close economic and political ties between countries, enough influential forces in the The Turkish Republic, which includes the military establishment, is business circles and liberal parties, with the support of Israel and the mighty Jewish lobbyin the US, will do everything possible to keep the Turkish Republic in orbit"strategic alliance" with Jerusalem [4, p. 58].

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## THE ROLE OF FOREIGN CAPITAL IN THE SOCIO-ECONOMIC DEVELOPMENT OF TURKEY

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**Dakhno V. Yu., Pravnik Iu. O. The role of foreign capital in the socio-economic development of Turkey.** The article discusses the nature of foreign investments and their contribution to development of Turkey's economy. The author analyzes tendencies in the attraction of foreign capital and its role in the economy of Turkey.

**Keywords:** foreign capital, foreign investments, socio-economic development, tendencies, Turkey.

**Дахно В. Ю., Правник Ю. О. Роль іноземного капіталу в соціально-економічному розвитку Туреччини.** У статті розглядаються сутність іноземних інвестицій та їх внесок у розвиток економіки Туреччини. Автор аналізує тенденції залучення іноземного капіталу і його роль в економіці Туреччини.

**Ключові слова:** іноземні інвестиції, іноземний капітал, соціально-економічний розвиток, тенденції, Туреччина.

**Дахно В. Ю., Правник Ю. О. Роль иностранного капитала в социально-экономическом развитии Турции.** В статье рассматриваются сущность иностранных инвестиций и их вклад в развитие экономики Турции. Автор анализирует тенденции привлечения иностранного капитала и его роль в экономике Турции.

**Ключевые слова:** иностранные инвестиции, иностранный капитал, социально-экономическое развитие, тенденции, Турция.

The relevance of the topic. Modern Turkey, like many other States, attracts external sources of financing necessary to accelerate socio-economic development. Foreign investment in Turkey's economy today has become a strategic direction of investment policy of the state. In order to improve the country's attractiveness for foreign capital inflows the legal system is constantly improving. The government using the regulation of investment trends has created a favorable business environment, ensuring sustainable and dynamic development of the economy.

The purpose of the topic is to review the impact of foreign capital on economic development.

The object of the topic is foreign capital in the economy of Turkey.

The subject of the topic is the role of foreign capital in the socio-economic development of Turkey.

Liberal reforms of the 2000-s and high growth rates of Turkish economy secured her stable inflow of foreign investment. Turkey has become the 18-th large economy in the world and one of the most attractive regional destinations for foreign investment. So, in the article it will be interesting to analyze FDI flows by years, sectors and geographic breakdown and the improving investment climate and some aspects of government investment policy.

Started in the 1980s, liberal reforms in Turkey clearly defined the direction of state policy to attract foreign direct investment into the country, as an integral part of the policy of modernization of the economy. Around this time, the active penetration of Turkish capital into the markets of neighboring states begins. However, the greatest successes were achieved only in the early 2000s in connection with the adoption of a number of fundamental laws to regulate investors and improve the investment attractiveness of Turkey. So, in 2003, a new Law No. 4875 "On Foreign Direct Investment" was adopted, repealing Law No. 6224 "On the Promotion of Foreign Capital Investment" of 1954 and complying with all international standards. The purpose of the new law was to create a more favorable basis for foreign investment. A special investment attraction tool is also special investment zones (SIZ), where special tax regimes and preferential conditions for doing business operate. In Turkey, there are about 200 operating PPE, which are divided into three types: 1) industrial parks, 2) organized industrial zones and 3) free zones. Most of them are concentrated in historically established industrial and scientific centers. However, the state pursues an active regional policy and creates PPE also in the eastern, less developed provinces. Thus, Turkey is trying to stimulate the development of these regions and solve the problem of uneven distribution of investments in the

country. The widespread encouragement of foreign investors in almost all sectors and regions contributes to the improvement of the investment climate in the country. Another investment incentive tool was the creation of the Foreign Investors Association (YASED – Uluslararası Yatırımcılar Derneği), which is the largest non-governmental organization uniting foreign companies in Turkey. YASED represents the interests of foreign investors in the Turkish government, monitors the implementation of laws and other regulations governing investment activities. In particular, due to the recommendations of YASED, in January 2012, a new investment incentive scheme came into force in Turkey, with the help of which the government is trying to solve a number of pressing problems: the current account deficit, the imbalance in the socio-economic development of the regions, and the lag in R&D. The Turkish government has relied on direct investment, which involves control over the economic activities of the enterprise, which, of course, is a positive factor in the process of modernization of the economy, as foreign companies bring new approaches to entrepreneurial activity, have extensive experience, are actively involved in decision-making and, which is important, are long-term, i.e. more stable, investments. In Turkey, according to 2011 data, almost 30 thousand of foreign companies are registered and the most attractive cities for foreign investors are Istanbul, Antalya, Ankara, Izmir, Iskenderun and Mugla. Another aspect of stimulating the influx of FDI into the country is the double taxation agreements signed by Turkey (agreements were signed with 71 countries). and bilateral investment agreements (currently agreements are signed with 82 countries). Since 1996, the Customs Union between Turkey and the EU on trade in industrial goods gives the country additional advantages in the global capital market. It is noteworthy that Russia is also interested in investing in the Turkish economy. For example, one of the world's largest steel producers, the Russian MMK acquired the Turkish Atakash metallurgical plant in Iskenderun. In addition to expanding sales markets, MMK also expands its product line and obtains its own seaport for further export of products. Quantitative indicators. In

Turkey, for more than 20 years, FDI inflows have been stably prevailing over export, that is, the country is invariably a net importer. In 1979 (before the military coup of September 1980), the annual FDI in the Turkish economy amounted to \$ 75 million, and after 10 years in 1990 – already \$ 684 million – 10 times more. In 2001, the inflow of annual FDI to Turkey amounted to almost 3.4 billion dollars. The peak of FDI inflows fell in 2007, when this indicator amounted to 22 billion dollars. So, if, for the period 2005-2008, there was an investment “boom”, then the global financial crisis of 2008 led to a sharp outflow of capital from the country – almost three times by 2009. A strong dependence on the world market conditions is undoubtedly the weak point of the Turkish economy. As for the total volume of accumulated FDI, according to UNCTAD, at the end of 2011 it amounted to \$ 140.3 billion (18% of GDP), which is \$ 42 billion less than at the end of the previous year (25.3% GDP). While the volume of accumulated FDI for the same period increased and amounted to \$ 24 billion (3.1% of GDP). However, Turkey lives up to investors' expectations for a recovery in economic growth, and amid the stabilization of the situation on world capital markets, quite good indicators of FDI growth are observed.

*Industry structure.* When considering the sectoral structure of foreign direct investment in 2010, it is clear that the most attractive sectors are electricity generation, gas and water supply (27%), the financial sector (38%), manufacturing (21%), namely oil refining (8 %) and agribusiness (4%). The structure of FDI application differs from the pre-crisis 2007, when 61% of FDI was in the financial sector and 22% in manufacturing. It is in these sectors that the processes of technological modernization, the improvement of the structure and quality of production and management are most clearly manifested.

*Geographical structure.* The main investors in the Turkish economy are developed countries – 87% of all FDI in 2010, of which 75% falls on the EU countries (Holland – 21%, Germany – 10%, USA – 8%). The share in the FDI of the countries of the Near and Middle East is growing. The same situation is observed with FDI,

where more than 50% falls on the EU countries, and 31% falls on countries with economies in transition, mainly of course on Azerbaijan. However, due to the protracted negotiations on Turkey's accession to the EU, the country is growing and begins to move closer to the BSV countries, while playing the role of a regional leader. According to a study by the World Bank and the International Finance Corporation for 2012, Turkey ranks 71st among 183 countries in terms of doing business (a year earlier the country ranked 73th). For comparison, Russia is in 120th place in the same ranking. It is noteworthy that the greatest difficulties for investors in Turkey are caused by such aspects as obtaining building permits and resolving issues on the insolvency of companies, 155 and 120 places respectively. At the same time, the sub-indices "registration of property" and "enforcement of contracts" have relatively high rates, 44th and 51st, respectively. In turn, according to the latest Global Competitiveness 2012-2013 report by the international economic organization World Economic Forum by the World Competitiveness Index, Turkey improved and moved from 59th to 43rd place (for comparison, Iran ranks 66th, Russia – at 67th, Mexico – 53rd, Germany – 6th and USA – 7th place). The strengths of the Turkish economy are market size, stable macroeconomic indicators, a well-developed infrastructure, a stable financial market, healthcare and primary education. However, an analysis of the sub-indices listed below allows us to say that for the further competitive development of Turkey it is necessary to improve the institutional environment (high rates of organized crime, costs associated with the threat of terrorism, misuse of budget funds, incompetence of law enforcement agencies, etc.), increase the efficiency of the labor market, increase the quality of higher education and the level of retraining of personnel, to provide the population with access to new technologies, as well as be the quality and efficiency of the research institutes themselves. Thus, the WEF classifies Turkey as a country at the stage of effective economic development.

So, we can conclude that the situation in the world directly depends on the situation on the world market. Moreover, it is safe to

say that the investment climate in the country over the past decade has changed for the better. Moreover, it is very likely that in the near future the country's foreign economic policy will be somewhat reoriented to neighboring countries, since the EU accession process has slowed down mainly not for economic reasons, but for political reasons – the EU does not want to see Muslim Turkey among members.

**P r o s p e c t s .** A further attraction of the foreign capital committed to consistent implementation of the strategy of reforming Turkey's entire economic infrastructure and creating powerful industry, which will allow to take a worthy place in the world community, on the basis of innovation.

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## **ECONOMIC IMPACT OF THE NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)**

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**Demydenko R. A., Skrypnyk T. I. Economic impact of the North American Free Trade Agreement (NAFTA).** The article analyzes the economic effects of the signing of the North American Free Trade Agreement for Mexico, the USA and Canada and main characteristics of their interactions. The impact of combining the advantages of three countries: the US high-tech industries and investment sector, Canadian natural resources and the Mexican cheap labour force is researched. Conclusions regarding consequences were made on the basis of the analysis of a number of economic indicators dynamics.

**Keywords:** cheap labor force, economic effects, economic indicators, investment sector, natural resources.

**Демиденко Р. А., Скрипник Т. І. Економічні наслідки Північноамериканської угоди про вільну торгівлю (НАФТА).** У статті проаналізовано економічні наслідки підписання Північноамериканської угоди про вільну торгівлю для Мексики, США і Канади та основні особливості їх взаємодії. Досліджено результати поєднання переваг трьох країн: американських високих технологій та інвестицій, природних ресурсів Канади та мексиканської дешевої робочої сили. Висновки щодо наслідків зроблено на основі аналізу динаміки ряду економічних показників.

**Ключові слова:** дешева робоча сила, економічні наслідки, економічні показники, інвестиційний сектор, природні ресурси.

**Демиденко Р. А., Скрипник Т. И. Экономические последствия Североамериканского соглашения о свободной торговле (НАФТА).** В статье проанализированы экономические последствия подписания Североамериканского соглашения о свободной торговле для Мексики, США и Канады, а также особенности их взаимодействия. Исследованы результаты сочетания преимуществ трех стран: американских высоких технологий и инвестиций, природных ресурсов Канады и мексиканской дешевой рабочей силы. Выводы о последствиях сделано на основе анализа динамики ряда экономических показателей.

**Ключевые слова:** дешевая рабочая сила, экономические последствия, экономические показатели, инвестиционный сектор, природные ресурсы.



The object of the article are consequences of setting up the free-trade zone in North America. The subject is the impact of the agreement on economic development of member countries. The purpose of the present paper is to analyze the characteristics of interactions between Mexico, the USA and Canada and its positive and negative effects on their economic indicators.

According to UNCTAD, NAFTA countries generate 26,1% of world GDP and export 12,9% of world exports [6]. It is clear that the US share in these indicators prevails due to the fact that the scale of its economy is difficult to compare with the scale of the economies of Mexico and Canada. NAFTA is a monocentric union centered on the United States. In the overall GDP structure of the NAFTA countries the gross domestic product of the United States has been almost 90% of the cumulative GDP of the group for several decades. NAFTA carried out more than 80% of trade in Mexico and Canada and more than 1/3 of US trade, membership in the association adds \$60 billion annually to US national income [4].

NAFTA has increased US exports of services to Canada and Mexico with \$25 billion in 1993 to the peak of \$106,8 billion in 2007. The financial services sector was significantly affected by the crisis, by 2009, this sector increased only to \$63,5 billion. By 2012, exports of services rose to \$88,6 billion. More than 40% of US GDP is provided by services such as financial services and healthcare. NAFTA removes trade barriers in most of the service sectors covered by the agreement. The agreement requires governments to publish all rules, which regulate reducing hidden costs and doing business.

Another consequence of the deal was creating 5 million new jobs in the US. US manufacturers providing more than 800,000 jobs since 1993 to 1997. In 2014 the export of manufacturers totalled \$487 billion, giving \$40,000 export earnings for each worker [5]. Even imports from NAFTA partners have created jobs, because about 40% of US imports from Mexico came from US companies. They developed products domestically and then moved a part of the production process to Mexico. Since the signing of NAFTA, foreign direct investment in Canada and Mexico has tripled to \$452 billion

by 2017. Investment has increased the profits of US businesses and provided more opportunities for market development and exploration new markets.

NAFTA tariff barriers were finally abolished in 2008, but despite its eliminations between the USA, Canada and Mexico, the most intensive trade is taking place in two directions: USA – Canada, USA – Mexico. In fact, through the signing of the aforementioned agreement, the United States opened for themselves wide markets for goods and attracted the attention of cheap foreign labor. Therefore, in order to characterize in details the results of the cooperation of NAFTA members, we ought to consider the cooperation in two directions: the USA-Canada, the USA-Mexico.

Nowadays, Canada's role in the world economy is quite significant. The main feature of Canada's foreign trade relations is the dominant position of the USA (70% of Canadian exports, 76% of US exports). US exports to Canada are \$207 billion, while imports from it are \$268 billion [2]. The regional orientation of Canada's foreign trade operations is driven by its geographical proximity to the United States, as well as by the fact that Canada is a member of the North American Free Trade Agreement, which includes the United States and Mexico. At the same time, goods shipped to the United States are mostly manufactured by subsidiaries of US companies in Canada. Cars and agricultural products go to America from the north. Over 25% of Canada's foreign direct investment is located in the US. According to an analysis of Canada's foreign trade operations over the last three years, the country is one of the leading trade centers in the world. Canada's main exports are cars and parts, industrial equipment, telecommunications equipment, chemicals, plastics, fertilizers, timber and wood products, crude oil, natural gas, electricity and aluminum. Increased participation of Canada in the global economy growth is due to export and import operations. The foreign sector is important for the economy of Canada as it provides economic growth. A significant percentage of Canada's imports is covered by foreign equipment and vehicles supplied by the USA.

The main purpose of Mexico's accession to NAFTA was to overcome the deep economic crisis that prevailed in the country at that time. NAFTA was also perceived as a kind of reinforcement of the neo-liberalization that was taking place in Mexico at that times. After signing the agreement in early 1994, the economic crisis threated Mexico. However, it was also caused by other factors: political killings and uprisings in the southern states of Mexico. Now the situation has turned to the positive side. There has been a significant increase in the investment attractiveness of Mexico, which has made it one of the most profitable countries for investment and production of goods. Hundreds of American, Canadian, European and Asian companies have deployed their business in this country, a wide range of electronics, mechanical engineering and metalworking industries, as well as chemical and paper products are started being produced there. For foreign investors, Mexico's geographical proximity to the United States is the most attractive factor [1]. The main investor in Mexico is the United States, and the main object of their investments are "makiladoras". These companies account for 50% of Mexico's exports and about \$40 billion annual sales.

Pursuant to the provisions of the NAFTA agreement, it is allowed to import duty-free cars manufactured in Mexico into the United States. Because Mexico's labor force is cheaper, many American trucking companies have partly moved their production to the territory of the southern neighbor [5]. This allowed Mexico to be ranked seventh as a manufacturer and fourth as a car exporter in the world. About 750,000 Mexicans work in this industry. But due to Trump's new policy to automakers that have their manufacturing facilities in Mexico about paying a heavy tax when shipping goods across the border, Ford, for example, has refused to build a car plant in the Mexican city of San Luis Potosi. It led to the fall of the Mexican peso. Instead, the plant is planned to be built in Michigan [3].

Considering living standards in Mexico, it should be noted that joining to NAFTA did not lead to any positive results. The Mexicans living in poverty make up 13,3% of the total population, while the average for Latin America is 11,5%. It concerns 40,78 million

Mexicans living below the poverty line and 14,44 million people living in poverty [8]. It explains the high level of illegal Mexicans immigration, especially to the United States and Canada. More than 12 million people have moved from Mexico to the United States since 1970, of which more than half are legal [7].

Therefore, when analyzing the economic impact of NAFTA on Mexico, it is worth noting that the process is difficult to evaluate clearly. NAFTA did not become the "lifeline" that was supposed to pull Mexico out of the crisis. Of course, Mexico's industry is developing and, as a consequence, there is the increase in trade, but at the same time Mexico's socio-economic development has become extremely dependent on the United States.

Considering the positive effect of integration for the US economy, we can see that it is not as significant as in Mexico, as their trade relations account for less than 3% of US GDP. And with the increase in cheap labour, employment has declined in some industries. Benefits for the US economy are related to the development of capital-intensive and high-tech industries, the growth of employment, as well as in the services sector development, the growth of agricultural output and employment in agriculture. Accession to the Agreement resulted in an increase in trade between the participating countries (in 1993-2017, US exports to Canada and Mexico increased from \$142 billion to \$524 billion, an increase by 507% compared to 1994 in trade with Mexico and by 193% with Canada) [6].

Over the 20 years of NAFTA's existence, the US trade deficit with other members of this agreement has increased 15 times, accounting for nearly 30% of the US total trade deficit.

Another disadvantage of this agreement is the loss of jobs by Americans (on average 16 million people lost their jobs). However, it is clear that the cumulative effect of NAFTA is still positive. The agreement has led not only to increase the budget of large US companies, but also to reduce the overall cost of US households [7].

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**PSYCHOLOGICAL OPERATIONS:  
THE COMPONENTS OF SUCCESSFUL *PSYOP***

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**Derkach D. S., Davydenko I. V. Psychological operations: the components of successful PSYOP.** The article analyzes and defines what PSYOP is and identifies four variables that are necessary for successful PSYOP messaging: profound knowledge of the target audience, the correct medium, and the perceptiveness of the target audience.

**Key words:** psychological operations, PSYOP, psychological warfare, PSYWAR.

**Деркач Д. С., Давиденко І. В. Психологічні операції: складові успішних ПО.** У статті аналізується та визначається, що таке ПО, виявляються чотири змінні, які необхідні для успішного обміну повідомленнями ПО: глибокі знання цільової аудиторії, адекватне середовище та сприйнятливність цільової аудиторії.

**Ключові слова:** психологічні операції, ПО, психологічна війна, ПВ.

**Деркач Д. С., Давыденко И. В. Психологические операции: составляющие успешных ПО.** В статье анализируется и определяется, что такое ПО, выявляются четыре переменные, которые необходимы для успешного обмена сообщениями ПО: глубокие знания целевой аудитории, правильная среда и восприимчивость целевой аудитории.

**Ключевые слова:** психологические операции, ПО, психологическая война, ПВ.

The object of the article is the components of successful psychological operations. The subject of the article is psychological operational methods. The purpose of the article is to analyze what PSYOP is and identify four variables that are necessary for successful PSYOP messaging.

Psychological Operations have been used, to some extent, in almost every type of conflict since the Biblical times. During wars and peace, it is directed toward the behavior of a target audience, in order to influence their emotions, motives, and objective reasoning in support of the accomplishment of national aims and objectives.

During war, tactical PSYOP is used to lower enemies' will to fight and ultimately lead them to surrender.

Psychological Operations (PSYOP) is the term that has been used to describe how the army uses selected media to send messages and influence target audiences. PSYOP has outlived the terms "propaganda" and "psychological warfare" (PSYWAR) by more than twenty years each. PSYOP can be considered as the actions taken by an organization to decrease an enemy's morale and efficiency, lessen their will to fight, and ultimately make them surrender. In order to disseminate the selected information, the organization develops a product or a message, which can be audio, visual, or combination of the both, and provided by the appropriate media that will produce maximum effect in order to reach the target audience.

PSYOP can be understood as planned operations to convey selected information and indicators to foreign audiences in order to influence emotions, motives, objective reasoning, and ultimately the behavior of foreign governments, organizations, groups, and individuals. The purpose of Psychological Operations is to induce or reinforce foreign attitudes and behavior in favor of the originator's objectives" [1]. In order to influence foreign TAs, PSYOP employ all instruments of national power including diplomatic, information, economic measures, and military operations.

PSYOP is used to amplify the effects of military operations; these methods are used during offensive and defensive operations, employed to hasten the eventual defeat of enemy forces through a number of ways, including undermining the will of the enemy to resist and, undercutting the credibility of the enemy's leadership, increasing unrest among the civilian population over the enemy's areas, fostering desertion or surrender of the enemy's forces, reducing civilian interference by carrying out military operations, increasing acceptance of friendly forces in the occupied territory, and countering enemy's propaganda [2]. These methods are also used during stability operations; PSYOP supports counterterrorism, noncombatant evacuation operations, foreign internal defense, unconventional warfare, and humanitarian assistance.

The current military doctrine calls for a seven-phase PSYOP process. “The seven-phase PSYOP process is a standardized, nonlinear framework according to which PSYOP can be planned and conducted in order to carry out a wide range of missions.” [3]

Phase I / planning / identifies the Psychological Operations objectives (PO), supporting Psychological Operations objectives, potential target audiences, initial assessment criteria, and baseline data. In order to accomplish the PO, two or more supporting PSYOP objectives are needed.

Phase II / target audience analysis / defines the PSYOP arguments, used and recommended actions that the military and its allies can undertake to influence the behavior of selected foreign audiences. Also during this phase, the media that will be used to carry the messages to the Target Audience (TA) will be identified. PSYOP planners use the best media to disseminate the messages to the TA. There are a number of media that are capable to disseminate or communicate the message, including face-to-face communication, broadcast communication such as radio and television, print material such as newspaper, handbills, leaflets, and posters, and digital dissemination such as the Internet.

Phase III / series development / includes a “complex, creative, and collaborative process that creates synergy between multiple products and actions to achieve the desired behavior change for a single target audience. Series development is the bringing together of a number of products or messages that will help accomplish a single SPO. It usually takes more than one product or message to change the behavior of a single TA.

Phase IV / product development and design / provides the product/action worksheet, using information from phases I to III. The worksheet is a source document and conceptual tool for creating products (messages) and providing guidance for pretest and posttest questionnaires.

Phase V / approval / is the stage during which the PSYOP series goes through an internal review board, after pretesting and appropriate changes have been applied to the products, and then



staffed out for review and signature by the official approval authority.

Phase VI / production, distribution, and dissemination: the products [messages] are mass produced, moved to the dissemination point, and then are disseminated, which can be called “the actual delivery of the PSYOP message to the TA.”

Phase VII / evaluation / is the process of evaluating the achievement of the SPOs and assessing the overall impact of the PSYOP series on the TA behavior. PSYOP evaluation is achieved through the monitoring of impact indicators, which answer the assessment criteria questions. PSYOP assessment criteria are the objective measures used to monitor and assess changes in TA behavior over time...impact indicators are specific, measureable, and observable behavior performed by the TA...analysis of the impact indicators over time will show behavior trends, which determine whether the SPOs are being achieved.” [4]

In addition to its military mission, PSYOP provides support to ambassadors and country teams in order to reinforce diplomatic efforts through a number of operations including counterdrug operations, humanitarian mine action, and peace building. PSYOP can be used to support economic measures in the establishment of an exclusion zone. Exclusion zones can be established in the air (no-fly zone), sea (maritime), or on land to prohibit specified activities in a specific geographic area. PSYOP can be used to inform and influence the target audience to act or not to act within that zone. Historically, most of the information written about PSYOP is about PSYOP used within military operations.

PSYOP messaging consists of four variables: in-depth knowledge of the TA, the message, the medium and the perceptiveness of the TA. The first is the in-depth knowledge of the TA. Studying the enemy before and during the conflict gives the PSYOP planner the necessary knowledge to employ PSYOP against it properly. Learning everything they can about the culture, attitudes, emotions, values, and ethics gives valuable insights as to why the TA behaves the way it does. In order to change the behavior of the TA,

one must understand why the TA behaves the way it does. In-depth knowledge of the TA allows the PSYOP planner to understand the behavior and what they need to do to change it.

Initial research on the area of operation, which the TA is in, should have already been conducted. PSYOP (planners) should keep abreast of current events and study the history, culture, society, and political makeup of their respective target countries or regions to increase their awareness of long-standing and emerging PSYOP-relevant issues. This initial research allows the PSYOP planner to have a base knowledge of the TA and its surroundings. To build on this base knowledge, the PSYOP planner conducts in-depth research on the TA during Phase II, Target Audience Analysis. Researching PSYOP-specific intelligence, open source information, supported unit documentation, finished intelligence products, and special PSYOP studies and assessments by the Strategic Studies Detachment (SSD) allow the PSYOP planner to identify the conditions, vulnerabilities, susceptibility, and accessibility of the TA, which will allow them to target the required behavioral change effectively. The PSYOP planner will also identify any differences in meaning between the TA's and planner's languages. The differences of meanings in languages, can cause the TA to misunderstand the PSYOP message. If the TA misunderstands the PSYOP message, then there is a possibility that the message will not achieve the desired behavioral change that it was intended to do.

The second one is the message itself. Dealing with print products, the most useful information on messages that Phase IV provides is "factors contributing to effective message writing include the following: good practical knowledge of the TA language, recent residence in the target location and familiarity with current happenings in that area, familiarity with the organization of the TA's leadership, equipment, and arms, familiarity with the civilian population and the political, sociological, economic and psychological environment, and access to personnel with experience in advertising, journalism, public relations, or marketing.

The third variable is the medium. During Phase II, the best medium is selected. The PSYOP Soldiers determine which media can reach the TA and up to what degree the TA can be influenced by each media type. There are a number of tasks that the PSYOP planner completes in order to choose the best medium. These tasks include: deciding how the TA currently receives information, deciphering current media patterns and usage, determining how the TA uses the medium, discovering how involved the TA is in the process, understanding whether the TA assesses the media individually or with others, debating what new media can be used to access the TA, including all of the information on the target audience analysis worksheet (TAAW), and articulating the technical aspects of each media. Once these tasks are complete, they will help answer the question, ‘What types of media will effectively carry PSYOP [message] to the TA.

The fourth variable is receptiveness of the TA. The current doctrine discusses susceptibility of the TA but fails to address TA receptiveness. During phase II of the seven-phase PSYOP process, the PSYOP planner implements the Target Audience Analysis Model (TAAM). The TAAM “is a practical research and analysis method that yields the necessary information for developing PSYOP products and actions. Determining TA receptiveness is not identified at any of the seven steps. If the TA is perceptive, then they are ready or willing to receive favorably or open to arguments, ideas, or change. For the TA to be influenced by the PSYOP message, they first need to be receptive to the message [5].

**C o n c l u s i o n .** PSYOP can be considered as the actions taken by an organization to decrease an enemy’s morale and efficiency, lessen their will to fight, and ultimately make them surrender. PSYOP is used to amplify the effects of military operations. Current military doctrine calls for a seven-phase PSYOP process. There is planning, target audience analysis, series development, product development and design, approval, production, distribution, dissemination, evaluation. The strength of the four variables studied in this article – in-depth knowledge of the TA, the

message, the medium, and the perceptiveness of the TA – offers insights as to the potential success of a given PSYOP operation.

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**INFLUENCE OF THE ENGLISH LANGUAGE  
ON GLOBAL POLITICS  
AND INTERNATIONAL RELATIONS**

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**Dilanian A. K., Zmiyova I. V. Influence of the English language on global politics and international relation.** The article gives a brief overview on the history of the English language and gives the reasons why it has become an international language used in most of the countries. The article explains what made English an engine of modern international relations and the swing outcome factor in global politics.

**Key words:** English language, influence, politics, relations, role.

**Діланян А. Х., Зміюва І. В. Вплив англійської мови на світову політику і міжнародні відносини.** У статті подано короткий огляд історії становлення англійської мови, як міжнародної та вживаної у багатьох країнах світу. Також у статті наведено причини та приклади того, як англійська мова стала рушієм сучасних міжнародних відносин та вирішальним фактором у світовій політиці.

**Ключові слова:** англійська мова, відносини, вплив, політика, роль.

**Діланян А. Х., Зміюва И. В. Влияние английского языка на мировую политику и международные отношения.** Статья дает краткий обзор истории становления английского языка, как международного и употребляемого в большинстве стран мира. Также, в статье приведены примеры того, как английский язык стал двигателем современных международных отношений и решающим фактором в мировой политике.

**Ключевые слова:** английский язык, влияние, отношения. политика, роль.

The actual value of this paper is defined by the rising importance of the English language for European politics and by the impact of English speaking countries on nowadays' international relations and global processes.

The object of the research in the article is the reasons of the English language becoming a powerful instrument in modern politics.

The purpose of this paper is to define the position of the English language in global politics and its influence on international relations.

Language is important as it is one of the main ways to communicate with other people around the world. English is a prime example of the importance of a language according to its status of an international one. Nowadays, the role of English in the world is immeasurable. Almost 380 million people speak English as their first language and with the people who use it as the second one, the number reaches to more than 1.5 billion [3, p. 11]. English is playing a major role in many areas like education, medicine, engineering and business.

This could be related to a world-wide tendency of interest in “soft power” since modern international relations have a growing interest in non-military and non-economic instruments of foreign policy interest. Initially, Joseph Nye, putting forward the concept, believed that a country’s “soft power” is based on three factors [3]:

1. culture;
2. political values;
3. foreign policy.

It should be mentioned that culture in a country that relates itself to a “soft power” one, needs to be attractive for foreign states. As a language is a part of culture, it becomes one of the tools of Nye’s concept.

According to the Soft Power 30, an annual index published by Portland Communications and the USC Center on Public Diplomacy for 2018, the United Kingdom is the leading sovereign state in soft power. Although, in 2019 the first position is for France, the UK still leads with the second place. The 2016/17 Monocle Soft Power Survey ranks the United States as the leading country in soft power. The Elcano Global Presence Report scores the European Union highest for soft presence when considered as a whole, and ranks the United States first among sovereign states [4].

The trend of English-speaking countries using the “soft power” can be observed. That means that the linguistic factor is becoming

more and more important in international politics, especially for the countries-actors that have certain influence on the course of action on the “grand chessboard”. There are international organizations such as The English-Speaking Union or International Organization of the Francophonie creating aimed at supporting all the countries and nations, which are connected with their language.

They seek the participation of their own government departments and representatives of civil society in international and regional actions, as well as image and political advantages. Thus, a national language is a powerful thing of promoting their national interests abroad.

Spreading of English is rooted to XV century, when the first Englishmen came to Northern America and settled there. That started the long journey of English from a national language to an international one. Why? The reason is that later that settlement will be known as the first in The United States of America. Now, we can conclude that the underlying cause of popularity of a language is the status of the country where the language came from [5, p. 68].

Another example is the position of English in India. It is worth mentioning that India was a colony and now is a member of Commonwealth of Nations (former British Commonwealth of Nations) that tells us about high level of India-Great Britain relations that evolved from relations between a colony and a metropolis to bilateral ones. In other words, the United Kingdom, deprived of the opportunity to influence India directly, continues to exert influence through the dissemination of its culture and language, according to the principle of international organizations outlined above, although now it is not as effective as it was when Great Britain was a mother country. Nowadays, English is still one of the international languages. It is a working language in United Nations, NATO, The Council of Europe etc. [5, p. 70].

The number of English speakers is getting bigger and bigger and by the end of 21<sup>st</sup> century it will make nearly 2 billion people. There are several reasons why it is becoming more popular:

First of all, the main reason is the dominant position of the United States in the world. There is a connection between an economic development of a country and the popularity of its language. For example, when the economy of China started to rise, popularity of the Chinese language sharply grew up and yet it is one of the most wide-spread languages in the world. English started to extend at times of the British Empire and continues spreading because of a new so called empire – the States [1, p. 102-103].

Secondly, the usage of English in diplomacy is also a cause of its importance and huge role in politics. As it was mentioned, English is a working language for a plenty of international organizations. Specialists, prepared for international work are taught English. Speeches at meetings of international organizations are also given in English. An attempt to create an international language that will not be tied to any state led to the appearance of Esperanto. This example shows us how exactly politics influence a language, not vice versa. The reason why Esperanto is less popular than English now is that Esperanto has no support and is funded by a couple of non-governmental organizations [1, p. 104-106].

Also, a language policy is needed to be mentioned. This is a set of actions aimed at either encouragement or discouragement of the usage of a language in a particular country. According to the fact that English has already become spread, a lot of countries now have policies aimed at improving the position of English among their people. For instance, the fact that English is taught since primary school in most countries in the world [2, p. 7].

A kind of an indicator of prevalence of English is presence of loan words in other languages. Most of them come from English. Russian, Ukrainian or any other European language are filled with English words. The reason for that is globalization. Nowadays every state tries to keep up to date and so that it can become a part of the evolved world and it is believed that language of the most developed is learnt by less developed.

**C o n c l u s i o n .** Therefore, the English language is widely used as an instrument of foreign policy of states, the world economy,



international cultural interchange, in the scientific and educational spheres, in the formation and development of the one-dimensional or multipolar world, in the military. The role of English, defined by modern political situation, is important and significant. This is due to all the prerequisites for the development and formation of English as the most widespread international language.

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## FEATURES OF THE HEALTH TOURISM DEVELOPMENT IN THE EASTERN REGIONS OF UKRAINE

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**Dobryden O. A., Litovchenko Y. N. Features of the health tourism development in the eastern regions of Ukraine.** The article reveals features and prospects of recreational tourism development in Luhansk and Donetsk regions in comparison with the situation in Ukraine as a whole. Current problems are identified and integrated recommendations for their solution are provided for the purpose of internal tourist flows regeneration and restoration of the competitiveness for medical and recreational facilities in the eastern regions on the national market of tourist services.

**Key words:** competitiveness, development problems and prospects of health-improving tourism, health-improvement tourism, priorities, region, sanatorium and resort complex.

**Добридень О. О., Літовченко Я. М. Особливості розвитку лікувально-оздоровчого туризму у Східних регіонах України.** Стаття присвячена виявленню особливостей та перспектив розвитку лікувально-оздоровчого туризму в Луганській та Донецькій областях порівняно з ситуацією в Україні загалом. На основі якісного та кількісного аналізу визначено актуальні проблеми та надано комплексні рекомендації щодо їх вирішення з метою регенерації внутрішніх туристичних потоків та відновлення конкурентоспроможності лікувально-оздоровчих закладів східних областей на національному ринку туристичних послуг.

**Ключові слова:** конкурентоспроможність, лікувально-оздоровчий туризм, пріоритети, проблеми та перспективи розвитку лікувально-оздоровчого туризму, регіон, санаторно-курортний комплекс.

**Добрыдень О. А., Литовченко Я. Н. Особенности развития лечебно-оздоровительного туризма в Восточных регионах Украины.** Статья посвящена выявлению особенностей и перспектив развития лечебно-оздоровительного туризма в Луганской и Донецкой областях по сравнению с ситуацией по Украине в целом. На основе качественного и количественного анализа определены актуальные проблемы и даны комплексные рекомендации по их решению с целью регенерации внутренних туристических потоков и восстановления конкурентоспособности лечебно-оздоровительных учреждений восточных областей на национальном рынке туристических услуг.

**Ключевые слова:** конкурентоспособность, лечебно-оздоровительный туризм, приоритеты, проблемы и перспективы развития лечебно-оздоровительного туризма, регион, санаторно-курортный комплекс.

The o b j e c t of the article is recreational tourism whereas the s u b j e c t is the development of recreational and health tourism in Ukraine. The aim of the research is to analyze the development of recreational infrastructure and indicators in Ukraine and abroad by regions, discover the most important trends and prospects for developing recreational and health tourism in Ukraine.

Medical tourism refers to people traveling abroad to obtain medical treatment. In the past, this usually referred to those who traveled from less-developed countries to major medical centers in highly developed countries for treatment unavailable at home. However, in recent years it may equally refer to those from developed countries who travel to developing countries for lower-priced medical treatments. The motivation may be also for medical services unavailable or non-licensed in the home country: There are differences between the medical agencies (FDA, EMA etc.) worldwide, whether a drug is approved in their country or not. Even within Europe, although therapy protocols might be approved by the European Medical Agency (EMA), several countries have their own review organizations (i.e. NICE by the NHS) in order to evaluate whether the same therapy protocol would be «cost-effective», so that patients face differences in the therapy protocols, particularly in the access of these drugs, which might be partially explained by the financial strength of the particular Health System [1].

Medical tourism most often is for surgeries (cosmetic or otherwise) or similar treatments, though people also travel for dental tourism or fertility tourism. People with rare conditions may travel to countries where the treatment is better understood. However, almost all types of health care are available, including psychiatry, alternative medicine, convalescent care, and even burial services [5].

Health tourism is a wider term for travel that focuses on medical treatments and the use of healthcare services. It covers a wide field of health-oriented, tourism ranging from preventive and

health-conductive treatment to rehabilitational and curative forms of travel. Wellness tourism is a related field.

Wellness tourism is travel for the purpose of promoting health and well-being through physical, psychological, or spiritual activities. While wellness tourism is often correlated with medical tourism because health interests motivate the traveler, wellness tourists are proactive in seeking to improve or maintain health and quality of life, often focusing on prevention, while medical tourists generally travel reactively to receive treatment for a diagnosed disease or condition [3].

The first recorded instance of people travelling for medical treatment dates back thousands of years to when Greek pilgrims traveled from the eastern Mediterranean to a small area in the Saronic Gulf called Epidauria. This territory was the sanctuary of the healing god Asklepios.

Spa towns and sanatoria were early forms of medical tourism. In 18th-century Europe patients visited spas because they were places with supposedly health-giving mineral waters, treating diseases from gout to liver disorders and bronchitis [2].

Eastern regions of Ukraine, which are enriched with natural resources, differ significantly in the state of health-improving tourism development from all over the rest of the country. There are a number of problems that can be highlighted in this area, in particular: reduction of material and technical base; irrational use of natural therapeutic resources; absence of effective economic mechanisms of functioning at a low level of service; lack of internal and external investments, etc. After an analysis of existing publications on this topic, it should be noted that none of the trends in the development of health and wellness tourism in the regions of Luhansk and Donetsk oblasts are revealed; most researchers carry out an overview of the situation in general for Ukraine or separately consider the regions that are now health-improving centres. The purpose of the study is to analyse the current state and prospects of health-improving tourism development in the eastern regions in comparison with other regions of Ukraine. Industrial specialization

of the eastern regions constrains the development of tourism and recreational potential and has an anthropogenic impact on rich natural resources of recreation. Statistics show that for the last four years, there has been a decrease in the number of sanatorium and health resorts. This tendency is primarily caused by the occupation of the Autonomous Republic of Crimea and open military conflict in the territory of Luhansk and Donetsk oblasts. Regarding the number of functioning sanatorium and health resorts in Luhansk and Donetsk oblasts, as well as throughout Ukraine, there is also a negative dynamics. Despite this, all possibilities, including the available natural resources, necessary for the further development of the health-improving sphere remain in the Ukrainian Donbas. The comparative assessment shows the existing difference in the state and characteristics of the resorts' development in the western regions and the Donetsk region. The number of resorts in Lviv region and Ivano-Frankivsk region significantly exceeds their number in the Donetsk region (despite the fact that the directions of development in the last region are more), and therefore, the number of visitors exceeds the tourist flow in the east in several times [6].

Accordingly, there is a need to identify the main factors that adversely affect the development of health and wellness tourism in eastern Ukraine, among them the key ones are: the presence of inadequate information about the Donbas in the conditions of the formed stereotypes; discrepancy between price policy and the quality of services offered; neglect and low competitiveness of accommodation facilities; loss of transport infrastructure and low quality of transport services; lack of information for the interaction with other regions in the country; absence of advertising of sanatorium, health and recreation facilities in the domestic and international tourist services market; Taking into account the list of negative factors, it is necessary to determine the priority directions of the following activities: recognition of the health-improving sphere as one of the priorities within the framework of regional development strategies for Luhansk and Donetsk oblasts; search for financing alternative sources; identification of alternative innovative

directions of development within the framework of medical and health activities; re-profiling of health-improving facilities; restoration of recreational and recreational resources; development of an information campaign for residents of the region and other regions of Ukraine about the possibilities of the health-improving sphere of the Donbas and about the safety of rest in its territory [7].

In conclusion, the implementation of the proposed priorities and certain measures will allow restoring the economic efficiency of the medical and healthcare activities and will enable the regeneration of tourist flows within the eastern regions and gradually attract the attention of the rest population in our country.

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## EXPERIENCE IN USING VALUE ADDED TAX IN EUROPE

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**Doronina Y. A., Nikulimova I. G. Experience in using value added tax in Europe.** This article discusses the concept of value added tax, the principles that it is levied in across Europe. The author focuses on the directives adopted in the European Union to regulate the use of value added tax, considers economically how the value added tax is generated in the country and in what market domestic or foreign.

**Keywords:** value added tax, international classification, European Union directives, VAT principles.

**Дороніна Ю. А., Нікулімова Я. Г. Досвід використання податку на додану вартість в Європі.** У цій статті йдеться про поняття податку на додану вартість, принципи, що їх застосовують у всій Європі. Автор акцентує увагу на директивах, прийнятих в Європейському Союзі щодо регулювання використання податку на додану вартість, економічно розглядає, як в країні формується податок на додану вартість та на якому ринку внутрішній чи іноземний.

**Ключові слова:** податок на додану вартість, міжнародна класифікація, директиви Європейського Союзу, принципи ПДВ.

**Доронина Ю. А., Никулимова Я. Г. Опыт использования налога на добавленную стоимость в Европе.** В этой статье обсуждается концепция налога на добавленную стоимость, принципы, которые он взимается по всей Европе. Автор акцентирует внимание на директивах, принятых в Европейском Союзе для регулирования использования налога на добавленную стоимость, экономически рассматривает, как налог на добавленную стоимость генерируется в стране и на каком рынке отечественный или зарубежный.

**Ключевые слова:** налог на добавленную стоимость, международная классификация, директивы Европейского Союза, принципы НДС.

The s u b j e c t of this article is the tax system and value added tax in European countries.

The p u r p o s e of this article is to define the concept of value added tax. In accordance with the directives defining the principles

and features of the application and allocation of value added. As well as analysis of the use of VAT in different countries in Europe.

The r e l e v a n c e of the state is due to the fact introduction of Value Added Tax (VAT) was necessitated by the need to obtain additional stable revenues to the state budget for economic recovery after World War II.

Value Added Tax (VAT) is one of the youngest taxes to be integrated into the tax systems of Western Europe only in the mid-twentieth century. The need to use such a factor as a value added tax in the European economies was driven by the creation of a common market. The Treaty establishing the European Economic Community (EEC) prohibits the levying of goods imported from Member States with domestic taxes in excess of domestic goods, and the export taxes in excess of those actually levied.

According to the accepted international classification, VAT refers to the category of consumption taxes. The main features of the European VAT system are defined by the EU Council Directives adopted in different years. Of particular importance is the Second Directive of 17 May 1977, which established a single VAT base. The Second Directive refers to the collection of general rules governing the object of taxation, the method of calculating the tax amount and the place where the transaction is subject to taxation; cases of tax exemption, the procedure for reimbursement of VAT paid at the earlier stages of implementation, The existence of such a base is a prerequisite for the uniform application of VAT to the EU Member States, in particular, it is of great importance when determining the amount of taxes to be paid to the single budget. According to the Second Directive, European VAT is a universal tax on consumption, covering trade, industry (including mining), agriculture, and services, while individual Member States have the right, with the agreement of the Commission, to be temporarily excluded from the scope Some areas of the economy (including public radio and television, public mail, real estate, banking and insurance services) are also subject to VAT. Other businesses and firms, as well as services for personal consumption (health care, hairdressing, etc.), the European



Commission aims to reduce the number of VAT exemptions for all activities, including new services, by Member States. In June 1998, the Commission published rules for the application of VAT in the field of electronic commerce, including those established through the international Internet. As of January 1, 2012, standard machines ranged from 15% in Luxembourg and Kippi to 271 in Hungary. Along with the standard, most EU members apply one to two reduced rates, which also vary significantly across countries. For example, the reduced VAT rate for the most important foodstuffs is: in the UK, 0%, in the Benelux countries 3-7%, in Austria-10%, and in Finland, the standard rate is 13% for foodstuffs, tax specialists

There are three main groups of reasons that make it advisable to introduce VAT: it provides high percentages of government revenue, and is characterized by neutrality and, of course, efficiency. In most countries, VAT provides between 12 and 30% of government revenue, which is equivalent to about 5-10% of gross national product. World experience shows that the tax system is VAT-based. provides high stability of budget revenues and little dependence on the nature of the economic environment. This type of tax is a stable and broad budgeting base, and any slight increase in its rates substantially increases budget revenue. VAT has such qualities as versatility and absolute objectivity, it has virtually no effect on the relative competitive position of the economic sectors.

**Conclusion:** The experience of Europe shows us a number of principles on which VAT is levied:

1. In the course of domestic trade. The tax is paid by the seller based on the amount of his sale. In this case, the tax paid to suppliers on purchases is refundable. The final consumer of the right to compensation is not mass.

2. When importing goods, the importer shall pay the tax based on the customs value of the goods. However, he is entitled to a tax deduction of the same amount.

3. Exports of goods are taxed at zero rate. The exporter is entitled to a refund of the tax paid on the purchase (production) of the exported goods

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## ANALYSIS OF THE SIZE OF THE BUDGET DEFICIT IN UKRAINE

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**Dovha M. V., Nikulimova I. G. Analysis of the size of the budget deficit in Ukraine.** The thesis analyzed the size of Ukraine's budget deficit. The implementation of the state budget during 2010-2019 is initially considered. Data were taken from the official website of the Ministry of Finance of Ukraine for consideration. The analysis revealed that the state budget of Ukraine is characterized by a constant excess of expenditures over budget revenues over the period considered. On the basis of the conducted research the necessity of solving the budget deficit is substantiated and the tactical and strategic measures for elimination of this problem are proposed.

**Keywords:** budget, budget deficit, budget revenues and expenditures.

**Довга М. В., Нікулімова Я. Г. Аналіз розміру бюджетного дефіциту України.** В даній роботі здійснений аналіз розміру бюджетного дефіциту України. На початковому етапі розглянуто виконання державного бюджету протягом 2010-2019 років. Для розгляду були взяті дані з офіційного сайту Міністерства фінансів України. В ході аналізу виявлено, що державний бюджет України характеризується постійним перевищенням видатків над доходами бюджету протягом розглянутого періоду. На основі проведеного дослідження обґрунтована необхідність вирішення питання бюджетного дефіциту та запропоновані тактичні і стратегічні заходи по усуненню даної проблеми.

**Ключові слова:** бюджет, дефіцит бюджету, доходи та видатки бюджету.

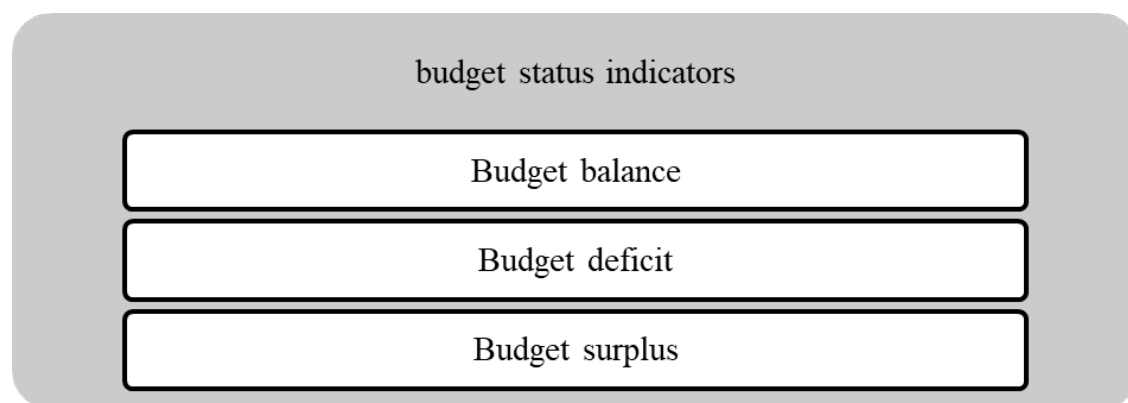
**Довга М. В.б Никулимова Я. Г. Анализ размера бюджетного дефицита Украины.** В данной работе осуществлен анализ размера бюджетного дефицита Украины. На начальном этапе рассмотрено выполнение государственного бюджета в течение 2010-2019 годов. Для рассмотрения были взяты данные с официального сайта Министерства финансов Украины. В ходе анализа выявлено, что государственный бюджет Украины характеризуется постоянным превышением расходов над доходами бюджета в течение рассматриваемого периода. На основе проведенного исследования обоснована необходимость решения вопроса бюджетного дефицита и предложены тактические и стратегические меры по устранению данной проблемы.

**Ключевые слова:** бюджет, дефицит бюджета, доходы и расходы бюджета.

The s u b j e c t of the study in this paper is the state of the centralized monetary fund of Ukraine. The p u r p o s e of the study is to evaluate the state budget. The r e l e v a n c e of the study lies in the application of forms and methods of budgeting at different levels, the efficient use of budgetary resources, inter-budgetary relations.

The state of the state budget reflects the economic and social situation of the country. Each country is interested in expanding its budgetary capacity, as it enables it to fully fulfill its functions and improve the standard of living of its population. But in practice, most countries face problems of lack of funds in the budget (budget deficits) and seeking to attract them.

For Ukraine, the problem of budget deficits is one of the most urgent ones. It is obvious that the budget system of Ukraine, and especially the budget deficit, needs improvement: forms and methods of planning budgets of different levels, efficient use of budgetary funds, intergovernmental budgetary relations. The state of the budget, as a centralized fund of state funds, can be characterized by three indicators, which is presented in Fig. 1.



*Source: [1]*

Figure. 1: Budget status indicators

The balance of the budget (balance of incomes and expenditures) is a normal phenomenon and indicates the balance of the budget, namely the sufficiency of revenue sources to finance the needs of the state in the budget year. Budget surplus (excess of income over expenditure) means economic and financial stability in

the country. The budget deficit (excess of expenditures over revenues) indicates that the planned expenditures of the budget exceed the available sources of budget revenues.

In today's world there is no state that, in its formation, would not have a budget deficit. The budget deficit arises from the imbalance of the budget, that is, the lack of budgetary resources compared to their need to finance public spending.

There are various reasons for a budget deficit. In general, the main reason for the budget deficit is the excess of budget costs compared to the amount of budget income.

Budget deficit is a phenomenon almost constant in the economy of every state. The budget of Ukraine is also characterized by a deficit. The implementation of the state budget of Ukraine from 2010 to 2018 is presented in Table 1.

*Table 1*

**Execution of the state budget of Ukraine  
from 2010 to 2018, in million UAH**

Year	Income	Costs	Lending	Balance (budget deficit)
2010	240615,2	303588,7	1292	-64265,5
2011	314616,9	333459,5	4715	-23557,6
2012	346054	395681,5	3817,7	-53445,2
2013	339180,3	403403,2	484,7	-64707,6
2014	357084,2	430217,8	4919,3	-78052,8
2015	534694,8	576911,4	2950,9	-45167,5
2016	616274,8	684743,4	1661,6	-70130,2
2017	793265	839243,7	1870,9	-47849,6
2018	928108,3	985842	1514,3	-59247,9

*Source: Ministry of Finance of Ukraine [3]*

Analyzing the dynamics of the actual state budget deficit, we can observe the constant fluctuations of the budget deficit of Ukraine. In 2011, the absolute size of the deficit decreased by 64.44%, but already in 2012–2014, the deficit began to increase and in 2014 compared to 2011 it increased by 67.99%. In 2017, it

decreased, and in 2018 it amounted to UAH 59 247.9 million, what is more than the previous year.

Ukraine focuses on the use of the credit method to overcome the budget deficit. The country's domestic borrowing is not enough to cover the deficit, so Ukraine is forced to turn to international creditors. The main external creditors of Ukraine are such international financial institutions as the International Monetary Fund, the European Union and the World Bank.

For 2019, the limit amount of deficit of the State Budget of Ukraine is approved in the amount of 91 134, 320 thousand UAH, including the limit amount of deficit of the General Fund of the State Budget of Ukraine - in the amount of 69 617,200 thousand UAH and the limit amount of deficit of the Special Fund of the State Budget of Ukraine - in the amount of 21517,120 thousand UAH [2]. The implementation of the state budget of Ukraine in 2019 is presented in Table 2.

*Table 2*

**The implementation of the state budget of Ukraine  
in 2019, in million UAH**

<b>Month</b>	<b>Income</b>	<b>Costs</b>	<b>Lending</b>	<b>Balance (budget deficit)</b>
<b>January</b>	54550,7	65817,4	667,5	-11934,2
<b>February</b>	124770,7	138487,4	-8,6	-13708,1
<b>March</b>	210623,7	237399,5	-609,7	-26166,1
<b>April</b>	322564,1	324801,7	-518,9	-1718,7
<b>May</b>	426720,6	420436,3	-1370,3	<b>7654,6</b>
<b>June</b>	506849,3	508564,9	-844,0	-871,6
<b>July</b>	584137,1	586490,6	503,6	-2857,1
<b>August</b>	671795,9	668895,4	515,2	<b>2385,3</b>
<b>September</b>	739751,0	758748,1	1678,0	-20675,1

*Source: Ministry of Finance of Ukraine [3]*

In 2019, two values of the positive balance of the budget were recorded, namely in May and August. However, the budget deficit at the end of 2019 is estimated at UAH 91134,320 million, which is UAH 31 886,42 thousand more than in 2018.

In most countries of the world, including Ukraine, budget deficits have become chronic. They give impetus to inflationary processes and divert significant amounts of financial resources from the private sector. Therefore, the budget deficit optimization issues need to be addressed both in the short and long term. At the same time, it is advisable to develop tactical and strategic measures to eliminate the budget deficit.

Tactical measures include the following:

- ❖ To find ways to increase budget revenues;
- ❖ Use of advanced budgeting technologies;
- ❖ Stock market development;
- ❖ Reduction of inefficient tax benefits;
- ❖ Improvement of the tax control system;
- ❖ Reduction of management costs;
- ❖ Introducing a rigid budget savings regime and others;

Strategic areas for addressing budget deficits include measures related to economic development, increased revenues and the rational use of budget expenditures.

**C o n c l u s i o n .** Thus, the conducted researches show that the state budget of Ukraine on incomes and expenditures today does not meet the socio-economic needs of the country. The state has to change the vectors of its development in order to make major changes in the economy and social sphere. Without large-scale transformations in the country it is not possible to significantly increase the amount of revenues and expenditures of the state budget.

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## CHINA'S ROLE IN GLOBAL POLITICS

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**Dubnytska O. S., Musaeva R. Sh. China's role in global politics.** The article discusses the issue of China's position in international relations, the main goal pursued by China, the economic foundation of China's development, its recognition in the world. The influence of globalization on the development of international relations in China is researched. The occurrence of number of economic problems is discussed.

**Keywords:** globalization, global politics, world economy, international relations, China's development.

**Дубницька О. С., Мусаєва Р. Ш. Роль Китаю у глобальній політиці.** У статті розглядається питання положення Китаю в міжнародних відносинах, основна мета, до якої прагне Китай, економічний фундамент розвитку Китаю, його визнання у світі. Відзначено вплив глобалізації на розвиток міжнародних відносин Китаю. Розглядається виникнення ряду економічних проблем.

**Ключові слова:** глобалізація, глобальна політика, світова економіка, міжнародні відносини, розвиток Китаю.

**Дубницкая Е. С., Мусаева Р. Ш. Роль Китая в глобальной политике.** В статье рассматривается вопрос положения Китая в международных отношениях, основная цель, которую преследует Китай, экономический фундамент развития Китая, его признание в мире. Отмечено влияние глобализации на развитие международных отношений Китая. Рассматривается возникновение ряда экономических проблем.

**Ключевые слова:** глобализация, глобальная политика, мировая экономика, международные отношения, развитие Китая.

The o b j e c t of the article is the process of globalization of world politics and all spheres of society in the modern world. The s u b j e c t is China's continuous development in the context of international relations. The p u r p o s e of the article is to draw attention to the role and position of China in the world, to the most problematic economic issues of the state, how to solve them or completely eliminate them, and further prospects for influence on the diplomatic life of Asia. To determine the level of recognition of

China in international relations, the participation of China in world politics and in the global economy as a whole is analyzed [1].

The modern world geopolitical situation is notable for a marked strengthening of the “Chinese” factor in world politics, which now has the following features:

- the high dynamism of changes in the international structure, which manifested itself noticeably with the emergence in the 21st century of organizations such as the SCO, BRICS, and the “20” group, in which China appears as a country that structures this system and takes a leading position in it;
- critical instability in the world economy and world finances, the situation of China with its annual stable growth again looks not only more advantageous, but also dominant, and if we add here the increase in the share of China in the IMF, then China will turn out to be the only beneficiary country;
- the marginal risk of regional conflicts in the Middle East (Syria, Iran, Israel-Palestine), and now in the South China zone (China – Philippines, Vietnam) and the East China Sea (China – Japan). And here, for the first time, China finds itself in a weak and, one might say, vulnerable position.

The main content of world politics of the next decade is the global geopolitical confrontation between China and America [2].

Under these conditions, the role of China (as a participant or regulator of the conflict) and its ability to project “hard” power in world affairs is growing.

Despite the contradictions within China associated with the development of the party system, corruption, to the beginning of the XXI century. The People’s Republic of China has formed as a fairly economically developed state – today China is the largest country in terms of industrial production, space and nuclear power. With industrial growth and economic development, China’s foreign policy is also activated, and the degree of its activity is directly correlated with the economic successes of this state [4]. Changes in the guiding foreign policy ideas of the three generations of the CCP leadership (from the national Reform and Openness policy under Deng

Xiaoping, the Three Representatives policy under Jiang Zengming and the Harmonious Peace under Hu Jintao to the formation of the concept of the Chinese Dream under Xi Jinping) led to that in the XXI century. China, albeit implicitly, but consistently and methodically, claims to be not only a status of a significant participant in international relations, but even a status of world politics leader [3].

However, just as the industrial growth of the PRC is accompanied by a number of pronounced contradictions (the PRC economy is not so effective, it's development is extensive, because of which the quality of manufactured products suffers; due to the large population, the per capita income indicator lags significantly behind the advanced countries of the world; economic development is also uneven – coastal provinces are significantly ahead of the backward inland regions of the country; the modern Chinese economy is almost completely dependent on foreign markets; challenges remain unemployment and internal separatism), China's foreign policy strategy also faces a number of difficulties and problems [5]. Of course, in many respects these difficulties and problems come from domestic economic and social issues, and appear because China is forced to balance between fulfilling two very difficult tasks – resolving domestic political crises and constantly maintaining international prestige. In addition, the situation is becoming more complicated due to the ambivalent attitude of other countries, primarily Western countries, to the new orientations of China in it's foreign policy [8]. On the one hand, the world market-democratic community appreciates the existing mutually beneficial trade and economic relations with China, and from the point of view of the economy perceives it as “their own,” that is, following the market development path. On the other hand, China's political and ideological guidelines (maintaining the CCP's monopoly on political power) remain alien to Western democracy. Thus, in the new international environment, with it's continuously ongoing processes of globalization, the United States and its main allies in the Asia-Pacific region (Australia, Japan, the Philippines,

Singapore, South Korea and Thailand) are at a crossroads, not knowing what model of relations with China prefer: whether to restrain the growing power of China or build relations with him as an equal political partner [3].

It should be noted that although China's increasing influence on international relations comes into conflict with the interests of the United States in the Asia-Pacific region, and with the position of the United States as a leader and superpower of the modern world, relations between the two powers do not need to develop as part of the confrontation , military-political, ideological and cultural confrontation. However, the political dialogue between China and the United States, the settlement of the interests of these two states on the world stage, can lead to an unexpected cooling of relations between Russia and China, the rapprochement between which took place against the backdrop of a conflict of interests between China and the West [6].

However, nothing indicates that in the near foreseeable future, China intends to seriously change the main guidelines of its foreign policy neither towards improving relations with the West, nor towards suspending Russian-Chinese "strategic cooperation", as there are no objective reasons able to push the Middle Kingdom on this step. Therefore, most likely in the coming years, China will continue to balance on the verge between an open confrontation with the United States and the path to possible cooperation between the two states (although the transition to the second scenario is still more likely due to the recent change of the US leadership), as well as further develop strategic cooperation ”with the Russian Federation [7].

In addition, China has far-reaching strategic plans for creating “soft forces” that are part of the spiritual foundations of China's economic culture. For example, many Chinese sources speak of plans for an increase until 2020, in which there are from 690 to 1000 people, from among foreign students studying in China from 400 thousand to 500 thousand US dollars, from 50 to 100 analytical centers of the new type. Currently, a new “One belt – one way” transport and logistics strategy, which as a whole includes

megaprojects “The Silk Road Economic Belt” and the “21st Century Sea Silk Road” mega-project, is being launched as a basic tool of “soft power”, providing for the expansion of cargo transportation between Asia and Europe, the development of relations with the countries of the CIS, Asia, Africa, the Middle East, Latin America and the European Union. However, it is necessary to balance internal conflicts [4].

Thus, we can conclude that China has an ambiguous position on the world political arena in the 21st century, China’s changing place in the modern world, and its role in international relations is gradually increasing, which, however, is largely dependent on traditional threats, risks and challenges coming from outside or from the activities of the Chinese leadership, as well as whether the pace of their decision corresponds to the speed of their occurrence [2].

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## THE ECONOMIC IMPACT OF BREXIT

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**Dudka A. A., Derkach E. O. The Economic Impact of Brexit.** The article is devoted to the analysis of the impact of the United Kingdom's withdrawal from the EU. The conclusions which reflect the possible effects of Brexit on regional economic development are provided. The main messages from the macroeconomic effects of Brexit: long- term and short -term are summarized.

**Keywords:** Brexit, long-term, short -term, the macroeconomic effects, impact.

**Дудка А. А., Деркач Є. О. Економічний вплив Брексіту.** Стаття присвячена аналізу впливу виходу Об'єднаного Королівства з ЄС. Робляться висновки, які описують можливий вплив Брексіта на регіональний економічний розвиток. Підводяться підсумки головного макроекономічного впливу Брексіта- як короткострокового так і довготривалого.

**Ключові слова:** Брексіт, довготривалий, короткостроковий, макроекономічний ефект, вплив.

**Дудка А. А., Деркач Е.А. Экономическое влияние Брексита.** В статье описывается общее влияние выхода ЮК из Евросоюза. Делаются заключения, которые описывают возможное влияние Брексита на региональное экономическое развитие. Подводятся итоги главного посыла макроэкономического влияния Брексита – как краткосрочные так и долгосрочные.

**Ключевые слова:** Брексит, долгосрочный, краткосрочный, макроэкономический эффект, влияние.

The o b j e c t of the article is Brexit, the s u b j e c t is the possible effects of Brexit on regional economic development. The a i m of the research is to analyze the main message from the macroeconomic effects of Brexit: long- term and short- term.

Brexit is an abbreviation for “British” and “Exit”, the withdrawal of Great Britain from the European Union. Following the June 2016 consultative referendum, when 52% voted to leave, but due to strong disagreement, both between leading parties in the Parliament and within the UK government, the deadline has been extended several times [1].

International organisations, such as the IMF and the OECD, have contributed to the debate, looking both at the impact on the UK, but also at potential risks for the global economy, while the Bank of England has stressed its duty to speak up when it identifies risks, in particular, to financial stability. While some findings provide clear evidence of gains or losses from Brexit, what others reveal is open to interpretation and will be welcome by some but regretted by others. [1].

The UK and the EU have now agreed the Political Declaration which sets the framework for the UK's future relationship with the EU. This will now be followed by negotiations on the legal text. The UK and the EU recognise that this means there could be a spectrum of different outcomes, and both have agreed that we should be as ambitious as possible. The analysis considers the potential long-term impacts from changes to specific trade policies, including analysis of EU trade costs and opportunities from an independent UK trade policy. The long-term can be interpreted as around 15 years after the UK's new relationship with the EU comes into effect. [2].

Brexit will lead to a significant change in the UK's relationship with other European countries and could reopen the opportunity to negotiate trade deals directly with nonEU countries. Many questions will shape the public's opinions about the merits of the Brexit deal and the political declaration on the future relationship, one of which is the impact they will have on the economy. It is therefore very important that politicians and the public understand what is and is not known about how Brexit might affect the UK economy. Numerous studies have been published setting out a range of projections for how Brexit is likely to affect UK economic performance in the longer term [3].

#### The macroeconomic effects of Brexit: long- term

There have been many attempts to model the macroeconomic consequences of Brexit, nearly all of which find that there will be a long-term loss of GDP for the UK economy.

It is important to stress that this means lower GDP than would otherwise be the case, not an actual fall in prosperity: if, for example, the UK maintained its trend growth rate up to 2030, the economy

would be some 30% larger, and the ‘losses’ envisaged are relative to that projection. A loss of 6% would, therefore, mean 24% growth instead of 30%, but would also mean that the UK economy would be smaller indefinitely. The range of estimates is large, from a loss of GDP of nearly ten percentage points (in the least attractive trade and inward investment scenarios modelled by the Treasury, NIESR and the Centre for Economic Performance at LSE) to a gain of four points (Minford, for Economists for Brexit2 – a clear outlier) [4].

The main reason for the differences lies in the assumptions made about shifting from the current access that the UK has to the EU single market to a new regime in which the UK faces restrictions.

According to the Centre Piece analyses the long-term effects of Brexit could be even worse than the short-term damage. Their best estimate is that GDP per capita will be 6.3-9.5% per year lower than it would be if we were to remain in the EU. At the mid-point of this range, this means an 8% real pay cut: about four years of ‘normal’ wages gains wiped out in a deliberate act of economic self-harm. It is also likely to mean an 8% cut in the real value of pensions and public services – fewer teachers, police and nurses. This will not happen overnight of course, but gradually the UK will become poorer than it would have been had it remained in the EU.

There are also two main reasons why some of the long-term costs that studies have projected may not materialise immediately. First, many of the costs predicted in the long run – particularly under the FTA and WTO scenarios – arise from divergence between UK and EU rules and regulations. There could be costs of this from day one: it is more onerous for businesses in non-EU countries to demonstrate that their goods and services meet EU requirements than it is for those based in member states. But some of the costs of divergence may only materialise gradually over time, as the UK’s regulations and standards actually diverge from those in place in the EU. Second, economic costs are expected to arise from the unravelling of supply chains between the UK and the EU, as economic divergence makes it costlier for EU businesses to source from the UK and vice versa. It is possible that the UK and the EU



would pursue co-ordinated policy responses to limit the impact. However, this cannot be guaranteed, and would come at a price. As the EU's chief negotiator, Michel Barnier, said last month: "If there is a no deal there is no more discussion. [5].

#### The macroeconomic effects of Brexit: short-term

There are three main reasons to think that the short-term costs of adjusting to Brexit could be larger than the long-term costs. Firstly, the Government will need to set up new systems to operate outside the EU – such as systems for monitoring and processing immigration from the EU, more extensive customs and other checks on imports from and exports to the EU, and setting up new regulatory bodies. In addition, businesses will face additional costs to adapt to new rules and regulations. Exactly how large these costs might be will depend on the nature of the deal reached between the UK and EU. Some of the potentially extreme costs of failing to put the necessary systems in place have been highlighted by discussions about the possibility of 'Operation Stack', where the Port of Dover would be effectively blocked, with major implications for businesses with EU supply chains. Secondly, the long-term projections effectively assume that certain agreements will be in place to support UK–EU economic engagement, which limit the apparent costs of Brexit in the long term. This is particularly important in the WTO scenarios. As described previously, many of the WTO scenarios are based on evidence about the economic barriers between the EU and the USA. However, while the USA and EU do not have a FTA, they do have a number of bilateral agreements (such as those governing air travel, data, electricity, financial services and customs), which facilitate trade and investment between the countries. What would happen in the event of there being no deal, suggest a much more disruptive economic impact than the long-term WTO scenarios outlined above envisage. First the UK has to be listed by the EU as a suitable exporting country before it can even begin to be permitted to export. Third, some of the possible long-term gains from Brexit – particularly those arising from the ability to strike new FTAs and from deregulation – may take some time to materialise. On average,

recent FTAs have taken four years to be agreed. This does not include time for prior consultation, or time to application. It took more than seven years before the recent FTA with Canada was even provisionally applied, and it is yet to be fully applied. [3].

There is a consensus, even including proponents of ‘leave’, that there would be a short-term negative shock to the EU economy from Brexit. However, there is clear disagreement about the likely duration of this effect and whether it would have only immediate limited costs or have permanent consequences. The two main reasons for this short-term effect, explained notably by the Treasury, are that the uncertainty surrounding the outcome of the referendum has deterred investment and that there would be transitional costs of shifting to a new regime for trade and investment. [4].

Other short-term effects could derive from currency volatility and financial market reactions. The Bank of England, in particular, has warned that Brexit could result in financial instability that could have damaging macroeconomic effects because of the financial openness of the UK.

The short-term impact of Brexit could be different from the predicted long-term impact. The studies of the economic impact of Brexit that we focus on in the report attempt to predict how much larger or smaller the UK economy will be in 2030 – that is, once the UK and EU have adjusted to a new relationship with one another. The short-term economic impact could either be significantly more disruptive than the long-term projections suggest or less so, depending on how the negotiations play out. If the UK Parliament supports the agreement reached between the UK government and the EU and if both sides make good progress in putting in place the new systems needed to facilitate the future trading relationship, the short-term impact could be much smaller than the long-term effects predicted. It could – for example – take some time for any differences in UK and EU regulations to materialise and so some time for any costs to become apparent. But if no agreement can be reached that is acceptable to both the UK Parliament and EU lawmakers, then the short-term economic impact could be much

more severe than the predictions for a long-term WTO-based relationship suggest. These WTO scenarios are largely based on looking at current patterns of trade between the USA and EU. But in the absence of an overarching free trade agreement, these are backed up by a series of side deals – covering everything from aviation to data – and reflect the activity of businesses who are familiar with the administrative hoops they have to jump through to trade across the Atlantic. Without such side deals – which themselves would take time to negotiate – the immediate economic disruption could be more severe. [5].

In conclusion, it can be claimed that Brexit has become pretty much the most discussed topic in the world community nowadays while unresolved conflicts between the political forces of the main parties go on in Britain. However, the world is still considering, what the British need to leave the EU for and how the country will live from the moment of this landmark decision on. The EU referendum is a good reason to believe that the economic outcome will still weigh heavily on voters' choice.

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## DIPLOMACY AND RESOLUTION OF INTERNATIONAL CONFLICTS

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**Durikhina A. O., Davydenko I. V. Diplomacy and resolution of international conflicts.** The article provides the review of the international conflicts, the analysis of their types, as well as diplomatic activities for their settlement and resolution in the context of modern practice. International conflict may still include war and violent confrontation between nation states. Conflicts are seen as threats to international peace and security, even if states are not fighting.

**Keywords:** conflict resolution, diplomacy, international conflicts, typology of conflicts.

**Дуріхіна А. О., Давиденко І. В. Дипломатія та врегулювання міжнародних конфліктів.** У даній статті здійснюється огляд міжнародних конфліктів, аналіз їх видів, а також дипломатична діяльність по їх врегулюванню та вирішенню в розрізі сучасної практики. Міжнародний конфлікт як і раніше може включати в себе війну та жорстоку конфронтацію між національними державами. Конфлікти розглядаються як загрози міжнародному миру і безпеці, навіть якщо держави не воюють.

**Ключові слова:** врегулювання конфліктів, дипломатія, міжнародні конфлікти, типологія конфліктів.

**Дурихіна А. О., Давыденко И. В. Дипломатия и урегулирование международных конфликтов.** В данной статье рассматриваются определение международных конфликтов, анализ их видов, а также дипломатическая деятельность по их урегулированию и разрешению в разрезе современной практики. Международный конфликт по-прежнему может включать в себя войну и жестокую конфронтацию между национальными государствами. Конфликты рассматриваются как угрозы международному миру и безопасности, даже если государства не воюют.

**Ключевые слова:** дипломатия, международные конфликты, типология конфликтов, урегулирование конфликтов.

The o b j e c t of the article is international conflicts in the modern world. The s u b j e c t of the article is diplomatic resolution of international conflicts. The p u r p o s e of the article is to consider the main strategies for resolving international conflicts through

diplomacy. At the moment, there is clearly a tendency towards an increase in the level of conflict tension in the world and an increase in the level of international instability. This determines the relevance of the chosen topic of the article.

International conflict is a specific form of international relations, as a part of them. Conflicts between states have a huge impact on many aspects of world politics, on the life of the state, societies, individuals. The general state of the international environment also has a significant impact on the state

and dynamics of international conflicts, contributing either to their resolution, or further exacerbation. This relationship is clearly seen in the practice of modern international relations.

Since the concept of "international conflict" is quite comprehensive, it, like any other conflict, has forms and types. In general, scientists distinguish 4 basic, closely related to the conflict, concepts. These are: "source of conflict", "object of conflict", "subject of conflict" and "parties of conflict" [2].

This system of definitions helps to navigate in international conflicts more clearly by defining the main functions between its participants.

The source of international conflict means the action of one of the participants in world politics, with the aim of obtaining benefits that may threaten the interests of other parties to the conflict.

The object of the conflict can be considered all the basic needs of the subjects of participants (they can be both material and non-material). The object of the conflict can really become an object only when it begins to be the interest of the subjects. This concept in its name is very similar to the concept of "subject of conflict."

The subject of conflict is the difference in the parties' vision of the future state of not only the object of the conflict, but also the changes in world politics that have arisen as a result of conflict resolution

Parties to a conflict are members of a particular conflict. The main goal of the parties in diplomacy is to try to reach a point of agreement between the parties.

Any conflict between people or states results from someone else's activity. Accordingly, there is always a party or parties involved in a conflict. Participating parties always have an open or hidden interest.

Accordingly, when it is impossible to coexist, in the sphere of international relations, at once several interests of several states, a conflict arises. This is the source and root cause of any interstate conflict [3].

Conflicts, by their nature, have several stages of development. M.P. Getmanchuk identified 5 phases of conflict development:

1. He considers the first phase of the conflict to be the stage of formation of relations between the parties, which can be expressed in an implicit conflict form.
2. The second phase is the determination by the parties of methods for resolving contradictions.
3. The third phase is the phase of involving various spheres and participants in the conflict through officially fixed forms, that is, treaties and agreements.
4. In the fourth phase, an acute political conflict arises, an international crisis that engages the relations of other parties involved in the conflict.
5. The fifth phase of the conflict is the armed stage of the struggle [5-6].

In general, the source of clashes between, for example, the state and a large multinational company is the same as in the sphere of international state relations. That is, as a rule, there always exists an incompatibility of interests between the parties, which, if the parties do not come to a mutual agreement, results in an international conflict. In this case, the stages of the conflict can vary depending on the situation and, in extreme cases, even develop into an interstate conflict [6].

The methods of dividing the phenomenon into types are incredible and they depend on the goals set, personal points of view on some of the aspects and the scope of the consideration of the issue [1].

In the field of external conflicts, most often, territorial, economic and diplomatic disputes are distinguished. Such disputes may take the form of military conflicts or peace negotiations.

Conflicts can be constructive and destructive. Constructive conflicts create a solution to the resolution, mitigation or full settlement of the conflict. Destructive conflicts, on the contrary, destroy processes and relationships, have a negative effect.

The concept of international conflict is dynamic and changing, and the typology of conflicts with time can change.

The content of direct negotiations is to find a solution to the disagreements by the disputing parties themselves by establishing direct contact and reaching an agreement between them. Negotiations are the most convenient, simple and common means of resolving disagreements.

Negotiations are conducted both orally and in writing. One of the varieties of negotiations is consultation. In accordance with a previous agreement, states undertake to periodically or in the event of a certain kind of circumstances consult with each other to resolve possible disagreements.

The objectives of the consultations are: exchange of views and information between states on issues of interest, and coordination of the positions of states on the substance of the problems being discussed; preparation and submission to states and international organizations of proposals for coordinated steps and joint measures to solve a particular problem; opinion exchange; formation of proposals in draft agendas of meetings of heads of state and meetings of bodies [4]. The consultation procedure can be regulated in detail in international documents.

Through mediation, the states in dispute elect a third party (state, representative of an international organization) who participates in the negotiations as an independent participant. Mediation involves participation in the negotiations of a third state. They resort to mediation with the consent of all disputing parties. The purpose of mediation is not only to facilitate contacts, but also to coordinate the positions of the parties: the mediator can develop his



own projects for the settlement of the dispute and offer them to the parties.

In international disputes that do not affect either the honor or the essential interests of states and resulting from disagreements in assessing the actual circumstances of the situation, the parties are entitled to establish a special international body the commission of inquiry to clarify issues of fact. The report of the commission is limited to the establishment of facts and does not have the force of a court decision or arbitration. The parties have the right to use the decision of the commission at their discretion [5].

But the most common way to resolve political conflicts is through negotiations. In the literature, there are three main approaches to determining the essence of the negotiation process. The first approach implies that negotiations necessarily proceed from the common interests of the negotiating parties and therefore constitute cooperation-oriented activities. The second approach assumes that the interests of the parties can be different and even mutually exclusive, negotiations are possible if there is an interdependence of their participants, which allows reaching an agreement that is beneficial to all. The third approach allows for both confrontation and cooperation, the presence of both common and mutually exclusive interests.

**C o n c l u s i o n .** For a long time, international relations have occupied one of the important places in the life and activity of any state and society. In modern society, where all countries closely interact with each other and influence the existence and development of the entire international system, international conflicts have become important in the study of international relations as a whole. Now it becomes clear that the need for a theoretical understanding of international relations, as well as an analysis of current events and their consequences, is growing sharply. Moreover, conflicts during globalization pose a serious threat to the world community. Due to the possibility of their expansion, the danger of environmental and military disasters, the high likelihood of massive population migrations that can destabilize the situation in neighboring states,

international conflicts require close attention from researchers of international relations.

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**STATE REGULATION OF INNOVATIVE ACTIVITY  
AS ONE OF THE PREREQUISITES FOR SUCCESSFUL  
IMPLEMENTATION OF INNOVATIVE  
MODEL OF DEVELOPMENT**

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**Dvornik L. O., Davydenko I. V. State regulation of innovative activity as one of the prerequisites for successful implementation of innovative model of development.** The article generalizes and analyzes the foreign experience of state regulation of innovative activity on the example of developed countries. The most effective methods of state regulation of innovation activity are considered. The main focus is on the measures and tools of regulation of innovative activity which can be replicated in other countries.

**Key words:** cooperation, developed countries, innovation, innovative activity, innovative model for development, state regulation.

**Дворнік Л. О., Давиденко І. В. Державне регулювання інноваційної діяльності як одна з передумов успішного впровадження інноваційної моделі розвитку.** У статті узагальнюється й аналізується іноземний досвід державного регулювання інноваційної діяльності на прикладі розвинених країн світу. Розглядається найефективніші методи державного регулювання інноваційної діяльності. Найбільша увага приділяється заходам та інструментам регулювання інноваційної діяльності, що можуть бути використані в інших країнах.

**Ключові слова:** державне регулювання, інновації, інноваційна діяльність, інноваційна модель розвитку, кооперація, розвинені країни світу.

**Дворник Л. А., Давыденко И. В. Государственное регулирование инновационной деятельности как одна из предпосылок успешного внедрения инновационной модели развития.** В статье обобщается и анализируется иностранный опыт государственного регулирования инновационной деятельности на примере развитых стран мира. Рассматриваются самые эффективные методы инновационной деятельности. Наибольшее внимание уделяется мерам и инструментам регулирования инновационной деятельности, которые могут быть использованы в других странах.

**Ключевые слова:** государственное регулирование, инновации, инновационная деятельность, инновационная модель развития, кооперація, развитые страны мира.

The o b j e c t of the article is the state regulation of innovative activity. The s u b j e c t of the article is the methods of this regulation, appropriate tools and the peculiarities of innovative activity in the developed countries. The p u r p o s e of the article is to analyze the foreign experience of state regulation of innovation activity in order to replicate it in Ukraine.

The innovative model for development is the key to the country's economic growth. In terms of development of information society, innovations become a powerful factor of ensuring the international competitiveness of countries. The regulation of innovation activity that would stimulate scientific research and create innovative products should be a high priority in the state policy. This defines the r e l e v a n c e of the article.

Many developed countries take an integrated approach to stimulating the activities of innovative-oriented companies, using both direct and indirect control methods. The innovation environment differs from country to country, because each state is at its own level of development, technology, education, innovation. Therefore, innovation policy tools and mechanisms for their use can be effectively implemented in one country and may be completely inappropriate in other ones [3].

In the context of this article, the priority is given to study the trends and compare the experience of countries that belong to the technological core of world development – the USA, Japan, the European Union (in particular, the United Kingdom, Germany and France) [4].

The USA and Japan have the highest level of innovation development and funding of R&D, so they are the biggest competitors of Western European companies, which forces them to step up their efforts in coordinating and integrating R&D, implementing joint investment projects. One of such wide-ranging program was aimed at accelerated deployment of technological innovations in the semiconductor industry, achievement of a higher level of quality and competitiveness of products of Western European enterprises in the world market. The program covered the

period 1990-1997, and the total investment allocated for its implementation was GBP 2.7 billion. The following companies participated in the implementation of the program: Phillips (Netherlands), SGS Tomson (France, Italy), Siemens and Bosch (Germany) and the Danish Research Institute [2].

The European Union uses several tools of innovation policy and attracting investment in order to finance the innovative activity. They include direct public funding, first of all, through grants, loans, subsidies; creation of infrastructure for innovative activity; tax incentives, special support schemes for risk financing, provision of state guarantees [1].

Innovation policy tools are different in virtually all countries. For example, in Portugal and Spain, a lot of fiscal incentives can be used for all companies, regardless of their size, and in the UK only for small and medium-sized businesses.

In the countries with high level of scientific and technological development (Sweden, Germany, Finland), preference is given to direct financial support measures, which enables the state to determine which technologies or which sector of the economy needs to be developed first. Unlike indirect incentive methods, financial assistance is targeted. The state, not the market, determines in which cases additional incentive is needed and in which cases it is not [5].

The United Kingdom, the regions of East Midland, Wales and Scotland have their own innovation strategy and they participate actively in EU innovation programs.

The key initiatives of the EU policy documents are aimed at promoting the implementation of R&D results in innovative products and services in order to ensure EU competitiveness, which also means the increase in R&D funding in Europe, strengthening international innovation cooperation.

In general, the EU countries are characterized by a three-tiered innovation policy-making, which includes regional, national and supranational components. The governments of the countries have a priority in basic research, training, and regions are increasingly pursuing policy of dissemination of innovation.

An example of this area of development of the regional component of innovation policy is the broad participation of individual regions of the UK in EU innovation programs, as well as the development and implementation of regional innovation strategies. Innovative cooperation allows to use production and financial resources, competitive advantages of the enterprises of other countries, promotes increase of labor productivity and development of capital-intensive production, allowing to carry out large projects, which is extremely difficult without joint effort.

The USA, Japan, China, India and Russia also pay special attention to the issues of the development of the state innovation infrastructure.

In recent decades, the United States strengthened their position on ranking lists of the most innovative countries. Over the past twenty years, the degree of government regulation of innovative activity has increased significantly. A large part of innovation is being developed through public-private partnerships.

In US innovative activity, the role of government regulation is significant, which is reflected in both direct and indirect measures. At the interface of these two types of measures, great attention is paid to the development of public-private partnerships, cooperation between research organizations and business, as well as international cooperation in innovation. R&D is mainly conducted in universities and funded by both the state and private investors interested in the results of the development.

For financing of fundamental research and applications, the state creates special programs of financing: Small Business Investment Company program (SBIC), Small Business Technology Transfer Program (STTR), Small Business Innovation Research Program (SBIR) [3].

In the United States, venture financing is also common. Many venture organizations fund the most successful projects around the world. For example, Microsoft, Apple, Yahoo, Google were initially funded by venture capital organizations. Therefore, it can be said that

venture financing is a powerful lever for the development of innovative projects.

With regard to the Japanese model of promotion of innovative activity, it is characterized by the use of the following tools: soft loans, preferential taxation and subsidies.

Japanese companies are also actively developing and implementing innovative products, thanks to significant government assistance. Due to the rapid development of innovation, Japan became the first country ever to attack the United States in terms of innovative products production.

Japan's innovation activity has a tendency to develop public-private partnerships, international cooperation, a significant manifestation of which is the intensification of efforts to develop international innovation cooperation, including at regional level.

In the scientific works, when considering the methods of government support for innovative activity, the following approaches to the activation of innovative activity are distinguished: European, American and Japanese [3].

It is extremely difficult to determine the reasons for the differences in the approaches for supporting the innovation process, since it is necessary to take into account a large number of different factors, including the peculiarities of national culture and the history of the country, the current economic situation, which significantly influence political decision making. Countries with a lower level of scientific and technological development use general measures that support a wide range of areas in all sectors of the economy. In this case, the government of such countries focuses on fiscal stimulus measures, which are different, in that they allow the market and its participants to decide independently which sectors of the state's economy should be developed.

An innovative model of development requires spending on science funding of at least 2% of GDP (in Ukraine, this figure is 0.3%). Countries that have achieved high rates of economic growth through innovation, such as Japan, the United States, Germany, France, and the United Kingdom, meet this requirement.

**Conclusion.** In the countries that have achieved significant results in innovative development, along with the direct methods of state regulation, measures to disseminate innovation with an emphasis on incentive methods are being taken. One of the tasks that can be solved by combining these methods is the development of innovative cooperation. Globalization and regionalization, increasing technological intensity, limited resources of innovation activities lead to the fact that innovation cooperation has significant potential for activation of innovative activity, and the degree of its utilization within the state regulation is growing rapidly.

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## GASTRONOMIC TOURISM AS A SEPARATE TYPE OF TOURISM

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**Eivazova E. E., Litovchenko Y. M. Gastronomic tourism as a separate type of tourism.** The article reveals the content of gastronomic tourism and its role in the tourism industry. The basic objects of gastronomic tourism are determined, the potential for the development of gastronomic tourism as a destination is examined. The concept “gastronomic tour” and prospects for the development of gastronomic tourism as an object of tourist trip are grounded.

**Key words:** eco-tourism, gastronomic tour, gastronomic tourism, World Food Travel Association

**Ейвазова Е. Е., Літовченко Я. М. Гастрономічний туризм, як окремий підрозділ.** У статті розкривається зміст гастрономічного туризму та його роль у туристичній індустрії. Визначено основні об'єкти гастрономічного туризму, досліджено потенціал розвитку гастрономічного туризму як дестинації. Обґрунтовано поняття «гастрономічний тур» та перспективи розвитку гастрономічного туризму як об'єкту туристичної подорожі.

**Ключові слова:** Всесвітня асоціація гастрономічного туризму, гастрономічний тур, гастрономічний туризм, еко-туризм.

**Эйвазова Э. Э., Литовченко Я. Н. Гастро-туризм, как отдельный вид.** В статье раскрывается содержание гастрономического туризма и его роль в туристической индустрии. Определены основные объекты гастрономического туризма, исследован потенциал развития гастрономического туризма как дестинации. Обосновано понятие «гастрономический тур» и перспективы развития гастрономического туризма как объекта туристической поездки.

**Ключевые слова:** Всемирная ассоциация гастрономического туризма, гастрономический тур, гастрономический туризм, эко-туризм.

The o b j e c t of the article is tourism industry where the s u b j e c t is a gastronomic tourism. The purpose of this article is to give insight into gastronomic tourism in the world.

Tourism is a human activity necessary for life, which provides new experiences to those who practice it, one that is able to reduce tension and increase happiness in life. If in the past mass tourism was

the main way of its manifestation today tourism is practiced in small groups who look to live new experiences but keep in mind the environment. Nowadays, tourists are more experienced, have sufficient funds allocated to travel, have more free time. Through tourism they can escape the daily routine of their lives and they sink into a whole new world full of freedom and new things. More and more tourists in the world are seeking to learn new experiences. Gastronomy is such an experience. The notion of gastronomic tourism is applicable to tourists and visitors who plan the trip entirely or partially in order to taste the local products or to take part in activities that are related to gastronomy [3].

Eating is essential for human survival, tourism presents an important part of everyday life – it is the *modus vivendi* of the modern man. These two inevitabilities lead to the conclusion that eating outside home is becoming part of human habits. At the same time standards in all areas of life are being risen. The development of culture constantly increases and multiplies different human needs, many of them being luxurious and hedonistic. The food tourism industry has an essential aspects (fig. 1).



Figure 1. What is food tourism?

Therefore we can speak of the gastronomic tourism industry when people travelling, put simply, seek “good food and beverages” – such that will not only satiate basic needs, but also give pleasure. This is a type of tourism, which comprises an individual's activities, whose main motive is linked to the culture of food and the tasting of traditional local specialties (food and beverage), specific for a certain region or country. According to World Food Travel Association, a culinary tourism grows exponentially every year. It certainly is compatible with the “eco-tourism”, “slow food tourism”, “sustainable tourism” and “sustainable agriculture” [4].

Gastronomic tourism may also be a significant contributor to processes of localization as a response to increased global competition. For example, outsider interest in local produce may serve to stimulate local awareness and interest, and assist not only in diversification, and maintenance of genetic diversity and heirloom varieties, but may also encourage community pride and reinforcement of local identity and culture. In addition, the development and promotion of regional food products have also become part of a process of the protection of geographical places through intellectual property law. The commercial reification of place identity in international trade agreements for wine and food also helps reinforce the place branding and marketing processes that are integral to contemporary tourism. With growing international interest in slow food and sustainable agriculture, gastronomic tourism can be seen as an eco-tourism at its best helps promote environmental stewardship and locally controlled cultural preservation. Food tourism can range from self-styled informal visits to local farmers markets in New Zealand, to a 2-week formal cooking class in Paris. Thailand offers a plethora of small cooking schools where tourists (or locals) can take one day classes in basics such as Pad Thai, or regional specialties involving fish, coconut milk, and special blends of spices. In the US and Europe, some farmers are offering “on the farm” meals that are open to travelers [5].

Major global trends and keys to success that can be observed in the development of gastronomic tourism:

- Growing market;
- The cultural heritage;
- Sustainability;
- Quality;
- Communication;
- Cooperation;
- Motivations.

Travellers interested in gastronomic tourism should keep their critical eyes open, as some tour providers are not truly committed to the highest environmental standards of the industry. Visitors are advised to beware of experiences that offer foods such as veal, shrimp, or fish that are not sustainably harvested.

Food can therefore provide the basis for the development of tourism experiences in a number of ways:

- Linking culture and tourism;
- Developing the meal experience;
- Producing distinctive foods;
- Developing the critical infrastructure for food production and consumption;
- Supporting local culture.

Gastronomic tourism can also be seen as an auxiliary tool for learning cultural heritage of countries and regions of the world, since national cuisine is one of the elements that reflects a lifestyle, worldview, traditions of ethnic groups.

During a gastronomic tour, a tourist has a good opportunity:

- 1) to visit restaurants and other national cuisine;
- 2) to participate in gastronomic festivals;
- 3) to get acquainted with the history and recipes of the national cuisine according to the season;
- 4) to try yourself in the preparation of national dishes.

Tourists who attend gastronomic tours are represented by the following categories of population:

- 1) tourists who are tired of ordinary tourism;
- 2) tourists who want a variety in their diet;

- 3) gourmets;
- 4) tourists whose work is related to cooking and food;
- 5) representatives of travel agencies who are interested in organizing their own tourists [7].

Consequently, the target audience of gourmet tourism includes:

- Exquisite tourists;
- Tourists who use culinary tourism for the purpose of studying and obtaining professional skills (chefs, sommelier, restaurateurs, tasters, bloggers);
- representatives of travel agencies traveling to study the tourism industry;
- Tourists who want to enter the culture of the country by studying the national cuisine [10].

Studies show that the average culinary tourist is demographically similar to the culture tourist. He is more knowledgeable, aged between 30 and 50 years old. The largest outbound countries are the United Kingdom, the Benelux countries, Germany, Italy, France, the Scandinavian countries and the United States. In Europe, the culinary tourism is the most widespread in Spain Italy, France, in Asia this is Japan, India and Thailand. There are also quite a few culinary tour operators in the world offering culinary packages. Gastronomic tourism is clearly in a growth phase, often combined with compatible categories of tourism, such as culture, sport, etc., so a wider range of consumers get interested. Many companies, such as Jadranka Yachting or sailing magazine Playboy, offer "gourmet" events, where, in addition to sailing, a visit the most famous "taverns" on the Croatian Adriatic is included.

In conclusion, eating culture is changing, people travel more, and the pace of life is always faster, more and more people eating away from home. All these factors affect the growth of the culinary tourism, which is based on the cultural tourism combined with the need to take delight in life. The art, which is experienced by all the senses, learning about the various food and beverages, learning about the numerous different ways of preparing food and beverages, attending culinary events – due to the media influence all these

things are becoming mandatory parts of the tourist offers. Notwithstanding the unpredictable future, I can say that it is a culinary tourism, which still has the status of a niche and is still in the stage of deployment, it presents the best way to develop into an important branch of tourism which will continually grow.

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## STAFF AS AN INTEGRAL PART OF THE TOURISM PRODUCT

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**Fesenko A. D., Bolibok N. O. Staff as an integral part of the tourism product.** The article deals with competitive staff as one of the main components of the tourist product, as well as its impact on the consumers of the final product.

**Keywords:** tourist product; personnel; staffing; personnel assessment; customer service of tourist enterprises.

**Фесенко А. Д., Болибок Н. О. Персонал як складова частина туристичного продукту.** У статті розглядається конкурентоспроможний персонал, як один з головних компонентів туристичного продукту, а також його вплив на отримання споживачами кінцевого продукту.

**Ключові слова:** туристичний продукт; персонал; комплектування кадрів; оцінка кадрів; обслуговування клієнтів туристичних підприємств.

**Фесенко А. Д., Болибок Н. О. Персонал как составляющая часть туристического продукта.** В статье рассматривается конкурентоспособный персонал, как один из главных компонентов туристического продукта, а также его влияние на получение потребителями конечного продукта.

**Ключевые слова:** туристический продукт; персонал; комплектование кадров; оценка кадров; обслуживание клиентов туристических предприятий.

With the improvement of the conditions of international trade and world relations, the importance of activities that are aiding to improve personnel management is increasing. First of all, the tourism industry is special in that the staff is a part of its product. Turning to the definition of personnel, this is the personnel of the organization that carries out labor activities on the basis of contractual relations with the employer. Personnel that is the part of the organization staff.

The personnel in the tourism industry is an obligatory part of the final product, one of the main resources, on the basis of this, the quality of service directly depends on the level of staff qualifications. According to P. Lazarov, they represent the foundation on which those people who work in the tourism system build on their professional skills and experience, develop and affirm individually-

personal qualities. Customer satisfaction is determined by the staff arrangements, their quick wit, level of mobility, i.e. those qualities that allow an employee to improve the work, thereby improving the competence.

The relevance of the topic is determined by the fact the competitive staff:

- gives the company a competitive advantage over other organizations;
- provides a high-quality selection of services for consumers;
- directly affects the development strategy of the organization.

Also considering the definition of a tourist product, it is worth highlighting that this is a set of services, works necessary to meet the needs of a tourist during his travels. It is determined either as a result of human labor, or in the form of work and services performed.

The goal of personnel management is an effective personnel policy, which will train personnel to provide customers with high-quality and satisfactory services. And this is not possible without the necessary system of coordination of personnel; motivation and formation of a corporate culture, as well as mandatory investments in the human factor and preparing employees for the implementation of accepted principles.

The tasks of staffing inevitably exist in the work of any competitive organization. Recruitment and selection of personnel determines the future success of the company, forms a certain system of standards and principles, helps smooth operation, contributes to its position in the market, as competent staff forms the demand for the services of this organization.

The quality of human resources, their investment in achieving the goals of the organization, as well as the quality of products sold or services rendered, are for the most part directly proportional to how effective the work in these areas of personnel management was delivered.

The process of staffing includes certain stages:

- search;
- selection;



- hiring;
- distribution by jobs.

When building the organization's policies, much attention should be paid to the initial stage of staffing, namely, as accurately as possible, to assessment the possible losses, mistakes that can be made during the implementation and the personnel policy setting. To do this, it is recommended to study the composition and structure of personnel costs. The structure of personnel costs is the sum of all the articles that are included in the expense: assessment and selection; education, training; salary; motivation system; all kinds of benefits; dismissal; not qualified staff.

The quality of service at tourism enterprises depends primarily on the degree of professionalism of the staff, which includes the following points:

- recognize and evaluate the requirements of each client personally and provide services according to the established standards of the organization;
- evaluate and perceive each client who is provided to him for tourism services;
- if necessary, promptly and timely adjust the service process;
- get satisfaction from each customer's service.

One of the hallmarks of professional customer service is respect. The correct line the client behavior, the atmosphere, a lively and not forced dialogue, everything that surrounds him, should cause a tourist a sense of psychological comfort. If the staff is persistent, cannot provide all the information of interest, it is unlikely that the tourist will want to use the services of this tourist company again, most likely he will look for a new company where he will be given the desired attention.

Based on this, we can conclude: the task of the staff is to provide what the tourist needs. Namely: decent service, friendly atmosphere, sense of satisfaction, inner comfort, pleasant attitude: the tourist should have the impression that he is special, and since they no longer belong to anyone, i.e. the staff should be as hospitable as possible. Willingness to provide assistance is important, it should

always be manifested in a careful attitude to the guest, as well as in the services support services or the providing of additional conditions.

The existence of high standards of services is an important criterion in the search for new and maintaining the base of existing (regular) customers. Most tourism enterprises, especially hotels and tour operators, have clearly defined standards and principles of customer service, which are common to all departments. They include detailed instructions governing the uniform of workers, their shoes, and appearance.

In theory and in practice, there are allegations that in order to have satisfied customers, it is necessary that the employee is satisfied.

The employee, while carrying out his work, tries to make it as high-quality and efficient as possible, in return expecting the employer to fulfill certain conditions, namely:

- decent pay;
- an objective and open salary payment system;
- respect and fair assessment of personal qualities;
- building and maintaining a favorable working atmosphere;
- an opportunity to give an assessment of the situation and express personal opinions;
- career prospects, advanced training;
- a clear organized work process, with the definition of responsibilities and functions for each position.

Qualified personnel in tourism enterprises should possess basic theoretical knowledge, as well as practical skills in the field of tourism business, and of course, knowledge in the field of ethics, corporate culture and interpersonal communication.

The individual qualities of the employee, his intuition, accumulated experience, the ability to correctly assess the situation, quick response and decision-making in case of non-standard situations are of great importance in the field of tourist services.

Great importance is also attached to the business characteristics of the employee: flexibility of thinking, attention to details,

communication skills dealing with customers, innovative thinking, the ability to negotiate, you also need to be able to conduct business correspondence with the client, discipline, you need to be focused on achieving results.

These requirements explain why the mistakes made by staff can have a negative impact on the subsequent choice of the client and on his satisfaction with the quality of the organization as a whole.

It is worth noting that an undervalued employee is not only uncompetitive in his work, but often reflects his dissatisfaction in working with consumers. Obtaining loyalty, commitment, enthusiasm of employees requires many activities, which consist of competently conducted personnel work, which allows skillfully integrating and motivating employees.

All staff, starting from an employee in a travel agency, ending with a tour guide, must make flexible and dynamic efforts, use their professional experience and competence in such a way that after their trip the tourist has a feeling of deep satisfaction and excitement from the experienced moments.

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## INFORMATION AND ANALYTICAL SUPPORT OF THE NATO MILITARY ADMINISTRATION

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**Fesyk V. A., Broslavska Y. M. Information and analytical support of the NATO military administration.** The article discusses the concepts and forms of cooperation between NATO countries in the field of international military cooperation, the field of military management, and methods of information and analytical support for the activities of the military-political bloc. The article also examines the information and analytical concepts of the leading North Atlantic Alliance member states and how they are applied.

**Keywords:** armed forces, information and analytical activity, international cooperation, management strategies, NATO.

**Фесик В. А., Брославська Є. М. Інформаційно-аналітичне забезпечення військового управління НАТО.** У статті розглядаються концепції та форми взаємодії країн НАТО у сфері міжнародного військового співробітництва, сфері управління військами, а також методи інформаційно-аналітичного забезпечення діяльності військово-політичного блоку. Крім цього у статті вивчаються інформаційно-аналітичні концепції провідних держав Північно-Атлантичного Союзу та способи їх застосування.

**Ключові слова:** збройні сили, інформаційно-аналітична діяльність, міжнародна співпраця, НАТО, стратегії управління.

**Фесик В. А., Брославская Е. М. Информационно-аналитическое обеспечение военного управления НАТО.** В статье рассматриваются концепции и формы взаимодействия стран НАТО в сфере международного военного сотрудничества, сфере управления войсками, а также методы информационно-аналитического обеспечения деятельности военно-политического блока. Кроме того, в статье изучаются информационно-аналитические концепции ведущих государств Североатлантического Союза и способы их применения.

**Ключевые слова:** вооруженные силы, информационно-аналитическая деятельность, международное сотрудничество, НАТО, стратегии управления.

The object of the research is information and analytical support in the field of international military cooperation as well as peculiarities of its use in the international military-political bloc. The subject of the study is the information processes that support

NATO's information and analytical activities. The purpose of the study is to identify the main concepts of information and analytical activity of the armed forces of the leading NATO countries

The management of troops and weapons is the area of military affairs has now the impact of an information and technological breakthrough, the use of which has become a feature of modern trends in the formation of the armed forces of leading foreign countries. The modern revolution in military affairs is first and foremost related to the qualitative development of information technology, which changes both the military equipment and the principles of control of troops and weapons [8].

The breakthrough in information technology that has led to the formation of new trends in the management of the Armed Forces, as well as the verification of new weapons, reconnaissance, electronic warfare, automated control and communication systems, prompts the military and political leadership of NATO countries, and more all over the United States, rethink and transform the armed forces theory and practice, including assessing new trends in the process of managing and organizing interaction between national Armed Forces and coalition operations. In today's context, governance processes come to the fore, since it is management that allows for the linking of military-political, economic, scientific, technical, military and extraordinary factors in the context of NATO enlargement and its global characterization. Events in Yugoslavia, Afghanistan, Iraq and several countries in Africa are an example of this.[4]

According to well-known American experts in the field of transatlantic security and transformation of the alliance Jeffrey P. Bialos and Stuart L. Koslo, "military superiority in operations of the XXI century is determined not so much by the number of tanks and missiles in service, but by a reliable knowledge of the situation in combat and its unified understanding by all parties involved in the operation (both military and non-military), the ability to provide secure communications services, and the presence of an analytical intelligence-based management structure no-maintenance information in real time " [7].

Objective and subjective shortcomings in the organization and conduct of joint operations, as well as trends in the development of management and decision-making processes necessitated the implementation of several programs of network-centric transformation of combat management. Thus, the NATO Network Enabled Capability (NNEC) concept is being completed at the unit's CSO. Its emergence is directly related to the process of developing the NATO Allied Joint Doctrine and the concept of the Alliance for the Organization and Conduct of Joint Joint Operations of the Future, with the creation of high-precision weapons operating on new physical principles, as well as the emergence of new operational and strategic categories, such as “information operations”, “information advantage” and others [5].

The formation of the NNEC was greatly influenced by the concepts of “network-centric war” (NCW) of the United States and “integrated network capabilities” (INC) of Great Britain [1]. The authors of the concept of “network-centered war” – the former head of the reform department of the US Armed Forces, Admiral Arthur Tsebrowsky, CNS expert John Garstka and specialist of the assistant of the US Defense Ministry David Alberti – consider it the result of a revolution in combat management. The concept is designed to achieve overall high combat readiness, increase the efficiency of command of the troops, ensure high rates of operation, the highest degree of enemy damage, increase the vitality of their forces and increase their degree of interaction. As a result of realizing these capabilities, the combat effectiveness of the combined operational formations should increase significantly.

The Armed Forces of the US and leading Western European countries use different terminology to define this operational and strategic category. For example, the command of the United States Armed Forces uses the term “Network Centric Warfare” (NCW); UK Armed Forces – Network Enabled Capability (NEC); French Armed Forces – Info-Centric Warfare (ICW); The Dutch Armed Forces uses the operational concept of Network Centric Operations (NCO), and

the Swedish Armed Forces command the “Network Based Defense” – NBD [3].

Of all NATO member states, the UK has the most clearly formulated conceptual approach to the implementation of the NEC concept. The purpose of the latter is to increase combat capabilities through more efficient retrieval, processing and use of information. A major aspect of the UK's NEC concept is the informational advantage that is impossible without the formation of an integrated combat space. The practical implementation of the provisions of the NEC concept should ensure the collection, synthesis and distribution of accurate, timely and relevant real-time information in the interests of a unified understanding of combat space by commanders at all levels [6].

NATO countries are actively using US military technology when implementing national programs to modernize their armed forces, and the legal basis for such cooperation in the United States is the “Federal Arms Export Control Act”, “International Arms Trade Rules” (US Department of State Export Control Regulations and defense and security related technologies) and “Basic National Principles of Information Declassification.” Despite the fact that these regulations set certain criteria for the transfer of technology and information, in reality, decisions are made taking into account the position of federal and government departments of the country, based on a subjective understanding of national security interests in the current circumstances [2]. In addition, the US's belief in the need for information superiority is an additional reason for the unwillingness to provide the Allies with technical information on the development and production of detection and intelligence facilities, including radar components and missile defense systems.

The presence of a large number of national programs to modernize C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance) systems, the problems of their financing, the US administrative and regulatory barriers to the transfer of “critical technologies”, and the factor of multinationality of the North Atlantic Treaty have largely determined

the pragmatic approach of the participating countries to the implementation of the concept of “integrated network capabilities NATO”. This approach involves the creation of a unified information and communication space based on the unification of “national-centric” systems on the principle of “federalization” as opposed to the GIG (Global Information Grid) program, which is inherently a “system of systems.”

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## DAS FRANZÖSISCHE INSTITUT DES PRÄFEKTEN ALS EIN BEISPIEL FÜR DIE REFORM DER DEZENTRALISATION DER MACHT IN DER UKRAINE

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**Gailiunas O. D, Krupkina T. V. The French institute of prefect as an example of the reform of power decentralization in Ukraine.** The article deals with the need to amend the Constitution of Ukraine and create a prefect institute based on the French model. Attention is drawn to the model of the prefect institute existing in France.

**Key words:** decentralization, prefect institution, local government, constitution, reform.

**Гайлюнас О. Д, Крупкіна Т. В. Французький інститут префекта як приклад для реформ децентралізації влади в Україні.** У статті розглядається питання про необхідність внесення змін до Конституції України і створення інституту префекта за французьким зразком. Акцентується увага на моделі інституту префекта, існуючого в Франції.

**Ключові слова:** децентралізація влади, інститут префекта, місцеве самоврядування, конституція, реформа.

**Гайлюнас А. Д., Крупкіна Т. В. Французский институт префекта как пример для реформы децентрализации власти в Украине.** В статье рассматривается вопрос о необходимости внесения изменений в Конституцию Украины и создания института префекта по французскому образцу. Акцентируется внимание на модели института префекта, существующего в Франции.

**Ключевые слова:** децентрализация власти, институт префекта, местное самоуправление, конституция, реформа.

Der Forschungsgegenstand ist die Informationen über aktuellen Status der Präfekten, Funktionen und Befugnisse sowie eine kurze Analyse der ukrainischen Realitäten, Pläne und Perspektiven. Frankreich ist attraktiv für die Ukraine, ihre Erfahrungen im Lichte einer Reihe historischer Parallelen, geistiger Merkmale, geografischer und administrativer territorialer Merkmale sowie der Ähnlichkeit von Regierungsfragen zu untersuchen. D i e

Aktualität des Themas besteht darin, dass die in der Ukraine eingeleitete Verfassungsreform auf die Modernisierung des derzeitigen Systems der öffentlichen Verwaltung, die Dezentralisierung der Staatsgewalt und die Schaffung eines wirksamen Modells der lokalen Selbstverwaltung zielt, was die ordnungsgemäße sozioökonomische Entwicklung der Verwaltungseinheiten und den Schutz der Rechte und Interessen der Einwohner der jeweiligen Gemeinschaften gewährleistet. Es ist erwähnenswert, dass zum ersten Mal in der nationalen Geschichte des Staatsaufbaus das Ziel darin besteht, Formen und Methoden des Managements auf lokaler Ebene "ohne den Staat" oder "mit minimaler Beteiligung des Staates" zu entwickeln. Dies ist ein revolutionärer Ansatz für den Staatsaufbau, da hierarchische Verwaltungspraktiken, die durch eine starre Zentralisierung und eine klare Hierarchie der Behörden auf zentraler und lokaler Ebene gekennzeichnet sind, lange Zeit als die effektivsten Methoden für den nationalen Staatsaufbau angesehen wurden [1: 28-29]. Das Ziel der Forschung besteht darin, die Perspektiven der Entwicklung des Präfekteninstituts in der Ukraine zu beschreiben.

In der gegenwärtigen Entwicklungsstufe der Ukraine als eines demokratischen Rechtsstaates spielt die Reform der Dezentralisierung der Macht eine wichtige Rolle. Die Reform besteht darin, dass die demokratische Regierungsführung gefestigt wird, die Befugnisse der Gebietskörperschaften erweitert werden und eine breite Beteiligung der Bürger an den Verwaltungsangelegenheiten des Staates und der Gesellschaft gewährleistet wird. Laut ehemaligen Vorsitzenden der Werchowyna Rada der Ukraine, V. Groysman, sei das Hauptziel der Dezentralisierungsreform der Aufbau eines wirksamen Selbstverwaltungssystems, das den Kommunalbehörden die Möglichkeit gibt, ihre Aufgaben und Befugnisse qualitativ und verantwortungsbewusst wahrzunehmen und die Machtorgane zu beeinflussen. Darüber hinaus würden durch die Dezentralisierung solche Gebietskörperschaften geschaffen, die in der Lage seien, die Verantwortung für ihre eigene Entwicklung zu übernehmen. Sie

würden zusätzliche Finanzierung und zusätzliche Befugnisse bekommen [2: 4].

Unter Bedingung der gegenwärtigen politischen, wirtschaftlichen und sozialen Krise kann es jedoch vorkommen, dass sich die negativen Tendenzen, insbesondere die Stärkung der regionalen Identität der Bevölkerung und die separatistischen Tendenzen in bestimmten Regionen, verschärfen, wenn es erlaubt wird, über sein eigenes Schicksal selbst zu entscheiden. Die Abschwächung der Machtkonzentration infolge der Dezentralisierungspolitik kann ein Katalysator für die Willkür der lokalen Beamten und für die Unzufriedenheit der Bevölkerung mit den zentralen und lokalen Gebietskörperschaften sein. Deswegen ist es für die wirksame Dezentralisierungspolitik notwendig und wichtig, die Veränderungen in die geltende Verfassung vorzunehmen, die den europäischen und internationalen Standards zu entsprechen haben [2: 6].

Wir glauben, dass die Verabschiedung des Gesetzentwurfs "Über Änderungen in der Verfassung der Ukraine (Über die Dezentralisierung der Macht)" (Nr. 2217a vom 01.07.2015) angemessen die einzelnen Bestimmungen der Verfassung der Ukraine, die die Verwaltungs- und Territorialstruktur angehen, ändern wird. Insbesondere, wie es im Gesetzentwurf vorgesehen wird, wird die ganze Ukraine in die Gebietskörperschaften geteilt. Die Gebietskörperschaft wird dadurch die Grundlage im System der Verwaltungs- und Territorialstruktur der Ukraine. Im Gesetzentwurf wird festgelegt, dass die administrativ-territoriale Struktur der Ukraine auf den Grundsätzen der Einheit und Integrität des Staatsgebiets, der Dezentralisierung der Macht und der Kapazität der lokalen Selbstverwaltung sowie der nachhaltigen Entwicklung der administrativ-territorialen Einheiten beruht. In diesem Gesetzentwurf wird auch vorgesehen, dass die Aufteilung der Befugnisse innerhalb des Systems der Selbstverwaltungsorgane und ihrer Exekutivorgane auf verschiedenen Ebenen nach dem Subsidiaritätsprinzip erfolgt, was der Europäischen Charta der kommunalen Selbstverwaltung entspricht. Gemäß Artikel 4 der Charta sind die

Selbstverwaltungsorgane berechtigt, ungehindert alle Fragen zu beschließen, die nicht aus ihrem Zuständigkeitsbereich ausgeschlossen sind und deren Erledigung keinem anderen Organ anvertraut wurde. Darüber hinaus wurden die örtlichen Staatsverwaltungen bei den Änderungen aus der Verfassungsordnung gestrichen und die Einrichtung von Vorsitzenden der örtlichen Staatsverwaltungen wurde entsprechend abgeschafft. Stattdessen würden sich die Kernkompetenzen auf die Basisebene konzentrieren – in den Gebietskörperschaften, die unter Kontrolle des Gebietskörperschaftsrats stehen. Dabei würde der Leiter der Gebietskörperschaft auf den Sitzungen des Gebietskörperschaftsrats verwalten und das Exekutivorgan der Gebietskörperschaft führen [3]. Außerdem können die Bezirks- und Gebietsräte selbständig ihre Vorsitzenden auswählen, die auch das Exekutivorgan des Rates leiten würden [3]. Aus diesem Grund wird vorgeschlagen, ein Präfekteninstitut einzurichten, damit es auf die Einhaltung der Verfassung und der Gesetze der Ukraine durch die örtlichen Selbstverwaltungsorgane achtgibt.

Die Erfahrung des Landes, in dem das Präfekteninstitut seit Ende des 18. Jahrhunderts tätig ist, könnte hier relevant sein. Laut dem ehemaligen stellvertretenden Leiter des Büros des Europarates in der Ukraine, O. Litvinenko, sei das französische Modell "relativ weich", da Präfekten nach diesem Modell Entscheidungen von den Selbstverwaltungsorganen nur aussetzen und nicht wie in einigen anderen Europäische Länder aufheben können [1: 7] Diese Schlussfolgerung kann durch Analyse der Autorität der französischen Präfekten gezogen werden. Dazu gehören: Überwachung der Umsetzung von Gesetzen, Verordnungen und Vorschriften durch die Regierung und einzelne Minister; Gewährleistung der öffentlichen Ordnung; Ausübung der administrativen Kontrolle über die Aktivitäten des Departements und seiner Gemeinden (d.h. Kommunalverwaltungen); Vorlage rechtswidriger Entscheidungen von Gebietskörperschaften beim Verwaltungsgericht; Vertretung des Staates bei Einhaltung aller Rechtsakte auf Abteilungsebene; Unterzeichnung der Vereinbarung im Namen des Staates sowie

Vertretung der Interessen des Staates in den Justizorganen; Entsorgung von Staatsausgaben im Departement und anderem Staatseigentum; Verwaltung der Arbeit aller lokalen Dienste der zentralen staatlichen Exekutivbehörden und Vermittlung dieser Dienste mit den zentralen Ministerien. Darüber hinaus überwacht der Präfekt die Aktivitäten der peripheren Regierungsdienste in der Abteilung und vermittelt die Beziehungen zwischen den peripheren Diensten und ihren Ministerien. Obwohl einige Dienste nicht vom Präfekten kontrolliert werden, das sind: Randdienste des Ministeriums für Verteidigung, Finanzen, Bildung, Justiz und der Arbeitsaufsichtsbehörde. Der Präfekt, der ein Vertreter der Landesregierung ist, blockiert keine Aktivitäten lokaler Selbstverwaltungsorgane, bestreitet jedoch alle wirklich illegalen Handlungen. Fängt er an, dieses Recht ohne triftigen Grund zu missbrauchen, so stellt sich die Frage nach seiner Kompetenz und in der Folge nach der Zweckmäßigkeit, eine angemessene Position einzunehmen, was wiederum die Möglichkeit eines Missbrauchs seiner Befugnisse einschränkt [4: 21–24].

Alle Argumente, die wir angeführt haben, deuten, dass die Erfahrung der französischen Decentralisierungsreformen wichtig ist, weil sie zeigt, dass der Präfektenstaat einen wirksamen Mechanismus zur Wahrung der Einheitlichkeit, der territorialen Integrität, der Unabhängigkeit der Ukraine, ihrer Souveränität, des Schutzes der Bürgerrechte und -freiheiten für den Gesetzgeber haben wird. Außerdem soll der Gesetzgeber bei der Ausarbeitung der Gesetze zur Dezentralisierung der Befugnisse die folgenden Punkte berücksichtigen und klarstellen: 1) das Verhältnis der Befugnisse der Gebiets- und Distriktpräfekten; 2) das Verhältnis der Befugnisse der Präfekten und der Gebietskörperschaften der zentralen Exekutivorgane vor Ort 3) Klärung von Fragen im Zusammenhang mit der Interaktion des Präfekteninstituts mit lokalen Selbstverwaltungsorganen unter den Bedingungen von Kriegs- oder Ausnahmezuständen, Umweltnotfällen denn diese Fragen in diesem Gesetzentwurf nicht gemessen geregelt sind [5: 122].

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## THE NATION BRANDING ON THE INTERNATIONAL SCENE

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**Gasanova N. E., Bolibok N. O. The nation branding on the international scene.** The article discusses the concept and essence of nation branding and its role in representative activity on the international scene. The article mentions the factors that may affect the formation a brand and image of the state, and also it gives their detailed classification. Actual effective ways and methods of improving the nation branding and popularizing it in the global community are considered.

**Keywords:** brand, interest, international community, international scene, nation branding,

**Гасанова Н. Е., Болібок Н. О. Імідж держави на міжнародній арені.** В даній статті розкрито поняття і суть національного брендингу та його роль в репрезентативній діяльності на міжнародній арені. У роботі позначені фактори, які можуть вплинути на побудову бренду та іміджу країни, а також дана їх детальна класифікація. Розглядаються актуальні дієві способи і методи побудови національного бренду, і його популяризації в усьому світовому співтоваристві.

**Ключові слова:** бренд, зацікавленість, міжнародна арена, міжнародне суспільство, національний брендинг.

**Гасанова Н. Э., Болибок Н. А. Национальный брендинг на международной арене.** В данной статье раскрыто понятие и суть национального брендинга и его роль в репрезентативной деятельности на международной арене. В работе обозначены факторы, которые могут повлиять на построение бренда и имиджа страны, а также дана их детальная классификация. Рассматриваются актуальные действенные способы и методы построения национального бренда, и его популяризации во всем мировом сообществе.

**Ключевые слова:** бренд, заинтересованность, международная арена, международное общество, национальный брендинг.

The o b j e c t of the article is the phenomena of nation branding of the country on the international scene. The s u b j e c t of the article is factors of formation and the main components of the nation branding in the international scene. The p u r p o s e is to

define the theoretical aspects of the nation branding and the main issues of its positioning.

Today, almost no type of activity is complete without image-making and creating a specific brand. It is done in order to be recognized among all other people, companies, products on the market. The national branding makes the same work as product branding does. It gives the society a message about the nation, country and its diplomacy.

Nation branding is of particular salience as it represents 'cultural diplomacy in action', it also opens the door to discussions of the possible stereotyping of states and cultures and equally questions whether nation branding represents a genuine opportunity to encounter and understand the culture of a country.

To avoid confusion over terms, it may be helpful to distinguish between a national brand, defined as "a brand available nationally as distinct from a regional or test-market brand" and a nation-brand, where the brand is the country, state or nation in question. In this book, the nation-brand is defined as the unique, multi-dimensional blend of elements that provide the nation with culturally grounded differentiation and relevance for all of its target audiences.

Nation branding is a relatively new concept. It is the process of applying corporate branding techniques to promote countries, the main objective is to build and manage the reputation of a state. Nation branding is practiced by many states including Canada, the United States, France, the United Kingdom, Japan, China, South Korea, South Africa, and New Zealand. There is a growing interest among less affluent states to practice nation branding as it has the capacity to improve their image abroad and promote trade, tourism and direct investment. Similarly, nation branding – has the potential to fight stereotypes that are associated with certain countries.

Simon Anholt noticed the importance as well as the effects of nation branding and stated "nations have become far more cognizant of the value of their brand as an asset" [1, p. 56]. Anholt is the conceptualist behind a method to evaluate how effective a nation's brand is, a global survey known as the Anholt-Gfk Roper Nations



Brand Index. The nation brand index of a country is derived from the average of scores for diverse criteria that cover: people, governance, exports, tourism, culture and heritage, as well as investment and immigration.

Nation branding is an exciting, complex and controversial phenomenon. It is exciting, as it represents an area in which there is little existing theory but a huge amount of real world activity; complex, because it encompasses multiple disciplines beyond the limited realm of conventional brand strategy; and controversial, in that it is a highly politicized activity that generates passionately held and frequently conflicting viewpoints and opinions [2, p. 25]. Furthermore, nation branding is steadily gaining prominence, with more and more countries around the world committing resources to the development of their nation-brand.

Brands of course do not exist in a vacuum, and to be successful, they must co-exist effectively with the prevailing zeitgeist. Popular culture and trends in society drive and influence strong brands. Any trend can fundamentally change the nation brand. Even jokes and some stereotype can form a prejudicial and unfair treatment to the representative of the state without any reason for it.

Many of the scientists compare the nation branding and the company branding. In view of the fact, there are many similar indicators for these two types of branding. In both situations there are a governance, consumer, employees, structure of the work, performing itself on the scene/market, history of creation, official representatives etc. Looking at these indicators it is also easy to compare stages of creation a brand. Otherwise, the process for the nation is much harder and even unreachable.

The nation branding takes significant place in building up the image of a state. It is one of basing criteria in forming an image, because it consists of many variables such as population image, economy, political situation and so on. The nation brand is grounded not only with “domestic consumer”, the “external market” also is getting involved in the process of foundation this type of a brand.

The practice of branding has been defined as the process by which companies distinguish their product offerings from those of the competition. In an increasingly globalized economy, the challenge of distinguishing their product offerings from those of the competition has assumed critical importance for nations competing for both domestic and foreign consumers. Keller [4, p. 83] suggests that the strategic brand management process involves the design and implementation of marketing programmes and activities to build, measure and manage brand equity.

At the present stage, the international image of any state testifies to its political and economic strength, prosperity and high level of cultural development. Moreover, it is an indicator of the credibility and success of a country's activities on the international scene. The positive image of the country is directly related to the attitude to it of both its own citizens and other countries of the world. The level of patriotism of its inhabitants depends on the image of the state. It should be noted, the reputation gains particular importance only for developing countries, that are trying to catch up with developed countries. The developed countries, for their turn, only maintain the already established reputation.

Equally, nation branding can be fulfilled with brand personality, like a brand ambassador of the state. This person may be from the different life spheres. For example, as a part of nation brand we may give a consideration to politicians and their behavior. It is also widely spread phenomena a media person to be a representative of some state. It occurs due to his/her recognition with the world society. Most frequently such persons are actors, singers, football-players etc.

K. Dannie clarifies the application of branding techniques to nations as relatively new phenomenon, but one which is growing in frequency given the increasingly global competition that nations now face in both their domestic and external markets [3, p. 42]. Nations are making increasingly conscious efforts to hone their country branding in recognition of the need to fulfil three major objectives:

- to attract tourists,
- to stimulate inward investment,
- to boost exports.

A further objective for many nations is talent attraction, whereby countries compete to attract higher education students and skilled workers. Investment and boosting exports, nation branding can also increase currency stability; help restore international credibility and investor confidence; reverse international ratings downgrades; increase international political influence; stimulate stronger international partnerships and enhance nation building (by nourishing confidence, pride, harmony, ambition, national resolve). Even a participation in different world-famous organizations can effect on the nation branding in specific manner.

Actually, understanding the value of national brands helps countries better attribute the investments they make in areas that affect their global image. As such, branding efforts have stepped into a new era and nation branding as a concept has become extremely popular. Contemporary governments have started to hire public relations firms to help them launch sophisticated branding campaigns aimed at attracting foreign investment, encouraging trade, and even improving overall geopolitical influence. So, the forming the nuanced nation branding is vitally important of the joy of creation image of the state on the international scene.

Nation branding is an important concept in today's world. Globalization means that countries compete with each other to attract the attention, respect and trust of investors, tourists, consumers, donors, immigrants, media and the governments of other nations. In such a context, a powerful and positive nation-brand provides crucial competitive advantage. It is essential for countries to understand how they are seen by other publics around the world, how their achievements and their failures, their assets and their liabilities, their people and their products are reflected in their brand images.

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## THE ESSENCE, TYPOLOGY AND STRUCTURE OF INTERNATIONAL CONFLICTS

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**Gerasimenko M. A., Broslavska Y. M. The essence, typology and structure of international conflicts.** The article considers the problem of international conflicts and the nature of the conflict, due to the significance of these issues for the analysis of international controversies. The article also addresses such issues as the essence, types and main causes of international conflicts.

**Keywords:** analysis, classification of conflicts, conflict, controversies, international conflict, international relations, nature of conflict.

**Герасименко М. А., Брославська Є. М. Сутність, типологія і структура міжнародних конфліктів.** У статті розглядається проблема міжнародних конфліктів, а також характер конфлікту, так як його необхідно враховувати при аналізі міжнародних протиріч. У статті також вивчаються такі питання, як сутність, типи та основні причини виникнення міжнародних конфліктів.

**Ключові слова:** аналіз, класифікація конфліктів, конфлікт, міжнародні відносини, міжнародний конфлікт, протиріччя, характер конфлікту,.

**Герасименко М. А., Брославская Е. М. Сущность, типология и структура международных конфликтов.** В статье рассматриваются проблема международных конфликтов, а также характер конфликта, так как его необходимо учитывать при анализе международных противоречий. В статье также рассматриваются такие вопросы, как сущность, типы и основные причины возникновения международных конфликтов.

**Ключевые слова:** анализ, классификация конфликтов, конфликт, международный конфликт, международные отношения, характер конфликта, противоречия.

The o b j e c t of the article is the processes of formation and development of international conflicts as well as their causes and nature, which are important for conflict analysis. Moreover, the focus is on methods for conflict settlement at the stages when they are possible to implement. The subject of the article is ways to

overcome international conflicts and ways of their peaceful settlement. The purpose of the article is to study the types of international conflicts, their essence, structure and the possibility of reaching a compromise.

There is a saying that "when there is an individual, peace prevails and where there are two individuals, conflicts arise and when there is more than that, alliances begin." This wisdom refers to the historical law that governs our lives in general [7].

As many scholars of international relations see, conflict is a natural phenomenon of extremely complex dimensions which is closely intertwined with the human experience. Conflicts have arisen since the emergence of the first human, and these relations occur at different levels, individual or collective, and in various dimensions: psychological, cultural, political, economic, social, historical, etc. Also, its forms vary greatly and as a result have different degrees of intensity starting from a minor conflict at a family level to the extent of wars and armed conflicts. Conflict is a competitive phenomenon that involves two or more conflicting goals [6]. At the same time, the main element in the definition of conflict is that it involves at least two or more parties with opposing objectives. It means that each party wants to get what the other one wants or retains, and therefore if the demands of one party are met, the demands of the other party will not be satisfied because the focus of the conflict is the same [5].

War arises because of the changing relations of numerous variables – technological, psychic, social, and intellectual. There is no single cause of war. Peace is an equilibrium among many forces. Change in any particular force, trend, movement, or policy may at one time make for war, but under other conditions a similar change may make for peace. A state may at one time promote peace by armament, at another time by disarmament, at one time by insistence on its rights, at another time by a spirit of conciliation. To estimate the probability of war at any time involves, therefore, an appraisal of the effect of current changes upon the complex of intergroup relationships throughout the world [2].

What causes war? Why international violence? International Conflict? The answers are specific. International Conflict Behavior is caused by:

- opposing interests and capabilities (specific sociocultural differences and similarities between the parties),
- contact and salience (awareness),
- significant change in the balance of powers,
- individual perceptions and expectations,
- a disrupted structure of expectations,
- a will-to-conflict.

It is aggravated by:

- sociocultural dissimilarity,
- cognitive imbalance,
- status difference,
- coercive state power.

It is inhibited by:

- sociocultural similarity,
- decentralized or weak, coercive state power.

It is triggered by:

- perception of opportunity, threat, or injustice,
- surprise [4].

Such are the general causes and conditions of international Conflict Behavior whether nonviolent conflict behavior, violence, or war. Conflict Behavior manifests a series of subphases in the balancing of powers. Each subphase involves different kinds of behavior. What, then, uniquely characterizes each subphase within the above framework of general causes and conditions? In addition to the general causes of Conflict Behavior, nonviolent Conflict Behavior and minor low-level violence, are aggravated by cross-pressures. They are inhibited by:

- system polarity (centralization of coercive power),
- a stable status quo

In addition to the general causes of Conflict Behavior, violence (including war) is caused by:

- at least one party having an authoritarian or totalitarian regime ,
- status quo disruption,
- confidence in success.

It is aggravated by:

- system polarity (centralization of coercive power),
- Big Power intervention,
- weakness of the status quo Power,
- credibility at stake,
- honor at stake.

It is inhibited by:

- cross-pressures,
- internal freedom,
- strength of the status quo Power,
- world opinion.

War is a particular type of intense violence and what generally causes, aggravates, and inhibits violence so affects war. In addition, war is uniquely aggravated by:

- power parity,
- class conflict.

It is inhibited by:

- power disparity [1].

Approaches or theories that explain the phenomenon of conflict are diverse and abundant. Some of them take a broad view interpreting conflict as a comprehensive phenomenon, while others focus on international conflict in particular. Here it can be said that whatever the theoretical focus of the interpretation of the phenomenon of conflict, it is definitely of a very complex nature represented by a variety of types that often overlap and interwine. Hence, the objective interpretation of the phenomenon of conflict should be based on the full use of all approaches and theories combined, taking into account the specific characteristics of each case [5].



In general, psychological explanations of the conflict phenomenon at the international level are based on a set of psychological factors. The most important of them can be identified in several ways. One approach connects the aggressive behavior with the human nature. Among the most prominent advocates of this approach are a famous psychologist Sigmund Freud and a prominent professor of international relations Kenneth Waltz. In this regard, Freud goes on to say that, "the motivations of the process of conflict and struggle are due to the instinct of love of domination and control, as well as the motive for revenge, expansion and risk." On the basis of this, Freud saw that conflicts and wars represent an ideal opportunity to satisfy such motives and tendencies inherent in the depths of human nature itself [3].

The concept of the conflict circle refers to an analytical tool whereby the roots and causes of conflict behavior are studied and analyzed. Using a conflict circle, conflict is examined and assessed according to five sets of variables (relationships, information, interests, structure, and values). In the light of these variables, conflicts are divided into fundamental or necessary conflicts, and others that are not essential or necessary. The first type includes conflicts of interests and values, as well as structural conflicts [6]. Non-core conflicts include information conflicts and conflicts of relations. In addition, using these five variables, the causes of conflict and the relative role and significance of each conflict can be identified, regardless of its level (personal, collective, intra-group, inter-communal, national or community) or driving force, and therefore it is possible to take an appropriate decision on the strategy of dealing with this conflict.

In addition to its complexity, the concept of conflict is marked by its presence everywhere in the society around us. Wherever one looks, a conflict circle or a pattern of conflict might be observed. On the one hand, the pattern of conflict may be hidden, or undergo the process of development and emergence, or may be blatant. On the other hand, its circle may be determined at one or more levels as follows: in an individual or personal circle, there is usually a conflict

between peers, spouses, children, friends, and neighbors. It can be noted that the main feature of conflict at this level is that it often results in a loss of personal relationships to other parties that may extend over a long period.

Thus, the main task is to develop interstate cooperation in the economic, cultural, and social spheres and to establish contacts between public organizations, individual authorities and researchers within the framework of the conflict resolution field. In addition to establishing contacts and the implementation of joint projects, media coverage is of great importance. The problem faced by participants in peace consolidation activities is that it is not always possible to eliminate the cause of the conflict. The final and complete elimination of it is rather a goal for the future [8].

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## THE ROLE OF AMERICAN-CHINESE TRADE WARS

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**Golovko D. G., Musaeva R. Sh. The role of American-Chinese trade wars.** The article discusses the nature of trade war, their reasons and the role for another countries.

**Keywords:** trade wars, competition, cooperation, economic, USA, China, GDP.

**Головко Д. Г., Мусаєва Р. Ш. Роль американсько-китайських торговельних воєн.** У статті розглядається сутність американсько-китайських торговельних воєн, їх причини та роль для інших країн світу .

**Ключові слова:** торговельні війни, конкуренція, співробітництво, економіка, США, Китай, ВВП.

**Головко Д. Г., Мусаєва Р. Ш. Роль американско-китайских торговых войн.** В статье рассматривается сущность американско-китайских торговых войн, их причины и роль для других стран мира.

**Ключевые слова:** торговые войны, конкуренция, сотрудничество, экономика, США, Китай, ВВП.

The relevance of the topic. The study of the problems of Chinese-American cooperation and trade wars is relevant for some reasons. Following the disappearance of the USSR from the political map of the world, the United States is the only state that has the status of a superpower, becoming a key player in the international arena. With an advanced economy, the most powerful army, being a NATO leader worldwide, the United States made its first attempt at the end of the last century to outline the new world order that meets the needs of the United States as a superpower and leader of a modernized Western world. China poses serious challenge to Western ideology of world domination, as China is the second economy of the world and the most populous country of the world. Not only the development of other countries, but also the level of world GDP and the development of the world economy as a whole

depends on the development of these countries, therefore, the chosen topic is relevant.

The purpose of the topic is to review the impact and reason of American-Chinese trade wars.

The object of the topic trade wars.

The subject of the topic is the role of American-Chinese trade wars.

End of XX and beginning of XXI century were marked by the rise of a new economic giant in Asia. China's main trading partner in the early 21st century became the United States. Their relationship, along with the fact that they have strengthened and deepened, but also led to some serious problems that neither Beijing nor Washington were prepared for.

Combining the two largest economies of the China and the US has created the interdependence and complementarity of these countries, which bring not only positive results, but also some problems. This whole situation, with the integration of the two economies, is sharply perceived in America, and so Washington is trying in every possible way to press Beijing to reduce this integration, accusing the Chinese side of trade and economic disruption.

At the beginning of the XXI century. China-US relations can be described as developing fruitful ties between Beijing and Washington. As a result of all the negotiations, the two superpowers came to the point where they were able to establish fruitful relations and become trading partners.

In the future, the discriminatory control policy of the US government on trade with China has led to the fact that some Chinese consumers have not had the opportunity to productively cooperate with their US export partners.

Similarly, American entrepreneurs lost their ability to trade with China. This is due to a discriminatory policy that has caused the United States to miss a chance to trade with China, which is valued at several million dollars. Washington banned the export of about 50 types of goods to China. The US government contradicts itself in

their policies, on the one hand they pay attention to the passive balance in trade with China, and on the other, do not want to reduce restrictions with it.

At the same time, as the US government pursued its discriminatory policies, other countries, on the contrary, withdrew such policies on China and, on the contrary, provided financial support for the purchase of productive products, which contributed to the further development of exports to China. This has increased the competitiveness of EU countries. Not only did they not have a negative balance in trade with China, but even their balance was positive. The Chinese government has demonstrated to the US government that if Americans want to have productive bilateral trade and economic relations, then they must take steps to simplify existing discriminatory arrangements and take such steps as would promote a balanced development of US-China trade and economic relations.

Formally, the US-China trade began in March 2018, during an investigation into Chinese companies' intellectual property theft, it was discovered that China was using discriminatory practices that were detrimental to US trade. As a result, China and the US have made a number of decisions, namely, introducing mutual increased duties. Trump initially imposed duties on imports of steel (25%) and aluminum (10%). Then, customs duties were imposed on Chinese goods, initially \$ 50 billion, and later \$ 200 billion. The Chinese side, in response, imposed a duty of 5-10% on imports of goods for groups of \$ 60 billion.

In January 2019, China held another trade talks, with China proposing to reduce its trade surplus to zero by 2024. According to the Chinese delegation, by 2024, China wants to increase imports of goods from the United States by a total amount of more than \$ 1 trillion, that will increase US imports six times. But the US does not want so long and insists that the imbalance in trade between the two countries be resolved over the next two years.

Thus, during the year, the US increased the customs duties up to 25% three times for goods with China. In response, China imposed between 5% and 25% of customs duties on goods imported from the United States. According to recent data, the total value of Chinese

imports, against which the Trump administration has imposed duties, is \$ 250 billion a year.

In August 2019, the Chinese yuan fell to a minimum due to a trade war, which has not been the case for 11 years. In September 2019, China partially abolished duties on US goods. This decision is an important step in resolving the conflict.

During the most recent negotiations, which took place in October 2019, countries were able to reach a consensus and begin the first stage in the settlement of the conflict. The US has agreed not to raise the fee as previously planned. And the Chinese side has promised to buy more agricultural products in the US.

America and China have agreed an agreement that will allow the parties to suspend the trade war and work on a larger agreement on trade-related issues.

They agreed on further cooperation in resolving the conflict, which is very necessary for both countries.

The trade war was damaging for both countries, but China was at a disadvantage, as Chinese companies lost about \$ 2.4 trillion. There has been an economic downturn that China has not known for 28 years.

As for US companies, Apple, Ford and others suffered losses during the trade war.

While two powerful economies of the world argue among themselves and suffer losses, some countries only benefit from this, which allows technological and economic development to replace the products of US and Chinese firms. Because China has restricted US exports, Americans have had to look for substitutes in other markets. Developing countries such as Vietnam, Mexico, India and Pakistan benefit most.

However, the trade war between China and the US, in addition to completely natural redistribution of markets, can also have serious negative consequences for the world economy, which should not be underestimated.

So, on the one hand, during the trade war, there is a redistribution of markets, which allows some countries to rise and

enrich themselves. But on the other hand, the disputes between China and the United States not only halt the speed of development of these countries, but also halt the speed of the world economy as a whole. For example, euro area GDP also fell, as the EU's economy also depends on the “stability” of these countries.

To sum up, relations between USA and China are the most important bilateral relations of the modern world. Today, attempts are made to find a compromise and resolve a conflict, as the October 2019 meeting showed, as the United States and China are exhausted by a trade war, a situation in which these powerful nations find themselves unprofitable for their economic growth.

The trade war has caused great damage and has affected the development of most countries in the world. It is difficult to guess the future of the confrontation between America and China, but most likely they will reach a compromise and start mutually beneficial cooperation again.

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## PROBLÈMES ET PERSPECTIVES DE L'UNION EUROPÉENNE

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**Golubyatnikova M. S., Bezvesilaya N. T. Problèmes et perspectives de l'union européenne.** Cet article décrit la plus grande union d'État – l'Union européenne. L'article décrit l'état général, économique, révèle les principaux problèmes de l'association connue, qui la séparent de la transition vers la prochaine étape de son développement. L'article décrit également la perspective du développement de l'UE, sa situation économique, ses relations économiques extérieures et fournit des recommandations et suggestions pour résoudre les problèmes existants.

**Mots-clés:** Union Européenne, États-membres de l'UE, chômage, emploi, relations économiques extérieures.

**Голубятникова М. С., Безвесільна Н. Т. Проблеми та перспективи розвитку Європейського Союзу.** У цій статті розповідається про найбільше державне об'єднання – Європейський Союз. Стаття описує загальний стан, економічний, розкриває основні проблеми відомого об'єднання, які відділяють його від переходу до наступного етапу свого розвитку. Також стаття описує перспективу розвитку ЄС, його економічного стану, його зовнішньоекономічних зв'язків та наведені рекомендації та пропозиції щодо вирішення існуючих проблем.

**Ключові слова:** Європейський Союз, країни-члени ЄС, безробіття, зайнятість населення, зовнішньоекономічні зв'язки.

**Голубятникова М. С., Безвесильная Н. Т. Проблемы и перспективы развития Европейского Союза.** В этой статье рассказывается о наибольшем государственном объединении – Европейском Союзе. Статья описывает общее состояние, экономическое, раскрывает основные проблемы известного объединения, которые отделяют его от перехода к следующему этапу своего развития. Также статья описывает перспективу развития ЕС, его экономического состояния, его внешнеэкономических связей и приведены рекомендации и предложения по решению существующих проблем.

**Ключевые слова:** Европейский Союз, страны-члены ЕС, безработица, занятость населения, внешнеэкономические связи.



Le but de cet article est d'analyser l'état de l'Union européenne, d'identifier les problèmes et de recommander des solutions.

L'Union européenne est la cible de l'étude. Le sujet de l'étude est l'impact de l'état de l'Union européenne sur ses perspectives.

Au stade actuel, l'Union européenne est la plus grande association interétatique. Au sein de l'Union européenne a été créée une union économique et monétaire et une monnaie unique – l'euro, qui a été introduite depuis 2002 et a complètement remplacé les monnaies nationales de la plupart des pays-membres. Les processus d'intégration en Europe ont atteint le plus haut niveau au monde. L'Union européenne comprend actuellement 28 pays européens et plusieurs pays sont candidats.

Selon ce qui est écrit dans le traité de Maastricht, tout État d'après ses traditions européennes, culturelles, politiques et légales, peut adhérer à l'UE, qui respecte les principes de liberté, de démocratie et de droit. Les critères, que l'État doit posséder pour adhérer à l'UE, ont été approuvés lors du Conseil européen de Copenhague de 1993. Les critères de Copenhague comprennent: l'existence d'institutions stables garantissant la démocratie, les normes la loi, les droits de l'homme et les droits des minorités nationales; la présence d'une économie de marché, capable de concurrencer avec les économies des autres pays participants; respecter les droits et les responsabilités des membres, soutenir les buts et objectifs de l'UE; l'existence de structures administratives mettant en œuvre les lois de l'Union européenne [1].

Aujourd'hui, l'Union européenne a des problèmes qui ne lui permettent pas de passer à la prochaine étape de son développement.

Il est important pour l'Union européenne d'élargir ses frontières, mais les demandes d'adhésion à l'UE proviennent de pays ayant un niveau de développement économique relativement faible, une infrastructure technique médiocre et des niveaux de PIB faibles par rapport au niveau européen moyen. Ces pays ne sont pas du tout conformes aux critères de l'UE pour l'admission de nouveaux membres. Ainsi, la réalisation de l'unité économique et le développement uniforme de tous les États-membres de l'UE

deviennent de plus en plus problématiques, et le prix de l'expansion peut affecter négativement, par exemple, la formation du budget général de l'UE, qui aura par conséquent un effet dissuasif sur le rythme de développement de l'UE dans son ensemble. Dans ce cas, le principe de «coopération renforcée» des États-membres de l'UE à potentiel économique plus élevé peut commencer à jouer un rôle plus important. Ensuite, la formule de «l'intégration à plusieurs vitesses», dont les idéologues dans les années 70 du siècle dernier étaient Willie Brandt et Leo Tindemans, se manifestera pleinement. Dans ce cas, un problème important doit être pris en compte: avec un grand nombre de pays-membres de l'UE avec un niveau de développement économique de plus en plus différent, la formule proposée signifie en fait différencier le taux d'intégration dans des groupes d'Etats membres de l'UE: certains États atteignent plus rapidement l'objectif d'unification, d'autres sont plus lents. Certains États atteignent plus rapidement leur objectif et sont plus susceptibles d'en bénéficier sur le plan économique. D'autres sont dans un état bien mqucais. Il ne s'agit pas seulement d'un problème d'appartenance dite de «seconde classe» ou de partenariats inégaux, de second ordre et tronqués, notamment en ce qui concerne le processus décisionnel d'élaboration d'une politique d'intégration coordonnée ou leur position dans les instances institutionnelles des Communautés européennes. Au final, la mise en œuvre concrète de telles activités d'intégration européenne à grande échelle peut constituer une menace fondamentale: l'intégration économique régionale devient bâtarde et son essence est sapée. Cela est possible dans la mesure où les différents États-membres de l'UE participeront à des vitesses et dans des domaines différents à la mise en œuvre de certaines phases de l'intégration économique. En conséquence, à long terme, la réalisation de l'union économique régionale reste un caprice [2].

L'augmentation du chômage est un problème dans tous les pays de l'UE. Ce problème a son propre nombre de raisons, et la principale réside dans la situation démographique. Actuellement, le nombre de travailleurs immigrés augmente dans les pays de l'UE, l'activité des femmes augmente et le taux de croissance de la population active

s'accélère dans les zones où le problème du chômage est le plus aigu. En Union européenne tels pays dominant en termes de nombre absolu de chômeurs: l'Allemagne – 4,0 millions, la Pologne – 3,3 millions, la France – 2,6., L'Italie – 2,1., L'Espagne – 2,1., La Grande-Bretagne – 1,4 million.

Par rapport aux États-Unis, le taux de croissance de la population de l'UE est nettement inférieur. Et sur cette base, l'UE doit compléter le marché du travail au détriment des travailleurs immigrés des pays tiers du monde [3].

À l'heure actuelle, le problème de la réduction de la compétitivité commerciale, économique, technique et technologique des États de l'UE est tout à fait pertinente par rapport aux nouveaux leaders mondiaux du développement dirigés par la Chine.

La complication des situations sociales dans les pays européens qui n'ont pas de solution simple est également problématique: vieillissement de la population, aggravation des inégalités immobilières, aggravation de la situation de la classe moyenne, etc.

On peut dire que l'Union européenne subit une sorte de test de déchirure. Une situation de crise n'a pas le temps de se résoudre, car une autre se pose déjà, et tout cela se produit dans un contexte de tensions financières et d'endettement, et surtout – une croissance économique atone dans les différents pays, qui change périodiquement en récession.

Afin de résoudre les situations de conflit, les sommets de l'UE chacun ç son tour succèdent, produisent des résolutions et des accords, signent différents types de documents. Mais plus les décisions sont prises, plus les problèmes surgissent qui nécessitent des efforts diplomatiques redoublés, de nouvelles approches et de nouveaux accords. Tout cela suggère une défaillance systémique du fonctionnement des institutions de l'Union européenne.

Malgré les problèmes, l'Union européenne continue de se développer, notamment le secteur commercial. Les relations économiques des pays-membres évoluent progressivement vers un nouveau niveau de développement, dont le fondement est basé sur le

respect mutuel des intérêts et l'accélération des processus d'intégration entre les pays.

À l'avenir, jusqu'en 2022, les relations économiques extérieures entre les pays européens se renforceront. Le commerce extérieur des États membres se fera à l'échelle de l'UE, mais la coopération avec la Chine s'intensifiera également. Dans le même temps, le niveau des importations augmentera plus lentement que les exportations, ce qui contribuera à maintenir une balance commerciale positive [4].

D'une manière générale, l'économie de l'Union européenne restera à un niveau élevé. L'Europe ne doit pas s'attendre à une augmentation des tendances protectionnistes. Les pays européens se battront pour la grande clarté des règles de l'OMC et leur affinement vers la libéralisation du commerce mondial. Cependant, l'UE continuera de prendre activement des mesures pour rationaliser les processus sur la scène économique mondiale.

Pour accélérer le rythme de développement de l'Union européenne, il est nécessaire d'augmenter le niveau des indicateurs dans de nombreux domaines d'activité sur l'ensemble du territoire de l'association internationale.

L'un de ces domaines est l'emploi. La politique de l'emploi devrait viser: réalisation du plein emploi, amélioration de la qualité et de la productivité du travail; renforcement la cohésion sociale et territoriale; aide à la recherche d'emploi pour des citoyens socialement inclusifs; création des conditions nécessaires à l'amélioration du marché du travail; assurer des augmentations de salaires et des coûts de main-d'œuvre.

Les États-membres comprennent l'importance de la composante éducative pour le développement harmonieux de l'UE et l'augmentation de sa compétitivité. Ils attirent l'attention sur ce domaine au sein des institutions supranationales et cherchent à prendre des mesures pour améliorer ce domaine. La composante éducation exige des États-membres qu'ils établissent une coopération entre tous les pays dans ce sens.

Pour améliorer la qualité et l'efficacité du système éducatif, les États-membres de l'UE devraient accorder la priorité à des tâches

telles que les taux élevés d'éducation et de formation parmi les pays du monde; il devrait également être possible d'utiliser l'éducation n'importe où, quel que soit l'endroit où elle a été reçue; il est nécessaire de réduire le nombre de personnes non diplômées des établissements d'enseignement.

Le domaine scientifique et technique ne doit pas non plus être négligé; il joue un rôle important dans le développement de la science, de la technologie et de l'économie dans les pays de l'UE. Le renforcement de la base scientifique et technique de l'UE garantit une compétitivité accrue des produits et, d'une manière générale, la création de la compétitivité globale d'une économie innovante. Pour élever le niveau de la sphère scientifique et technique, il faut: accroître le financement des programmes scientifiques de développement innovant; moderniser les industries non compétitives; renforcer la coopération interrégionale et intrarégionale dans la recherche scientifique et les technologies innovantes; promouvoir la diffusion de l'innovation dans tous les pays de l'Union européenne; créer un environnement pan-européen de l'information et un espace scientifique européen unique; préparer un personnel scientifique hautement qualifié qui sera en mesure d'assurer le progrès scientifique et technologique stable de tous les membres de l'UE.

Tout État doit assurer la sécurité nationale, et la sécurité environnementale doit être considérée comme une partie intégrante de celui-ci. En outre, les problèmes environnementaux peuvent devenir les raisons du ralentissement du développement de tout pays, par conséquent, des mesures doivent être prises pour les résoudre.

Les pays de l'UE devraient avoir des tâches prioritaires pour résoudre les problèmes environnementaux: protection, conservation et développement du capital naturel de l'UE; assurer l'investissement dans la politique environnementale et climatique et atteindre un coût d'investissement approprié; la protection des citoyens de l'UE contre les pressions environnementales et les risques pour la santé et le bien-être; renforcer l'efficacité de la réponse de l'UE aux défis environnementaux et climatiques régionaux et mondiaux.

Dans ce cas, l'expérience des États-membres de l'Union européenne, dont les gouvernements nationaux, dans le processus de décentralisation du pouvoir, ont transféré un large éventail de compétences environnementales aux organes d'autonomie régionale et locale, peut être utile.

La réalisation des normes élevées de tous les États-membres de l'UE devrait être l'un des objectifs politiques les plus importants à court terme, mais en même temps, il est important de comprendre que les réalisations qui sont actuellement le résultat d'un long processus non seulement de réformes aux niveaux national et régional, mais aussi de la prise de conscience de chaque citoyen de l'importance de créer les conditions d'une existence digne non seulement pour eux-mêmes mais aussi pour la prochaine générations.

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## FAST FOOD INDUSTRY

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**Gorbenko V. I., Medvid M. M. Fast food industry.** The article discusses the fast food industry, its impact on the catering industry as a whole. The beginning of the fast food culture and understanding of the term “fast food” are described. The market major players and the problems of this industry are considered.

**Keywords:** catering industry, fast food, fast food culture, major players.

**Горбенко В. І., Медвідь М. М. Індустрія швидкого харчування.** У статті розглядається індустрія швидкого харчування, її вплив на галузь громадського харчування в цілому. Описуються початок культури швидкого харчування і розуміння терміну «фаст-фуд». Розглянуто основні учасники ринку і проблеми даної індустрії.

**Ключові слова:** громадське харчування, культура швидкого харчування, основні учасники ринку, фаст-фуд.

**Горбенко В. И., Медведь М. Н. Индустрия быстрого питания.** В статье рассматривается индустрия быстрого питания, её влияние на отрасль общественного питания в целом. Описываются начало культуры быстрого питания и понимание термина «фаст-фуд». Рассмотрены основные участники рынка и проблемы данной индустрии.

**Ключевые слова:** культура быстрого питания, основные участники рынка, общественное питание, фаст-фуд.

The o b j e c t of the article is the fast food industry in the modern world space. The s u b j e c t of our study is the fast food culture and its impact on the catering industry. The p u r p o s e of the article is to study the concept of fast food, determine the major players in the market and identify some of the problems the fast food industry faces.

Fast food is a food prepared and served quickly at a fast food restaurant or a shop. It is served usually in a carton or bags in order to minimize cost. Fast food outlets often provide take away or take out foods in addition to sit down services. Fast food is a multi billion industry continuing to grow at a rapid pace in coming years. Fast food is often highly processed and prepared in an industrial fashion

i.e., with standard ingredient, methodical cooking and production methods.

The concept of fast food isn't new. Early in the 19th century, at the start of the Industrial Age when people had to work 12 to 14 hours a day, there was scarcely any time for long breaks for eating. The first snack bars and kiosks arose in front of factories. Today, quick meals outside the home have become an essential part of our lifestyle [5].

The term "fast food" means just that. However, the boundary between fast foods and traditional dishes is fluid. In particular, it's difficult to provide a qualitative distinction because fast foods can also include salads and fruit in addition to classic offerings such as hamburgers, hot dogs, sandwiches, patties, French-fries, fish and chips, etc.

The best way to distinguish fast foods is to use formal characteristics:

Time required – those who eat fast foods do not want to spend a lot of time selecting and eating, and if necessary will eat standing or walking, on the bus, park bench, or at work. The variety of foods and beverages is usually very limited.

Fast food frequently does not come with knives and forks, making it "finger food."

When cutlery, cups and plates are necessary, they are disposable.

The characteristics of fast food, therefore, are that it requires little time, offers a limited selection, it can be called "finger food", and cutlery and plates are disposable. These characteristics readily illustrate the difference between traditional dining culture and fast food culture. Many people equate fast foods with convenience foods. This is incorrect since convenience products are often eaten at home. They require active participation because they must be heated, stirred, baked, thawed, etc., and are supplemented with other foods [4].

There are three general categories of fast food businesses:

1) self-service restaurants with a fast-food palette like McDonalds, Wendy's, Burger King, Pizza Hut, etc,



2) take-out (or take-away) businesses that sell ready-to-eat foods and beverages "on the street corner",

3) hot-dog stands and snack stands with counters or a pair of stand-up tables.

The concept of fast food pops up during 1920s. Fast-food chains initially catered to automobile owners in suburbia. The notion of "fast" food reflected American culture in which speed and efficiency are highly prized/

The 1950s first witnessed their rapid proliferation. Several factors that contributed to this explosive growth in 50's were:

- 1) America's love affair with the automobiles.
- 2) The construction of a major new highway system.
- 3) The development of sub-urban communities.
- 4) The baby boom subsequent to world war second.

Fast food has experienced fast growth in past decade. Changing lifestyles, breakdown of joint family system, increasing number of working women's and western influence in urban areas are fuelling the demand for fast food [5].

Today, only 40% of young college-age people eat lunch at home. Chiefly, but not exclusively, teenagers and young adults use fast food facilities when they need to catch a bite on the go. According to studies, 66% of young men and 33% of women in Switzerland eat one to two hamburgers a week, and half the teenagers eat French-fries once a week. The large chains have pulled out all the stops of modern marketing, targeting primarily young consumers. They entice their potential customers with TV spots, children's parties, gifts for small children, and an ambiance that is generally child- and teenager-friendly. Large distributors, bakers and butchers, snack bars, and so on, also exploit the fast food trend and offer more take-out products. It's obvious that these campaigns are at the expense of traditional home dining culture. Experts have coined the term "McDonaldization" to describe this phenomenon [2].

The reasons for fast food establishments to capture a considerable segment of the catering industry are:

- Many women or both parents now work
- There are increased numbers of single-parent households
- Long distances to school and work are common
- Usually, lunch times are short
- There's often not enough time or opportunity to shop carefully for groceries, or to cook and eat with one's family. Especially on weekdays, fast food outside the home is the only solution.

Statistics show the brand value of the 10 most valuable fast food brands worldwide in 2019. In that year, the brand value of Starbucks amounted to approximately 45.9 billion U.S. dollars. McDonald's was the most valuable fast food brand in the world with an estimated brand value of about 130.4 billion U.S. dollars. Below is the list of the most important market players in the fast food industry [3]:

- McDonald's
- Starbucks
- Nirulas
- Pizza Hut
- Dominos Pizza

Though we can't imagine the modern world without fast food enterprises, there is a number of problems associated with the industry:

1. Environmental issues.

Environmental friendly products cost high: government is legislating laws in order to keep check on the fast food industry and it is emphasizing more on the usage of bio-degradable and environment friendly products. But associated with this issue is the problem that fast food player faces – the cost associated with the environment friendly product. They cost much higher than the normal products that companies use for packaging or wrapping their products [1].

Balance between societal expectation and companies economic objectives: To balance a society's expectation regarding environment with the economic burden of protecting the environment. Thus, one can see that one side pushes for higher standards and the other side

tries to beat the standard back, thereby making it an arm-wrestling and mind boggling exercise.

2. Health related issues: obesity:

Studies have shown that a typical fast food has very high fat density and food with high fat density causes people to eat more than they usually need. Emphasis is now more on low-calories food. In this line McDonald has a plan to introduce all white meat chicken McNugget with less fat and fewer calories [2].

To summarize, the success of fast foods arose from the changes in our living conditions. Fast food enterprises have captured a considerable share of the food market which means their impact on the catering industry cannot be underestimated.

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## EU CYBER DIPLOMACY PRACTICE

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**Hogol M. R., Broslavska Y. M. EU cyber diplomacy practice.** Human life is intrinsically linked with information technologies and it has its own consequences. Cyberspace has become one of the major concerns of international relations. Most global powers have now streamlined cyber issues into their foreign policies, adopting cyber strategies and appointing designated diplomats to pursue these strategic objectives. The article deals with the definition of the term “cyber diplomacy”, the necessity of implementing a diplomacy in cyberspace and the cyber diplomacy experience of European Union.

**Keywords:** cyber diplomacy, cyberspace, diplomacy, EU, international relations.

**Гоголь М. Р., Брославська Є. М. Досвід ЄС у сфері кібер-дипломатії.** Життя людини нерозривно пов'язане із інформаційними технологіями, і це має свої наслідки. Кіберпростір став однією із головних проблем міжнародних відносин. Більшість передових держав зараз включає в свою зовнішню політику аспекти діяльності в кіберпросторі, приймають свої кіберстратегії та призначають дипломатів для досягнення цієї стратегічної мети. У статті розкривається суть поняття «кібер-дипломатія», необхідність її імплементації та досвід Європейського Союзу у цій сфері.

**Ключові слова:** дипломатія, ЄС, кібер-дипломатія, кіберпростір, міжнародні відносини.

**Гоголь М. Р., Брославская Е. М. Опыт ЕС в сфере кибер-дипломатии.** Жизнь человека неразрывно связана с информационными технологиями, и это имеет свои последствия. Киберпространство стало одной из главных проблем международных отношений. Большинство передовых государств сейчас включает в свою внешнюю политику аспекты деятельности в киберпространстве, принимают свои киберстратегии и назначают дипломатов для достижения этих стратегических целей. В статье раскрывается понятие «кибер-дипломатия», необходимость ее имплементации и опыт Европейского Союза в данной сфере.

**Ключевые слова:** дипломатия, ЕС, кибер-дипломатия, киберпространство, международные отношения.

The subject of the study is EU experience in implementing cyber diplomacy. The purpose of the study is to learn how European Union implements its cyber diplomacy. The relevance of the research is justified by the fact that cyberspace has become one of the major concerns of international relations. Most global powers have now streamlined cyber issues into their foreign policies, adopting cyber strategies and appointing designated diplomats to pursue these strategic objectives. Cyber espionage, cyber-attacks, hacktivism, internet censorship and even supposedly technical issues such as net neutrality are now making the headlines on a regular basis. Cyberspace has become a contested political space, shaped by diverging interests, norms and values. As a result of this politicization, diplomats have entered the game. If cyberspace was once a domain for technical discussions among IT specialists only, that era is definitively over.

Diplomacy is understood as the attempt to adjust conflicting interests by negotiation and compromise. Cyber-diplomacy can be defined as diplomacy in the cyber domain or, in other words, the use of diplomatic resources and the performance of diplomatic functions to secure national interests with regard to the cyberspace. Such interests are generally identified in national cyberspace or cybersecurity strategies, which often include references to the diplomatic agenda. Predominant issues on the cyber-diplomacy agenda include cybersecurity, cybercrime, confidence-building, internet freedom and internet governance.

Cyber-diplomacy is therefore conducted in all or in part by diplomats, meeting in bilateral formats or in multilateral fora (such as in the UN) [1]. Beyond the traditional remit of diplomacy, diplomats also interact with various non-state actors, such as leaders of internet companies (like Facebook or Google), technology entrepreneurs or civil society organizations. Diplomacy can also involve empowering oppressed voices in other countries through technology. While this sets quite a broad reach of activities, it does allow to firmly situate cyber-diplomacy as an international society institution, even when interacting with world society actors.

The logic of diplomacy in cyberspace is indisputable and yet its practice is very new. This is not due to a sudden change in the above-mentioned characteristics, but rather to the evolution of the governing structures of the cyberspace over time. In the early days, internet was essentially unregulated and its governance largely informal. The main stakeholders were not states, but engineers; it was firmly situated within the realm of world society. Over time, governments became more involved and the cyberspace more regulated. International meetings multiplied, giving way to a plethora of new fora on cyber issues where government technical experts from various line ministries convened to discuss a range of cyber issues, from network security to online criminality. Some of these meetings became structured in the context of international organizations, notably the UN, which launched a World Summit on the Information Society in 2003, with delegates from 175 countries participating, as well as within some regional organizations, such as the European Union, the OSCE, the ASEAN Regional Forum or the Council of Europe. Yet, the multiplication and institutionalization of these meetings, coupled with the broadening and deepening of the cyber agenda inexorably led to more “politicized struggles”, which paved the way to cyber-diplomacy.

The increase in cyber-attacks has forced international actors to consider how to respond appropriately. The EU had first discussed the necessity for joint cyber diplomacy in February 2015 [2, p.6]. In June 2017, it suggested establishing a Cyber Diplomacy Toolbox so as give the EU a joint diplomatic response to malicious cyber activities. Its main goal was to guarantee the responsiveness of its foreign and security policy below the threshold for armed conflict. In October 2017, the planned Cyber Diplomacy Toolbox was adopted under its new title of Draft implementing guidelines for the Framework on a Joint EU Diplomatic Response to Malicious Cyber Activities. Its purpose is to facilitate cooperation in containing immediate and long-term threats and to help deter culprits and potential attackers in the long term.

In its cyber diplomacy, the EU relies on the Common Foreign Security Policy toolbox [3]. Its measures can be divided into preventative, cooperative, stabilising and restrictive, as well as member states' lawful responses for self-defence. Political measures are agreed in the EU Council with the assistance of the European External Action Service. In grave instances, malicious cyber activities could amount to 6 punitive measures and the use of force or an armed attack in accordance with international law and the Charter of the United Nations [4]. In this case, member states take a sovereign decision to exercise individual or collective self-defence as recognised in Article 51 of the UN Charter and in accordance with international and humanitarian law [5].

**Prevention:** Within the EU's political dialogues with third states, it has developed cyber dialogues that aim to influence the behaviour and attitude of its dialogue partners. The EU also supports confidence building measures such as those developed by the OSCE. Dialogues with regional organisations such as the African Union or ASEAN are particularly important. The EU and the respective regional body can define how to build up the region's capacities for using cyberspace (known as "cyber capacity building") in association, partnership or cooperation agreements, or even through the Instrument contributing to Stability and Peace.

**Cooperation:** To facilitate an ongoing incident, an EU delegation in a host country can transmit a diplomatic note (*démarche*) to that country's government. This requires an instruction from the High Representative of the Union for Foreign Affairs and Security Policy. In a conflict situation, the delegation head can deliver a proposal to conduct comprehensive talks or merely convey key messages. *Démarches* can also be formulated and delivered together with third states. Where the EU delegation head has been recalled due to conflict, this type of cooperative solution is no longer possible.

**Stability:** The European Council can set out an EU act or position, but only unanimously. It can also pass a resolution to implement such an act. In that case, qualified-majority voting

applies, except for acts of implementation concerning the military or defence. The High Representative of the Union for Foreign Affairs and Security Policy can also make a declaration “in the name of the EU”. However, this has to be agreed beforehand with all EU states and is usually employed if there is no need for an immediate response, if the EU first has to work out its position vis-à-vis a new situation, or if it has modified an established position. However, the High Representative can also make a declaration under her own responsibility if a quick reaction is required.

**Sanctions:** The EU can impose restrictive measures (sanctions) if it intends to push through political objectives following serious cyber-attacks. These measures tend to target government officials of third states, but also state companies or other legal or natural persons. Sanctions can be divided into two main categories: those decided autonomously by the EU and those that the EU is obliged to impose following a resolution by the United Nations Security Council. Under EU law, sanctions must be targeted.

**Possible EU support to Member States’ lawful responses:** The Lisbon Treaty introduced the solidarity and mutual-assistance clauses, which can be invoked after severe cyber-attacks. The solidarity clause stipulates that EU member states provide mutual support if one or several of them are victims of terror attacks, natural disasters or man-made disasters (including serious cyber incidents). Under the Joint EU Diplomatic Response to Malicious Cyber Activities, responses that are compliant with international law do not require unequivocal attribution of cyber-attacks to specific origins or perpetrators. This accords with the interpretations of international law experts on how international law applies to cyberspace [6, p.5].

**Conclusion.** As cyberspace is becoming yet another contested area, diplomacy is called upon to fulfil its most traditional functions, including maintaining peace and building mutual confidence between stakeholders, in a completely new environment – the digital space. A new domain is thus opening up for diplomats, although it is still unclear how much they will succeed in shaping it. The activities of cyber-diplomacy shift significantly between



international and world societies. More importantly, they operate with concepts, technologies and practices that more often than not were defined within the realm of the latter. Cyberspace activities have mostly been conducted following a world society rationale best captured by the so-called multi-stakeholder model governing the internet, although states are now trying to come to terms with the importance of the field by incorporating it into the international society realm. All this, without excluding the realist international system, the sphere in which states co-exist and interact without a concern for shared values or norms. Whereas cases such as the July 2016 Democratic National Committee hacking evidence that state activity in cyberspace is still very much determined by strategic (rather than normative) considerations (the realm of the international system), it is the aim of cyber-diplomacy to progressively shift those behaviors and attitudes towards a space of peaceful co-existence, defined by clear rules and principles: from a system of interactive units to a society of states. In that regard, cyber-diplomacy is to cyberspace what diplomacy is to international relations: a fundamental pillar of international society.

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## DIPLOMACY OF VATICAN: IMPLEMENTATION FEATURES OF INFORMATION CAMPAIGN

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**Holdaieva T. D., Zmiyova I. V. Diplomacy of Vatican: implementation features of information campaign.** The article discusses the main directions of Vatican diplomacy in the context of modern international relations and the specifics of the implementation of information campaigns. The features of construction and the current state of the Vatican and Ukraine diplomatic relations have been revealed.

**Keywords:** Catholicism, diplomacy, Holy See, information campaign, Ukraine, Vatican.

**Голдаєва Т. Д., Змієва І. В. Дипломатія Ватикану: особливості реалізації інформаційних кампаній.** У статті розглядаються основні напрямки дипломатії Ватикану в контексті сучасних міжнародних відносин та особливості реалізації інформаційних кампаній. Розкрито особливості побудови і сучасний стан дипломатичних відносин Ватикану та України.

**Ключові слова:** Ватикан, дипломатія, інформаційна кампанія, католицизм, Святий Престол, Україна.

**Голдаева Т. Д., Змиева И. В. Дипломатия Ватикана: особенности реализации информационных кампаний.** В статье рассматриваются основные направления дипломатии Ватикана в контексте современных международных отношений и особенности реализации информационных кампаний. Раскрыты особенности построения и современное состояние дипломатических отношений Ватикана и Украины.

**Ключевые слова:** Ватикан, дипломатия, информационная кампания, католицизм, Святой Престол, Украина.

The object of the study is Vatican diplomacy. The subject of this article is the peculiarities of the implementation of information campaigns in the Vatican's diplomatic relations. The purpose of this article is to investigate and analyze the Vatican's diplomacy and identify the features of information campaigns in the diplomatic activity of the Holy See.

The processes of globalization of international relations objectively require the organization of not only a new international order reflecting the interstate sphere of relations, but also an order

that human history has not yet known – a world order. Indeed, the modern system of international relations, which is in the process of formation, becomes the only global organism in which both external and internal challenges and threats to one of its elements directly or indirectly affect the others [4, p. 121].

The Vatican has a great influence on international life, which is explained by its high moral authority and spiritual leadership in the world. At the same time, one of the instruments by which the Holy See exercises its international influence is Vatican diplomacy. An understanding of its features is an important precondition for success in developing effective cooperation between our countries.

In the context of the evolution of the modern system of international relations, at a time when the global community requires clear moral guidelines for building a global order, and the role of the religious factor in this system has grown, the definition and analysis of the conceptual foundations, trends, forms, methods and content of the Holy See diplomacy are gaining special relevance. The concept of the world order of the Catholic Church, which is voiced in the international scene using the Holy See's diplomatic toolkit, is based on simple and general principles of a universal moral law, subject to each person's own birthrights and responsibilities, regardless of sex, color, language, religion and political beliefs [6, p. 45]. Given the authority of the Holy See on moral matters and the universality of the concept, it can serve as an ethical reference for building a world order.

For centuries, the existence of the papacy's institute, the diplomacy of the Holy See has had various influences on the course of international life. The directions, methods and forms of this diplomacy have changed. However, its substantive essence remains unchanged – the preaching Christian teachings and the supporting inter-Christian unity. The diplomacy of the Holy See in the post-bipolar system of international relations in the time of John Paul II's pontificate was primarily aimed at harmonizing interpersonal and international relations by providing moral guidance based on the observance and protection of a universal moral law. The diplomacy of the Holy See has actively developed bilateral and multilateral forms of cooperation at the global,

regional and interstate levels [3, p. 67]. The content of the Holy See's diplomacy boils down to the spread of Christian teachings in Catholic interpretation to achieve the material and spiritual benefits of each individual. A special feature of the Holy See's diplomacy is that it combines two missions: church and diplomatic.

The basis of the action of modern diplomacy of the Holy See is the Catholic concept of world order, which is eternally covered in the social doctrine of the Catholic Church. The Catholic concept of world order consists of eight major challenges of our time, which should constitute a program of action for governments, people of good will and believers, and inherently boils down to the protection and respect of human rights and obligations [5, p. 22-29].

The information campaign of the Holy See has a significant influence on the formation of a modern system of international relations, in particular on its structural dimensions such as homogeneity and regime. The impact of the information campaigns of the Apostolic Capital on the course of international life is determined both by the large number of Catholics in the world and by the clearly structured organizational and hierarchical structure of the Catholic Church. This information campaign seeks to achieve its goals mainly through moral and legal action. The role of the Holy See's information campaign in the modern system of international relations is to create a common moral approach to the human and the categories of 'security', 'justice' and 'freedom'. All problems at the global, regional, state, and individual levels of the Holy See's diplomacy are approached through the lens of the good of the human personality, which according to Catholic doctrine is created in the image and similarity of God. The Apostolic Capital believes that, in the context of interdependence of mankind, the world order is achieved only if universal human rights and obligations are respected and protected [1, p. 112].

So, we can conclude that, unlike the political position of most countries of the world, when diplomacy should be a tool for lobbying its own interests, Vatican diplomacy is characterized only by building its own image and not pursuing self-interests in the

international scene. For this reason, the information campaign has become an important tool for building Vatican diplomatic relations.

The Holy See pays considerable attention to the development of relations with Ukraine not only because there are a significant number of Catholics living on its territory compared to other republics of the former USSR, but also because it is an 'outpost' for the promotion to the East of the religious interests of the Apostolic capital aimed at reunification with the Orthodox churches. The characteristics of modern relations between the Holy See and Ukraine are their stability, consistency and productivity. The apostolic capital and the Ukrainian state exchanged diplomatic missions, regularly held bilateral meetings at various levels and active and fruitful cooperation in political, diplomatic, humanitarian, cultural, scientific and information spheres [2, p. 78-84].

John Paul II's visit to the Ukrainian state had positive consequences for both the Holy See and Ukraine. Through the visit of the Pope, the Apostolic Capital began a process in Ukrainian society to change the negative image of the Catholic Church as an enemy of the Orthodox world. In turn, Ukraine has demonstrated to the world community that it is a democratic country where freedom of religion is respected.

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## ISLAMIC VECTOR OF INTERNATIONAL TERRORISM

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**Horoshko A. O., Musaieva R. Sh. Islamic vector of international terrorism.** The article discusses the problem of international terrorism, namely its Islamic vector. Terrorism – is a phenomenon that constantly accompanies humanity. It is one of the most dangerous and difficult-to-predict phenomena of modernity, which are gaining in ever greater variety of form and threatening proportions. The Middle East has become, if not a cradle of terror, a fertile ground for its manifestation at almost every stage of its history, owing to the fact that this region has been and remains the crossroads of civilizational flows.

**Keywords:** terror, Islamic world, Islamic fundamentalism, globalization, international relations, terrorist organizations.

**Горошко А. О., Мусаєва Р. Ш. Ісламський вектор міжнародного тероризму.** У статті розглядається проблема міжнародного тероризму, а саме його ісламський вектор. Тероризм – це явище, яке постійно супроводжує людство. Це одне з найнебезпечніших і важко передбачуваних явищ сучасності, які набувають все більшої різноманітності форм і загрозливих масштабів. Близький Схід став, якщо не колыскою терору, то благодатним ґрунтом для його прояву майже на кожному етапі своєї історії, завдяки тому, що цей регіон був і залишається перехрестям цивілізаційних потоків.

**Ключові слова:** терор, Ісламський світ, Ісламський фундаменталізм, глобалізація, міжнародні відносини, терористичні організації.

**Горошко А. А., Мусаева Р. Ш. Исламский вектор международного терроризма.** В статье рассматривается проблема международного терроризма, а именно его исламский вектор. Терроризм – это явление, которое постоянно сопровождает человечество. Это одно из самых опасных и трудно предсказуемых явлений современности, приобретающих все большее разнообразия форм и угрожающие масштабы. Ближний Восток стал, если не колыбелью террора, то благодатной почвой для его проявления почти на каждом этапе своей истории, благодаря тому, что этот регион был и остается перекрестком цивилизационных потоков.

**Ключевые слова:** террор, Исламский мир, Исламский фундаментализм, глобализация, международные отношения, террористические организации.

The o b j e c t of the article is Islamic vector of international terrorism. The s u b j e c t is ideological trends of Islamic (traditionalism, fundamentalism, modernism) and Islamic radicalism (Islamism). The p u r p o s e of the article is to study the Islamic vector of international terrorism as a complex, dangerous and widespread phenomenon of the present, which is a global threat.

The Middle East has become, if not a cradle of terror, but a fertile ground for its manifestation at almost all stages of its history. Owing to the fact that this region was and remains the crossroads of civilizational flows that were changing state borders and zones of domination of religions, leaving behind each time collapse of empires, material and religious preconditions for new encounters. The increasing importance of the Islamic factor is due to a number of reasons which are primarily due to the strategic importance and size of the Islamic world. To date, there are over 50 countries in Asia, Africa and Europe where Muslims are the majority and in 120 countries on all continents there are communities most of which are quite numerous and highly political and social. There is also a steady increase in Muslim migration to Europe and North America.

An extremely important role is played by the presence in the territory of Muslim states of the largest reserves of mineral resources, especially oil and gas which are of strategic importance for the economy and military sphere of the countries of the West. Moreover, the dependence of the latter on the supply of hydrocarbons, mainly from the Middle and Middle East will remain apparently for a long time despite the development of the renewable energy industry.

Since the end of the twentieth century there has been an increase in the number of adherents of Islam worldwide, which is becoming the most dynamic religion. At the same time, there is a growing number of adherents of Islamic fundamentalism, which has actually occupied a niche confrontation with the Western world and its values, which has emerged since the destruction of communist ideology. In modern science, there are two polar approaches to the relation between the ideological currents of Islam (traditionalism, fundamentalism, modernism) and Islamic radicalism (Islamism).



Traditionalism is characterized by the fact that its adherents oppose any reform of Islam. Traditional consciousness bearers, as a rule, are representatives of the official clergy who support the ruling regimes. Today, non-traditionalists tend not to set political goals. Jihad in traditional Islam, unlike fundamentalism, is seen as an effort on itself rather than violence against others.

The politicization of Islam and the extremist manifestations of militant Islamism have emerged in recent decades in the public mind as "Islamic fundamentalism." Fundamentalism is defined by the fact that its adherents support the restoration of the principles of "pure" Islam, the liberation of it from the later strata, which instead protect the traditionalists. He proclaims as his goal the restoration in the modern life of Muslims of specific institutions and norms of the early times of the Prophet Muhammad and the first four caliphs, Islam. Fundamentalists are strongly against a free interpretation of the sacred Muslim heritage. Takfir is the accusation of unbelief of all those who disagree with the Salafis. Moreover, not only non-Muslims, but all Muslims who do not adhere to the specific interpretation of Islam, which the Salafists proclaim as the only right, are found to be infidel. Jihad is interpreted as an armed struggle against the invaders (infidels) [2].

The next trend in modern Islam is modernism, which is determined by the fact that its adherents (also called reformers) seek to reform, to adapt the Muslim dogma to the needs of modern development. They insist on the possibility of a synthesis of Islam with contemporary Western liberal (formerly socialist) values and institutions, the Muslim world. Unlike the fundamentalists who seek to overcome the socioeconomic backwardness of the Muslim nations through the return to the "golden age" of the Prophet's rule and the first four righteous caliphs, adherents of the modernization of Islam aim at transforming the traditional society into the modern and integrating it into the civilized world. The reformers are in favor of reviving the right to a free interpretation of the sacred Muslim heritage, and of independence in judging the essence of religious texts. In contrast to the dominant in traditionalism and

fundamentalism the notion of the worthlessness of the individual in comparison with God, the reformers so exalt the man that they allow him to be considered even an accomplice of creation.

Islamic radicalism is only an extreme part of all currents within political Islam. All three ideological trends in Islam (traditionalism, fundamentalism and modernism) are heterogeneous, each of them can be divided into several components, for example, "normal" (religion-belief) and "abnormal" (religion-ideology). In other words, the concept of "Islamic radicalism" (or "Islamism") can be applied only to certain parts of all three ideological trends. It follows, in particular, that the terms "Islamic radicalism" and "fundamentalism" (as well as "traditionalism" and "modernism") are far from identical. "Normal" fundamentalism, as well as "normal" components of other ideological trends in Islam (religion-belief), and constitute the main content of Islam, as religions of peace, good and tolerance. The radical part is present in all three currents.

Wahhabism, like other ideological trends in Islam, manifests itself in two basic forms: as an ideology and based on it sociopolitical practice. A similar relationship is characteristic of radical Islamic ideology and the practical activities of Islamists based on it. At the same time, Islamic radicalism, as an ideological doctrine, acts as a way for the sociopolitical mobilization of its adherents in order to solve those tasks and achieve the goals set by the developers of Islamist ideologies. Such ideologies suggest that their adepts' entire lives are transformed into a struggle for "true faith", which ultimately means establishing a theocratic form of political organization of society.

One of the systemic positions in the Wahhabi ideology is a particular interpretation of the concept of jihad, that is, the war on faith. Jihad is treated, first and foremost, as an armed struggle. Wahhabism affirms the principles of "brotherhood" of Muslims and their equality before Allah, rejecting class and other divisions between them. This model makes the Wahhabi community not just a religious society, but a militarized religious and political organization [1]. Against the background of the domination of

religion, theocratic form of government and general instability, a number of terrorist organizations have been created in the region, such as al-Qaeda, Hezbollah, Muslim Brotherhood, Islamic State, Army of Islam and many others.

Al-Qaeda is considered one of the largest terrorist organizations. The main purpose of the organization was the overthrow of secular regimes in Islamic states and the establishment of another, based on the Sharia of the Islamic order. Al Qaeda began to regard the United States as the main enemy of Islam. A new direction for the organization's terrorist activity has emerged: it is to help Muslim insurgents and terrorists who are fighting in many countries around the world. Bin Laden Afghan fighters have become involved in conflicts in India, Asia-Pacific, the CIS, and in the former Yugoslavia.

The most famous Al-Qaeda terrorist attacks include the September 11 terrorist attacks (although the militants themselves deny their involvement and the issue remains open). Other acts of terrorism that relate to the organization's activities – a terrorist attack at the Nairobi Mall – September 21–23, 2013 in Nairobi, Kenya; terrorist attack in the office of the editor of the French satirical magazine Charlie Hebdo – January 7, 2015, in Paris, France; Hostage-taking in Bamako – November 20, 2015, in Bamako, Mali [5].

Muslim Brotherhood is the oldest international Islamic religious and political association founded in 1928 by teacher Hasan al-Banna in Ismaliya (Egypt). It has paramilitary units, making it a terrorist organization in many countries. However, this did not prevent the fact that, during the brief reign of Egyptian President Mohammed Morsi, a member of this party, diplomatic relations were established with the organization, even in countries where it was declared terrorist (such as Russia). The organization is active in Jordan and some other Arab countries.

Hezbollah is a grouping of Lebanese Shiites who are fighting for the creation of an Islamic state similar to the Iran Republic. The name of the group is translated as "the party of Allah." Hezbollah has been recognized as a terrorist organization in the United States,

Israel, the United Kingdom, the Netherlands, Australia, Canada and Egypt. Hezbollah acts as a political party and sits in the Lebanese parliament (its faction occupies 128 seats) and actively engages in external contacts even with its opponents. For example, by mutual agreement, Hezbollah and the Government of Israel regularly conduct exchanges of prisoners of war. According to Israeli intelligence services, the number of Hezbollah militants in 2006 was between 7,000 and 11,000. Sheikh Hasan Nasrallah, the leader of the organization. The Syrian and Iranian governments have given major support to the movement. After the outbreak of civil war in Syria, Hezbollah members take an active part in hostilities and support President Bashar al-Assad. Among the most recent acts of terrorism are: the assassination of former Lebanese Prime Minister Rafiq Hariri on 14 February 2005; bomb blast on Israeli tourist bus in Burgas, Bulgaria – June 18, 2012 [10].

To sum up, it is important to note that the Middle East has become a testing ground for international terrorism, and the presence of a common enemy in the face of the Western world and the United States is what unites all the above terrorist organizations. However, despite the presence of the Islamic vector in international terrorism, it is associated not with Islam, the religion of peace and tolerance, but with the most extreme currents of Islamism, which is a religious ideology that takes both extreme and moderate forms.

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## MASS MEDIA IN CHINA

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**Hrinkova A. V., Davydenko I. V. Mass media in China.** The article provides the review of the peculiarities of the mass media in China as well as the Chinese legislature in the field of information control. The main focus is on the restrictions that the authorities of China put on the mass media in order to manipulate the minds of the citizens. The authors come to conclusion that the methods of the Chinese government in the field of the interaction with the mass media should be considered as inappropriate.

**Key words:** authorities, China, control, government, information, Internet, manipulation, mass media, restriction.

**Гринькова А. В., Давиденко І. В. ЗМІ в Китаї.** У статті здійснюється огляд особливостей ЗМІ у Китаї та китайського законодавства в сфері контролю над інформацією. Найбільша увага приділена обмеженням, які застосовують органи влади Китаю щодо ЗМІ для маніпуляції свідомістю громадян. Авторка приходить до висновку, що методи китайського уряду в сфері взаємодії із ЗМІ мають розглядатися як недоцільні.

**Ключові слова:** ЗМІ, інформація, Інтернет, контроль, Китай, маніпуляція, обмеження, органи влади, уряд.

**Гринькова А. В., Давыденко И. В. СМИ в Китае.** В статье рассматриваются особенности СМИ в Китае и китайское законодательство в сфере контроля над информацией. Наибольшее внимание уделяется ограничениям, которые применяют органы власти Китая в отношении СМИ для манипуляции сознанием граждан. Авторы приходят к выводу, что методы китайского правительства в сфере взаимодействия со СМИ должны рассматриваться как нецелесообразные.

**Ключевые слова:** информация, Интернет, Китай, контроль, правительство, манипуляция, ограничения, органы власти, СМИ.

The o b j e c t of the article is the mass media in China. The s u b j e c t of the article is interactions between the government of China and the mass media. The p u r p o s e of the article is to define the peculiarities of the Chinese policy in the field of the mass media.

China has obviously become one of the most powerful and meaningful international actors. It is very important to understand why this country has such a great state-of-the-art and how its internal mechanisms work because we will interact with Chinese citizens

anyway. One of the most important internal mechanisms of any country nowadays is the policy in the field of the interaction with the mass media and flows of information. This policy reflects the attitude of authorities to one of the fundamental freedoms – freedom of expression. This defines the r e l e v a n c e of the article.

PRC leaders have long used the mass media as a propaganda tool. Therefore, the mass media in China are regarded to as an agitator that distributes information from the authorities to the people. And until 1978, the mass media in China had not been sufficiently developed and performed only one main function of the implementation of the policies pursued by the government to the masses.

At the beginning of the 21st century, the economic and social development of the People's Republic of China brought society closer to the formation of the information society. In the 2000s, a number of reforms were carried out in order to regulate the activities of the Chinese media and other institutions of the formation of public opinion. They were adapted to the realities of the new post-industrial society.

But, despite the reforms, today the Chinese media are the most important mechanism of the propaganda state tool. However, the instruments have changed: large joint-stock media holdings have appeared. But their main shareholders are the state print media that control their information activities [2].

In the 21st century, the mass media are an essential aspect of China's information policy, as they have the ability to influence both internal processes and the global community. Moreover, almost all media in China are state-owned. There is severe control over the political orientation of printed materials. All foreign investments in this area are prohibited.

The main body controlling the activities of the mass media is the Propaganda Department of the Central Committee of the CPC. This department reports directly to the Central Committee. It is the main body that controls the mass media sector in China. In addition, its functions include instructing the media to cover “sensitive topics” (Taiwanese and Tibetan issues, criticism of the Communist Party etc.). The employees of this department determine how far journalists

can go while avoiding punishment [6].

China still does not have any law that would regulate the activities of the mass media. Therefore, the Constitution of the PRC, various acts and resolutions that have legal force in this area legally regulate the mass media.

For example, according to the Constitution of the People's Republic of China, all citizens of a country have freedom of speech and freedom of the press (Article 35). However, there is a clause in article 55: "Exercising their freedoms and rights, citizens of the People's Republic of China should not harm the interests of the state, society" [3]. That is, the Constitution guarantees freedom of speech to the citizens and simultaneously subordinates them to state interests. Despite the fact that there is no direct reference to the media, this provision of the Constitution gives journalists the right to express opinions, publish articles and cover events.

The law "On the Protection of State Secrets" stipulates that the media are obliged to keep state secrets and prevent their leakage (Article 27) [1].

Of course, setting the goal of building the information society and integrating into the global information space, China needs to create a legal framework for the activities of the media and ensure the legal status of journalists.

The traditional mass media in China are regulated by the authorities and carry out government tasks. But the "new" mass media are not just tools for communication. They, being interactive, allow the citizens to integrate into the world community. That is why the activities of the electronic media are of particular concern to the Chinese government.

According to the "Interim Order of Publishing News on the Internet Sites" [4], only traditional state-owned news agencies have the right to create and publish news on the Internet. Private commercial media do not have this right. They can only copy and publish the news that are issued by traditional mass media. In addition, they are not allowed to interview. They cannot publish news without a special license.



Ordinary Internet users are not allowed to publish audio and video news on the video hosting platform. Thus, the only source of news on the Chinese Internet is the traditional media that have the permission to create their electronic versions.

Also, there are a number of restrictions on the Internet content in China. Topics about the political system, ideology, human rights, terrorism can cause an emotional reaction among the population. Therefore, the government always controls every message on the Internet and can use almost unlimited leverage to put pressure on the media in order to keep them silent. Thus, the Chinese government seeks to control its citizens and manipulate public consciousness.

The sites of most Western media, American universities are subject to censorship. Western resources of political content, in which search keywords as "Tibet", "dissident" and others can be found, are automatically replaced by dots, and the messages themselves are deleted. For violation of the rules, the provider may be deprived of a license to provide services. And private individuals may be liable to a monetary fine or even the death penalty for publishing prohibited materials.

This practice of using filters is carried out as part of the "Golden Shield" program, the development of which began in 1998, and which was put into mass exploitation in 2003. The unofficial name of the project is "The Great Chinese Firewall" The "Golden Shield" is an extensive network of censorship throughout the country. The "Shield" controls information flows in the web space. One of the main objectives of the project is to restrict access to certain Internet resources by creating special filter servers between national and global cyberspace. From 2003 to the present, the project has undergone significant modernization. Due to the "Golden Shield", the Chinese authorities have achieved an almost complete ban on anonymity as well as blocking popular western sites like YouTube, Twitter, Facebook and others. The restriction of access to these networks is explained by their dangerous impact on the public consciousness of Chinese citizens and the country's domestic policy. The "Golden Shield" project in China is an example of the most

effective Internet monitoring system in the world [5].

In conclusion, I would like to say that the policy of the Chinese authorities in the field of the mass media is very conservative. The officials do everything possible to restrict freedom of the press as well as the flows of information on the Internet. Such policy has a certain basement. The government of China remains the one-party body with defined ideology and political methods. The methods may be considered as appropriate ones if we estimate the modern state-of-the-art of China. But given the fact that the price of such progress is the restriction on one of the fundamental freedoms, we shall claim that this price is too high.

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## PROPAGANDA AS A TECHNOLOGY OF POLITICAL MANIPULATION

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**Hrybkova D., Bobro M. Propaganda as a technology of political manipulation.** The article discusses the methods and principles of political manipulation by means of propaganda technology. Particular attention is paid to the basic attitudes and methods of manipulation that political actors apply to society as well as the influence of propaganda through. Certain types of propaganda that are most relevant to this topic are considered.

**Key words:** politics, political manipulation, propaganda, political propaganda, society, propaganda methods.

**Грибкова Д. О., Бобро М. П. Пропаганда як технологія політичної маніпуляції.** У статті розглядаються методи і принципи політичного маніпулювання з використанням технологій пропаганди. Увагу приділено основним установкам і методам маніпулювання, яке застосовуються політичними акторами до суспільства, вплив пропаганди через засоби масової інформації та розглядаються певні види пропаганди, які є найбільш актуальними.

**Ключові слова:** політика, політичні маніпуляції, пропаганда, політична пропаганда, суспільство, методи пропаганди.

**Грибкова Д. О., Бобро М. П. Пропаганда как технология политического манипулирования.** В статье рассматриваются методы и принципы политического манипулирования посредством технологий пропаганды. Внимание уделяется основным установкам и методам манипулирования, которые применяются политическими акторами к обществу, влияние пропаганды через СМИ и рассматриваются определенные виды пропаганды, которые являются наиболее актуальными.

**Ключевые слова:** политика, политические манипуляции, пропаганда, политическая пропаганда, общество, методы пропаганды.

The object of the article is political propaganda. The subject of the article is the techniques for manipulating society through propaganda. The purpose of the article is to study the phenomenon of political propaganda and find out the dangers of manipulative propaganda.

Political manipulation is a means of achieving certain goals by a certain political subject. The main “prize” in the political struggle

is power. Propaganda is one of the main means of political manipulation. The use of political manipulation techniques in the political process remains a topical issue of modern political science. The appearance of the “information society” has led to dramatic changes in the means of political manipulation.

Political manipulation techniques are a rapidly developing phenomenon that encompasses a variety of communication means: press, radio, television, cinema, computers, posters, flyers, meetings, door-to-door canvassing, speeches, flags, sports and cultural events, reports to shareholders, libraries awards, etc. All the above requires a careful study not only with regard to the influence of the media on society, but also for analysing the processes of forming personal attitudes and beliefs as well as the mechanism of public opinion formation and the influence of political culture and socialisation processes on human behavior [3].

Manipulative techniques, as a rule, are primarily implemented through mass communication and, above all, the media. The media “selects most of the information and misinformation that the audience uses to evaluate socio-political reality. The attitude to problems and phenomena, even the approach itself to defining what can be considered a problem or phenomenon, is largely predetermined by those who control communication”.

Researchers have identified specific manipulation techniques that are used in everyday political practice:

- Creation of favorable guidelines for the most successful promotion of a political leader, party, program. This includes a special selection of problems and topics covered in the media, that creates a peculiar state of consciousness and expectation, after which the necessary topic is introduced, which causes the desired reaction of citizens.

- Conversion of the information flow, which can be carried out in different ways:

- distortion of information, both in the form of lies, and in a lighter form of partial distortion;

- the use of specially selected facts, but without taking into account others that could refute the suggested point of view.

Manipulation techniques are especially pronounced in political propaganda.

Political propaganda implies the politically motivated informational and psychological impact on the emotional-volitional sphere of mass consciousness, which helps to introduce political ideas, views, attitudes and to form political behavior.

The main psychological goal of propaganda is to influence the system of people's ideological, social and political attitudes, which can be changed by forming new attitudes or by strengthening the existing ones. Political attitudes express a stable type of behavior and attitudes of citizens to the foreign and domestic policies of the state. Social attitudes express the attitude of an individual to social norms and standards and are manifested in the social behavior of a given person [4].

The following basic principles of propaganda can be distinguished:

1) There should be a lot of propaganda, it is addressed only to the mass, and the mass must constantly meet with its carriers, at any point in space, at any time interval. The more, the better. There is not much propaganda, so that the memory of the masses learns at least a completely simple concept, it must be repeated thousands and thousands of times.

2) Its level should come from the level of understanding which is characteristic of the most backward individuals from those who it is intended for. It should be as simple as possible. The intellectual will understand what the worker understands. It doesn't work vice versa. Therefore, simple propaganda influences everyone, even those who resist it. In the end, when the majority is convinced of something, the smart minority will be forced to follow the majority [1].

3) The propaganda should be monotonous, should be limited to only a few paragraphs and state these paragraphs briefly, clearly, in the form of catchy slogans. The slogan can be propagandized from various sides, but the result should be the same, and the slogan must invariably be repeated at the end of each speech.

4) Propaganda should affect the feelings rather than the so-called mind, the less scientific ballast there is in propaganda, the

more it touches the feeling of the crowd, the greater the success.

5) Propaganda should be shocking. You need to shock right away. Only in this case it is possible to attract attention, and attracting attention is the beginning of propaganda. It is only a shocking non-standard message that people will retell and pass on to each other, while what they are accustomed to will not be noticed or retold. You must immediately hit and surprise. And act aggressively.

Of the many studied methods of political propaganda, we can distinguish those that, when realised, significantly increase the effectiveness of the formation and implementation of the image of political actors in the minds of citizens. For example, one of the methods is the halo effect, based on a person's tendency to think by means of false analogies.

In this case, being close to a famous or high-ranking person slightly increases the person's status in the eyes of others. Secondly, people who have greatly succeeded in a particular area are considered by others to be capable of more in other spheres. This stereotype is often exploited by politicians and in business advertising. The next method is the principle of primary information preference (primary effect). In modern propaganda, there is one key principle: the person who was the first to convey an idea to people is always right. Studies have shown that the first candidate to convincingly present himself as a winner during the election campaign recognizes mass consciousness [2]. Another equally important model is repetition. One of the most effective methods of propaganda is the relentless repetition of the same statements. A person always seems convinced of what has he remembered, even if only through a purely mechanical repetition. Moreover, it is the ordinary consciousness, everyday thoughts, desires and actions of a person that are influenced rather than adversary's ideas and theories.

Thus, effective propaganda should be simple and constantly repeated. In addition to the above methods of propaganda, one can also note a few more techniques most often used by propagandists. They are information blockade, feedback, rating, sensationalism or

urgency, rewriting history, creating associations, labelling, psychological shock, substitution, etc.

The essence of all political propaganda methods comes down to influencing popular consciousness and manipulating political perception. The purpose of such impact is to change somebody's political behavior by changing their system of images and stereotypes that underlie behavior.

**C o n c l u s i o n .** Thus, the modern political process involves the active use of special means of achieving significant political goals. First of all, they include manipulative techniques. Political propaganda, being a powerful tool of political manipulation, plays a special role in the formation of public opinion, helps to change the citizens' views, attitudes, political thinking and behavior. Propaganda boils down to systematic attempts to manipulate people's opinions and beliefs through various symbols: words, slogans, monuments, music, etc. It differs from other ways of spreading knowledge and ideas by its focus on the manipulation of people's consciousness and behavior. Advocacy always has a goal or a set of goals and to achieve these goals, propaganda selects facts and presents them in such a way that the impact on consciousness is greatest. The main goal of propaganda is to bring the main ideas and theoretical knowledge to general public and turn them into personal beliefs.

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## BEPS – A WORLD TREND AGAINST OFFSHORE

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**Kalchenko V. Y., Lavrinenko I. M. BEPS – a world trend against offshore.** The problems of controlling the activities of offshore zones are very important in the world economy. Offshore business needs to strengthen tax discipline and stop the illegal transfer of money abroad. The article identifies the problems of offshore capital withdrawal and tax evasion. The impact of double taxation treaties on the absence of tax payments has been analyzed. The role of the EU in controlling "tax havens" and Ukraine's compliance with BEPS rules have been explored.

**Keywords:** Base Erosion and Profit Shifting (BEPS), Controlled Foreign Companies (CFC), Corporate Tax Haven Index (CTHI), double tax treaty, jurisdiction, offshore business, withdrawal of capital.

**Кальченко В. Ю., Лавріненко І. М. BEPS – світовий тренд проти офшоризації.** Проблеми контролю діяльності офшорних зон дуже актуальні в світовій економіці. Офшорний бізнес потребує посилення податкової дисципліни та припинення незаконного вивезення грошових коштів за кордон. У статті визначено проблеми офшоризації стосовно виведення капіталу з країни та ухилення міжнародного бізнесу від сплати податків. Проаналізовано вплив договорів про уникнення подвійного оподаткування на відсутність сплати податків. Досліджено роль ЄС у контролі за «податковими гаванями» та дотримання Україною правил BEPS.

**Ключові слова:** виведення капіталу, договір про уникнення подвійного оподаткування, індекс корпоративної податкової гавані (СТНІ), контрольовані іноземні компанії (КІК), офшорний бізнес, розмивання податкової бази і виведення доходів з-під оподаткування (BEPS), юрисдикція.

**Кальченко В.Ю., Лавриненко И.Н. BEPS – мировой тренд против офшоризации.** Проблемы контроля деятельности офшорных зон очень актуальны в мировой экономике. Оффшорный бизнес нуждается в усилении налоговой дисциплины и пресечению незаконного вывоза денежных средств за границу. В статье определены проблемы офшоризации относительно вывода капитала из страны и уклонения международного бизнеса от уплаты налогов. Проанализировано влияние договоров об избежание двойного налогообложения на отсутствия уплаты налогов. Исследована роль ЕС в контроле за «налоговыми гаванями» и соблюдение Украиной правил BEPS.



**Ключевые слова:** вывод капитала, договор об избежании двойного налогообложения, индекс корпоративной налоговой гавани (СТН), контролируемые иностранные компании (КИК), оффшорный бизнес, размывание налоговой базы и вывода доходов из-под налогообложения (BEPS), юрисдикция.

The problems of controlling the functioning of the world offshore business are relevant in the world economy. As a result of the merger of various economic systems of the world into a single global economy it is impossible to develop a common tax standard, international criminal law and principles of doing business in the offshore zones for all countries all over the world. Therefore, the current relevant issue of offshoring business has become a global trend, and the problem of the fight against offshoring has gone far beyond the domestic policies of individual states and has acquired a global scale.

The object of the study is the implementation of the BEPS plan in the conditions of modern globalization. The subject of the article is the implementation of the BEPS rules by the EU and Ukraine. The purpose of the report is to identify the problem of the offshore business with respect to the withdrawal of capital from the country and international business tax evasion, as well as to analyze the implementation of the BEPS rules by EU countries and Ukraine.

One of the features of the modern world economy is the accumulation of financial resources in offshore zones around the world. Private asset management specialists of Boston Consulting Group noted that 10-13% of global GDP is placed offshore, which is more than 10 trillion USD [1]. According to the study held by the international Confederation Oxfam, offshore companies avoid paying taxes for the sum of almost 200 billion USD each year [7]. According to OECD and IMF estimates, losses from activities, aimed at transferring the companies' profits abroad, on average are 1% of GDP for developed countries and 1.3% for the developing countries. Taking into account the high level of shadowing of the Ukrainian economy, the potential losses for our country may be even higher [5].

The withdrawal of capital has a negative impact on government finances: increase of external debts and increase of the tax burden, and it results into inflation which leads to the currency exchange rate increase. Therefore, countries from which capital is actively emigrating to offshore zones develop antioffshore legislation to reduce the “leakage” of capital from the country and to minimize the doing business through offshore zones.

The global trend BEPS (Base Erosion and Profit Shifting- "Erosion of the tax base and the withdrawal of income from taxation") is an initiative of the G20 countries to develop a mechanism to fight tax planning aimed at reducing the tax base and moving taxable profits in jurisdictions with a more favorable tax regime.

The BEPS action plan provides 15 actions to eliminate the gaps in international tax regulations and disagreements in national tax laws of different countries which lead to the “concealment” of corporate profits and its artificial relocation to low tax jurisdictions where companies do not carry out any economic activities [2].

The main problem caused by offshore companies was the practical absence of tax payment caused by avoiding double taxation treaties. The BEPS plan in its last 15<sup>th</sup> paragraph calls for development of a multilateral instrument to amend bilateral agreements between countries on the avoidance of double taxation issue (MLI-Convention).

Ukraine signed the Convention on July 23, 2018 and on March 19, 2019 it was ratified, and it comes into force on December 01, 2019. Ukraine announced about the changes in 77 tax conventions signed with other countries. MLI applies only to tax conventions with states that have also chose a tax convention with Ukraine. The only condition is that both states must choose the same provisions of the tax convention, which will change the MLI accordingly. One of the provisions that Ukraine has chosen in the MLI is the “test of the main aim of the operation”, which provides the denial of tax benefits if the purpose is inly to obtain such benefits [6].

Nowadays, Ukraine has not implemented the BEPS standard for the introduction of automatic exchange of tax information yet. Although most jurisdictions, that Ukraine is interested in, have already joined the automatic exchange system – British Virgin Islands, Bermuda, Cayman Islands, Luxemburg, Liechtenstein, Switzerland, the Netherlands, Cyprus, the United Kingdom. Since the tax convention between the two states is subject to change only when the MLI comes into force in both countries, the Ukraine-Cyprus tax convention will not be changed yet (the delay is due to Cyprus), as well as the Ukraine-Netherlands tax convention, as the Netherlands have not chosen the tax convention with Ukraine, as the one, to which MLI will apply. At the same time, from Cyprus and the Netherlands Ukraine receives the largest volumes of foreign investments every year. And to Cyprus and the Netherlands in 2018 almost 80% of dividends from Ukraine (2.6 of 3.4 billion USD) were transferred in favor of non-resident investors [5].

Thus, for Ukraine the full entry of the MLI into force with these and other countries should give a significant effect, the consequences of which in different aspects will need to be studied to understand all the positive and negative impacts on the international business.

According to the OECD (Organization for economic co-operation and development)/G20 on BEPS programme, more than 130 countries are collaborating to end tax avoidance strategies that exploit gaps inconsistencies in tax rules to avoid paying tax.

If the business refuses to be “transparent”, the world community sends it to the “gray zone”. It means that such a business, which intends to enter international markets, will face higher requirements, KYC-files(know your customer) will be checked more carefully [3].

On May 28, 2019, the international non-governmental organization Tax Justice Network presented to the public another study of the impact of offshore companies on the world economy. According to the results of this study, a rating of jurisdictions on the “Corporate Tax Haven Index” (CTHI) was compiled [4].

CTHI Index identifies jurisdictions that help corporations to avoid taxation aggressively. In its calculation, 20 indicators are taken into account, grouped into five basic categories: the taxation of corporate profits, business-friendly loopholes and regulatory gaps, the level of transparency of enterprises, the effectiveness of the fight against tax evasion, the integrity of the application of double taxation treaties.

In 2019 the CTHI was calculated for 64 jurisdictions which included both classic offshore and respectable states (France, Germany, USA, Spain). The top ten ranking jurisdictions on the CTHI Index “most unscrupulous” are as follows:

1. British Virgin Islands
2. Bermuda
3. Cayman Islands
4. Netherlands
5. Switzerland
6. Luxembourg
7. Jersey
8. Singapore
9. Bahamas
10. Hong Kong [4].

Nowadays, about 50 countries have been included in the “gray list” due to non-compliance with EU tax standards. They are ready to change their rules regarding tax transparency, because this is the only chance to avoid being included in the “black list” of countries that are used as tax havens. EU Finance Ministers urge countries to ratify European list of tax havens and impose reliable sanctions on countries from this list [7].

The implementation of the BEPS plan in Ukraine is aimed at priority changes in respect of disclosure by individuals-residents of Ukraine of their participation in foreign companies that they control (Controlled Foreign Companies / CFC).

The rules of Controlled Foreign Companies (CFC) refer to the new principles of exchange of tax information between states, banks and tax authorities. If controlled companies are the way to minimize

taxes, then the tax authorities receive legal grounds for additional accrual of the difference. The rules of CFC disclose the residents of Ukraine – individuals declare controlled companies, and have to pay taxes in Ukraine.

Provided that the bill is adopted by the Ukrainian Parliament this year, then starting from 2020-2021, a resident of Ukraine will have to declare all his CFC to the Ukrainian tax authorities [3].

**C o n c l u s i o n.** For most countries offshore business is a means of withdrawal of shadow capital from the country and tax evasion. This trend can be influenced by neither the international agreements, nor the association, established for the purpose of control of the offshore. The reason is the difficulty to control the “flow” of finance providing confidentiality about the owners of offshore business and the lack of exchange of tax information between states, banks and tax authorities. It is hoped that the offshore business will become transparent and most of the classic offshore zones will join the standards for the exchange of tax information. There is no other way for world society but to follow the BEPS action plan.

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**WINE TOURISM  
AS AN INNOVATIVE DESTINATION  
OF THE TOURIST MARKET OF UKRAINE**

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**Kalinichenko K. V., Saprun I. R.** The article considers the issue of wine tourism as a gastronomic type of tourism in Ukraine. The main features of the development of wine tourism in Ukraine have been revealed. The main tendencies and prospects of the development of wine tourism in Ukraine have been generalized. The main centres of wine tourism in Ukraine have been examined. Wine tourism promotion in Ukraine has been considered.

**Key words:** gastronomic trips, tourism, wine tourism centers, Ukraine, wine tourism.

**Калініченко К. В., Сапрун І. Р.** У статті розглядається питання винного туризму як гастрономічного виду туризму в Україні. Розкрито основні риси розвитку винного туризму в Україні. Узагальнено основні тенденції та перспективи розвитку винного туризму в Україні. Досліджено основні центри винного туризму в Україні. Розглянуто просування винного туризму в Україні.

**Ключові слова:** винний туризм, гастрономічні подорожі, туризм, Україна, центри винного туризму.

**Калиниченко Е. В., Сапрун И. Р.** В статье рассматривается тема винного туризма как гастрономического вида туризма в Украине. Раскрыты основные черты развития винного туризма в Украине. Обобщены основные тенденции и перспективы развития винного туризма в Украине. Исследованы основные центры винного туризма в Украине. Рассмотрена возможность продвижения винного туризма в Украине

**Ключевые слова:** винный туризм, гастрономические путешествия, туризм, Украина, центры винного туризма.

The object of the article is studying wine tourism as a gastronomic type of tourism in Ukraine. The subject is an impact of wine tourism on the tourism development in Ukraine. The aim of the research is to determine the concept of wine tourism, to generalize the main trends and prospects for the development of wine tourism in Ukraine for its further promotion, to consider the main centers of wine tourism in Ukraine. The topic under consideration is

currently central as wine tourism is a relatively new for Ukraine type of gastronomical tourism.

Gastronomic tourism refers to trips made to destinations where the local food and beverages are the main motivating factors for travel. And one of subspecies of gastronomic tourism is wine tourism. Enotourism, in other words wine tourism or vinitourism, refers to tourism which purpose is to include the tasting, consumption or purchase of wine, often at or near the source of its production. The recent theoretical developments have revealed that Wine tourism as a gastronomical type of tourism is intimately related to the identity of destinations and comprises cultural, economic and historical values. Furthermore, it constitutes a major driver in diversification strategies helping destinations to enrich the touristic offer and to attract different publics. Wine tourism refers to group tourism activities, which contain wine tasting and purchasing of wine in wine cellars, visiting wineries, vineyards, and restaurants including organized wine tours, wine festivals or other special events tailored to company's needs. Last, but not least it supports local rural tourism.

It is well-known that the world tourist market does not stop on the spot and introduces innovations on tourists' demand. Currently one of the most important trends in tourism development is the diversification of the tourism product. [3] At present, there is a tendency for the usual summer vacations on the beach or winter vacations in the snow-capped mountains to lose their popularity. Nowadays, tourists are more and more impressed by something unusual and interesting, extraordinary. Therefore, they are looking for new destinations in the tourism industry that will meet their needs and demands. Therefore, it is a usual practice for tourists to buy a tour to the other country and to be offered a regular tour including a flight, hotel accommodation, insurance, and the type of meal they choose at the same hotel. Usually tourists choose the all-inclusive packages and do not go beyond the hotel, thus being limited in their choice of food and especially the cuisine. Gastronomic journeys to different countries are made up in such cases to satisfy the true



gourmets. This type of travel is gaining popularity and is already making a huge contribution to the economies of the developing countries.

There are various types of gastronomic tours, but one of the most popular is, of course, wine tourism. Wine tourism as a gastronomical type of tourism appeals to many people from all over the world because of its curiosity, charm and classic taste of this perfect drink. In ancient times, people tasted wine all over the world, organized noble tours of new varieties to get the perfect taste. Therefore, winemaking developed at a rapid pace and in pace with time. And now the oldest wineries are the most popular among real gourmets and sommeliers. But not amateur professionals are also very interested in such tours and are in high demand today. That is why this type of tourism has to be developed, especially in places where real wine is born.

As for Ukraine, there are several winemaking regions in our country where wine has been produced since ancient times. It is certainly the Crimea, the southern part of Ukraine and Zakarpatye region. These regions are the most tourists developed in Ukraine due to their tourist natural potential, so there are great prospects for the development of wine tourism, as one of the tourist destinations of the regions.

Concerning the history of wine tourism in Ukraine, it should be pointed out that wine tourism as a gastronomical type of tourism on the territory of Ukraine has developed gradually. The oldest wine-making product is the Crimea. Even before our era in the Shodi of the Crimea, the grapes were produced for wine, and to our day such native varieties as Sari Pendas, Kok Pendas, Kokurs, Eka Kara, Kefesiya have been preserved. That is why gourmets come here from around the world and professionalize their work to present pre-existing varieties that are different from the modern ones[1]. The most popular destinations for a wine tour of the Crimea are the long-known regions of the Sun Valley and Massandra. Their champagne factories produce unsurpassed types of wines that have been widely acclaimed by practitioners and ordinary fans alike, and have

repeatedly been rewarded for their exceptional quality and taste[1]. In Sevastopol, the true admirers of the Crimean wine, both foreigners and Ukrainians, can often be found, because this is where TM INKERMAN one of the largest wine cellars in Europe is located. This huge basement consists of a long cave city, 5.5 hectares, where up to 15 million liters of wine can be stored simultaneously[1]. Throughout the Crimea, wine factories, their storage facilities, cellars, small businesses and museums can be found. All this will undoubtedly be of interest to connoisseurs of true Crimean wine, professionals and ordinary amateur tourists who are interested in this art. Unfortunately, due to the recent political events in the country, the organization of wine tours to the Crimea is still impossible.

In addition to the Crimea, there is another region for wine tourism in Ukraine, Transcarpathia. It is known that the ancient traditions of wine crafts began here since the III century AD. Winemaking began to develop actively in Transcarpathia from the 12th – 13th centuries when European wines began to be imported. Most of the vineyards belonged to the monasteries. Many of these vineyards have survived to this day and are very popular with their fans. After all, in Transcarpathia you can not only visit the wineries, museums, but also admire the wine cellars of the XVI century and the medieval castle. It can be seen in the Transcarpathian capital of wine, near Uzhgorod, in the village of Sredne. Not only local wines were made there, but the wine from France, Portugal, Spain, Algeria were also taken. Currently, various premium wines are produced here, which have won awards at international competitions. The Transcarpathian region accepts a great number of wine-tourers precisely because of its natural and cultural-historical potential. The wine tour of Transcarpathia includes an excursion about the history of winemaking in the region, visiting the oldest wine companies and participating in a picturesque and vivid celebration of the first grape harvest, wine festivals with tasting in one of the 50 tasting rooms[2].

As for Southern Ukraine, wine production trends in the region are increasing and modern enterprises are introducing high quality production. Few productions boast that it produces only natural

grapes according to old wine-making traditions. Now, in the world of innovation, it is difficult to stay without chemical mixtures and additives. Such enterprises could boast of Odesa region. Its charitable enterprises are gaining high popularity because of their quality, namely the manufacturers of LLC Veres and Shabo. The wines of this region offer to experience all the benefits and individual characteristics of the varieties, and the wine materials are stored in barrels for the production of vintage wines.

To summarize, owing to the enormous potential of winemaking in Ukraine, there are great prospects for the development of wine tourism and the routes to promote a new type of thematic tourism, wine tourism, in Ukraine. To achieve this, the specialists and winemakers of Transcarpathia have already mastered wine routes abroad for the sake of experience and their implementation in the motherland. Also, the first steps are being taken in the EU arena. Europe is introducing and promoting tourist wine routes in Ukraine, creating the first projects aimed at achieving this goal.

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**CHINESE AND AMERICAN  
FOREIGN DIRECT INVESTMENTS  
IN THE ECONOMIC REGION  
OF SUB-SAHARAN AFRICA**

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**Kalishchuk L. G., Vetrov I. A. Oliynyk N. A. Analysis of the direct investments into Africa from the USA and China.** The article provides information about the foreign direct investments of the USA and China into the fastest growing economic region in the world (i.e. Africa). The study covers the analysis of the FDI of both the USA and China in recent years. The article explains the prospects of investment into African region for the USA and China.

**Key words:** foreign direct investments, prospects of investment, fastest growing economic region.

**Каліщук Л. Г., Ветров І. А., Олійник Н. А. Аналіз прямих інвестицій в Африку із США та Китаю.** У статті подано інформацію про прямі іноземні інвестиції, США та Китаю, у найшвидше зростаючий економічний регіон у світі (тобто Африка). Дослідження охоплює аналіз ПІІ США та Китаю за останні роки. У статті пояснюються перспективи інвестицій в африканський регіон для США та Китаю.

**Ключові слова:** прямі іноземні інвестиції, перспективи інвестицій, найшвидше зростаючий економічний регіон.

**Калищук Л. Г., Ветров И. А., Олейник Н. А. Анализ прямых инвестиций в Африку из США и Китая.** В статье представлена информация о прямых иностранных инвестициях, США и Китая, в быстро растущий экономический регион в мире (то есть Африка). Исследование охватывает анализ ПИИ США и Китая за последние годы. В статье объясняются перспективы инвестиций в африканский регион для США и Китая.

**Ключевые слова:** прямые иностранные инвестиции, перспективы инвестиций, быстро растущий экономический регион.

The object of the study is the foreign direct investments (FDIs) in Africa, particularly from China and the USA. In particular, the purpose of the study is to analyze the amount of the FDIs in Africa and their structure.

The national economies of the countries of Sub-Saharan Africa were determined to be the subject of the study.

The relevance of the study is to analyze how much the USA and China are investing in the fastest growing economic region in the world (i.e. Africa).

The ongoing rivalry for political and economic influence between the U.S. and China is playing out across Africa, and Beijing's growing presence is frustrating for Western policymakers. Africa has become the fastest urbanizing region on the planet, and China has placed itself at the infrastructural vanguard of the new frontier. Africa boasted seven of the 20 fastest growing economies in the world in 2017, according to the International Monetary Fund (IMF).

As we can see on the following graph the flow of the direct investments abroad from the United States to Africa has increased fourfold from 2000.

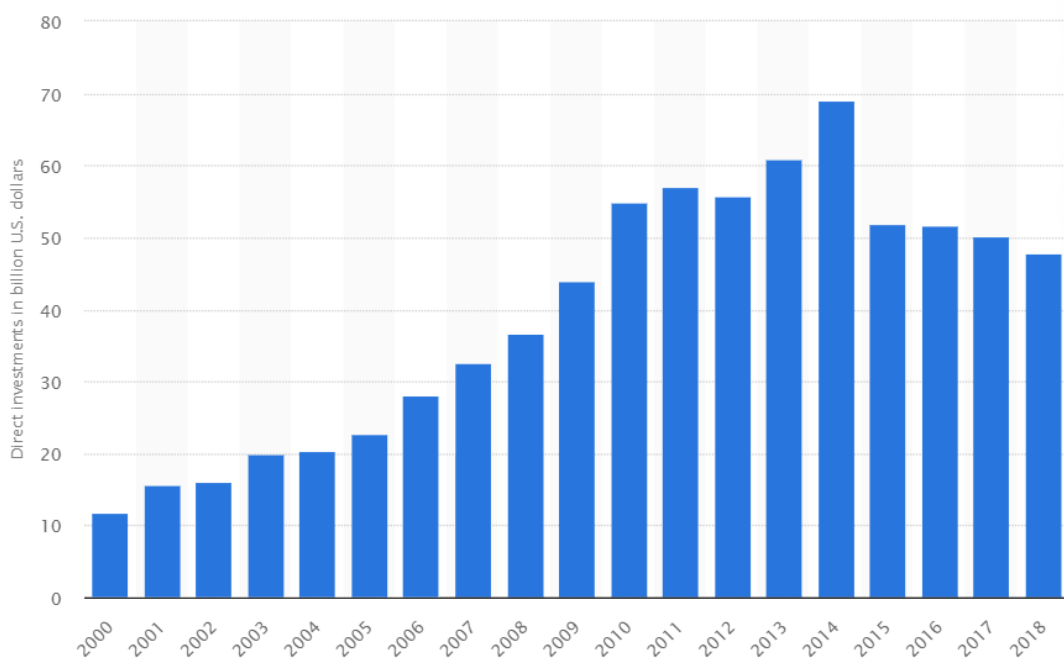


Figure 1. U.S. direct investments in Africa 2000–2018 [3]

It can be explained by the following factors:

1. The overall increase of the US GDP and GNI;

2. The growing pace of globalization which has resulted in the higher importance of bilateral trade agreements between various countries from the opposite corners of the globe (and that includes the United States and the countries of Africa);

3. Drastic improvements in sea-logistics over the past two decades;

4. The longest period of very low interest-rates in the US history, which can be observed on the following graph;

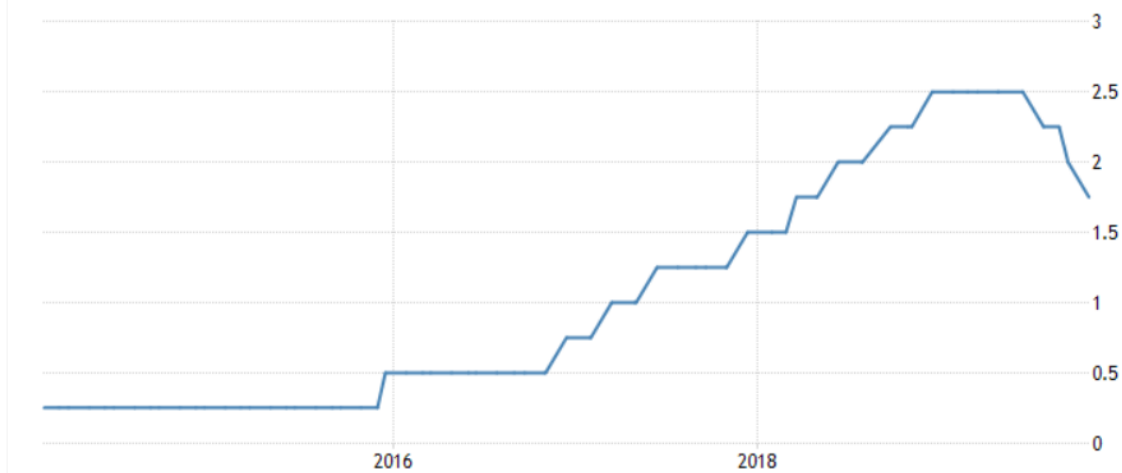


Figure 2. United States Fed Funds Rate [4]

Though the outflow of investments from the United States to Africa in 2018 has increased drastically since 2000, we can observe the beginning of the reverse trend since Trump has become the president of the United States in 2016 (as can be observed on the following diagram).

<b>Africa</b>	<b>52,004</b>	<b>51,689</b>	<b>50,285</b>	<b>47,796</b>
Egypt	14,068	12,561	9,352	8,384
Nigeria	5,872	4,349	5,774	5,630
South Africa	6,926	6,659	7,334	7,621
Other	25,139	28,120	27,824	26,161

Figure 3. American direct investments to Africa by country[4]

Though there are many reasons of this, we will stress only the most major ones, which are as follows:

1. The Tax Cuts and Jobs Acts (TCJA) generally eliminated taxes on dividends, or repatriated earnings, to the U.S. multinationals from their foreign affiliates. Dividends of \$776.5 billion in 2018 exceeded earnings for the year, which led to negative reinvestment of earnings, decreasing the investment position for the first time since 1982;

2. The soar of the interest rate in the United States, which increased the demand on the domestic markets;

3. Some minor deteriorations between the White House and authorities in some African countries since Obama left office in 2016 (e.g. Ethiopia, Somalia, South Africa, Morocco<sup>1</sup>);

4. Limited product diversification;

Chinese investment in Africa has noticeably increased over the past decade; as seen in Figure 1, investments toward Africa sharply increased after the 2015 FOCAC summit, where China committed \$60 billion to the continent. Investments have been geographically concentrated in oil rich countries, like Nigeria and Angola, and in the transport and energy sectors.

The American Enterprise Institute, has developed the China Global Investment Tracker, which presents data, ranging from 2005 to 2018, and covers thousands of transactions. As seen in Figure 4 below, Chinese investment has increased globally, and Africa is the third-largest destination for Chinese investment after Asia and Europe. However, investment toward sub-Saharan Africa slightly declined in 2017, following the slight drop in aggregate Chinese investment.

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<sup>1</sup> Donald Trump's land seizures tweet sparks anger in South Africa [Electronic resource]. 2018. URL: <https://www.theguardian.com/us-news/2018/aug/23/trump-orders-close-study-of-south-africa-farmer-killings>

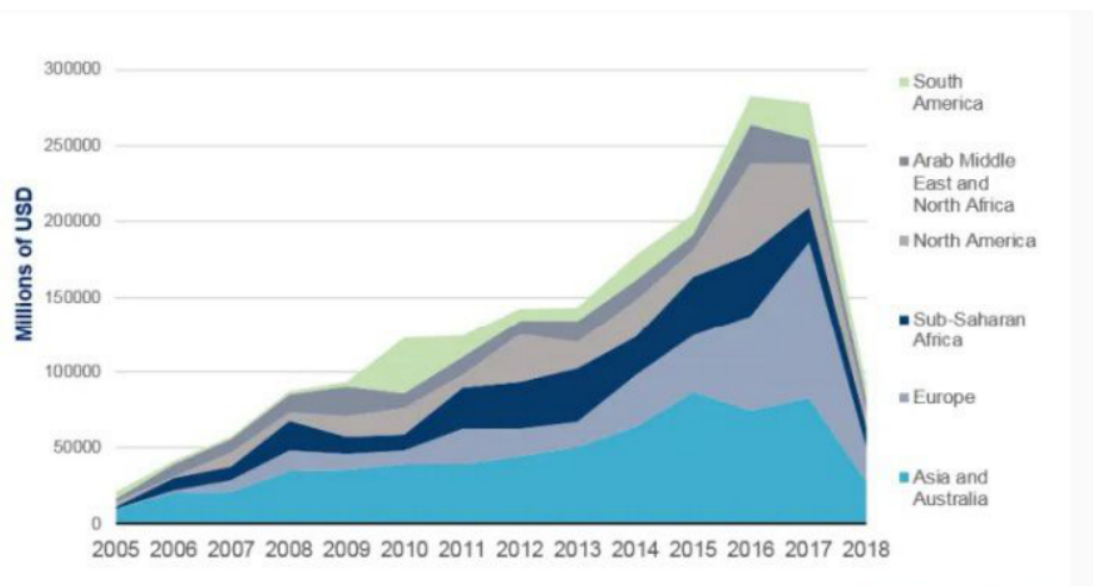


Figure 4. Chinese direct investments by region [3]

But when the matter of Chinese direct investments is concerned, we must understand that actual investments by China in the African continent are much smaller than debt-generating flows and financial sector in particular. Even when focusing on investments only, it is quite clear that China's investments in Africa are still at the early stages compared with that of key European countries that have a colonial past in Africa, especially France and the U.K, or the United States which has become a major player in the region since the decolonization of Africa in the sixties. In fact, the direct investments into stocks from the United Kingdom, the United States and France into Africa are each still larger than the investments sourced from China.

Thus, it is fair to say that China is growing in accumulating outward direct investments into Africa to a level which would be on par with its economic size and long-term political ties with the African region. Narrowing the issue down to the speed of such convergence, the data surprisingly shows that China is not yet the largest investor even in terms of the flows of the direct investments abroad.

The similar conception was proposed by Ted Bauman: "Even though the assets such as roads, ports, bridges, railroads, etc. in



Africa are financed with Chinese loans and built with Chinese contractors and labour, most of these projects are designed to lock African countries into a long-term political and diplomatic relationship with China rather than to make money".<sup>2</sup>

Overall, while such skeptics as Ted Bauman are weary of China's interest in Africa, even citing neo-colonialism, some African leaders are refuting this claim, as President Cyril Ramaphosa stated: "In the values that it promotes, in the manner that it operates, and in the impact that it has on African countries, Forum on China–Africa Cooperation (FOCAC) refutes the view that a new colonialism is taking hold in Africa, as our detractors would have us believe."

**C o n c l u s i o n :** To sum up we can say that despite the fact that Chinese direct investments into Africa have already outgrown American direct investments, their performance and effectiveness are to yet outperform American FDIs in Africa. This is because Chinese investments tend to think short-term and are completely resource based, while the strategy of American investments in Africa are more diverse and can provide us with examples of both short-term and long-term investments. Also, the majority of Chinese investments are being made into brown-field sectors (coal, diamonds) while the USA also invest in green-field sectors (such as green energy).

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<sup>2</sup> China's Investments In Africa: What The Data Really Say, And The Implications For Europe [Electronic resource]. – 2019. – Access mode:

<https://www.forbes.com/sites/aliciagarciiaherrero/2019/07/24/chinas-investments-in-africa-what-the-data-really-says-and-the-implications-for-europe/amp/>

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## UKRAINE UND RUSSLAND: POKERSPIEL FÜR GASVERSORGUNG IN EUROPA

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**Kaltschenko W. J., Pirog I. I. Ukraine und Russland: Pokerspiel für Gasversorgung in Europa.** Der Vertrag über den Transit von russischem Gas durch die Ukraine nach Deutschland und in andere EU-Länder läuft Ende 2019 aus. EU-geführte Verhandlungen zwischen Russland und der Ukraine behindern weiterhin den Abschluss eines Gasabkommens. Heutzutage besteht das große Risiko, dass dieser Vertrag nicht rechtzeitig abgeschlossen wird, da die Parteien absolut gegensätzliche Positionen und Ansätze vertreten. In dem Artikel werden die Risiken für die Verhandlungsführer bei Nichtunterzeichnung eines Gasvertrags ermittelt, die Auswirkungen des Nord Stream-2-Gaspipelineprojekts auf den Prozess des Gastransits nach Europa durch die Ukraine untersucht und das Interesse der EU am Transitgeschäft der Ukraine analysiert.

**Stichworte:** Gasfernleitungsnetz, Europäische Kommission, Verhandlungsprozess, politischer Druck, Nord Stream-2-Gaspipeline-Projekt, Stockholmer Schiedsgericht, Gastransit.

**Кальченко В. Ю., Пірог І. І. Україна і Росія: гра в покер для поставок газу в Європу.** Контракт на транзит російського газу через Україну в Німеччину та інші країни ЄС минає наприкінці 2019 року. Переговори між Росією і Україною під керівництвом ЄС продовжують гальмувати висновок газової угоди. На сьогодні існують високі ризики, що цей договір не буде вчасно укладений, оскільки у сторін абсолютно протилежні позиції і підходи. У статті визначено ризики для учасників переговорів в разі не підписання газового контракту, досліджено вплив проекту газопроводу «Північний потік-2» на процес транзиту газу в Європу через Україну, проаналізовано інтерес ЄС в транзитному бізнесі України.

**Ключові слова:** газотранспортна система, Європейська комісія, переговорний процес, політичний тиск, проект газопроводу «Північний потік-2», Стокгольмський арбітражний суд, транзит газу.

**Кальченко В. Ю., Пірог І. І. Украина и Россия: игра в покер для поставок газа в Европу.** Контракт на транзит российского газа через Украину в Германию и другие страны ЕС истекает в конце 2019 года. Переговоры между Россией и Украиной под руководством ЕС продолжают тормозить заключение газовой сделки. На сегодня существуют высокие риски, что этот контракт не будет вовремя заключен, поскольку у сторон

абсолютно противоположные позиции и подходы. В статье определены риски для участников переговоров в случае не подписания газового контракта, исследовано влияние проекта газопровода «Северный поток-2» на процесс транзита газа в Европу через Украину, проанализирован интерес ЕС в транзитном бизнесе Украины.

**Ключевые слова:** газотранспортная система, Европейская комиссия, переговорный процесс, политическое давление, проект газопровода «Северный поток-2», Стокгольмский арбитражный суд, транзит газа.

Gasverhandlungen zwischen der Ukraine und Russland über den Gastransit nach Europa sind in Gefahr. Der jetzt gültige Transitvertrag endet am 31. Dezember 2019. Die Dringlichkeit der Probleme bei der Unterzeichnung eines neuen Gastransitvertrags führte zu einer Auseinandersetzung aller Verhandlungsführer, und die Bereitschaft Russlands, den Bau von Nord Stream-2 im Jahr 2020 abzuschließen, schafft ein Problem für die Ukraine, den Gastransit auf ein Minimum zu reduzieren oder vollständig zu verweigern. Gegenstand der Studie ist der Verhandlungsprozess zum Thema Gastransit nach Europa durch die Ukraine. Gegenstand des Artikels sind die Bedingungen für den Gastransit und die Position der an der Transaktion beteiligten Parteien. Der Zweck des Berichts besteht darin, die Rolle und Beteiligung der EU an dreigliedrigen Gasverhandlungen zu bestimmen und die Konsequenzen für die ukrainische Wirtschaft im Falle des Nichtabschlusses eines Gasvertrags zu ermitteln, welche Interessen die Verhandlungsführer verfolgen.

Die Versuche Russlands, im Verhandlungsprozess für den Gastransit politisch, wirtschaftlich und diplomatisch Druck auf die Ukraine auszuüben, bessern sich nicht. Daher wurde ein Mediator, die Europäische Kommission, aufgefordert, einen neuen Vertrag als Vertreter des Gasverbrauchers auszuhandeln, den die Ukraine transportieren sollte.

Für [Deutschland und die EU geht es um eine Balance](#). Sie wollen die Versorgungssicherheit der EU-Staaten erhöhen, indem sie die Zuleitungen diversifizieren und sich damit weniger abhängig von

einzelnen Liefer- und Transitländern sowie Konflikten zwischen ihnen machen. Diesem Ziel dient Nord Stream 2 unter der Bedingung, dass die neue Pipeline den Transit durch die Ukraine nicht ersetzt, sondern beide Wege genutzt werden. Die EU argwöhnt, Russland wolle mit Nord Stream die Ukraine aus dem Transitgeschäft drängen, aus dem sich ein beträchtlicher Teil der Staatseinnahmen speist.

Im Frühjahr hatte das zu einem [Konflikt zwischen der EU und Deutschland](#) geführt. Mit großer Mehrheit beschloss die EU Auflagen für die Pipeline und behielt sich das Recht vor, die Einhaltung zu überwachen. Die beteiligten deutschen Firmen argumentieren, die Energiegeschäfte schaffen eine gegenseitige Abhängigkeit und dienen damit der Entspannung. [Viele EU-Staaten warnen hingegen vor einer hohen einseitigen Abhängigkeit](#) von Russland. Sie befürchten zudem, Putin werde die Deviseneinnahmen ins Militär investieren, was zu einer höheren Bedrohung für EU- und Nato-Partner wie die Baltischen Staaten und Polen führe. [Eine beträchtliche Zahl deutscher Europa- und Bundestagsabgeordneter](#) hat sich ebenfalls gegen Nord Stream 2 ausgesprochen. Zu den strategischen Interessen der EU zählt es, der Ukraine das Transitgeschäft weiter zu ermöglichen [4].

Das Nord Stream-2-Projekt birgt in sich eine Fülle politischer und wirtschaftlicher Risiken und Gefahren nicht nur für die Ukraine, sondern auch für die Länder Europas. Die europäische Wirtschaft kann mehr von Russland abhängen – warnt die ukrainische Seite den Westen und schlägt stattdessen vor, ausländische Unternehmen in die Leitung des ukrainischen Gas- und Transportsystems einzubeziehen.

Das Projekt der Gasleitung Nord Stream-2 setzt sich zum Ziel, die Ukraine nicht nur unter Wirtschaftsdruck zu setzen und ihr den Status eines Transit-Staates zu entziehen (wovon Russland seit langem träumt), sondern einen politischen Druck auf Europa zu verstärken [3]. Am 28. Oktober 2019 begann in Brüssel die vierte Runde der trilateralen Verhandlungen zwischen der Ukraine, Russland und der EU über den Abschluss eines neuen Vertrages über den Transit von russischem Gas durch die Ukraine. Der aktuelle

Vertrag endet am 31. Dezember 2019. Jährlich bringt der Transit der Ukraine 3 Milliarden US-Dollar (75 Milliarden UAH).

Wenn die Ukraine und Russland keinen neuen Vertrag über den Gastransit nach Europa abschließen, können die Verluste der russischen Wirtschaft 0,5 bis 1% des BIP erreichen. Naftogaz glaubt, dass die Russische Föderation solche Verluste hinnehmen und den Transit ihres Gases durch die Ukraine stoppen kann, da diese Verluste für die Ukraine hoch sein werden – 3-4% des BIP [2].

In der Ukraine würden durch den Wegfall der Gebühren für die Durchleitung russischen Gases in die EU Milliardenereinnahmen wegbrechen. Vor allem auch Deutschland hatte stets darauf bestanden, dass der Transit ungeachtet alternativer Wege erhalten bleibt – als wichtige Einnahmequelle für die verarmte Ukraine [6].

Aus offensichtlichen Gründen kann die Ukraine Gazprom nicht vertrauen, die wiederholt gegen ihre Verpflichtungen verstoßen hat und der in Kraft getretenen Entscheidung des Stockholmer Schiedsgerichts nicht einmal nachkommt. Die Strategie von Gazprom ist klar: Fertigstellung der Nord Stream 2-Pipeline, dann hat die Ukraine keine Möglichkeit mehr, rentable langfristige Verträge abzuschließen. Es ist unklar, warum die Ukraine ihr Gastransportsystem aufrechterhält, wenn es keine entsprechenden Transiteinnahmen gibt. Die Ukraine wirft daher logischerweise die Frage auf: Wenn es keinen langfristigen Vertrag gibt, der alle Kosten des Gastransportsystems abdeckt, sollte die Ukraine ihn stilllegen [1].

Die Ukraine möchte einen zehnjährigen Liefervertrag über 60 Mrd. Kubikmeter pro Jahr und wird dabei von der EU-Kommission unterstützt. Russland hingegen möchte lieber einen kurzfristigen Vertrag. Sobald die Ukraine in den EU-Energiebinnenmarkt integriert ist, wären kurzfristige Auktionen möglich. Weiterhin möchte Russland, dass die Ukraine russisches Gas für den Eigenverbrauch kauft. Die Ukraine kauft das aber lieber in der EU ein [5].

Am 18. Oktober 2019 kündigte Gazprom den Abschluss eines neuen Gastransitabkommens mit der Ukraine an, nachdem die Ukraine ihren Sieg im Stockholmer Schiedsverfahren aufgegeben

hatte. Als Reaktion darauf ist Naftogaz bereit, Russland neue Forderungen in Höhe von 11 Milliarden US-Dollar zu übermitteln.

Am Vortag erklärte der russische Präsident Wladimir Putin, die Russische Föderation sei bereit, einen neuen Transitvertrag mit der Ukraine nach europäischem Recht abzuschließen. Naftogaz merkte an, dass Putin eine solche Erklärung abgegeben habe, weil Russland nicht glaube, dass es der Ukraine gelingen werde, vor Jahresende europäische Gesetze einzuführen.

Beachten Sie, dass die europäischen Gastransitvorschriften ein transparentes Verfahren für die Festlegung der Tarife für Gas und dessen Transit vorsehen. Ihnen zufolge kann das Unternehmen, das Gas liefert, nicht für den Transport verantwortlich sein, weshalb die Ukraine ihr größtes Energieunternehmen, Naftogaz, aufteilen und den Gasfernleitungsnetzbetreiber in eine separate rechtliche Einheit aufteilen muss. Nach europäischen Regeln bestehen die Ukraine und die EU darauf, einen neuen Vertrag zu unterzeichnen. Dies wird es künftig einfacher machen, Gasstreitigkeiten beizulegen und die „politische Komponente“ in den Gasbeziehungen zu vermeiden [2].

F a z i t. Zwei Monate vor Ablauf des Gasvertrags besteht noch keine Klarheit über die Fortsetzung des Gastransits nach Europa. Der Hauptgrund ist der Versuch Russlands, Verhandlungen von der Wirtschaftsebene, in der die Ukraine über sehr starke Positionen verfügt, auf die politische Ebene zu verlagern. Das Nord Stream-2-Gaspipeline-Projekt ist auch politisch sensibel für die Ukraine, da es Europa strategisch von den Interessen Deutschlands und der EU abhebt – was zu großem Misstrauen und Spannungen in den Beziehungen zur Ukraine führt. Heutzutage besteht das große Risiko, dass dieser Vertrag nicht rechtzeitig abgeschlossen wird, da die Parteien absolut gegensätzliche Positionen und Ansätze vertreten.

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**DARK TOURISM AND ITS EFFECT:  
FRAMING PLACES OF DEATH AND DISASTER  
“ETHICAL ASPECT”**

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**Kappe M. M., Korshunova I. M. Dark tourism and its effect.** The article deals with the problems of tonatotourism and its direct impact on the public mind in the modern world. The article covers such a topic as the origin of the problem of the concept of "moral and ethical standards". Mentions world attractions as one of the factors behind the creation of black tourism and also highlights perpetuation of memory by visiting dark places.

**Keywords:** dark tourism, moral and ethical standards, motivations, trend, destination, experience, representation, encounters.

**Кappe M. M., Korshunova I. M. Чорний туризм та його наслідки.** У статті порушується проблема тонатотуризму, що безпосередньо впливає на громадську свідомість у сучасному світі. Автор розмірковує про джерела виникнення й формування морально-етичних норм суспільства. У статті розповідається про світові пам'ятки архітектури, приваблюючі прихильників чорного туризму. Автор наголошує, що відвідання місць з сумною історією є своєрідним ушануванням трагічної долі загиблих.

**Ключові слова:** морально-етичні норми, мотивація, тенденція, дестінація, досвід, представництво, несподівані зустрічі, чорний туризм.

**Кappe H. M., Коршунова I. M. Чёрный туризм и его последствия.** В статье поднимается проблема тонатотуризму, который непосредственно влияет на общественное сознание в современном мире. Автор рассуждает об истоках возникновения и формирования морально-этических норм общества. В статье рассказывается о мировых памятники архитектуры, которые привлекают сторонников черного туризма. Автор подчеркивает, что посещение мест с печальной историей является своеобразным чествованием трагической судьбы погибших.

**Ключевые слова:** морально-этические нормы, мотивация, тенденция, дестинация, опыт, представительство, неожиданные встречи, чорний туризм

The o b j e c t of this article is the impact of black tourism on society. The s u b j e c t is ethical standards in the context of dark tourism in our modern society. The p u r p o s e of the article is to convey the importance of the problem posed and to make people take

these places seriously. The relevance of article is to suggest an understanding of dark tourism as an affective socio-spatial encounter, and investigate the role of affect in how people feel, experience conjunctures/disjuncture of dark moments, as well as accounting for the ambiguities and tensions that seem pervasive in these dark spaces and practices. Also, its relevance originates from the fact that dark tourism sites can elicit strong and complex reactions by their nature. In many cases, the places are consciously constructed to enhance such reactions. What is 'unique' about these places is their power to engage with representations of death. They might deeply offend and unsettle visitors, triggering shock, anger, but also wonder and excitement. Most places of death, disaster and atrocities negotiate painful pasts, ethically problematic situations, politically oriented discourses on memory and heritage, strong emotional and affective reactions – such as pain, fear, empathy, and catharsis – from locals as well as visitors.

The tourism sector contributes to the global economy with figures in the trillion of dollars, and moves more than 1.2 billion people every year (UNWTO, 2017). First of all, among tourists, a growing percentage is setting their eyes on an emerging market: tourism to places of death, disaster and atrocity. In 2017 more than million people visited the Auschwitz-Birkenau Memorial. Secondly, since its opening in 2011, and more than a decade and a half after the 9/11 catastrophe, the new Ground Zero Memorial attracted more than 37 million visitors. Thirdly, in Ukraine, due to a tense political situation, general tourism dropped by 48% in 2014, but in Chernobyl, the well-known place of the 1986 nuclear disaster, tourism is on the rise: 50,000 people toured the area in 2017 – a 35% rise on 2016 [1].

The term 'dark tourism' has been coined by Foley and Lennon (1996). It is defined as a 'product of the circumstances of the late modern world', an intimation of postmodernist, where death becomes neutralized, mediated and rendered less threatening, thus commodifiable for consumption. Dark tourism simply refers to any travel to sites that are associated with death, suffering, or anything a bit macabre. In the past twenty years dark tourism has gained

academic attention and considerable literature has been published. The main trends in dark tourism cover: definitions and typologies; ethical debates; political roles of such places; motivations, behaviors and visitors' experiences; management and marketing; and inquiries on methods.

Nobody knows that fact that one of the most visited places in the world is the Colosseum located in the capital of Italy, Rome. It is a dark tourist site. This huge marble and limestone structure was built to hold more than 50,000 spectators, all there to revel in the various forms of (mostly violent) entertainment, such as hunts, gladiator battles and executions. So a lot of human and animals passed away there. Likewise, if you have visited war memorials such as the Holocaust memorial in Berlin, or more recently, paid a visit to Ground Zero in New York, these are Dark Tourism destinations. Even the Titanic museum in Belfast is a Dark Tourist spot, as it memorializes a tragedy for the consumption of tourists and other visitors. Unfortunately, some people don't think about where they are [2].

Only because something is considered a Dark tourism destination, it doesn't mean that you are a 'dark tourist', as people visit these sites for many reasons, from being interested in history, to tracing ancestors back through major historic events, to just sightseeing in a particular town.

Recently, Dark tourism has gotten a lot of negative attention in the media. In 2017 the tragedy of the Grenfell Towers fire in London was made more tragic by people taking selfies while the fire that killed 79 people was still burning. The story of Otto Warmbier, the 22 year old US citizen who was arrested while taking a tour of North Korea, had a tragic end when he died shortly after being returned to his parents in coma. People have been shocked by the behavior of what some call disaster tourists, who flock to Dark tourism destinations before the tragedy is even over to take selfies, and generally act in a disrespectful and abhorrent manner. This behaviour is obviously not right, but does it mean that Dark tourism as an industry is unethical? This question is important, but unfortunately it is not easy to be answered [3].

Dark tourism experiences arise through explicitly sought after encounters, whereby tourists are receptive to the networks of affects arose by the connections with death and its representations. Death is a part of the story of such sites, but not always the main overt, and explicitly acknowledged motivation for the visit. To assume so, would be to exclude the demonstrations of national identity, educational experience, thrill, joy, fear, hope, nostalgia and all the embodied experiences and feelings central to these encounters. While, for example, the connection to a history of slavery and violence in the United States of America would imply dark tourism, tourism staff and operators orient their narratives towards ‘a set of historical myths that marginalize and romanticize slave life in the antebellum South’ [4].

Theories of affect has been sidelined in most works on tourism, in general, and dark tourism, in particular, while the body and senses received increasing attention and more recently, emotions .Encounters with death and disaster are shaped by intense affective engagements, which are at the heart of dark tourism. However, they are not easily brought into representation, because certain horrific events – and the affective charge with which they are imbued – escape their retelling. Affect is ‘a transpersonal capacity which a body has to be affected (through an affection) and to affect a moment of unformed and unstructured potential realized beyond or outside of consciousness This potential can be apprehended as an intensity, a mood, that permeates a place or an event, and creates a resonance, an attunement between the feeling bodies It involves an array of ‘modalities, competencies, properties and intensities of different texture, temporality, spatiality and velocities’ all characterized by being provisional unfinished, unconstrained by borders, and thus not clearly divorceable from emotions, thoughts, and the body [5].

Dark tourism comes in a wide array of forms, all connected by an engagement with death and its representations. Tourists in dark places make sense of their travels through the overlapping, fluid, ever-changing relations of their bodies, emotions, affects, thoughts, social, cultural and spatial interactions. Dark places are often unruly

networks in which identity is performed and contested. They provoke complex reactions in people visiting them, because such travels can be undertaken for reasons that might not follow dark motivations. Dark tourism can be considered a quest to experience a disaster from a safe place, or to experience thanatopsis in a familiar setting that iconography is culturally shared and already experienced through movies, news and other media. When visiting dark places tourists can experience a sense of danger and fear, often, mixed with excitement. Indeed, fear and danger can make people feel alive, and as tourists engage with death and fear from a safe space, they can affectively perceive the grandiosity and magnificence of what happened, which can manifest in an emotion such as excitement, or catharsis. These sites whereby tourists can express their desire to understand tragic, or death-related events of the past can be permanent or transitory, a type of experiential space, where the 'death experience' happens in 'real time'[6].

Dark tourism sites have the potential to generate a wide range of simultaneous reactions and feelings: from anger to disgust, shock and fear to responses such as hope and pride. It can also be an opportunity to affectively engage with both personal and social catharsis. Observe that 'through the talk about the war, tour guides go through their personal catharsis, and can produce social catharsis in the interactions with tourists and places. To understand dark tourism affective experiences of visitors, the psychoanalytical notions of voyeurism has been adopted, as well as the concepts of the death drive and desire. They highlight the need to conceptualize dark tourism in terms of the individual's subjective and affective experiences, rather than identifiable attractions, in order to capture the complexities around the dark tourism phenomenon [7].

We also need to be aware of what side of the story we're getting. History is not as black and white as the books would like us to believe, and we need to be even more aware of this as we step into places of conflict and tragedy. If, for example, you were at a WWII memorial, and the guide was doing their best to convince you that 'there were very good people on both sides' and that the Holocaust

wasn't all that bad, you'd probably want to get the hell out of there and report them to the police. We know the story of the Holocaust, and we are very clear on who the perpetrators and victims were.

There are certain experiences that I just cannot feel comfortable with supporting. For example, there is a converted prison in Latvia that allows you to become a prisoner for the night, complete with shouting guards and lock downs. There is a Bunker museum in Germany that lets you become a soldier for the night. And then there is the awful tour that Dark tourist shows, where you can go to Mexico and pretend to be an illegal immigrant trying to jump the border into the US. But this is unfortunately not always the case. We need to do our best as responsible travellers to make sure we are supporting the voices of the victims, and not state, or big business sponsored propaganda that paints things as less terrible, or less unethical than they were.

*In conclusion*, we can claim that Dark tourism is becoming a fast-moving trend which destroys the lives of millions now. When we engage with these Dark tourism destinations in a meaningful and solemn way, we are sobered up as travellers, shaken from our holidaying, and forced to confront the dark parts of ourselves that we see mirrored in the stories and sites we visit.

And this is why I think people feel the need to take selfies at these sites. Because when we are really faced with all of our shadows we have no real coping mechanisms. We fall back on what we know, while wanting to mark the occasion, to say, 'I was here! This was important!'

So I encourage you, to keep visiting the Dark tourism destinations that are so popular, and to find a new way of memorizing your experience, so that, hopefully in the future, we have no new Dark Tourism destinations at all.

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## DIGITAL TRANSFORMATION IN TOURISM: A NEW TRAVEL TREND

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**Khachatryan E. A., Saprun I. R. Digital transformation in tourism: A new travel trend.** The article is devoted to the relevance of the development of digital technologies in tourism, as well as their problems and perspectives. The author of the article aims to find out what trends in digitalization and automation of the industry are waiting for us in the near future, as well as to trace their development tendencies. The subject of the study is the mechanism of the functioning of digital technologies in tourism. At present, the development of digital technologies in tourism industry is one of the most relevant issues of the world economy.

**Key words:** automation, digitalization, digital technologies, digital transformation, tourism, travel trend.

**Хачатрян Е. А., Сапрун І.Р. Цифрова трансформація в туризмі: Новий туристичний тренд.** Стаття присвячена актуальності розвитку цифрових технологій в туризмі, проблемам та перспективам. Автор статті ставить за мету виявити які тренди в цифровізації і автоматизації галузі очікують нас найближчим часом, простежити тенденції їх розвитку. Предметом дослідження є механізм функціонування цифрових технологій в туризмі. В даний час розвиток цифрових технологій в туристичній індустрії є одним з актуальних питань світової економіки.

**Ключові слова:** автоматизація, туризм, туристичний тренд, цифрова трансформація, цифровізація, цифрові технології.

**Хачатрян Э. А., Сапрун И. Р. Цифровая трансформация в туризме: Новый туристический тренд.** Статья посвящена актуальности развития цифровых технологий в туризме, проблемам и перспективам. Автор статьи ставит целью выявить какие тренды в цифровизации и автоматизации отрасли ожидают нас в ближайшее время, проследить тенденции их развития. Предметом исследования является механизм функционирования цифровых технологий в туризме. В настоящее время развитие цифровых технологий в туристической индустрии является одним из актуальных вопросов мировой экономики.

**Ключевые слова:** автоматизация, туризм, туристический тренд, цифровая трансформация, цифровизация, цифровые технологии.

The o b j e c t of this article is the digitalization of tourism, the introduction of digital technology in the tourism industry. The



s u b j e c t of the research is the mechanism of the functioning of digital technologies in tourism. Nowadays the most r e l e v a n t tasks in the tourism industry are automation and the widespread use of electronic technology. The creation of powerful computer reservation systems for accommodation and transport, excursion and cultural-recreational services, the introduction of the latest technology in the tourism sector, information on the availability and accessibility of certain types of trips, routes, tourist potential of countries and regions , the whole range of these issues, taking into account the development integration processes, is put on the agenda of the current and future activities of the World Tourism Organization.

In modern era of informatization and computerization, the rapid development of the tourism business requires a new approach to information processing and decision-making. The activity of organizational systems in the tourism business, accompanied by the process of generating a large amount of information and requiring operational processing for decision-making, can be complicated by a number of factors, such as the transfer of incomplete, inaccurate or erroneous information, the inconsistency of the characteristics and functioning conditions of the systems themselves, the presence of the human factor, in other words, the participation of people with freedom of action [1].

The analysis of existing software for tourism enterprises shows that the vast majority of programs provides the ability to enter, edit and store information about tours, hotels, customers, vehicle schedules and applications. Without exception, all of them make it possible to print many different documents, from questionnaires, vouchers and tourist lists to the description of hotels, tours. Most software products allow to control the payment of tours, print payment documents, keep records of places in the hotel and on transport. One of the important functions of such programs is also the automatic calculation of the cost of tours taking into account individual and group discounts, commissions, exchange rates and other important factors. The use of computer technology in the tourism process improves manageability (accelerates control cycles),

ensures the growth of the intellectual capabilities of the entire management system, improves the quality of management through a system of using data banks, expert systems and forecasting decisions.

At present, the tourism industry is so multifaceted that it requires the usage of a wide variety of information technologies, ranging from the development of specialized software tools that automate the work of a separate travel company or hotel, to the use of global computer networks. Today, tourism uses quite a range of the latest computer technologies, for example, global computer backup systems, integrated communication networks, multimedia systems, Smart Cards, management information systems[2]. I am going to expand on some new tendencies in travel business connected with digital transformation.

#### 1. Going into the digital space

The digitalization of tourism can be divided into external and internal. In the first case, the systematic transfer of communications with the client to the digital environment is meant: people no longer have time for personal meetings with travel agents to discuss leisure options. Often the country and hotel are already selected, we have learnt to search for information on the network ourselves. Therefore, it remains to find a point of contact with the tour operator, which usually becomes his site. On the site the user will also not be left alone with questions: an employee is in a chat or a chat bot immediately connects to communication. The decisive points here are the responsiveness and effectiveness of resolving the client's issue.

For example, in European countries, traditional tour operators are less and less turned to as no more than a third part of travelers come to the office. The rest use online services for travel planning, the share of bookings in which is predicted to increase greatly in 2020. Online sales are also set to grow, and there two directions for them. Firstly, people buy tickets and hotels separately, making up a trip for themselves. Secondly, travel agencies also go online, promoting their own staffed tours. What is more, the tour operator on online sales does not stop working with the client. Digital technologies make it possible to engage in post-support, that is,

supporting and receiving feedback. The client's journey is monitored at all stages if possible travel agents get from him an assessment of the service provided.

## 2. Digitalization inside

Inside the company, the trend to develop CRM-systems, automatic tools for setting goals and planning will continue to grow. It should be mentioned that when they are used correctly, their implementation will become a key factor in increasing the organization's competitiveness. Automating the work toolbox frees up the main resource for the management, free time. So it can be spent on studying new business technologies or developing parallel niches. The second point is especially important in dynamically changing conditions, when the percentage of independent tourists goes up, and travel companies have to increasingly seek new sources of income for their survival [3].

## 3. Self-help applications

The trend of abandoning the classic scheme of services of companies selling package tours will intensify. Travelers buy tickets using the SkyScanner service in bulk, and Booking.com has changed the traditional hotel reservation market a long ago. Other standard operations await similar prospects for automation and transition to digital. One of them is insurance. Today, there are applications that allow you to apply for a policy within minutes. The matter is not limited to issuing a document: as part of the insurance, you can get round-the-clock emergency consultation with a suitable doctor. No less important that communication with clients in such apps occurs on different languages. Moreover, support service specialists use all the main messengers.

Another important point after the flight, check-in and insurance is movement around a foreign country. Inside cities, taxi aggregators continue to be indispensable. As for the trips from the airport to the hotel and intercity destinations, it is a niche that is just beginning to be filled up. It is here that the transfer companies develop their presence, offering services in all popular tourist cities.

It cannot but be mentioned that these applications include translators and sightseeing services. Thus, another trend is supported,

that is combining business trips with leisure. Even without a thoughtful preparation it has become easy to find a way to communicate with the local population, choose a restaurant and find key attractions nearby for half an hour in an unfamiliar city.

#### 4. Artificial Intelligence and Digital Maintenance

According to a recent Booking.com study, a third of the world's travel audience is interested in the help of artificial intelligence to plan their trips. People leave a lot of information about themselves on the network through queries in search engines, as well as they reveal their preferences, showing the most convenient payment methods and the amount of planned vacation costs. It has turned out that for 50% of the respondents it does not matter who helps in planning the trip, a live operator or a chat bot. If the service of choosing a tour or hotel reservation offers a suitable option, then the likelihood of its acquisition is increased significantly. Furthermore, large online services will continue to develop their own artificial intelligence, and smaller players are gradually taking on their experience.

Actually, separate networks introduce their own products as part of digitalization. For example, by 2020, it will become clear how effective the Hilton Honors technology under test is: this is an application in which a guest selects a room, pays for it and fully adapts accommodation to his or her own needs.

#### 5. Block chain

A word that can scare away the user against the background of excessively high volatility of cryptocurrencies. However, Block chain technology itself is independent from market volatility. Moreover, it has innovations that are useful for the tourism industry, which have already been paid attention to. Block chain is, first of all, the security of transparent transactions without the participation of banking structures of different countries or the chance of a sudden blocking of a card, and it is possible to protect your cryptocurrency wallet with at least two-factor authorization.

What is the benefit for a tourist? There is a prospect of long trips without having to carry along the documents and a wallet . In any trip, these are the most valuable things about the safety of which

a person thinks every day[4]. Unfortunately, transactions through the Block chain system will not solve the security issue once and forever – but, at least, they will offer a convenient alternative. The other side of the use of the Block chain is the collection and storage in a single space of data on purchased tickets, reserved hotels, used loyalty programs, routes and things like that. Such information is necessary for all representatives of the industry, because knowledge of the actual preferences of tourists gives the ability to predict their desires, and therefore raise their own conversion[5].

**I n c o n c l u s i o n** , it should be pointed out that the successful functioning of the company in the tourism business market is impossible without the use of modern information technologies. The specifics of the technology for the development and implementation of tourist products requires such systems that would provide information on the availability of vehicles and accommodation options for tourists as quickly as possible, provide quick reservation as well as automate the solution of auxiliary tasks when providing tourism services (parallel processing of documents such as tickets, bills and guides, providing settlement and reference information. This is achievable with the widespread use of modern computer technology for processing and transmitting information in travel industry.

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**“THE DIGITAL DIVIDE”  
AS A GLOBAL PROBLEM  
FOR THE MODERN CIVILIZATION**

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**Khilko Y. A., Broslavska Y. M. The digital divide as a global problem for the modern civilization.** The article discusses ways of overcoming digital inequalities that are being developed in the documents of international organizations, as well as in national information strategies of individual countries. The article also examines issues such as the nature and main causes of the problem of "digital divide"; the "digital divide" as a global socio-political problem in the international arena and the role of leading countries in addressing the "digital divide".

**Keywords:** algorithms, digital divide, global socio-problem, modern civilization, national information strategies, technology gap.

**Хілько Я. О., Брославська Є. М. «Цифровий розрив» як глобальна проблема розвитку сучасної цивілізації.** У статті розглядаються шляхи подолання цифрової нерівності, які розробляються в документах міжнародних організацій, а також в національних інформаційних стратегіях окремих держав. У статті також розглядаються такі питання, як сутність та основні причини виникнення проблеми «цифрового розриву»; «цифровий розрив» як глобальна соціально-політична проблема на міжнародній арені та роль провідних держав світу у вирішенні проблеми «цифрового розриву».

**Ключові слова:** алгоритми, глобальні соціальні проблеми, національні інформаційні стратегії, сучасна цивілізація, технологічний розрив, цифровий розрив.

**Хилько Я. А., Брославская Е. М. «Цифровой разрыв» как глобальная проблема развития современной цивилизации.** В статье рассматриваются пути преодоления цифрового неравенства, которые разрабатываются в документах международных организаций, а также в национальных информационных стратегиях отдельных государств. В статье также рассматриваются такие вопросы, как сущность и основные причины возникновения проблемы «цифрового разрыва»; «цифровой разрыв» как глобальная социально-политическая проблема на международной арене и роль ведущих государств мира в решении проблемы «цифрового разрыва».

**Ключевые слова:** алгоритмы, глобальные социальные проблемы, национальные информационные стратегии, современная цивилизация, технологический разрыв, цифровой разрыв.

The o b j e c t of the article is the processes of the formation and development of the information society, which are dependent on the relations among social institutions, including the media and the state, on the political status of an individual, their economic, educational, and psychological capacity to accept and benefit from new technologies as well as provide access to the information. The s u b j e c t of the article is ways of bridging the digital divide that are being developed in the documents of international organizations and also national information policies of individual states. The p u r p o s e of the article is to study the tendencies of the development of the information society at the beginning of the XXI century, to determine the dependencies among the economic, political, and social resources of a country and its information status.

Even as technology becomes more affordable and internet access seems increasingly ubiquitous, a “digital divide” between rich and poor remains. The rich and educated are still more likely to have good access to digital resources according to the Pew Internet and American Life Project. The digital divide has especially far-reaching consequences when it comes to education. For children in low-income school districts, inadequate access to technology can hinder them from learning the tech skills that are crucial to success in today’s economy [3].

According to the 2017 Pew Report on “Digital Divide,” only 62% of people in households making less than \$30,000 a year used the internet, while in those making about \$50,000-74,999 that percentage jumped to 90.

Smart phones have helped bridge the divide, as they provide internet access to populations previously at a digital disadvantage. Pew reports that, among smart phone owners, “young adults, minorities, those with no college experience, and those with lower household income levels” are more likely to access the internet primarily through their phones.

There are still gaps in high-speed internet access. Only 49% of African Americans and 51% of Hispanics have high-speed internet at home, as compared with 66% of Caucasians. Internet speed has

important effects on media access, especially when it comes to streaming video, so this gap is significant [7].

In a Pew survey of teachers, teachers of low income students tended to report more obstacles to using educational technology effectively than their peers in more affluent schools. Among teachers in the highest income areas, 70% said their school gave them good support for incorporating technology into their teaching. Among teachers in the lowest income areas, that numbers was just 50%.

Fifty-six percent of teachers in low income schools say that their students' inadequate access to technology is a "major challenge" for using technology as a teaching aid. Fifty-four percent of all teachers said their students had adequate internet access at school, but only 18% said their students had adequate access at home [5].

Interestingly, urban teachers are more likely to say students have poor access to internet at school, while rural teachers are more likely to report that students have poor access at home.

In the past, technology experts worried about a "digital divide" between those who could access computers and the internet and those who could not. Households with less access to digital technologies are at a disadvantage in their ability to earn money and accumulate skills [4].

The main reason for the new digital divide may be that very few people understand how algorithms work. For a majority of users, algorithms are seen as a black box. While algorithms influence so much of people's lives, only a tiny fraction of participants are sophisticated enough to fully engage in how algorithms affect their life [6].

A study of Facebook usage found that when participants were made aware of Facebook's algorithm for curating news feeds, about 83% of participants modified their behavior to try to take advantage of the algorithm, while around 10% decreased their usage of Facebook.

Thus, the new digital literacy is not using a computer or being on the internet, but understanding and evaluating the consequences of an always-plugged-in lifestyle. This lifestyle has a meaningful impact on how people interact with others; on their ability to pay



attention to new information; and on the complexity of their decision-making processes.

Increasing algorithmic anxiety may also be mirrored by parallel shifts in the economy. A small group of individuals are capturing the gains from automation, while many workers are in a precarious position [1].

Opting out from algorithmic curation is a luxury – and could one day be a symbol of affluence available to only a select few. The question is then what the measurable harms will be for those on the wrong side of the digital divide.

While the telecommunications infrastructure has grown and the information and communication technologies (ICTs) has become less expensive and more accessible, today more than ever, the invisible line that separates rich from poor, men from women and the educated from the illiterate; also separates the connected from the disconnected. The unequal access to and utilization of ICTs has accepted as one of the prevalent issues of our times. Almost every indicator shows that there is a significant difference between developed and developing countries in terms of accessing and using ICTs [8].

For example, according to International Telecommunication Union (ITU), while approximately 72 % of the population is Internet users in developed countries, this ratio is 21 % in developing countries. The number of fixed telephone lines per 100 inhabitants in developed countries is estimated about 41, but, it is 12 in developing countries (ITU, 2010). It can be challenging to access up-to-date knowledge and information in developing countries. Enhancing level of literacy and designing appropriate IT tools around the capabilities of users can help a wider population to benefit from technology and information revolutions [2].

Thus, education, especially in rural areas, and taking necessary measures for providing ICTs and information technology services with affordable costs are essential for bridging the digital divide in developing countries.

The generation digital divide could be bridged with increasing the education and socio-economic level of old people. It takes time

and devotion to achieve bridging the generation digital divide in developing countries. The government plays an important role in bridging the digital divide in developing countries, like Ukraine. Given the significant age, gender and rural-urban digital divide Ukraine faces; the government should make significant physical and social investments in ICT access, especially in the urban areas.

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## HOTEL INDUSTRY DEVELOPMENT IN ALBANIA

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**Klap A. P., Medvid M. M. Hotel industry development in Albania.** The article discusses the current state of the hotel industry in Albania and reveals prospects for effective development. It is established that this branch of economic activity is a material and technical base, the basis for developing the tourist and recreational potential and the development of tourism in the country.

**Keywords:** Albania, history, hotel industry, development, tourism.

**Клап А. П., Медвідь М. М. Розвиток готельного господарства в Албанії.** У статті розглядається сучасний стан готельного господарства в Албанії та виявляються перспективи щодо його ефективного розвитку. Встановлено, що дана галузь економічної діяльності є матеріально-технічною базою, основою для освоєння туристично- рекреаційного потенціалу та розвитку туризму в країні.

**Ключові слова:** Албанія, історія, готельне господарство, розвиток, туризм.

**Клап А. П., Медведь М. Н. Развитие отельного хозяйства в Албании.** В статье рассматривается современное состояние гостиничного хозяйства в Албании и выявляются перспективы его эффективного развития. Установлено, что данная отрасль экономической деятельности является материально-технической базой, основой для освоения туристско-рекреационного потенциала и развития туризма в стране.

**Ключевые слова:** Албания, история, гостиничное хозяйство, развитие, туризм.

The o b j e c t of the article is the process of the development of hotel industry in Albania. The s u b j e c t is the current state of the hotel industry in Albania. The p u r p o s e of the article is to examine the tourism sector and hotel industry in the country, to analyse the scientific literature and history discussing the impact of tourism on the development of the country.

For quite some time Albania has been isolated from the rest of the world, therefore no wonder that a lot of people still know nothing about this beautiful, rich in history country. The locals are extremely hospitable, prices on tours are fairly low and the slogan of National

Tourism Office «Albania – a new love in the Mediterranean» can be nothing but complete truth.

Albania is not your ordinary classic country. Partly weird, partly surprising, partly even scary, but definitely very much worth of close study.

Albania's economic development over the last 20 years has been a part of a long transition. Huge part in this transition took the tourist industry. In order to truly understand the journey that Albanian tourist industry has been through, we would have to look back at its history.

Albania was overcome by the Turks in the fifteenth century, and was removed from Christian Europe for almost half a millennium, until it was drawn into the nationalist movements which characterized central and eastern Europe in the later nineteenth century.

An interview of 1928 stated that King Leka II speaks about the improvements that he wanted to do in order to attract tourists, on the way of transformation of Albania into a European state. The figures of that time showed that Albania in 1929 counted about 13 holiday centers and 27 hotels in total, whereas three of them were located in Durrësi beach. In the mid-30s' the only tourism agency was «The Tourism and Albanian automotive Office», and at the two country's major ports regularly anchored cruisers with tourists having daily tours in Tirana in Durrës cities.

In the aftermath of World War II and the defeat of Nazi Germany, the country became initially a satellite state of the Soviet Union and the tourist infrastructure at that time became almost negligible. In 1945, a 15-villa complex with a capacity of 37 rooms and a hotel with 28 rooms in the Durrësi seaside were the tourist infrastructure. In the mid-50s, as a consequence of the broken alliances between the socialist camp countries, the Albania-Soviet socialist policy encouraged the development of tourism.

The end of the Communist regime in 1992 is the start of a hard decade transition, marked with crimes, corruption, high unemployment level and involvement into neighbors' conflicts.

The government put forward a reform program that included a shift from a command-and-control economy with centralized control to a market economy and private enterprise, which contributed to GDP growth. Economic growth has continued since 2000. The country began to change rapidly, the construction industry gained a very high pace, which gave possibility for growth of big cities.

Nowadays the government of Albania is mostly concerned with the tourism sphere.

On various websites one can find very little bit of information about this country. All comments are rather dry, and sometimes quite harsh. In the textbooks on the geography of tourism, there are no more than two or three lines about Albania, which is very unfortunate considering how much there is to tell about this country.

Albania is located on the coast of Adriatic and Ionian seas, surrounded by the much more popular tourist countries such as Greece and Montenegro. It has mild Mediterranean climate with fairly hot and dry summers and cool wet winters. Three of the largest and deepest lakes of the Balkan Peninsula are partially located in Albania: Skadar Lake, Ohrid Lake and Prespa Lake. [1]

However, Albania is still considered one of the poorest of the Eastern European countries, but also one of the most reformed ones in Europe.

One might say, this country is for those who crave extreme and thrill trip. This is mostly because of lack of information about it, Albania still hasn't opened up to a wide range of people.

The tourist business there currently exists mainly due to tourists from European countries. Most of them come from countries such as Italy, Macedonia, Serbia, and Kosovo. Tourists from developed European countries also visit Albania, they are attracted by the virgin beauty of this region, and very low prices.

First of all, Albania impresses with its diversity. There are only so many places in the whole world where sunny beaches and snow-capped mountains are located next to each other.

One of the most popular local attraction is, of course, mountain sports. Fans of these activities can visit the country throughout the

year. Lots of caves definitely appeal to those who are fond of speleology. Also, throughout the state there are more than 20 nature reserves and 6 national parks, which after so many years have managed to preserve the whole nature of Albania. And for those who prefer beach tourism, there are many pebble and sandy beaches, as well as sea caves. Popular resorts of the coast – Durres, Fier, Saranda, Vlora, Shkodra.

The most popular and most pleasant area in Albania for rest and entertainment is the resort area of the Ionian coast of the country, especially the area from Vlora to Saranda, which is sometimes called the "Riviera of Flowers". It is where the largest part of the old villas and mansions is located. The largest entertainment city in Albania is Durres, and the most popular is the city of Saranda.

No less remarkable are the natural beauties of the country such as the Albanian Alps and the Lure National Park, the Tomor Mountains with the medieval monastery Bektas and the canyons of Scrapara, the mountain river Valbona and, not too far from the capital, the picturesque mountain Daiti in the vicinity of Tirana.

As was mentioned earlier, the cultural and historical potential of Albania is very significant and diverse, which contributes to the development of educational tourism. Historic points of attraction include Berat, the oldest Albanian city with unique Ottoman architecture, Gjirokastra and its ancient castle on a hill in the city center, Butrint, a large archaeological park with excavations of ancient Greek settlements and Korca – the cultural capital of Albania. Massive medieval castles are located in many Albanian cities. Among the popular ones are Petrela Castle in the suburbs of Tirana and Skanderbeg Castle in Kruye, named after the national hero of Albania .

Aside from the ancient history, Albania is quite interesting for a lot of tourists for its recent history. The whole country is covered with concrete bunkers of various sizes, designed for soldiers, artillery and tanks. Currently, silos are used in various forms and applications, pencil holders and ashtrays in the shape of bunkers have become one of the country's most popular tourist souvenirs.

Putting into account all the information listed above, it isn't so hard to understand why tourism in Albania becomes more and more popular. Contribution of travel & tourism to GDP makes up to 27.3% of total economy, contribution to employment – 25.2% of total employment and as a result of international visitors – 56.0% of total exports [5].

Albania is a quite promising and quickly growing country. Hotel industry there develops every day, however there is no such aim as mass tourism for this country. Enton Derraj, the official representative of the government of Ali Berisha, who has been a consultant to the national government for tourism for two years now, says: «We want, on the one hand, to develop water tourism in our country, but not in the way it is in Greece or Spain, but with an eye kept on the need to protect the environment.

The new tourism development strategy focuses on the development of hiking, mountain, cultural and agro-tourism, taking into account the fact that three monuments from the UNESCO cultural heritage list are located on the territory of the country: the archaeological museum Butrinti nature reserve in southern Albania, as well as the ancient cities of Gjirokastra and Berat, included in the UNESCO list as well-preserved examples of urban development during the Ottoman Empire. So one might easily see how Albania is heading towards development of sustainable tourism.

In conclusion, Albania is a country positioned in the New Mediterranean Frontier, and has comparative advantage in many areas, showing that the increase in its competitiveness through the development of tourism is possible. For a developing country like Albania, hotel industry is an important sector, which may generate foreign currency inflows, new employment opportunities infrastructure development, and new management experiences.

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## LES TENDANCES À LA CROISSANCE DE L'ASSURANCE DE BIENS EN UKRAINE

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**Klapova Ye. P., Bezvesilna N. T. Les tendances à la croissance de l'assurance de biens en Ukraine.** Dans cet article il s'agit de la nécessité objective de l'existence et du développement de l'assurance de biens en Etat, et aussi, de son étude parce que cette assurance est le moyen rationnel effectif de la défense des intérêts de biens de la population et des structures économiques, et la priorité de ce genre de l'assurance est dans ce que les biens deviennent la source du développement socio-économique, la composante des richesses nationales de l'Etat et la caractéristique de sa puissance économique.

**Les mots-clés :** l'assurance de biens, le développement socio-économique, la population, les structures économiques.

**Хлапова Є. П., Безвесільна Н. Т. Тенденції розвитку майнового страхування в Україні.** У цій статті розповідається про об'єктивну необхідність існування та розвитку майнового страхування в державі, а також його дослідження (бо це страхування є ефективним) та раціональним засобом захисту майнових інтересів як населення, так і господарчих структур, а пріоритетність цього виду страхування у системі страхових відносин зумовлена тим, що майно є джерелом соціально-економічного розвитку, важливою та невід'ємною складовою національного багатства держави та характеристикою її економічної могутності.

**Ключові слова:** господарчі структури, майнове страхування, населення, соціально-економічний розвиток.

**Хлапова Е. П., Безвесильная Н. Т. Тенденции развития имущественного страхования в Украине.** В этой статье речь идет об объективной необходимости существования и развития имущественного страхования в государстве, а также его исследования, так как страхование является эффективным и рациональным средством защиты имущественных интересов как населения, так и хозяйствующих структур, а приоритетность этого вида страхования в системе страховых отношений обусловлена тем, что имущество является источником социально-экономического развития, важной и неотъемлемой составляющей национального богатства государства и характеристикой его экономической мощи.

**Ключевые слова:** имущественное страхование, население, социально-экономическое развитие, хозяйственные структуры.

Le but du donné article est l'analyse des tendances à la croissance de l'assurance de biens en Ukraine et aussi l'examen des conditions où progresse le marché donné.

L'objectif de l'étude est l'assurance de biens.

L'objet de l'étude est l'influence des coefficients macroéconomiques sur son développement.

Les assureurs à l'assurance de biens peuvent être les personnes physiques et / ou biens les personnes morales.

Le plus souvent les personnes physiques assurent les moyens de transport, les biens domestiques, les bâtiments, les logements (en cas de réparation), les animaux etc. La défiance de la population à l'égard des compagnies d'assurance devient le problème principal, qui empêche le croisement des prix globaux d'assurance selon beaucoup de savants ukrainiens. Les plus grandes causes de ce phénomène sont le niveau inférieur de la qualité des services d'assurance, la quantité peu considérable des versements d'assurance, l'imperfection de la base juridique de référence, l'absence de la prise en considération des intérêts de la population pendant la réalisation de l'assurance, la malhonnêteté de quelques-uns des assureurs [1].

Actuellement au marché ukrainien la demande des services d'assurance de biens d'après les rapides programmes augmente grâce à la rapidité d'intervention de la conclusion d'un contrat, à la valeur peu considérable de la police d'assurance et à la procédure simple du versement. En même temps les programmes d'assurance cohérente, y compris le paiement large maximum, et qui tiennent compte de la spécificité de branche et celle-là individuelle du business, deviennent beaucoup plus demandés parmi les clients corporatifs.

Les programmes cohérent, qui permettent de protéger au maximum le sujet d'économie contre des pertes possibles, ont la direction perspective à l'assurance corporative. Telle conception permet aux assureurs d'optimiser la structure de la serviette d'assurance, de diminuer les dépenses pour la conduite d'une affaire, d'augmenter la loyauté des clients. Simultanément la procédure de la formation et de l'escompte du contrat devient plus compliquée. En

assurant des objets variés et des risques aux contrats il faut prendre en considération les conditions pour chacun d'eux (les états des risques, les tarifs, les franchises, les exclusions, la description de la procédure du remboursement de la perte etc.). Pour faire l'accomplissement des paiements d'assurance d'après ces contrats il faut suivre consciencieusement leur placement certain selon les licences appropriées.

La partie principale des versements d'assurance d'après les contrats d'assurance de biens est reçue des personnes morales, mais la performance des versements des personnes physiques monte à 12% de la somme totale des paiements. Pour la comparaison la partie des versements fait valoir de 48,56% à 79,21%. Cela dépend de ce, que les assureurs dirigent leur activité dans les grandes villes pour optimiser les dépenses de la conduite d'une affaire. C'est pourquoi la population qui vit en province ne peut pas toujours avoir la possibilité de recevoir une assurance de bonne qualité [2].

Le fait donné atteste que les personnes morales sont les participants les plus actifs du marché d'assurance. Pour garantir son activité et son évolution, de temps en temps elles doivent prendre les crédits dans les banques sur hypothèque de biens. A cette étape les banques jouent le rôle du catalyseur, elles demandent l'assurance de l'hypothèque. Mais c'est vrai, qu' en Ukraine telle forme du travail devient souvent un pseudo-assurance qui est accompagnée par la « recommandation » instante de s'assurer dans la compagnie désignée par la banque notamment dans la firme organisée de la base du capital de la banque.

Outre cela, les biens des personnes morales sont leurs ressources matérielles, sans lesquels elles ne pourront plus fonctionner. Voilà pourquoi il est nécessaire de garantir le fonds de réserve pour les événements imprévus pour s'assurer contre l'arrêt de l'entreprise en cas des circonstances imprévisibles. En ce cas l'assurance est un instrument idéal, parce qu'il permet d'assurer l'indemnisation des pertes possibles sans l'arrachage d'une grande somme des ressources de la circulation. Tout cela donne la possibilité

à son tour d'orienter l'argent « épargné » pour le développement, pour réaliser la modernisation de l'entreprise.

En ce qui concerne la population, son activité inférieure à l'assurance de biens est expliquée par la solvabilité basse (comme le contrat d'assurance de biens n'est pas la marchandise de la première nécessité), par la manque de la compétence dans la sphère d'assurance et la méfiance totale des compagnies d'assurance. On doit dire que la méfiance des compagnies d'assurance a été provoquée par les assureurs de ces compagnies. En faisant la politique d'assurance irréfléchie dans la direction de l'évaluation du risque, en demandant le versement des primes exagérées de commission, en minimisant la somme du remboursement ils ont créé la réputation d'affairistes pour eux-mêmes. Aujourd'hui il est très difficile de faire revenir la confiance de la population en institut d'assurance dans notre pays.

Outre cela le dernier temps le dépassement de la partie de versements des personnes morales est exigé par la diminution de la solvabilité de la population, et en plus, le contrat d'assurance de biens n'est pas la marchandise de la première nécessité. Les assureurs ont besoin de prêter attention au facteur donné, d'élever la compétence d'assurance de la population, évoluer de nouveaux canaux de vente des contrats d'assurance.

L'internet-assurance, qui permet de vendre les contrats sans présence du bureau d'assurance dans la région, est la plus perspective dans cette direction. Mais dans ce cas les assureurs doivent aussi garantir le règlement qualitatif des pertes ce qui détermine la nécessité de la consolidation de leurs efforts à la formation du réseau développé des commissaires professionnels d'avaries.

Aujourd'hui le marché d'assurance est le marché le plus capitalisé parmi les autres marchés financiers non bancaires. Il a deux types d'assurance – CA «Life» et CA «nonLife». CA «Life» ce sont les compagnies d'assurance, qui réalisent l'assurance-vie, CA «nonLife» ce sont les compagnie d'assurance qui réalisent l'assurance d'autres aspects.

La quantité de compagnies d'assurance (CA) pour raison de 31.12.2018 était de 281, dont 30 CA d'assurance-vie (CA «Life») et 251 CA qui réalisaient d'autres aspects d'assurance (CA «non-Life»). Pour la période de l'année 2018 la quantité de compagnies d'assurance a diminué de 13 CA [3]. Tout cela a une grande importance positive. Comme beaucoup de compagnies au marché d'assurance de l'Ukraine n'ont pas de grandes dimensions d'actifs et de fonds de garantie, c'est-à-dire ils ne peuvent pas acquitter leurs engagements avec une grande qualité envers les assurés. L'insuffisance de ces dimensions d'actifs et de fonds de garantie augmente la méfiance de la population de l'Ukraine envers l'institut d'assurance. En diminuant la quantité de compagnie d'assurance le régulateur protège le marché des compagnies insolubles.

Malgré la diminution de la quantité de compagnies d'assurance, les services d'assurance tiennent le premier rang au marché des services financiers non bancaires, bien que les services financiers bancaires existent comme dominants. A la période des années 2016-2018 les services d'assurance, dont la plus grande composante se compose des services d'assurance de biens, ont pris le deuxième lieu d'après la partie des services donnés au produit intérieur brut.

A cette période-là on examine la tendance à la croissance du volume de la dimension de la marge brute et du bénéfice net d'assurance après l'assurance de biens en Ukraine. Cette tendance atteste le travail qualitatif des compagnies d'assurance en Ukraine, leur capacité de réagir vite et correctement en tenant les besoins du marché. Notamment, la politique de tarif a été corrigée, les demandes de l'évaluation des risques ont été redoublées, la quantité de cross-placements a été augmentée. Dans la structure des primes brutes d'assurance d'après les contrats d'assurance de biens ce sont les versements des personnes morales qui prédominent. Par ces paiements les entreprises nécessitent la garantie de la continuité de leur activité en créant la sécurité contre les événements imprévus.

Durant les années 2016-2018 il y a eu aussi l'augmentation de la part des primes brutes d'assurance de biens dans le volume total des surtaxes d'assurances en Ukraine. En même temps pendant ladite

période il y a eu la tendance de la croissance des paiements bruts et nets de l'assurance de biens [3-5].

L'augmentation de l'intérêt des propriétaires et des ordonnateurs de l'avoir pour sa garde est devenue le stimulant important au développement du marché d'assurance ce qui est lié avec la privatisation de masse en Ukraine et l'élimination progressive du stéréotype de ce que l'Etat doit rembourser les dégradations.

La population de la production industrielle, le développement des investissements, l'augmentation de la circulation des marchandises entre l'Ukraine et d'autres pays jouent aussi un rôle important.

Très souvent la demande de l'assurance est la condition essentielle des investisseurs qui exigent d'avoir la couverture qualifiée d'assurance pour protéger leurs investissements de capitaux. Les banques, qui demandent l'assurance de l'engagement à l'octroi de crédit aux personnes morales et physiques, jouent le rôle du catalyseur à cette étape. A regret, d'après de l'avis des experts ukrainiens une telle forme du travail devient très souvent une pseudo-assurance qui est suivie par la « recommandation » insistante de s'assurer à la compagnie nommée par la banque, notamment à la firme créée à la base du capital de la banque.

Ainsi depuis les dernières années on examine la tendance à la réduction de la quantité de compagnies d'assurance ce qui exige la croissance des demandes de la composition des réserves des assureurs, une concentration considérable des coûts de l'assurance (100 compagnies les plus populaires obtiennent plus de 95% de tous les investissements d'argent d'assurance). D'une part tout cela réduit la concurrence parmi les assureurs et fait le service moins accessibles pour les régions. Mais d'un autre côté, la réduction de la quantité de compagnies d'assurance permet d'excure du marché des assureurs malhonnêtes, qui sapent les fondements de la réputation basse de la branche même à ce temps-là.

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**SOME SPECIFICITIES  
OF THE BELT & ROAD INITIATIVE  
AS A COMPONENT OF THE MODERN PROCESS  
OF ECONOMIC GLOBALIZATION**

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**Kocherha M. O., Kalyuzhna A. B. Some specificities of the Belt & Road Initiative (BRI) as a component of the modern process of economic globalization.** The present article discusses the issue of the Belt & Road Initiative proposed by the Chinese government, its major features and impact on the development of world economy in the context of globalization processes. The difficulties regarding the implementation of the BRI are detected. The position and role of Ukraine within the Initiative are discussed.

**Keywords:** Belt & Road Initiative, economic corridors, global transport infrastructure, globalization processes, infrastructure investment.

**Кочерга М. О., Калюжна А. Б. Деякі особливості ініціативи «Один пояс – один шлях» як складова сучасного процесу економічної глобалізації.** У статті розглянуто питання ініціативи «Один пояс – один шлях» (BRI), запропонованої китайським урядом, її основні особливості та вплив на розвиток світової економіки в контексті глобалізаційних процесів. Виявлено труднощі, пов'язані з реалізацією Ініціативи. Висвітлено позицію та роль України в межах Ініціативи.

**Ключові слова:** глобалізаційні процеси, глобальна транспортна інфраструктура, економічні коридори, ініціатива “BRI”, інфраструктурні інвестиції.

**Кочерга М. А., Калюжная А. Б. Некоторые особенности инициативы «Один пояс – один путь» как составляющая процесса экономической глобализации.** В настоящей статье рассмотрен вопрос инициативы «Один пояс – один путь» (BRI), предложенной китайским правительством, ее основные особенности и влияние на развитие мировой экономики в контексте глобализационных процессов. Выявлены трудности, связанные с реализацией Инициативы. Освещены позиция и роль Украины в рамках Инициативы.

**Ключевые слова:** глобализационные процессы, глобальная транспортная инфраструктура, инициатива «BRI», инфраструктурные инвестиции, экономические коридоры.



The object of the article is the role of China in the development of world economy in terms of globalization processes. The subject is the Belt & Road initiative undertaken by the Chinese government in the effort to strengthen the country's position in the world trade. The purpose of the article is to analyze the problems and prospects of the Belt & Road Initiative in the context of some internal contradictions, external threats and the evolution of world trade structure.

The Belt and Road Initiative (BRI) was announced in the fall of 2013 by President Xi Jinping of the People's Republic of China. The President invoked the ancient Silk Road announcing the plans to bring Asia, Europe, Africa, and the Middle East closer together by constructing investment and trade networks and creating new institutional linkages. The BRI could promote trade, more efficient resource reallocation and strengthen economic growth across the region. It could also encourage countries to coordinate economic policy and improve regional collaboration [3].

What is more, Xi Jinping himself said: "To forge closer economic ties, deepen cooperation and expand development space in the Eurasian region, we should take an innovative approach and jointly build an economic belt along the Silk Road. This will be a great undertaking benefitting the people of all countries along the route" [2, p. 317-318].

This model of international cooperation between developing and developed economies and developed countries implies creating 3 trans-Eurasian economic corridors and 2 sea routes in the context of the so-called Silk Road Economic Belt and 21<sup>st</sup> Century Maritime Silk Road [8].

Obviously, the Chinese government considers the project to be one of the most important priority areas of the foreign policy of modern China, and its scale makes it possible to speak of it as something unprecedented. However, it seems that some points from the history of the Initiative have an ambiguous nature.

By April 2019, China has signed cooperation agreements within the The Belt and Road Initiative with **126 countries** and

**29 international organizations** [9]. As for being a member of the BRI, no particular effort is needed to join the Initiative: it is necessary to work out a memorandum in which a country declares its willing to join the Initiative so as to become a part of the BRI [10]. They say, however, that leaving the Initiative is not very easy.

It should be mentioned that over the past 10 years, the share of China's exports, the "world factory", to Europe, the "global consumer" (especially in the context of the BRI"), despite the increase in the volume of deliveries in absolute terms, fell significantly – from 23.6% in 2007 to 18.9% in 2017 and 19.1% in 2018 (Table 1). There is a considerable likelihood that such trends will be continued in the near future. So, the first problem of the Initiative is the ambiguous prospects for the filling of China's exports to European countries.

*Table 1*

Value in 2007	Value in 2008	Value in 2009	Value in 2010	Value in 2011	Value in 2012	Value in 2013	Value in 2014	Value in 2015	Value in 2016	Value in 2017	Value in 2018
288,4	343,7	265,2	355,5	413,1	395,8	405,1	438,4	402,8	389,2	428,3	475,8
China's exports to world (US Dollar billion)											
Value in 2007	Value in 2008	Value in 2009	Value in 2010	Value in 2011	Value in 2012	Value in 2013	Value in 2014	Value in 2015	Value in 2016	Value in 2017	Value in 2018
1220,1	1430,7	1201,6	1577,8	1898,4	2048,8	2209,0	2342,3	2273,5	2097,6	2263,4	2494,2
China's exports to Europe (%)											
Share in 2007	Share in 2008	Share in 2009	Share in 2010	Share in 2011	Share in 2012	Share in 2013	Share in 2014	Share in 2015	Share in 2016	Share in 2017	Share in 2018
23.6	24.0	22.1	22.5	21.8	19.3	18.3	18.7	17.7	18.5	18.9	19.1

*Compiled by the author according to [4].*

The second problem is related to China's maritime transport, because one of the maritime routes within the 21<sup>st</sup> Century Maritime Silk Road was laid right through the Strait of Malacca, which accounts for from one fifth to one fourth of the world's maritime trade (Fig. 1). In fact, the strait became an extremely dangerous place for ships because of the escalated threat posed by piracy there. No wonder there are fears due to the activities of the local terrorists – if they manage to flood a large vessel in the smallest spot of the strait

(25 meters), this will simply paralyze the transport artery, which, in turn, will have purely negative consequences for all world trade streams. Therefore, China must make every effort to ensure the safety of shipping on these routes and remove a significant flaw:



Figure 1. The sea routes within the 21<sup>st</sup> Century Maritime Silk Road [1].

The third problem is that with the help of the Belt & Road initiative, China strives to economically enslave countries participating in the “BRI” by providing these countries with a considerable amount of loans: countries, of course, take these loans, after which it becomes clear that there is simply nothing to give back the accumulated debts, i.e. such countries as borrowers are faced with the problem of default on debt obligations. Ultimately, the only way to sort out the difficulty is to transfer the part of the national infrastructure under the Chinese control.

A notable example for this is the port of Hambantota in Sri Lanka: this port was officially transferred in 2017 by Sri Lanka to China for a 99-year lease as Sri Lanka owed China about 8 billion of dollars [10]. So, one of the main objectives of the BRI initiative is to

make infrastructure in other countries belong to China, or be largely controlled by it.

Now, let's discuss a little bit the economic corridors within the Silk Road Economic Belt. It should be noted that each railway route from China to Europe passes through Kazakhstan, namely the Dostyk railway station. Naturally, everything rests on what and to whom is most beneficial. Judging by the map below (Fig. 2), we can formulate the following judgments:



Figure 2. The potential routes within the Silk Road Economic Belt [8].

– the main problem of the central and southern routes is the significant difficulties caused by the inevitability of the movement of containers from China within the framework of a large number of customs regimes (Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan, Azerbaijan, Georgia), which entails a total huge monetary and time costs, and in the case of the central route – the need to cross the Caspian Sea, which can only be done by transferring cargo by ferry, which also means a lot of time and money;

– as Russia plays the role of a transit country in the context of the Silk Road Economic Belt, it may benefit most from the China – the Trans-Siberian Railway – Europe route (Harbin (China), Vladivostok (Russia) and so on); the reason for this is the fact that such a route will undoubtedly allow Russia to levy the largest container transit fees on China;

– the northern route through Kazakhstan, in particular Uralsk, Russia, Belarus and Poland, is the most suitable for Chinese interests: Chinese containers cross only two customs regimes – within the framework of the Eurasian Economic Union (Belarus, Kazakhstan, Russia) and the European Union (Poland and others European countries), which heavily minimizes the costs related to the process of customs clearance of cargo, its duration etc.

It follows from the points above, in particular, that in the context of the BRI there is a serious contradiction between Russia and China, the essence of which lies in a certain inconsistency of interests, lack of consensus solutions regarding the choice of certain routes for delivering goods from China to Europe.

Moreover, sea transportations, despite the fact that they are much inferior to railway transport in terms of speed, are cheaper and, therefore, economically feasible, and it seems that such a situation will continue to be for a very long time in the future.

What about the participation of Ukraine within the Belt and Road Initiative? In fact, Ukraine still hasn't signed a relevant memorandum and joined the Initiative whereas this country has a unique geographic position being a peculiar geopolitical bridge between the West and the East. Actually, once Pavlo Klimkin, the former Minister of Foreign Affairs of Ukraine, said that Ukraine fully supported China's Belt and Road Initiative and was willing to deepen cooperation with China within this framework so as to push for practical results for bilateral relations [7]. Also, former First Deputy Prime Minister of Ukraine Stepan Kubiv stressed that his country was willing to boost its cooperation with China in various areas and considered Ukraine's participation in the Belt and Road

Forum for International Cooperation this year as an instrument to further enhance collaboration between the two countries [6].

In fact, last year Ukraine unveiled a concept of a new railway project "China-Ukraine-EU". The project is aimed at unlocking Ukraine's transit potential under the China-proposed Belt and Road Initiative and envisages a construction of a 1,100-km-long high-speed railway line in Ukraine. The project, as Serhii Rudkovskyi, the chairman of the board of the "High-speed Rail Lines" association, said, would help Ukraine to become an important transit link on the modern Silk Road by providing favorable conditions for movement of goods between China and the EU. Moreover, he added that approximately 1 million containers can be delivered annually from China to the EU and in the opposite direction per year at present [5].

In conclusion we would like to emphasize that, in view of the above, the realization of the historical large-scale project proposed by the Chinese government known as the Belt & Road Initiative may encounter some problems due to the very nature of the initiative. The clash of interests between participating states can hardly be avoided with some states being put in less favorable positions. The Belt & Road Initiative could contribute seriously to the development of Ukrainian economy, because it means the creation of new jobs, the increase in the rate of bilateral trade between Ukraine and China as well as in tax revenues and the further integration of Ukraine into the global economy.

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**GERMANY AND FRANCE  
IN THE EUROPEAN UNION:  
RELATIONS ROLE  
AND REGIONAL SECURITY ASSURANCE**

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**Komlieva M.A., Derkach E.O. Germany and France in the European Union: Relations Role and Regional Security Assurance.** The article is devoted to the study of the role of the Franco-German relations in the European policy and regional security insurance. The impact and consequences of Brexit on the Franco-German 'embedded bilateralism' in Europe are analysed. The conclusions about the France's and Germany's individual standing, their relative influence and power within the EU are provided.

**Key words:** regional integration, bilateralism, regional security, the Franco-German relationship

**Комлєва М. А., Деркач Є. О. Німеччина і Франція в Європейському союзі: роль відносин і забезпечення регіональної безпеки.** Стаття присвячена дослідженню ролі Франко-Німецьких відносин у європейської політики та забезпечення регіональної безпеки. В статті проаналізовано вплив і наслідки виходу Великобританії з ЄС на Франко-Німецької "білатеризм" в Європі. Зроблено висновки щодо індивідуального положення Франції та Німеччини, та їх відносного впливу, сили в межах ЄС.

**Ключові слова:** регіональна інтеграція, білатеризм, регіональна безпека, франко-німецькі відносини

**Комлєва М.А., Деркач Є.О. Германия и Франция в Европейском Союзе: роль отношений и обеспечения региональной безопасности.** Статья посвящена исследованию роли франко-немецких отношений в европейской политике и обеспечении региональной безопасности. В статье проанализировано влияние и последствия выхода Великобритании из ЕС на Франко-Немецкий билатеризм в Европе. Предложены выводы относительно индивидуального положения Франции и Германии и их относительного влияния и силы в рамках ЕС.

**Ключевые слова:** региональная интеграция, билатеризм, региональная безопасность, франко-немецкие отношения.

Regional integration is a very important process for Germany and France. These countries entered into an agreement in order to



upgrade cooperation through common institutions and rules. They agreed to cooperate and work closely together to achieve peace, stability and wealth. The Franco-German relationship can lay a strong claim to be the principal bi lateral relationship within the European Union.

The o b j e c t of the article is Franco-German relationship within the European Union. The s u b j e c t of the article is the Franco-German leadership in the processes of providing regional security assurance within the European Union. The p u r p o s e and o b j e c t i v e s of the research: to analyze the role of the Franco-German relationship in providing a form of leadership of the European integration projects.

Germany and France are economic powerhouses countries of their regions, and realizing the current situation in context of international competition and uncertainties, able to give the ability just to maintain the current high levels of development and strength by close cooperation with regional neighbors. Therefore, Germany and France share the need to promote economic development and prosperity in their neighborhoods through regional integration and cooperation which are beneficial for their own economies while enhancing regional security concurrency [3]. Nowadays the European region faces political and economic instability, dividing into two camps, that is why Franco-German consensus occupies the top of the EU political issues. the overall strengthening of Germany's relative standing and the question of which role Germany, sooner or later, chooses to take on; and [2]. France's ability (or inability) to overcome its economic and societal stasis with serious reforms to reenergize its economy. Though, the United Kingdom's exit will affect the dynamics and logics of different policy areas in different ways. These changes across policy domains will, in turn, affect the EU's overall evolution. These changes affect the strategic options and potential coalition patterns among the member states, including the likelihood that French or German preferences will prevail in different EU policy fields as well as the options for joint Franco-German initiatives and policy brokerage. France, with its traditional

policy orientations, clearly benefits more than Germany in terms of its options and potential to shape EU policies.

This would provide a favourable context for maintaining or even strengthening the Franco-German bilateral link and for joint European co-leadership.

This is likely to be true for foreign, security, and Defence policy, where Franco- German bilateralism could gain prominence and become decisive for Europe's future and its overall role and place in the world. Germany's growing willingness to assume more responsibility in international politics, including increasing commitment to security and defence—while at the same time shying away from (or not even considering) a more robust and much more demanding sort of regional hegemony further enhances this tendency. A stronger Germany and a yet more prominent EU role for France-Germany are not mutually exclusive, nor do they necessarily occur at each other's expense; rather, they reinforce each other. Ironically, Brexit is likely to buttress integration in political domains in which, for various reasons, the Franco- German impact has remained limited and the EU's overall record moderate. However, the EU's internal policy domains are also likely to see France-Germany once again moving to centre stage, not least due to President Macron's attempt to revitalize French -European policy by launching ambitious domestic reforms, and thanks to his strategic choice in favour of a reinvigorated Franco-German link as the best available option to promote French interests and policy preferences inside the European Union [1].

More generally, the EU's dramatically changing international environment and increasing external pressures, equally profound and evolving, provide strong incentives for France and Germany and the EU as a whole to intensify their security and defence efforts, and their search for greater strategic autonomy for Europe. [4].

French President Macron made the case for 'a strong and pragmatic relationship with a post-Brexit Britain, working together on defence and counter-terrorism because of the two countries' "linked destinies" [2]. A renewed intensity of Franco-British

relations in this policy field would be all the more likely if attempts to areas of foreign policy, security, and defence is gathering momentum. Already, the Ayrault-Steinmeier declaration of the two foreign ministers suggested making use—for the first time ever—of the Lisbon Treaty's clause on permanent structured co-operation (Articles 42(6) and 46 of the Treaty on European Union-TEU) in military matters. It allows for the creation of a subgroup of Member States committing themselves to strict criteria as regards the development of their defence capacities as well as their participation in European equipment programs and multinational forces [4].

In September 2016, the two defence ministers, Le Drian and von der Leyen, followed up by tabling a substantial common contribution, laying out a roadmap towards a revitalized CSDP. Besides calling for permanent structured co-operations (PESCOs), they advocated—among other ideas—a permanent EU military and civilian planning and conduct capability, regular European Council meetings on security and defence issues, common financing of CSDP missions, and the establishment of strategic European transport capacities and of a European Medical Command (Le Drian/von der Leyen 2016). Furthermore, in the field of armament and procurement, France and Germany envisage the development and procurement of the next generation's major weapon systems: tanks, combat aircraft, and combat helicopters. A common project developing drones together with Italy is already underway. A high-level Franco-German working group focuses on concrete proposals in this field [5].

According to the current situation, when Europe is facing so many challenges (the refugee crisis, monetary instability in some states, intention of the UK to leave the EU) cooperation between France and Germany has to be deepened to prevent the breakup of the European community (authors believe so). Mired in several serious problems, the EU has to overcome all the deals to prove whether the idea of United Europe is not just a myth, but also the real condition of European state building. Through boosting its relative weight and standing in an EU without Britain, the

historically influential Franco-German relationship and its 'embedded bilateralism' in Europe will once again move centre stage and become yet more important. Brexit, as Balfour and Kirch put it, 'refocuses the balance of power on the Franco-German axis' [4]. In this scenario, France and Germany and are energized bilateralism will uphold and reform a firmer and more credible EU, even and especially in times of European turmoil and strong internal and external challenges. France and Germany together will act as a force of cohesion, preserving the Union's integrated core, both geographically and functionally, from the single market to the Schengen free travel area, even the eurozone perhaps—as well as, presumably, increasingly in foreign policy, security, and defence affairs. Arecharged embedded bilateralism could mean not just tinkering with the symptoms of the crises, but wielding sustainable consolidation of solutions that take 'EU' beyond its seeming association with crisis, calamity, or dissatisfaction. This will probably comprise winning back some minimal level of respect for the Europe an project and, perhaps, a sense of purpose across most member states' elites and populations. [6].

Nowadays, Germany and France, facing great deals and threats for European society, try to make their cooperation closer in order to achieve wishable for both the countries outcomes. The leaders of France and Germany in 2015 said that recent national tragedies have brought their two countries together in a sign that the Franco-German engine – notably off-track in recent years – may be back up and running.

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## MARKETING SOLUTIONS IN THE RESTAURANT BUSINESS

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**Korol S. S., Medvid M. M. Marketing solutions in the restaurant business.** Restaurant business is primarily a client business, and without understanding its target audience, without thorough marketing research and new marketing solutions, without consistent and systematic promotion, one can easily join the ranks of ex-restaurateurs. The owners of the restaurant business are trying to keep up with the times, not only with regard to the interior decoration of restaurants, clubs and cafes, novelties of world cuisine and drinks, but also the approach to customer service. Below are the most common marketing solutions using technologies to attract and retain audience.

**Key words:** Apps-applications, Internet connection, high-tech innovations, restaurant business, smartphone, tablet, wireless.

**Король С. С., Медвідь М. М. Маркетингові рішення в ресторанному бізнесі.** Ресторанний бізнес – це насамперед бізнес клієнтів, і без розуміння цільової аудиторії, без ретельного маркетингового дослідження та нових маркетингових рішень, без послідовного та систематичного просування, можна легко вступити до лав экс-рестораторів. Власники ресторанного бізнесу намагаються йти в ногу з часом не тільки щодо внутрішнього оздоблення ресторанів, клубів та кафе, новинок світової кухні та напоїв, а й підходу до обслуговування клієнтів. Нижче представлені найпоширеніші маркетингові рішення, що використовують технології для залучення та утримання аудиторії.

**Ключові слова:** бездротове підключення до Інтернету, додатки-додатки, інновації високих технологій, планшет, ресторанний бізнес, смартфон.

**Король С. С., Медведь М. Н. Маркетинговые решения в ресторанном бизнесе.** Ресторанный бизнес – в первую очередь клиентский бизнес, и без понимания своей целевой аудитории, без тщательных маркетинговых исследований и новых маркетинговых решений, без последовательного и системного продвижения можно легко пополнить ряды экс-рестораторов. Хозяева ресторанного бизнеса стараются идти «в ногу со временем» не только в том, что касается внутреннего убранства ресторанов, клубов и кафе, новинок мировой кухни и напитков, но и подхода к обслуживанию клиентов. Ниже представлены наиболее распространенные

маркетинговые решения с использованием технологий для привлечения и удержания своей аудитории.

**Ключевые слова:** Apps-приложения, беспроводное соединение к интернет, планшет, ресторанный бизнес, смартфон, high-tech инновации.

The o b j e c t of the article is marketing solutions in the hospitality industry. The s u b j e c t is high-tech innovations used to optimize marketing research in the restaurant business. The p u r p o s e of the article is study and summarize common marketing solutions using technologies to attract and retain audience in the restaurant business.

Over the past few years, smartphones and tablets have gained particular popularity in our metropolis. Without them, we are nowhere. You come to a cafe or restaurant, and you see how people in most cases don't talk among themselves, but only look out for something in their "devices". Initially, restaurant managers thought about introducing Wi-Fi (wireless Internet connection) in their establishments. For people with laptops and working remotely, it was very convenient. The time when you had to pay separately for this service was just recently! Now the technology has gone further, and restaurant business owners are trying to keep up with it.

At conferences and international exhibitions dedicated to the restaurant business, the question is often raised about how best to introduce or use modern technologies so that customers are satisfied with the service and the "ambient" (from Italian ambiente – environment, atmosphere) and bring restaurant owners more income. New applications for the iPhone, HTC and other smartphones will help you get better service. How can this help? Here, for example, the latest innovations [6]:

- 1) Find the restaurant closest to you. At the moment, to find and whether to choose a restaurant to your taste near you while you are in the city traffic jam is not difficult if you use applications such as LocalEats, Restaurantfinder or Foodspotting. If you prefer a specific restaurant chain, you can search for their location using the navigation application.

2) Make an order on the go. While some restaurant chains have just begun to use it, others are already preparing on the basis of mobile orders. Perhaps this is using a mobile device by placing your order online. Pre-ordering means less hassle for both parties: restaurant chefs and staff who will deal with less annoyance of customers waiting to prepare their dishes.

3) Order and pay at your table. Forget the waiter! A special application for a mobile device through a wireless Wi-Fi connection allows you to place an order without a call to the waiter. Thus, customers order and pay directly from their desk, and the cater staff just fulfills their desires. If individual restaurants have “tablets” on your table, it is obvious that the next step is to install a remote terminal to pay your bill, where you can simply attach your bank card [3].

4) Have fun. If you have ever visited the Yakitoriya Japanese restaurant chain, then you probably know that there you will find video rooms that offer you the latest video rental services, on weekends there are animators and games for children, and much more. This kind of “entertainment while eating” approach is becoming more common in megalopolis restaurants. Some of the entertaining games are already on your phone. Many restaurant chains find ways to “beat” their brand with apps that let you play on your phone (and keep your name in your head). While some parents try to make the time spent with the children in the restaurant less virtual, others are delighted that they can keep their children playing on the phone while they are waiting for an order [1].

5) Share your opinion. Many eateries are already creating photo sharing on their phones. Through the Foursquare special application, you can easily make a “check-in” (English check-in – registration, in modern slang on social networks means registering in a place you like or “I was here”) in the institution where you stay in at the moment, take a photo of your favorite dishes or interior, describe or rate the restaurant and, of course, share information with your friends, recommend a place you like. In this case, the quite old and well-known marketing move “word of mouth” or visiting the



restaurant on the recommendation is used. Now, if a separate restaurant, cafe, bar or restaurant chain in various applications or social networks has the largest number of “checkin”, then this means that the place has become very popular (in trend) and lately its name will always pop up in the metropolis as a recommendation to visit if you are somewhere nearby. Sometimes, institutions also reward their visitors, for example, bring you bonus points for exchanging photos and information on Facebook or other social networks [2].

6) Payment by mobile phone. New advances help make this process easier. Some top-class restaurants and restaurant chains have begun to use “pay from your phone”. For example, we recently updated the TimmyMe mobile payment application so that Blackberr users can make a payment and receive a QSR report with one click. The next step is to make this feature available for android phones.

7) Get a discount. Distribution of virtual wallets, such as Apple, Yandex Money, Web-money and GoogleWallet, now allow you to receive loyalty cards or discount cards in a virtual way. It has already become irrelevant, for example, if you ate 10 Margarita pizzas, then you will receive the 11th for free the next time you visit the establishment. The restaurant chain "Japosh" provides a 10% discount on all orders made using the online mobile application. In addition to receiving discounts using applications, smartphone owners can get a big discount as previously indicated for distributing photos, messages and opinions about a particular restaurant chain among their friends on social networks [4].

8) Delivery to the office or home. Too tired to leave home? The DeliveryClub application for iPhone and iPad, 2000+ restaurants in Ukraine will help you with delivery in one application. A few clicks on your smartphone or tablet, and “DeliveryClub” will deliver food to your home or office.

If you think that the high-tech innovations you see at your local restaurant are exciting, imagine what is happening in the background of the restaurant business. Constant analysis of menus, planning, and even hiring workers also revolutionizes all the time with the help of new software [5].

In conclusion, I would like to say that all these technical achievements may not be obvious at first glance when you visit a particular catering establishment, but they already help restaurant owners expand their audience, expand the range of dishes and improve their services when you visit them. All of the above technological innovations at first glance are not serious and not remarkable, but they actually bring restaurant owners a big income with less labor and capital for advertising, marketing research, restaurant brand promotion. Social networks and applications (Apps) for smartphones and tablets will do everything for them.

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## PROBLEMS OF UKRAINIAN INTERNATIONAL TRADE

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**Koshienko M. V., Zmiyova I. V. Problems of Ukrainian international trade.** The article considers and analyzes the main indicators of international trade of Ukraine, and gives recommendations for developing international trade of Ukraine. The article also deals with the problem of reorientation of Ukraine's economy towards new foreign markets. As a conclusion the article defines main tasks of export policy of Ukraine for the near future.

**Key words:** commodity and regional structure, export, foreign trade, import, import dependence, quota.

**Коцієнко М. В., Зміїова І. В. Проблеми української міжнародної торгівлі.** У статті розглянуто та проаналізовано основні показники міжнародної торгівлі України, а також приведені рекомендації щодо розвитку міжнародної торгівлі України. Також в статті розглядається проблема переорієнтації української економіки на нові зовнішні ринки збуту. Як підсумок в статті визначено основні завдання експортної політики України на найближчий час.

**Ключові слова:** зовнішньоторговельна діяльність, зовнішня торгівля, експорт, імпорт, імпортозалежність, квота, товарна та регіональна структура.

**Коциенко М. В., Змиева И. В. Проблемы украинской международной торговли.** В статье рассмотрены и проанализированы основные показатели международной торговли Украины, а также даны рекомендации касательно развития международной торговли Украины. Также в статье рассматривается проблема переориентации украинской экономики на новые внешние рынки збыта. В заключении в статье определены основные задачи экспортной политики Украины на ближайшее время.

**Ключевые слова:** внешнеторговая деятельность, внешняя торговля, экспорт, импорт, импортозависимость, квота, товарная и региональная структура.

The object of the study is international trade activity of Ukraine. The subject of the article is problems of international trade activity of Ukraine and the ways to improve it. The purpose of the study is to identify promising directions for

developing of Ukraine's international trade. The actual value of the study lies in the fact that international trade remains the most important instruments for development of the state. So Ukraine needs to identify the main ways of its international trade development.

Ukraine's access to the world economic system requires the development of a well-defined and balanced economic policy, which, in its turn, requires fundamentally new approaches to improving the mechanism of foreign trade regulation in general and non-tariff regulation in particular as its component. Ukraine's foreign trade is one of the most important means of increasing the state budget. The strategic goal of economic development of Ukraine is to achieve a worthy place in the international division of labor, namely in the sphere of foreign trade. The European Union is the strongest global economic organization, the largest and best regional market in the world. Accordingly, the problem of economic cooperation between Ukraine and the EU is becoming increasingly relevant in the context of the wider and more favorable access of products of Ukrainian enterprises to the EU markets [5].

Ukraine is becoming more open to foreign partners as market principles are implemented in the country's economic life.

*Table 1*

**Foreign trade of Ukraine**

	Export				Import			
	2005	2010	2015	2017	2005	2010	2015	2017
Total	34228, 4	51405, 2	68830, 4	63320, 7	36136, 3	60742, 2	84717, 6	76986, 8

Source: [2, 7]

Organization of foreign trade, its structure and dynamics largely characterize the national economy, its problems and prospects for development, as well as the degree of influence on world economic relations. Developed countries play a significant role in Ukraine's foreign trade. Although the country is traditionally tied to the CIS economies, its current foreign trade orientation is towards the EU, North America and other advanced market economies [1].

The process of Ukraine's access to the European Union requires the creation of the necessary prerequisites for integration into the international system of economic and scientific cooperation. One of the most important parts of the system of regulating foreign economic activity is the measures to control the export of strategic goods and technologies.

Ukrainian goods on the world market are characterized by low competitiveness, which leads to the restraint of export growth and narrowing of both domestic and foreign markets.

The imperfect structure of Ukrainian exports, which is dominated by low-processed goods, slow structural restructuring of export-oriented industries, imperfect legal framework, in terms of creating levers of economic impact on the growth of exports makes it impossible to produce goods that meet modern world standards.

As Ukraine is one of the links between the West and the East, improving its terms of trade with the countries of Western Europe is the top priority in its foreign trade policy. Development of multilateral relations with the CIS member states is also important for Ukraine, in particular in terms of strengthening trade cooperation, expanding and deepening relations with leading Western European countries, the United States and Canada. The development of foreign trade activity in the East will also promote Ukraine's role in the world [6].

In recent years, there have been positive trends in the development of Ukrainian exports, in particular, Ukraine's foreign trade in services keeps the tendencies of further development.

In order to integrate the Ukrainian economy into the world economy, Ukraine is taking part in international treaties on customs unions and free economic zones in accordance with generally recognized principles and rules of international law.

Improvement of non-tariff regulation of foreign trade activity of Ukraine envisages its harmonization with WTO norms and rules, amending and supplementing the legislative base in order to simplify the licensing procedure, as well as to create the necessary legal conditions for Ukrainian entrepreneurs to exercise their rights and

opportunities to promote Ukrainian goods. In cases where trade partners of Ukraine establish discriminatory restrictions on the export of Ukrainian goods in the current legislation, there are introduced amendments and supplements, which provide for retaliatory measures [8].

This will allow in the long term to get more fair and non-discriminatory conditions for Ukrainian participants of foreign economic activity in the world markets, will promote the development of Ukraine's export opportunities and improve its export structure.

There are main problems of modern development of Ukrainian exports: the raw material nature of a large part of exports; lack of a well-defined policy for structural changes in exports; small proportion of products with high share of value added in the structure of Ukrainian exports; lack of legal basis for introduction of financial mechanisms of state support for export development; insufficient level of investment in modernization of export-oriented industries and a severe lack of new technologies; outdated transport infrastructure that does not meet modern requirements of efficient cross-border communication; the dissemination of restrictive and protectionist practices by individual countries and leading transnational corporations; disproportions in bilateral trade with major partners; high risks of financial losses during export operations; unfavorable export credit conditions (high interest rates and short term loans) [4].

The main tasks of export policy of Ukraine are [4]:

- to create the effective export policy of Ukraine in accordance with world norms and principles and increase the share of high-tech and medium-tech economic activities in Ukrainian export;
- to ensure the further integration of Ukraine into the European and world economic systems;
- to create conditions for enhancing the competitiveness of Ukrainian origin goods in foreign markets;

- to create conditions for counteracting the practice of restrictive and protectionist measures by individual countries and leading transnational corporations in foreign markets and for ending offenses in the internal market.

These measures will help to improve the export-import balance.

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**PUBLIC DIPLOMACY  
OF THE USA IN THE MIDDLE EAST  
IN THE CULTURAL CONFLICT ASPECT**

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**Kostandi D. R., Karataev B. A. Public Diplomacy of the USA in the Middle East in the Cultural Conflict Aspect.** This study is intended to describe public diplomacy of the USA as a tool to advance America's national interests in the Middle East region. The study method is carrying a descriptive-analytic pattern; first, there is provided a theoretical description of public diplomacy, and then the way of its applying in relations with the Middle East is analyzed.

**Keywords:** Cultural Diplomacy, Public Diplomacy of the USA, Soft Power, social networks, the Middle East

**Костанді Д. Р., Каратаєв Б. О. Публічна дипломатія США на Близькому Сході в аспекті конфлікту культур.** Дослідження проводиться з метою опису публічної дипломатії США як інструменту просування національних інтересів в близькосхідному регіоні. Метод дослідження носить описово-аналітичний характер. Спочатку автор розглядає теоретичний опис публічної дипломатії, а потім аналізує спосіб застосування публічної дипломатії в зовнішній політиці США у відносинах з Близьким Сходом.

**Ключові слова:** Близький Схід, культурна дипломатія, м'яка сила, публічна дипломатія США, соціальні мережі

**Костанди Д. Р., Каратаев Б. А. Публичная дипломатия США на Ближнем Востоке в аспекте конфликта культур.** Исследование проводится с целью описания публичной дипломатии США как инструмента продвижения национальных интересов в ближневосточном регионе. Метод исследования носит описательно-аналитический характер. Вначале автор рассматривает теоретическое описание публичной дипломатии, а затем анализирует способ применения публичной дипломатии во внешней политике США в отношениях с Ближним Востоком.

**Ключевые слова:** культурная дипломатия, публичная дипломатия США, мягкая сила, социальные сети, Ближний Восток.

The o b j e c t of this paper is the process of public diplomacy of the United States in international relations with the Middle East, while its s u b j e c t is US public diplomacy tools and the results of their usage in the culture of the Middle East. The p u r p o s e of the



paper is to study some of the tools for implementing US public diplomacy in the Middle East, in particular: information flows; local-level political PR; language of the country; cultural exchanges; education system; dialogue of the cultures.

After the end of the Cold War, international leaders made a lot of important changes concerning the management of their foreign diplomacy and policy. Influential and new components in this field were introduced in the international system by these changes. Taking into account such conditions, many governments, including the USA, arrived at the conclusion that they have to establish and apply better and new tools and policies to promote their national interests. As a matter of fact, the spread of mass media and the revolutionary changes in communications on the one hand, and activation of non-state actors such as NGOs, civil society organizations and companies led to formation of the public opinion as one of the leading principles of decision-making in various spheres in many countries. On this point the author intends to research American public diplomacy in the Middle East as one that deserves a special attention.

Going to the past, we can say that the twentieth century was full of wars and violence. Everyone hoped that the twenty-first century would be a century of peace. Then the September 11, 2001 attacks on the World Trade Center and the Pentagon occurred and dashed their hopes for peace. These acts of violence shocked the world, ironically, just when the United Nations had designated 2001 the year of dialogue among civilizations [3]. The Islamic extremist organization al-Qaeda lead by Osama Bin Laden is thought to be behind the terrorist attacks when more than three thousand people were killed. It made a rift in the relations between United States and Middle Eastern countries. The events automatically raised the complicated issue of Islam and violence to the collective consciousness of many in the Western World. What makes the relationship complex is that even though not all Muslims are terrorists but Al-Qaeda is an Islamic organization, which claimed to fight in the name of Islam and defend Islamic values. The fact is the 9/11 events have deteriorated an already unstable relationship between the Western world and the

Muslim world. This situation created a consistent threat to the United States national security and interests. How can diplomatic communication help to change the negative perception of America in the Middle East region?

In this paper, the author will research such term as “public diplomacy” in the context of relationship between America and the Middle East in order to find out how this powerful and significant tool can be used for accommodation of the conflicting interests.

Dictionary of International Relations Terms of the US State Department defines Public Diplomacy as “government-sponsored programs intended to inform or influence public opinion in other countries; its chief instruments are publications, motion pictures, cultural exchanges, radio and television” [5, p. 90].

In another definition it is defined as: “Central to public diplomacy is influencing the receptor countries without mentioning the ideas and revealing the strategic nature of communications in public diplomacy” [2, p. 109].

The clearest and most concise definition of public diplomacy is arguably given in the article by Paul Sharp. He has defined public diplomacy as “the process by which direct relations with people in a country are pursued to advance the interests and extend the values of those being represented” [8, p. 53].

Hence, we can say that public diplomacy is designed based on its American inventors’ viewpoints and is defined in order to inform and influence public opinion in another country.

The most important concept that is closely related to the concept of public diplomacy is soft power. The term “soft power” was first introduced by Joseph S. Nye. In 1990 he published a book entitled "Bound to Lead" in which he raised the concept of soft power. Nye addresses the concept of soft power in contrast to the concept of hard power.

According to Nye, public diplomacy is a key tool to advance soft power. Public diplomacy targets public opinion and in terms of consequences and results, it is as significance as behind-the-scenes and traditional diplomatic relations between heads of state.

Information plays an important role in this regard, and we can say that information is power. If soft power includes shaping the perceptions from a country, so, in this condition, information is considered as a major source of soft power, although transferring information and providing a positive image constitute a part of the public diplomacy, and furthermore it is a lasting relationship that will create appropriate conditions for strengthening government policies [1, p. 70].

In order to build an effective diplomatic dialogue with the United States and the Middle East, it is important for the American side to understand the values and culture of the Islamic world, as well as promote their culture and values.

Perceptions and assumptions can be the greatest enemies in building relationships. The concepts of non-violence, justice, human rights are important values in America. However, in Islamic society, they are not always welcome. From this point of view, America must understand the point of view of the Middle East.

It is no need to deny that in many Muslim countries the level of anti-American sentiment is very high. The foreign perception of the United States is actually more complex than one can imagine. It is not just an issue of public diplomacy but also a matter of cultural differences. It also includes a widespread disagreement with US policy including military intervention in Islamic countries. Diplomatic communication consists of negotiating peace between states, in this process there is an agenda of coming to a mutual agreement and acceptable outcome for both parties [9, p. 27]. This process of communication affects cultural conventions, norms, meanings, assumptions, ideals and perceptions. After 9/11, a new force arose to respond to the threat from Al Qaeda in the form of outright rejection of violence in all its forms. Public diplomacy has been playing an important role in addressing the cultural clashes and all its implications. In the field of public diplomacy, officers have initiated programs based on local concerns and conditions. For example, in Cairo American artists have been helped to set up a studio for local youths in a risk neighborhood. In Saudi Arabia,

diplomatic communication has helped to organize a joint American-Saudi archaeological excavation. The event added understanding to the complexity of the pre-Islamic history. In Pakistan, diplomatic communicators have worked with the government on a counter – IED (Improvised Explosive Device) media campaign to raise awareness about bombs that kill civilians.

Nevertheless, in the author's opinion, an attention should be paid to one of the important aspects and America's current cultural clashes with the Middle East must be taken into account. The United States needs to tell America's story to educate elites and other opinion leaders in these dynamic places such as Cairo, Beirut, or Lahore. A Muslim journalist mentioned, "Americans will always associate the Muslim world with 9/11". This is why it is important to implement programs to undermine support for violence in Afghanistan, Yemen or Pakistan [4, p. 2-7]. Just in this direction that public diplomacy should come forward with the aim of protecting the interests of the state, by promoting not only its culture, but also by showing interest in another culture. The Department of State should encourage diplomats to strike a balance between promoting one culture and understanding another culture. This requires not looking at culture in terms of excellence and inferiority, but in terms of cultural differences or diversity.

The Ummah Islam although very diverse in terms of tribe, religion, and linguistic line, shares one identity. The Arabs in the Middle East, Afghanistan, and Pakistan are all concerned about American policy that affects other Muslims around the world and especially in the Middle East. In addition to that, most Muslim countries allow different degrees of personal freedom. Within each country different Islamic group have specific relationships with their government. For example, Sunnis and Shiites typically have distinct relationships with the ruling authorities depending on their Sunni or Shiite orientation [7, p. 12]. Right after 9/11, diplomatic communication has adopted an approach that focused on fighting terrorism. Many Muslim nations supported the U.S. operation to fight terrorism in Muslim societies. This situation has divided the

Islam within and led to a radicalization of one group against others. To address this issue, public diplomacy must be aware of the diversity of its audiences in term of cultural perspective within the Islamic world itself. Engaging the Arab world may not be possible unless the diplomats invest in effective communication dialogue with all parties of the Muslim world. Diplomat must be serving on the ground, which is the best place to understand the target audience. In this process, trust is essential to prevent the breakdown of cultural affinity. Trust is one of the key elements to effective communication. What makes the environment in the Muslim world very challenging is the fundamental mistrust of United States objective in most regions. Gallup polls found that “fewer than 3 in 10 Muslim (28%) surveyed believed the West respect Muslim” [6]. For this reason, America needs to do more than just speaking about America as the greatest nation of the world. Muslims in general regard justice as an integrating aspect of life based on their religious beliefs. Engaging in the Muslim world without prioritizing genuine empathy and understanding will not make a big change in the relationship. Programs that empower Muslim citizens specifically in the field of diplomacy, entrepreneurship and women’s empowerment will be welcome. These programs could help create a bond between the citizens and America. Reaching the Muslim world should not only be from government to government but it should also be among Muslim citizens. In fact, citizen network can effectively shape people’s opinions about the United States. Consequently, there is need to maintain trust at the institutional level as well as between the citizens of both countries. The United States do not favor any religion over another. There is also an expression of cultural diversity in the American society. Public diplomacy must support the notion of cultural diversity that allows population to maintain multiple identities such as religions, nationalities, family, and getting education in the same environment and without being necessarily a threat to one another. In sum, listening is the one of the most important key elements in diplomatic communication [10].

To summarize, it should be said that at the international level, globalization has made the world smaller, and cultures have become more interconnected. This fact has led to the inevitability of clashes in every multicultural society. Despite all the efforts made after the events of September 11, no one can deny the continued tension between the two worlds. However, according to the author, the United States should use public diplomacy in order to maintain healthy relations with the Muslim world for its own national security. Public diplomacy is an excellent tool in the fight against cultural conflicts. Diplomatic communication should emphasize sympathetic listening and consistent dialogue, which are important elements in building a world of diversity. Today, the use of social networks in diplomatic dialogue cannot be avoided. The world of communications is developing rapidly. Traditionally, the most influential decision makers kept information to confirm their authority, but the 21st century has moved to a network of private citizens and organizations around the world. It is almost impossible to stop the dynamics of social networks. For this reason, America must integrate social networks into the process of public diplomatic communication, which should help solve the problems of extremism and the problems associated with cultural diversity in the Middle East.

**P r o s p e c t s .** An open and honest dialogue with the Muslim world is possible through public diplomacy. The United States must expand and invest in social media technologies to reach young educated Muslims and share American cultural values through online education at universities in Muslim countries.

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## INTERNATIONAL LABOR MIGRATION AND ITS CHARACTERISTICS

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**Kotenko A. A., Zmiyova I. V. Influence of international labor migration and its features.** In this work, based on a study of published documents, scientific literature, archival materials, a multifaceted picture of international labor migration, its history and place in the modern migration process is presented. The goal was to determine the methodological tools for studying international labor migration, to improve the organizational structure and mechanisms of state management of migration processes in order to strengthen their positive impact on the socio-economic development of countries.

**Keywords:** Displacement process, immigration, labor force, population migration, regulation, state.

**Котенко А. А., Змійова І. В. Вплив міжнародної міграції робочої сили та її особливості.** В даній роботі, на підставі вивчення опублікованих документів, наукової літератури, архівних матеріалів представлено багатогранну картину міжнародної міграції робочої сили, її історію та місце в сучасному міграційному процесі. Метою стало визначення методичного інструментарію дослідження міжнародної трудової міграції, вдосконалення організаційної структури та механізмів державного управління міграційними процесами з метою посилення їх позитивного впливу на соціально-економічний розвиток країн.

**Ключові слова:** Держава, іміграція, міграція населення, процес переміщення, регулювання, робоча сила.

**Kotenko A. A., Zmieva I. V. Влияние международной миграции рабочей силы и ее особенности.** В данной работе, на основании изучения опубликованных документов, научной литературы, архивных материалов представлено многогранную картину международной миграции рабочей силы, ее историю и место в современном миграционном процессе. Целью стало определение методического инструментария исследования международной трудовой миграции, совершенствование организационной структуры и механизмов государственного управления миграционными процессами с целью усиления их положительного влияния на социально-экономическое развитие стран.

**Ключевые слова:** Государство, иммиграция, миграция населения, процесс перемещения, рабочая сила, регулирование.



The o b j e c t of research is the international migration of labor, the scope, directions and forms of attraction of labor resources to the world migration flows. The s u b j e c t of the study is global nature and rapid growth of large-scale intra-state and interstate displacements of the population and labor resources in various forms, due, first of all, to the uneven socio-economic development of the countries. The a c t u a l v a l u e of the study lies in the fact that the problems that are associated with the development of labor migration and the development of international relations between countries as a whole are very acute. The p u r p o s e of this paper is to analyze the basic elements of international migration processes and to assess the levels of interstate migration contacts, to summarize the experience of migration policy of the countries of emigration and immigration.

In today's context, the dominant tendency in international relations is globalization, one of the manifestations of which is the international migration of labor. The shifting of human resources due to socio-economic, military, environmental, ethnic and religious factors is becoming more and more widespread. Significant growth of international migration, attraction of considerable volumes of labor resources to it actualize the study of international migration of labor as a form of world economic relations and its impact on the world economy.

Interstate migration of population and labor arises in the presence of significant contrast in the levels of economic and social development and in the rate of natural demographic growth of the countries that accept and give labor. The most developed countries are the geographical centers of immigration, such as the USA, Canada, Australia, most Western European countries, as well as countries with high oil revenues and rapid economic growth (Saudi Arabia, Kuwait) [2, c. 128].

Migration exists in various forms: labor, family, tourist, etc. The leading role in international economic relations belongs to labor migration, the so-called international labor migration [7, c. 31]. The phenomenon of international migration of the population is quite ancient and has left a noticeable mark in the development of

mankind. Most of the population in some countries, such as the United States, Canada, Australia, is made up of descendants of former emigrants [4, c. 53]. The main causes of international labor migration are [1, c. 18]:

- a) from the country of migration:
  - high population density.
  - mass unemployment.
  - low living standards and wages.
  - production need (for specialists working in underdeveloped countries).
- b) by the countries receiving the migration:
  - the need for additional highly skilled labor.
  - the need for additional cheap labor.
  - relatively high salary.

International migration processes require government regulation involved in the exchange of labor resources. The social, age, and professional composition of migrants, the level of entry and departure of foreign workers are subject to control and regulation. In regulating international migration, the focus should be on such undesirable factors as loss of labor resources, illegal migration, brain drain, population decline.

The severity and ambiguity of the problems characterizing the scale and direction of international migration processes in Ukraine give reason to speak of the need to introduce a state organizational and administrative mechanism that would ensure state interference in migration processes [3, c. 92].

Some countries have begun to enter into bilateral conventions on the entry and departure of workers since the late nineteenth century. Subsequently, such agreements began to be concluded between many countries. Thus, social security issues for the citizens of Italy and France were resolved by an agreement signed in 1904 by Sweden, Denmark, Norway, Finland and Iceland. One of the highlights of the Rome Treaty establishing the EU was the principle of 'free movement of persons' [5, c. 40].

An important element of Western immigration policy is the establishment of the legal status of migrants, which determines their socio-economic, labor and other rights enshrined in both international agreements and national laws. This status deprives foreign workers of political rights, limits in most cases their participation in trade union activities, regulates the length of stay of a migrant in the country of employment [9, c. 27].

Programs of economic assistance to countries of mass emigration. Developed countries enter into agreements with labor-exporting countries to invest part of the transfer of workers to their homeland and part of the state funds in the creation of new businesses in developing countries that could become jobs for remigrants. Such enterprises have taken the form of cooperatives, joint ventures, joint stock companies. This form has been most developed in the bilateral relations of Germany and Turkey. In a number of cases, new Turkish companies, mainly made up of German money, not only became a point of attraction for the re-emigrants but also halted the new flow of emigration from Turkey. Exporting labor, as well as through interstate and interagency agreements between them. Regulation is carried out through the adoption of budget-funded programs aimed at curbing the influx of foreign labor (immigration) or encouraging immigrants to return home (re-emigration) [8, c. 49].

Based on the study of published documents, scientific literature, archival materials, a multifaceted picture of international labor migration, its history and place in the modern migration process, we can conclude:

1. Interstate migration of population and labor occurs when there is a significant contrast in the levels of economic and social development and in the rate of natural demographic growth in the countries that accept and give labor. Modern international economic relations are inextricably linked to such concepts as migration, immigration, emigration, migration balance, brain drain, population re-emigration.

2. Identify the following main causes of migration: political, environmental (forced displacement from contaminated territory), family life (family reunification), religious, ethno-national, socio-economic or labor (in search of earnings). International labor migration is a form of IER that involves the overflow of labor resources from one country to another and expresses the process of redistribution of labor resources between the links of the world economy.

3. An important element of the immigration policy of Western states is the establishment of the legal status of migrants, which determines their socio-economic, labor and other rights enshrined in both international treaties and national laws. This status deprives foreign workers of political rights, limits in most cases their participation in trade union activities, regulates the length of stay of a migrant in the country of employment. The main features of immigration law are: professional qualification, quantitative quotas, economic regulation, time restrictions, geographic priorities and bans.

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## LES FORMES DE CREDIT

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**Kouznetstova K. E., Bezvesilna N. T. Les formes du crédit.** Dans l'article il s'agit des formes et des types de crédit et leurs particularités.

**Mots clés:** l'emprunteur, les formes de crédit, la mode bancaire de crédit, les modes de crédit, la mode de crédit d'argent ; la mode de crédit de l'Etat, la mode de crédit mixte, la mode de crédit privé, le prêteur.

**Кузнєцова К. Е., Безвесільна Н. Т. Форми кредиту.** У статті розглянуті форми і види кредиту, а також їх особливості.

**Ключові слова:** банківська форма, види кредиту, громадянська форма, грошова форма, державна форма, змішана форма, кредитор, позичальник, форми кредиту.

**Кузнєцова Е. Э., Безвесильная Н. Т. Формы кредита.** В статье рассмотрены формы и виды кредита, а также их особенности.

**Ключевые слова:** банковская форма, виды кредита, государственная форма, гражданская форма, денежная форма, заёмщик, кредитор, смешанная форма, формы кредита.

Le développement des relations de crédit a créé l'apparition de différentes formes et des formules de crédit. La forme de crédit caractérise une manifestation externe et une organisation des relations de crédit, leur structure et prend en considération les particularités du prêteur et de l'emprunteur ainsi que la valeur prêtée.

La structure de crédit inclut le prêteur, l'emprunteur et la valeur prêtée. C'est pourquoi les formes de crédit peuvent être considérées selon la nature :

- du prêteur et de l'emprunteur ;
- du besoin ciblé de l'emprunteur ;
- d'autres formes de crédit.

Il est rationnellement de déterminer les formes de crédit selon la valeur des formes de mouvement :

- la mode de crédit de marchandise ;

la mode de crédit d'argent ;  
la mode de crédit mixte.

**La mode de crédit de marchandise** se propage beaucoup plus tôt de la mode d'argent. Les personnes qui possédaient des articles de consommation excédentaires sont devenus les premiers prêteurs. D'après l'histoire plus récente il y avait des cas où les propriétaires fonciers faisaient l'octroi de crédit sous forme de céréales et d'autres produits agricoles pour le délai de la récolte neuve.

La mode de crédit de marchandise n'est pas fondamentale dans la pratique moderne. Cette mode de crédit est utilisée pendant la vente à tempérament des paiements, le bail du bien (y compris le leasing de l'équipement) et du louage des marchandises.

La mode de crédit d'argent est la forme la plus typique, la plus dominante qui est utilisée à l'économie actuelle, puisque l'argent est un équivalent universel, un moyen universel comme un instrument de paiement. La donnée mode de crédit est utilisée très activement par l'Etat et par les citoyens particuliers, tant au niveau national et dans le chiffre d'affaires externes.

**Mode de crédit mixte.** Cette mode se déclare, par exemple, dans ce cas, où le crédit fonctionne en même temps à la mode de crédit de marchandise et à celle-là de crédit d'argent. Par exemple, on peut supposer que pour l'acquisition de l'équipement coûteux on a besoin non seulement de la mode de crédit de leasing mais aussi de la mode de crédit d'argent pour avoir la possibilité d'installer et de mettre au point la technique acquise. La mode de crédit mixte est utilisée souvent à l'économie des pays en voie de développement qui paient leurs emprunts d'argent par les fournitures cycliques de leurs marchandises (de préférence sous forme des matières premières et des produits agricoles). Au niveau national la vente des marchandises à tempérament est accompagnée comme la restitution gratuite du crédit d'argent.

Selon celui qui est le créancier à la transaction de crédit se distinguent les modes suivantes de crédit :

la mode bancaire de crédit ;  
 la mode économique de crédit (la mode de crédit de commerce) ;  
 la mode de crédit de l'Etat ;  
 la mode de crédit international ;  
 la mode de crédit civil (la mode de crédit privé, personnel).

Et le créancier et l'emprunteur prennent part à la transaction de crédit. A cette transaction ils sont des participants égaux en droits. L'offre émane d'un créancier mais la demande part d'un emprunteur.

Par exemple, si une banque donne un crédit à la population et une personne physique investit ses économies dans le dépôt bancaire à terme, en ce cas il existe le même corps des participants (la banque et la population). Mais en même temps chaque partie est à la situation différente : en premier cas la banque sert un créancier, mais en seconde elle est l'emprunteur ; à son tour dans le premier cas la personne physique est emprunteur et en deuxième elle devient créancier. Notamment cela change la forme du crédit.

**La mode bancaire de crédit** est la forme de crédit la plus répandue. Cela signifie que notamment les banques accordent le plus souvent un crédit aux parties prenantes qui ont besoin d'aide financière temporaire. Une avance à la mode bancaire de crédit est beaucoup plus importante des avances données à chaque d'autres formes de crédit d'après son volume, puisqu'elle est un sujet particulier dont le plus souvent le devoir principal est le devoir de l'affaire de crédit. Le sujet susnommé réalise un cycle multiple des moyens monétaires à la base de retour.

**Les particularités de la forme bancaire de crédit :**

(1) La particularité de la forme bancaire de crédit consiste en ce que la banque manie non seulement son capital mais beaucoup plus souvent des fonds de tiers. La banque emprunte de l'argent à un certain sujet et puis elle en répart de nouveau et accorde un prêt à la disposition d'autres personnes morales et personnes physiques.

(2) La particularité réside dans le fait que la banque prête du capital sans emploi, des excédents de trésorerie, qui sont placés par des agents économiques sur un compte ou aux dépôts.



(3) La particularité caractérise par le fait suivant : la banque prête non seulement des disponibilités mais de l'argent comme du capital. Cela signifie que l'emprunteur doit utiliser de l'argent reçu à la banque pour en rendre au prêteur et tirer un bénéfice suffisant pour payer le taux d'intérêt de prêt.

La rémunération du crédit devient son attribut imprescriptible.

**La mode de crédit économique (de commerce)** : en ce cas ce sont les organisations économiques (les entreprises, les firmes, les compagnies) qui deviennent créditeurs. La forme donnée selon la tradition historique est souvent désigné sous le nom commercial le crédit commercial ou le crédit d'escompte, puisque à sa base il y a la prolongation du paiement des marchandises, donnée par l'entreprise qui figure comme vendeur, et l'allocation d'une lettre de change comme son titre de créance par l'entreprise qui est acheteur.

**La mode de crédit de l'Etat** paraît où l'Etat figure comme créateur et accorde un crédit à de différents sujets. Il faut distinguer la mode de crédit de l'emprunt de l'Etat, où l'Etat place ses engagements et ses obligations et ainsi de suite et intervient en qualité de l'emprunteur. Le plus souvent l'emprunt de l'Etat est placé sous certains programmes de gouvernement de l'Etat (ayant le but de la reconstruction de l'économie nationale dans l'après-guerre, du développement de l'économie de la nation y compris ses branches particulières etc.). Les emprunts sont placés d'une manière générale pour un long délai (cinq, dix voire vingt ans). Contrairement aux emprunts de l'Etat, qui sont répandus largement à l'économie contemporaine, la mode de crédit de l'Etat est appliquée beaucoup plus moins par rapport à d'autres formes. Le plus souvent la forme susmentionnée est accordée par les banques et aussi dans la sphère des relations économiques internationales, c'est-à-dire elle devient la mode internationale du crédit.

**La mode de crédit international** : le corps des participants des actes de crédit ne change pas ; ce sont les mêmes sujets qui entrent aux rapports de crédit c'est-à-dire les banques, les entreprises, l'Etat et la population. Mais la principale

caractéristique de cette forme d'affiliation est l'appartenance d'un des participants à un autre pays. C'est un sujet étranger qui est une des parties à un contrat.

La mode de crédit civil est organisée à la base de participation aux actes de crédit où des citoyens, des particuliers existent en qualité de créditeurs. Une telle opération est parfois dénommée privée (personnelle). La mode de crédit civil (privée, personnelle) peut être à la fois monétaire et la nature des marchandises, et s'emploie couramment aux relations avec chaque participant.

Dans les relations des personnes privées entre elles la forme de crédit susmentionnée porte souvent la nature amicale: l'intérêt de l'argent est exigé très rarement, l'accord de crédit n'est pas conclu, le plus souvent c'est la reconnaissance de dette qui est employée, mais très souvent elle n'existe même pas. Ici l'élément de la confiance prend une signification élevée. Le terme de tel crédit n'est pas sévère, le plus souvent il porte le caractère relatif.

**On peut également différencier les formes de crédit d'après des besoins ciblés de l'emprunteur :**

- la mode de crédit à performance ;
- la mode de crédit à consommation.

**La mode de crédit à performance** est liée avec la particularité de l'emploi des fonds provenant de créancier. Pour cette forme de crédit il est naturel d'utiliser du prêt dans le but de production et circulation, le cible productif.

Au point de vue de l'histoire **la mode de crédit à consommation** a pris naissance au début du développement des relations de crédit, à l'époque où de certains sujets avaient une surabondance des biens de consommation, mais les autres sujets avaient besoin de leur occupation temporaire. Un peu plus tard la forme donnée est devenue beaucoup plus répandue à l'économie contemporaine ce qui permet aux sujets d'activer la satisfaction des nécessités de la population avant tout d'équipement.

La population peut recevoir la forme de prêt de consommation pour les buts de consommation des ménages à la différence de l'emploi de la mode de crédit à performance, elle a

le but de couvrir ses besoins. Ce ne sont pas seulement des personnes physiques qui peuvent avoir le crédit de consommation pour satisfaire leurs besoins personnels, mais les entreprises qui ne produisent pas de marchandises et en même temps les utilisent.

Cela s'applique également aux autres formes de crédit. Le crédit de banque, qui est d'après son caractère le crédit à performance, dispose de fonctionnalités de consommateur. dans la pratique. A son tour le crédit civil ce n'est pas toujours le crédit à consommation. Les personnes civiles peuvent obtenir des prêts à la banque pour la construction de logements ou pour la réparation de la maison, équipement ménager, qui est utilisé aux travaux agricoles. Le crédit, qui est orienté vers les cibles de consommation des personnes civiles, peut être dirigé vers le maintien de leur vitalité, la déchéance physique et la santé, et donc le crédit susmentionné obtient des caractéristiques du crédit à performance.

Dans certains cas il existe d'autres formes de prêt :

prêts directe et indirect;

prêts explicite et celle-ci implicite ;

prêts vieux et nouveau ;

prêts de base (de la prérogative) et de la ralonge de crédit ;

prêts développé et primitif etc.

**La forme de prêt direct** reflète la délivrance immédiate d'un prêt à un utilisateur **sans** intermédiaire.

**La forme de prêt indirect** se produit en cas de l'octroi de crédit à d'autres sujets. Par exemple, si un établissement de commerce se fait ouvrir un crédit à la banque non seulement pour l'achat et la vente de marchandises mais aussi pour les citoyens de prêts pour les produits avec paiement par acomptes provisionnels. Les personnes physiques qui obtiennent le prêt de l'organisation de vente pour l'achat de marchandises avec paiement par acomptes provisionnels sont des utilisateurs indirects de crédit de la banque. L'octroi de crédit a eu lieu à l'octroi de crédit des organisations de stockages. La partie de crédit où le prêt donné va au paiement des avances sous la récolte à venir par l'organisation de stockages se fait la forme de crédit indirect.

**Pour la forme de crédit explicite** il est entendu à l'avance pour le but forfaitaire. La forme de crédit implicite apparaît où le prêt est utilisé pour les buts qui ne sont pas prévus par les organisations.

**La forme de vieux crédit** est créée au début du développement des relations de crédit. Par exemple le prêt de marchandises sous la mise en gage du bien était une très vieille forme qui était utilisée aux premières étapes du développement de la société. La vieille forme peut acquérir des caractéristiques contemporaines.

**La forme de nouveau crédit** c'est le crédit de leasing. Les objets de la garantie réelle sont non seulement la propriété immobilière mais aussi des technologies modernes, nouveaux produits, qui sont le signe de la vie moderne.

**La forme de crédit de base** est le crédit d'argent. Le crédit de marchandise agit comme une forme supplémentaire, mais elle n'est pas de second ordre, de qualité inférieure. Toutes les deux formes suppléent l'une l'autre.

Les formes de crédit développées et primitives caractérisent le degré de son évolution. Le crédit lombard ne correspond pas au niveau moderne des relations, mais tout de même il est utilisé à la société contemporaine.

Dans la pratique bancaire mondiale il y a d'autres critères de classification des crédits. En particulier, les prêts se divisent en prêts octroyés en devises nationales et étrangères, personnes morales et personnes physiques, etc...

## **SOURCES**

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## GLOBALE PROBLEME IM KONZEPT DER NACHHALTIGEN ENTWICKLUNG

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**Kovaleva A. I., Pirog I. I. Globale Probleme im Konzept der nachhaltigen Entwicklung.** Der Artikel gibt eine Definition der globalen Probleme unserer Zeit, zeigt die Ursachen ihres Auftretens und Besonderheiten. Das Konzept der nachhaltigen Entwicklung, seine Hauptziele und Grundprinzipien werden berücksichtigt. Die Perspektiven für die Entwicklung und Umsetzung dieses Konzepts in der modernen Welt werden aufgezeigt.

**Stichworte:** das Konzept der nachhaltigen Entwicklung, globale Probleme unserer Zeit.

**Ковальова А. І., Пірог І. І. Глобальні проблеми в концепції сталого розвитку.** У статті дається визначення глобальним проблемам сучасності, вказуються причини їх виникнення та відмінні риси. Розглядається концепція сталого розвитку, її основні цілі та основні принципи. Вказуються перспективи розвитку та реалізації даної концепції в сучасному світі.

**Ключові слова:** глобальні проблеми сучасності, концепція сталого розвитку.

**Ковалёва А. И., Пирог И. И. Глобальные проблемы в концепции устойчивого развития.** В статье дается определение глобальным проблемам современности, указываются причины их возникновения и отличительные черты. Рассматривается концепция устойчивого развития, ее основные цели и основополагающие принципы. Указываются перспективы развития и реализации данной концепции в современном мире.

**Ключевые слова:** глобальные проблемы современности, концепция устойчивого развития.

Die globalen Probleme der Menschheit sind Probleme, die die Lebensinteressen der gesamten Weltbevölkerung berühren und für deren Lösung die gemeinsamen Anstrengungen aller Staaten der Welt erforderlich sind. Globale Probleme traten früher als die Globalisierung auf und verstärkten sich mit ihrer Entwicklung. Das Spektrum der globalen Themen ist breit. Die folgenden werden traditionell auf ihre Liste verwiesen: das Nord-Süd-Problem; das

Problem der Armut; das Nahrungsmittelproblem; das Energieproblem; das Problem der Ökologie und der nachhaltigen Entwicklung; das demografische Problem; das Problem der menschlichen Entwicklung; das Problem der Entwicklung der Ozeane. Diese Menge ist nicht konstant, und im Zuge der Entwicklung der menschlichen Zivilisation ändert sich das Verständnis der bestehenden globalen Probleme, ihre Priorität wird angepasst, und es entstehen neue globale Probleme (Weltraumforschung, Wetter- und Klimasteuerung usw.). Mit der fortschreitenden Globalisierung rücken zunehmend soziale Widersprüche in den Rang der globalen Probleme. Schon heute hat die Menschheit die Gefahr dieser Prozesse erkannt. Die Gefahr der Zerstörung der Gesellschaft ist realer, als es auf den ersten Blick scheint: Die Globalisierung hat die Macht des Menschen über die Natur gestärkt (globalisiert) und seine Fähigkeiten im Bereich des Aufbaus sozialer Beziehungen erweitert.

Globale Probleme zeichnen sich dadurch aus, dass sie universeller Natur sind und die Interessen der Menschheit berühren. Es ist anzumerken, dass die Globalisierung die Aussicht auf absolute menschliche Macht über natürliche und soziale Prozesse auf planetarischer Ebene erkannt hat. Die Beschleunigung der Wachstumsrate des Potenzials der Menschheit erfolgt jedoch vor dem Hintergrund der Zerstörung des moralischen Systems, das sich im Laufe der Jahrhunderte entwickelt hat. Unter diesen Umständen wird jeder qualitativ neue Schritt des „Fortschritts“ zu einem Schritt in der Zerstörung der natürlichen Grundlagen der menschlichen Existenz. Es ist der Faktor, der zur Entstehung einer Situation der globalen Instabilität beigetragen hat, die eine qualitative Veränderung der sozialen Widersprüche, ihre Umwandlung in die globale Probleme hervorruft.

Es sollte auch beachtet werden, dass alle globalen Probleme unserer Zeit eng miteinander verbunden sind und sich gegenseitig bestimmen, so dass eine isolierte Lösung für sie fast unmöglich ist. Um die weitere wirtschaftliche Entwicklung der Menschheit mit natürlichen Ressourcen zu gewährleisten, muss natürlich eine

zunehmende Umweltverschmutzung verhindert werden, da dies in absehbarer Zukunft zu einer Umweltkatastrophe auf planetarischer Ebene führen wird. Aus diesem Grund werden diese beiden globalen Probleme zu Recht als Umweltprobleme bezeichnet, und aus einem bestimmten Grund werden sie sogar als zwei Seiten eines einzigen Umweltproblems betrachtet. Das Umweltproblem kann wiederum nur auf dem Weg einer neuen Art von Umweltentwicklung gelöst werden, indem das Potenzial der wissenschaftlichen und technologischen Revolution fruchtbar genutzt und gleichzeitig die negativen Folgen vermieden werden [1].

Aktuelle globale Probleme deuten darauf hin, dass die Wertfundamente des Industrialismus einer radikalen kritischen Überprüfung bedürfen. In dieser Situation wird die Suche nach Alternativen zu bestehenden Modellen fortgesetzt. Die Menschheit sucht nach neuen Horizonten, um die globalen Probleme zu bewältigen. Die moderne Kultur wird sich zunehmend bewusst, dass sie eine neue „Neubewertung aller Werte“ benötigt. Die Weltgemeinschaft steht vor der Notwendigkeit, die Globalisierungsprozesse zu korrigieren. Das Aufeinandertreffen von vielschichtigen, sich manchmal überschneidenden oder widersprüchlichen Interessen verschiedener Staaten und Völker wirft das Problem auf, ein solches Globalisierungsmodell zu identifizieren, das für beide Seiten vorteilhafte Mechanismen für die Steuerung dieses Prozesses schafft und die nationalen Interessen jedes Landes bestimmt. Es besteht kein Zweifel, dass eines der Hauptkriterien für das Management von Globalisierungsprozessen sowie das Ergebnis dieses Managements das Konzept der nachhaltigen Entwicklung sein sollte. Im 21. Jahrhundert. Die Länder werden sich zunehmend auf die Ziele der Strategie für nachhaltige Entwicklung konzentrieren.

Das Konzept der nachhaltigen Entwicklung wurde als Antwort auf die Herausforderungen der globalen Instabilität entwickelt. Schließlich ist es gerade die Situation globaler Instabilität, die die Menschheit vor die Notwendigkeit stellt:

- den Weltfrieden erreichen und Krieg und Militarismus beenden;

- die Umwelt schützen;
- die Menschenrechte und die Freiheit aller Menschen schützen;
- Demokratie für alle Menschen auf der Erde aufbauen;
- Beseitigung der Armut durch Regulierung des Welthandels zum Wohle aller Menschen und Schaffung einer Wirtschaftsordnung für den Wohlstand der Planeten;
- Kontrolle der internationalen Kriminalität;
- ein Gefühl der Weltgemeinschaft schaffen, indem ethnische, kulturelle, rassistische und religiöse Rivalitäten abgebaut werden;
- eine Lösung für das Problem des Bevölkerungswachstums finden;
- Umsetzung der Idee der Planetenplanung.

Das Konzept der nachhaltigen Entwicklung sollte die Gefahr globaler Instabilität verringern, indem Mechanismen für die Bewältigung globaler Probleme entwickelt werden. Der methodische Kern der nachhaltigen Entwicklung ist die Wahrnehmung von Mensch und Natur als ein einziges globales System, das einen sozial-natürlichen Entwicklungstyp liefern kann [2].

Die Ausrichtung der Globalisierungsprozesse auf einen Übergang zu einer nachhaltigen Entwicklung ist jedoch ein mehrdimensionaler und arbeitsintensiver Prozess, der eine Änderung der Prioritäten der Wirtschafts-, Sozial-, Umwelt-, Militär-, Informations- und Ideologiepolitik erfordert. Das Konzept der nachhaltigen Entwicklung deckt eine ganze Reihe von Themen ab, vom Leben eines Einzelnen bis zum Funktionieren der Gesellschaft als Ganzes. Das Konzept der nachhaltigen Entwicklung verfolgt mehrere miteinander verbundene Ziele:

- Verbesserung des Wohlergehens der gesamten Gesellschaft und Befriedigung der wachsenden Merkmale des menschlichen Lebens wie Einkommen, Verbrauch, Bildung, Gesundheit, Sicherheit und Freiheit;
- optimale Nutzung der Ressourcen unter Berücksichtigung der langfristigen sozialen und wirtschaftlichen Aspekte der Sicherheit;
- Schaffung eines Systems der Sozialpartnerschaft bei Entscheidungen über die wichtigsten Entwicklungsfragen.



Das Konzept der nachhaltigen Entwicklung zeichnet sich durch die Zuordnung der wichtigsten "Gegentrends" aus, deren Abwägung das Überleben der Menschheit auf einem qualitativ akzeptablen Niveau sichern kann. Die Hervorhebung der relevanten Anforderungen ermöglicht es uns, die Grundprinzipien einer nachhaltigen Entwicklung zu formulieren:

- das Gleichgewicht zwischen Natur und Gesellschaft (die Wirtschaft);

- das Gleichgewicht innerhalb der Gesellschaft in der gegenwärtigen Phase ihrer Entwicklung (zwischen einzelnen Ländern und ihren Regionen, zwischen Zivilisationen und großen Weltkonglomeraten wie Nord-Süd);

- das Gleichgewicht zwischen dem gegenwärtigen und zukünftigen Zustand der Menschheit als eine bestimmte „Zielfunktion“ der Entwicklung (das Erfordernis, die lebenswichtigen Ressourcen der Natur für zukünftige Generationen zu bewahren).

Es sei darauf hingewiesen, dass das Konzept der nachhaltigen Entwicklung, dessen Umsetzung bereits in einer Reihe von Staaten umgesetzt wird, eines der am weitesten verbreiteten ist und von den Konzepten der internationalen Gemeinschaft unterstützt wird. Mehr als 15 Jahre sind vergangen, seit sich die Weltgemeinschaft auf der Konferenz für Umwelt und Entwicklung in Rio de Janeiro versammelt und Vorschläge für eine nachhaltige Entwicklung unterbreitet hat, strategisch festgefahren, da dies zur Verschärfung der globalen Umweltkrise führt. Die Konferenz von Rio de Janeiro sollte ein wichtiger Meilenstein bei der Umsetzung der Politik für nachhaltige Entwicklung sein, die Vertiefung globaler Probleme, einschließlich der zunehmenden Kluft zwischen den wirtschaftlich und technologisch fortgeschrittenen Ländern und den sogenannten Entwicklungsländern, wird jedoch fortgesetzt [3].

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## GREEN ECONOMY AS A WAY TO THE DEVELOPMENT OF UKRAINE

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**Kovaliova A. I., Zmiyova I. V. Green economy as a way to the development of Ukraine.** The article considers such concept as green economy, its basis, basic aspects and axioms. One of the most promising sectors of the green economy, green energy, and its development in Ukraine has been analyzed. The influence of landscaping of the Ukrainian economy on the image of the state is considered. The main barriers, incentives and driving forces for the development of green economy in Ukraine are indicated.

**Keywords:** development of Ukraine, green economy, green energy, greening of the economy.

**Ковальова А. І., Змійова І. В. Зелена економіка як шлях до розвитку України.** У статті розглядається таке поняття як зелена економіка, її основа, основні аспекти та аксіоми. Відзначено одну з найперспективніших галузей зеленої економіки – зелену енергетику, а також проаналізовано її розвиток на території України. Розглянуто вплив озеленення української економіки на імідж держави. Вказані основні бар'єри, стимули і рушійні сили розвитку зеленої економіки в Україні.

**Ключові слова:** зелена економіка, зелена енергетика, озеленення економіки, розвиток України.

**Ковалева А. И., Змиева И. В. Зеленая экономика как путь к развитию Украины.** В статье рассматривается такое понятие как зеленая экономика, ее основа, основные аспекты и аксиомы. Отмечена одна из самых перспективных отраслей зеленой экономики – зеленая энергетика, а также проанализировано ее развитие на территории Украины. Рассмотрено влияние озеленения украинской экономики на имидж государства. Указаны основные барьеры, стимулы и движущие силы развития зеленой экономики в Украине.

**Ключевые слова:** зеленая экономика, зеленая энергетика, озеленение экономики, развитие Украины.

The o b j e c t of the study is the economic system of Ukraine in terms of its ability to ensure sustainable environmental development. The s u b j e c t of the study is the “green” economy as a modern area of economics and as one of the ways to the

development of Ukraine. The purpose is to study the basic conceptual provisions of the green economy and develop priority areas for introducing the principles of the green economy into the economic mechanism of Ukraine. The actual value of the work lies in the fact that there is no alternative to the introduction of the principles of green economy in the economic mechanisms of the countries of the world, since only the effective reproduction of the ecological system can help the planet overcome the problem of lack of resources for the livelihoods and reproduction of humanity.

The economy has always been aimed at satisfying the material needs of society. In the process of evolution, social needs grew, became more complicated, requiring the uninterrupted development of technology. As a result, economic development has become absolutely impossible without scientific and technological progress, ensuring and maintaining constant growth rates of production, which implies an increasing dependence on natural resources. Undoubtedly, the available natural and human resources, the level of technical knowledge, the system of institutions determine the conditions for the functioning of the economy. Moreover, society has always depended on natural resources, but the problem is that people tend to consume, not preserve. On the one hand, the economy must develop, on the other hand, this development gives rise to environmental damage. And finally, the international community realized that the existing development paradigm has exhausted itself. It is assumed that the “green” economy can solve a set of problems – to increase living standards and social equality, significantly reducing environmental risks, and the development of green economy sectors will lead to investments and job creation, in developing countries as well [5].

There is no universally accepted definition of a green economy. The United Nations Environmental Protection Agency (UNEP) experts offer the broadest understanding of this concept, viewing the green economy as an economic activity, “which enhances human well-being and ensures social justice, while significantly reducing environmental risks and impoverishment of nature” [3].

The theory of green economy is based on three axioms:

- it is impossible to expand the sphere of influence indefinitely in a limited space;
- it is impossible to demand the satisfaction of infinitely growing needs in the conditions of limited resources;
- everything on the surface of the Earth is interconnected [3].

In a narrower interpretation, the green economy is understood as the development, production and operation of technologies and equipment for controlling and reducing emissions of greenhouse gases, monitoring and predicting climate change, and energy and resource saving technologies and renewable energy. In other words, the types and results of economic activity that, along with modernization and increasing production efficiency, contribute to improving the quality of life and the living environment are referred to the “green” economy. At the same time, official documents of different states contain various accents: in developed countries the first place take competition, jobs, in developing ones is sustainable development, solving poverty problems, issues of justice and citizen participation, in a group of BRICS countries is the efficient use of resources. But it is indicative that environmental problems proper, primarily environmental development limits, do not appear in the definitions of a green economy in any of these documents. This proves that the main thing in the “green” economy is the economy itself and the socio-economic sphere [4].

The basis of the green economy is natural capital. This term describes reproducing ecosystems – vegetation, wildlife. Clean or green energy is one of the most promising sectors of the green economy. In addition to employment growth, the distribution of jobs between energy sectors is also changing. Growth rates of investments in green energy are also ahead of other sectors. The Ukrainian energy sector is far from the principles of a green economy and is actively eating up the natural capital. Agricultural products and energy are resources for which demand will increase in the first place with the increase in the number of people on the earth. Therefore, the greening of traditional energy is an important stage in the sustainable development of each state. Despite the rapid pace of development of wind and solar energy in Ukraine,

structural changes in the energy balance will take a long period of time. Focusing on an updated energy strategy, we can conclude that renewable energy will not substantially displace coal from the country's energy balance for the next 20-30 years. So far, a symbiosis of renewable and fossil energy is possible. A number of large thermal power plants in Poland, along with coal, actively burn biomass briquettes, while in Ukraine to use several types of solid fuel simultaneously is forbidden at the legislative level [5].

In addition, it is possible to slow down the consumption of natural resources through increasing the efficiency of energy production and consumption. Great efficiency is, first of all, new technologies, new equipment – on both sides of power lines. In addition to this, the greening of production is necessary, for example, the installation of treatment technologies, filters to reduce emissions. Also, greening energy involves the disposal of waste. In this area, Ukraine shows the least progress. There is no infrastructure and legislation for the processing and further use of slag and gases [7].

The greening of the Ukrainian economy can radically change the image of the state. Ukraine does not have an established brand: someone sees it as an agricultural country, someone as an industrial country, and someone as a transit territory. However, everyone will agree that Ukraine has a significant amount of natural resources. But their depreciation is increasing every year: the “brown” industries that dominate the country's economy exploit it irrationally. If in many countries the green vector requires a reorientation of existing investment flows, then in Ukraine it is difficult to raise funds even in the brown economy. And therefore, the course towards modernization, even without the prefix “green”, is possible only as a result of improving the investment climate in the country. Experience shows that to do this it is necessary to adjust the policy for the submission of subsidies, create a market infrastructure, and redirect public investment and procurement [2].

Based on all the above information, we have also determined the main, in our opinion, barriers, incentives and driving forces for the development of the green economy in Ukraine.

The main barriers are:

- environmentally harmful subsidies for the extraction of fossil fuels, underestimated prices for energy and domestic services, under-accounting of the use of natural capital in the system of national accounts and financial statements of companies;

- competition for the introduction of cleaner technologies from cheap traditional “brown” technologies, underdeveloped markets for green goods;

- consistency of instruments of state environmental and economic policy;

- conservative habits, stereotypes and inertia in the behavior of consumers and manufacturers.

Incentive system includes:

- introduction of fairer and more resource-saving prices and taxes on the use of limited natural resources;

- introduction of more stringent environmental standards and technical regulations for the use of material (energy) resources in production and in everyday life;

- development of financial mechanisms that stimulate eco-innovation and the development, commercialization and dissemination of the use of cleaner technologies;

- financial, regulatory and information support for the creation of a reasonable urban, energy, transport, communication, social infrastructure;

- encouragement of voluntary accession of business to corporate social responsibility standards, rewards to winners of quality contests, and the like [6].

Driving forces are:

- high speed reduction of non-renewable reserves of natural resources;

- improving energy security in the transition to renewable energy sources along with the possibility of creating a large number of additional jobs;

- government commitments to eradicate poverty, ensure food security and public access to basic utilities;

- international obligations of countries on agreements in the field of climate change and environmental conservation [1].

**C o n c l u s i o n .** “Green economy” can become the source of development of Ukraine. The creation of millions of new jobs and an increase in commodity circulation may possibly be ensured in the near future. At the same time, the image of Ukraine as an investment-attractive country will begin to take shape. It must be understood that the influx of investment and our prospects largely depend on the environmental situation. Therefore, the principle of “economically beneficial that is environmentally sound” should be the basis of public policy.

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**THE INTERNATIONAL FOREIGN CURRENCY  
FUND AND ITS ROLE IN THE REGULATION  
OF INTERNATIONAL CURRENCY  
AND FINANCIAL RELATIONS**

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**Kravchenko A. A., Skrypnyk T. I. The international foreign currency fund and its role in the regulation of international currency and financial relations.** The activity of the International Monetary Fund is analyzed, as well as the general information on its functioning and working methods. The impact of the Fund's activity on economies of different countries is determined. The formation of the organization and its role in today's historical context is also emphasized.

**Keywords:** International Monetary Fund, International Bank for Reconstruction and Development, treaty articles, credit and financial activities, quotas, Special drawing rights.

**Кравченко А. А., Скрипник Т. І. Міжнародний валютний фонд і його роль в регулюванні міжнародних валютно-фінансових відносин.** Проведено аналіз діяльності Міжнародного валютного фонду, а також розглянута загальна інформація про його функціонування та методи роботи. Визначено вплив діяльності Фонду на економіки різних країн. Підкреслюється також формування організації та прояв її ролі в сьогоднішньому історичному контексті.

**Ключові слова:** Міжнародний валютний фонд, Міжнародний банк реконструкції та розвитку, статті договору, кредитно-фінансова діяльність, квоти, спеціальні права запозичення.

**Кравченко А. А., Скрипник Т. И. Международный валютный фонд и его роль в регулировании международных валютно-финансовых отношений.** Проведен анализ деятельности Международного валютного фонда, а также рассмотрена общая информация о его функционировании и методах работы. Определено влияние деятельности Фонда на экономики разных стран. Подчеркивается также формирования организации и проявление ее роли в сегодняшнем историческом контексте.

**Ключевые слова:** Международный валютный фонд, Международный банк реконструкции и развития, статьи договора, кредитно-финансовая деятельность, квоты, специальные права заимствования.

The o b j e c t of the article is the activities of the International Monetary Fund. The s u b j e c t is the role of the International Monetary Fund in the regulation of international monetary relations. The p u r p o s e of the article is to study the International Monetary Fund and its role in the regulation of international monetary relations.

Monetary and financial organizations play an important role in the system of international economic relations. They regulate monetary and credit-financial relations between countries, promote the economic development of countries and create the conditions for the accumulation and efficient redistribution of international monetary capital.

The IMF has implications for the development of the world economy as a whole and for the economies of individual Member States. Therefore, the study of the Fund's nature, its history, structure, functions, methods of work and role in the world economy is important for understanding the functioning of international economic relations.

The IMF regulates international monetary relations and periodically changes the world monetary system, monitors the compliance of its member countries with its charter, which captures the structural principles of the world monetary system, harmonized rules of conduct in the world community.

Firstly, the IMF acted as a guide for the West's US-led installation to demonetize gold, displacing it from the world monetary system. According to the IMF Charter, member countries cannot use gold as a means of expressing the value of their currencies, nor of their currency parities, should they ever be restored by the Fund; at the same time, the official price of gold in dollars and the gold content of the SDR unit were abolished. The IMF must be guided by "the purpose of preventing price regulation or establishing a fixed price in the gold market", which is equivalent to treating gold as a normal market commodity [3, p. 56–57].

Secondly, since 1969, the IMF has been empowered to create liquidity funds by issuing "special drawing rights" in the event of a continuing global need for international liquid reserves. Since July 1974, the value of an SDR unit has been determined daily using a

standard basket, revised every five years. In 2016-2020, the basket includes US dollar – 41.73%; Euro – 30.93%; Japanese yuan – 10.92%; Japanese yen – 8.33%; Pounds Sterling – 8.09% [2].

SDRs are intended to replenish the foreign exchange reserves of the Member States, to repay the balance of payments passive balance, to settle with the Fund. A country that has an SDR account can buy in exchange for them in other countries the currency it needs freely. The IMF's regulatory role is that it provides countries with a guaranteed opportunity to purchase the currency they need in exchange for the SDRs by "designating" the countries that provide it. In doing so, the Fund takes into account the balance of payments and the foreign exchange reserves of the "designated" creditor countries. Member States can use SDRs for a wide range of mutual transactions and with all recognized by the Fund holders of these reserve assets by mutual agreement.

Thirdly, the IMF regulates the exchange rates of member countries. Under the Bretton Woods monetary system, the IMF monitored member states' compliance with official gold and dollar parities and sanctioned changes. The Jamaican Amendments to the IMF Charter provided countries with the option of choosing either the exchange rate regime, either floating with one or the other currency exchange rate restrictions, or a fixed exchange rate that could be "pegged" to one of the national currencies (mainly US \$ and euro), to the SDR or to the currency basket [4, p. 36].

Fourthly, the removal of currency restrictions is an important area of IMF regulatory activity. Member States are under no obligation to impose, without the consent of the Fund, restrictions on payments on current balance of payments transactions, and to refrain from participating in discriminatory foreign exchange transactions and not resort to multiple exchange rates.

Fifthly, the IMF is involved in regulating international monetary relations through the granting of loans and, in particular, the provision of intermediary services to creditors and debtors, acting as the coordinator of international lending and the guarantor of the solvency of debtor countries.

Sixthly, the IMF is constantly monitoring the macroeconomic and monetary policies of its member states, as well as the state of the world economy. To this end, regular consultations with Member States' government agencies on their exchange rate policy are used. In doing so, Member States are obliged to consult the Fund on both macroeconomic and structural policies in order to identify potential economic dangers [1, p. 405].

In addition to traditional surveillance targets (eliminating macroeconomic instability, reducing inflation, implementing market reforms), the IMF has paid more attention to structural and institutional transformations in member countries, with the goal of increasing transparency of government budgets, promoting economic governance reform.

During its activity, the IMF has become a truly universal organization, has gained wide recognition as the main supranational body for regulating international monetary relations, the center of international lending, the guarantor of the solvency of creditors.

The Fund plays an important role in the implementation of the decisions of the "eight" leading countries, serves as a key link in the system of regulation of the world economy, international coordination, coordination of national macroeconomic policies. The Foundation has proven itself to be a functioning world institute with extensive and useful experience [1, p. 387-417].

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## THE SIGNIFICANCE OF ENGLISH LANGUAGE IN THE ELABORATION OF INTERNATIONAL RELATIONS AND DIPLOMACY

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**Krishchenko H. O., Davydenko I. V. The significance of the English language in the elaboration of International Relations and Diplomacy.** This paper analyses the way English became an official language of international relations and diplomacy. The article provides description of English necessity and irreplaceability on the international area as the eternal tool in communicating to each other.

**Key words:** English language, diplomacy, international relations, United Nations.

**Крищенко Г. О., Давиденко І. В. Важливість англійської мови у розвитку міжнародних відносин та дипломатії.** У цій роботі проаналізовано те, як англійська мова стала офіційною мовою міжнародних відносин та дипломатії. У статті подано опис необхідності та незамінності англійської мови на міжнародному просторі як вічного інструменту спілкування один з одним.

**Ключові слова:** англійська мова, дипломатія, міжнародні відносини, ООН.

**Крищенко Г. А., Давыденко И. В. Важность английского языка в развитии международных отношений и дипломатии.** В данной статье анализируется, как английский стал официальным языком международных отношений и дипломатии. В статье дается описание необходимости и незаменимости английского языка на международной арене как вечного инструмента общения друг с другом.

**Ключевые слова:** английский язык, дипломатия, международные отношения, ООН.

The object of the article is the English language as the international language of communication. The subject of the article the significance of the English language in the elaboration of International Relations and Diplomacy. The purpose of the article is to show the role of the most spoken language in the world within the sphere of international relations and diplomacy. English resides superior position in the language list of international

communication, among diplomacy interlocutors, international presentations and is a must language for every diplomat to learn, these factors appear to form the r e l e v a n c e of the study.

Among the diplomatic languages, English is the most widely spread and it is the first choice of masses and elites. Its election as a language of diplomacy and international relations was not accidental, but it was based precisely on the economic and political status of the states that used it and the role they had in the international extent. A diplomatic language is of special importance as it does not appear as a simple means of communication but it is the main pillar of diplomatic content, and it has been like that since the early beginning of the diplomatic function. This language, which has been used during the meetings and works of international institutions has already reached the characteristics of a global language. English continues to preserve its intact leader's status that enables positive conclusions of diplomatic agreements between numerous and diverse allies.

The use of English is a phenomenon that has spread in Europe, but also to the rest of the world. This has happened despite the development of Britain and the United States of America in industry, economy, culture, etc. Before the 20th century, French was considered as a basic language, so it was also studied as the first language in many high schools of that time. Despite this, English was not completely hidden. It was studied as a second language since the beginning of the 20th century, a period in which it became a world language [5].

English is considered as the official language of international relations, focusing in particular on its role in the development of diplomacy. The greatest development of English occurred in the post-war years.

The representatives of international bodies needed to talk to each other, share opinions during their meetings. Communicating could be easier if each of them spoke in their own language. That thing was initially enabled by the presence of specialized translators. Despite the fact that this procedure enabled the preservation of equal dignity for all, the greater the number of languages became, the more difficult the translation of speeches and international agreements was. This made the

translation process quite expensive and impractical. For this reason the use of translators became almost impossible. It was necessary to use one single language to avoid such situations.

After the end of World War, a significant part of the United Nations member states officially recognized English as an official language. The prevalence of English as a lingua franca is also indicated by the fact that more than half of the UN member countries prefer communication in English [1].

The European Union is the most important European organization that makes cooperation between member states easier or aims at being its part. It was necessary to establish English as an official language of this organization in order to make possible a more efficient cooperation. United Nations works are carried out precisely in this language, including all kinds of international meetings between heads of states, summits, etc.

International Laws, decrees, talks, or debates are all carried out in English. NATO is also a worldwide organization that works in English because the need for its member states' cooperation has led to the use of this single language.

The League of Nations is another important global organization. Since 1919, the importance was given to the language that would be used to enable the development of its meetings. It was initially a European body where the English, French and Spanish languages were used.

An English language feature is the use of idioms to further enrich the expressions used in the arena of international relations or policies. In international politics, the term "lame duck" has often been used to define a political representative who has lost his originality and authority. One of the abbreviations used is NIMBY, which means "Not in My Back Yard". This abbreviation is used in those cases when the representatives of a certain country convey the concern of their citizens about the development of a new or highly dangerous technology. Another widely used abbreviation is BANANA – Building Absolutely Nothing Anyone near Anything. This abbreviation used in international politics implies a policy

banning the construction of something that may bother those who already reside in a particular area. This term is widely used in the field of environmental safety to show disagreement with some environmentally harmful behaviors.

More than 100 countries have a great need for language uniformity [3]. The presence of many people in international organizations can lead to confusion and disorder with regard to the use of a particular language [2]. Something like this also reveals the difficulties of communication as a result of the presence of a large number of spoken languages in different countries. Despite this, English is the most widely used language in international relations and policies. There are altogether more than 12,000 international organizations that have declared English as their official language.

Language is not a simple tool, but it is often the core of the diplomatic profession [5]. Diplomacy is the core of relations between different states or organizations. There are some definitions concerning its meaning. We can consider diplomacy as the application of intelligence and tact, in the development of official relations between governments of independent states [7].

English got mainly developed in the field of diplomacy when the Treaty of Versailles was written in English, as well as in French, the language used by diplomacy at that time. Diplomatic meetings attach great importance to the oral communication of the participants. It is therefore necessary to analyze the oral communication requirements. Oral communication remains one of the clearest communications, it is the core of personal contact and there are less chances of misunderstanding. Written communication via telegrams, emails, etc., are very useful, but it can never take the place of a friendly or confidential communication conducted with the presence of two or more parties [4].

Diplomats are appointed by their state to enable foreign policy representation and implementation. Due to the importance of duty, diplomats must possess multidimensional knowledge. The language used by diplomats is English, which has already had the characteristics of a global language. Diplomatic language is of



special importance as it does not appear as a simple tool but it is the main pillar of the diplomatic call and it has been like that at the early beginning of the diplomatic function.

The prevalence of English as a lingua franca is indicated by the fact that more than half of the UN member countries prefer communication in English. This is also the case with other international bodies.

The European Union is the most important European organization that facilitates easier cooperation between member states or aims at being its part. English has reached international use for global relations. The use of idioms in English enables further enrichment of expressions used in the arena of international relations or policies.

Diplomacy is the core of relations between different states or organizations. The language used by diplomats is English. Diplomatic language is of special importance as it does not appear as a simple tool but it is the main pillar of the diplomatic call and it has been like that since the early beginning of the diplomatic function.

English got mainly developed in the field of diplomacy when the Treaty of Versailles was written in English. The laws, decrees, talks or international debates are all done in English.

The need for the cooperation of its member states has led to the use of a single language, which is precisely the English language.

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## THE IMPORTANCE OF YOUTH TOURISM

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**Kryvulkina D. I., Litovchenko Y. M. The importance of youth tourism.** The article analyzes the importance of youth tourism. The article provides youth tourism statistics, such as main purposes of youth tourist visit and the most popular forms of tourism for young people, and examines the factors influencing youth tourism market.

**Key words:** educational tourism, holidays, travel, Work and Travel, young tourists, youth tourism.

**Кривулькіна Д. І., Літовченко Я. М. Важливість молодіжного туризму.** У статті проаналізовано значення молодіжного туризму. Було подано статистику молодіжного туризму, таку як основні цілі подорожей молодіжного туризму та найпопулярніші форми туризму для молоді, а також досліджено фактори, що впливають на ринок молодіжного туризму.

**Ключові слова:** відпочинок, молодіжний туризм, молоді туристи, навчальний туризм, подорожі, робота та подорожі.

**Кривулькіна Д. И., Литовченко Я. Н. Важность молодежного туризма.** В статье проанализировано значение молодежного туризма. Была приведена статистика молодежного туризма, такая как основные цели путешествий молодежного туризма и популярные формы туризма для молодежи, а также исследованы факторы, влияющие на рынок молодежного туризма.

**Ключевые слова:** молодежный туризм, молодые туристы, отдых, путешествия, работа и путешествия, учебный туризм.

The o b j e c t of the article is youth tourism whereas the s u b j e c t is an importance of youth tourism in the modern world. The a i m of the research is to analyze current trends in youth tourism and to examine the role of youth tourism in the modern world.

In an era full of challenges for the tourism industry, tourism for young people is a very important market segment, being a resource for change and innovation. Young travelers increased level in decades since they first began to travel and the populations of

countries that are developing. World youth tourism industry is estimated to be approximately 190 million international travelers per year. According to UNWTO forecasts, 2020 will be about 300 million young people who will travel in a year, accounting for 320 billion dollars in market value [6].

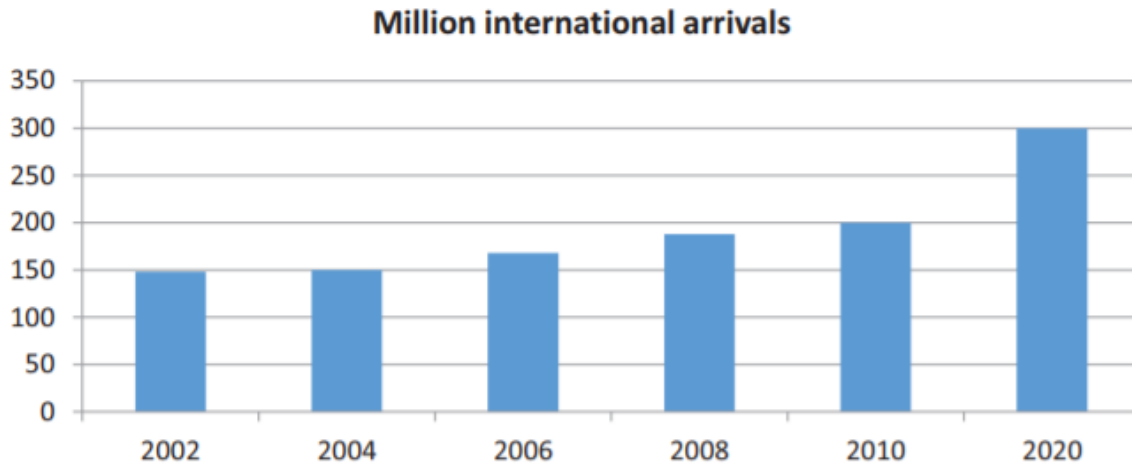


Figure 1. Million international arrivals

Source: [6]

WYSE (The World Youth Student and Educational) defines youth tourism as a form of tourism that include independent travelers (young people are not accompanied by a parent or guardian personally) for periods of less than one year , with ages between 15 and 29 years , individuals have the motivation for such movement willingness to construe experience vital to experience new culture and to benefit from new learning opportunities formal or informal in an unknown environment, different at normal everyday life [10].

The number of young travelers represent 20% of all international travel, being equal to 207 million people and accounting for 194 billion dollars. Young people spend more time on vacation compared to other categories of travel (about 53 days per year), spend more and travel several times a year, uses money with local suppliers. The trips are very important because young people are the future market for the future development of the young people themselves but also for the places they choose to visit [8].

Educational tourism, traveling students and young people plays a very important role for world tourism. Around 90`s, young travelers have represented 15 % of the tourist market. In the past decade has increased by 20 % and in the near future is expected to increase by 25 %.

Young people today want to travel as far to go as long, resulting in more spending, but managed to keep in touch with home more than ever before. These wish to enrich their experience at all levels. Young travelers wanting more than ever to enrich the cultural new experiences, meet new people, to enhance their chances for employment when they return home.

Youth aged between 15 and 29 years old travel for:

- 42 % holidays;
- 20 % education;
- 15 % visiting friends and relatives;
- 8% of business travelers;
- 6 % travel for employment;
- 9 % for other reasons [7].

Even if things are going wrong, for example economic crisis or economic, political or epidemics, young people continue to travel. In fact, these problems stimulates young people to travel for longer periods of time when the economy is weak, prices are lower home having fewer opportunities for employment young people find it preferable to travel and find there a temporary job. WYSE industry figures showed that youth sector has been affected by the crisis in general, but the decline was smaller and faster recovery than mass tourism.

The most important forms of tourism for young people for whom they may choose are:

- Holidays;
- Educational tourism;
- Work and Travel;
- Volunteering;
- Tourism practiced to study a foreign language;
- International Camps;
- Cultural tourism [7].

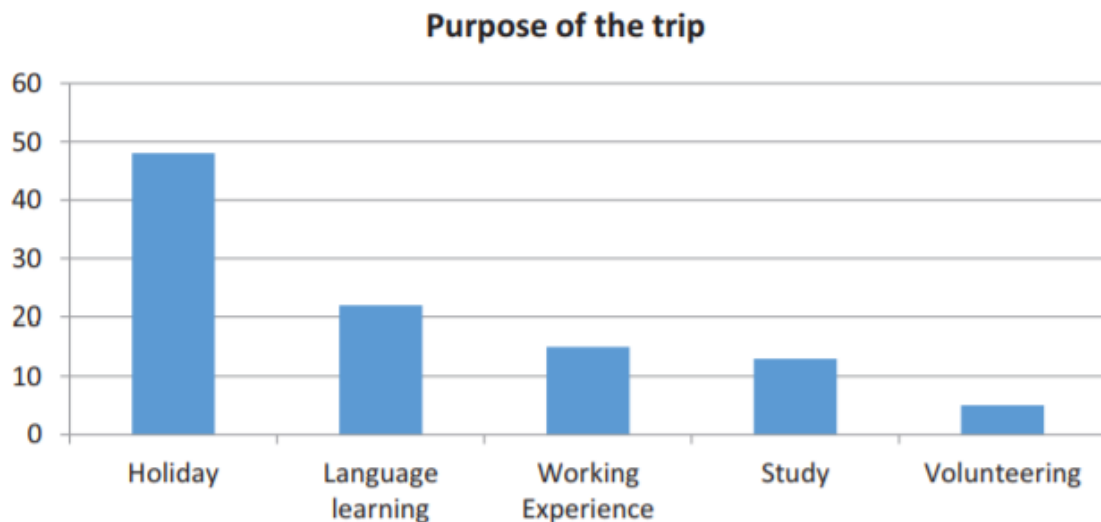


Figure 2. Purpose of trip

Source: [7]

Every form of travel for young people is important and helps young people to develop the skills to adapt to new environments and cultures.

Educational tourism offering scholarships abroad, trips, courses, summer schools, camps nationally and internationally. International Camps offers participants campuses, apartments, hostel, hotels, depending on the type of program and age preferences

Young people can also opt to travel in studying a foreign language. The time needed for such a trip is 5-6 weeks, participants' age is decreasing.

Volunteering programs offers young people the opportunity to know other countries and cultures. The period of activity ranging from a few weeks to a year can be reached. Young people receive accommodation, meals and pocket money. The amount received varies from country to country. A recent study showed that the number of volunteers worldwide is 1.6 million per year and the amount received by these is between 1.7 and 2, 6 billion dollars [8].

Work and Travel is a common form of tourism is globally. It is particularly popular in North America, Western Europe and Australia. Dominant place is occupied by the United States followed by Australia, Britain, France, Spain or Greece. Young people

participating in such a program gaining experience in a new cultural environment, establish new contacts with people around the world, visiting new places and earn some money [4, p. 127].

Holidays meet the young tourists' specific needs regarding their spare time. It helps young people to develop their personality, gives the opportunity to discover new jobs, different cultures and ways of life. Holidays are a little bit of freedom, a little bit of history, culture and relaxation. According YTI Magazine in July 2017, Southeast Asia is and remains the number one destination for young people.

Factors influencing youth tourism market are:

- Increase the distance traveling buses for trips for young people;

- The employment contracts of a short period of time;

- A growing number of suppliers for specific products or students traveling youth;

- Overall development of the Internet, which young people learn the latest information on new destinations are promoted so places will want to visit and recommend to others;

- A desire of young people to obtain funds travel for those who choose to study or work.

In conclusion, we can say that youth tourism plays a very important role in the economy of each country. But most important is for young people. It is considered to be a resource for change and innovation. The young people began to travel more often and for longer periods of time. They choose to stay gone longer than any other age group of global travel, spend more with local suppliers. Young travelers are extremely important for themselves. It helps to develop the cultural point of view, better learn a foreign language, knows different cultures and new things about the place that I have chosen as the destination. For young people, travel is a form of learning, a way to meet other people, a way to have contact with other cultures, a source of career development, a means of self-development, an essential part of everyday life, a brief escape from reality. Young people are adventurous and want to develop their own knowledge. They have a wide variety of forms of tourism for young

people from which to choose. Each form itself helps to progress and evolve in different ways.

In conclusion, in the last decade youth tourism has already occupied an important place in the global tourism and even encouraged new markets by diversification of tourism for young people.

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## TRENDS IN THE DEVELOPMENT OF THE WORLD GOLD MARKET AT THE PRESENT STAG

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**Kud A. V., Zmiyova I. V. Trends in the development of the world gold market at the present stage.** The article considers the General tendency of development of the world gold market at the current time. The author gives the data on the largest reserves of gold in foreign exchange reserves of countries, the dynamics of gold prices over the period 2003-2017. The dynamics of supply and demand in the gold market at the present stage of trade is also presented. In the end the article predicts the average price of gold and the possible rise in price of a valuable resource in the near future.

**Keywords:** gold, gold and foreign exchange, international bank, price dynamics, world gold market.

**Кудь А. В., Змійова І. В. Тенденції розвитку світового ринку золота на сучасному етапі.** В статті розглянуто загальну тенденцію розвитку світового ринку золота в сучасному часі. Наведені дані про найбільші запаси золота в золотовалютних резервах країн, представлена динаміка ціни на золото за період 2003-2017 рр. Також представлена динаміка попиту і пропозиції на ринку золота в сучасному етапі торгівлі. Вкінці прогнозовано середню ціну на золото та можливе подорожчання цінного ресурсу в найближчому майбутньому

**Ключові слова:** динаміка цін, золото, золотовалютний резерв, міжнародний банк, світовий ринок золота.

**Кудь А. В., Змиева И. В. Тенденции развития мирового рынка золота на современном этапе.** В статье рассмотрена общая тенденция развития мирового рынка золота на современном этапе. Приведены данные о крупнейших запасах золота в золотовалютных резервах стран, представлена динамика цены на золото за период 2003-2017 гг. Также представлена динамика спроса и предложения на рынке золота на современном этапе торговли. В конце прогнозируется средняя цена на золото и возможное подорожание ценного ресурса в ближайшем будущем.

**Ключевые слова:** динамика цен, золото, золотовалютный резерв, международный банк, мировой рынок золота.



The s u b j e c t of the study is the state of world gold market. The p u r p o s e of the study is to review current trends in the development of the world gold market and determine its forecast. In our opinion, the actual value of the study was predetermined by the fact that the phenomenon in question is quite widespread, and there is a need to forecast its activities, which is reflected in this work.

Humanity met gold a long time ago – in the Neolithic era, about the fifth Millennium BC. Archaeological finds confirm the genuine interest of people in this metal. Historically, gold has always been a measure of value, a safe haven from economic and political turmoil, and being in the hands of the state, was the main monetary and financial component of the economic power of countries. Till these days gold represents a guarantee of confidence, both at the national and global level. Gold is an integral part of the world currency system, which has been undergoing transformation for many years. Over time, there have been changes in the role and some functions of the yellow metal itself. Currently, gold is considered both as a financial asset that generates income and as a commodity that has a price. These functions allow the precious metal to enter the markets, including the world ones. Gold is included in the gold reserves of many countries. No state – the holder of the yellow metal – will not completely sell its gold reserves, as gold is a valuable reserve asset. In terms of investment, gold is also of great interest, as it is a reliable guarantor in times of economic downturns [4, c. 1–2].

Gold is a valuable metal that has always been valued for its beauty, rarity, and unique properties. For a long time gold has been used as money and the least reduction in the monetary function of gold has become a normal market product. Accordingly, control over the turnover is weakened by the state and strengthened by market structures. The most important feature of the gold market is that the main asset of the market, i.e. gold, simultaneously acts as a reserve asset and a market commodity [4, c. 3].

Currently, gold is used by the state as a reserve in the gold and foreign exchange reserve, because it is protected from depreciation

much better than other items of reserves, in addition, the world community has confidence in those governments that maintain their gold reserves at a proper level, the determination of which is within the competence of the government and the Central Bank of the country and depends on the economic situation in the country [2, c. 139-140].

*Table 1*

**Data on the largest reserves of gold in the gold  
and foreign exchange reserves of countries**

**Gold reserves of the countries, tons**

<b>Country</b>	<b>2010</b>	<b>2017</b>
USA	8133,5	8133,5
Germany	3401,0	3374,1
Italy	2451,8	2451,8
France	2435,4	2435,9
China	1054,1	1842,6
Russia	788,6	1715,8
Switzerland	1040,1	1040,0
Japan	765,2	765,2
The Netherlands	612,5	612,5
India	557,7	557,8

The functions of the gold market are to provide international settlements, investment activities, industrial and household consumption, risk insurance, as well as the Commission of speculative operations. On the market, gold can be traded in the form of standard and dimensional ingots, nuggets of precious metals, plates, products (except jewelry), coins and gold certificates [3, c. 49-52].

Currently, there are 52 gold markets in the world, including 11 in Western Europe, 14 in America, 19 in Asia and 8 in Africa. Figure 1 shows the dynamics of the price of gold for the period 2003-2017 [3. c. 53].

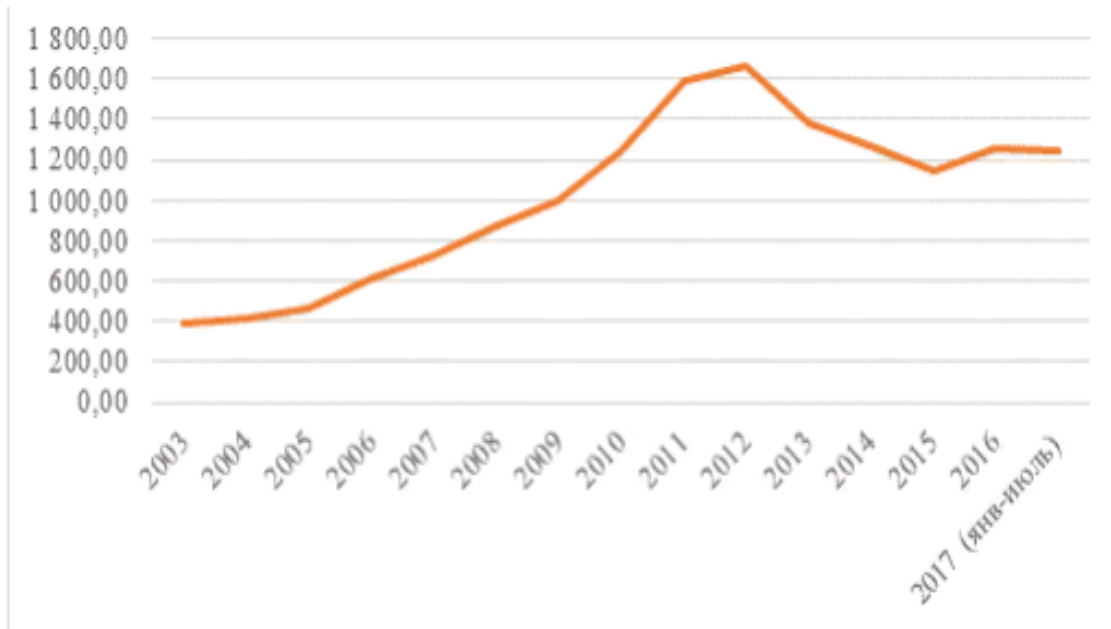


Figure 1. Gold price dynamics, USD / oz

Thus, for the period 2014-2016, the price per gram of gold increased by 87%, in 2017, the price of gold decreased by 13.4%. Gold mining enterprises have a very limited influence on the price of gold through the use of economic methods. Basically gold miners regulate the price of gold in two ways:

- 1) impact on the policy of international banks to reduce the volume of regular gold sales;
- 2) the ability to offset the negative impact of price fluctuations by reducing unit costs during periods of falling prices [2, c. 143].

Gold is mined in about 70 countries, but the largest gold deposits are in South Africa, Australia, Canada, the United States and Russia. Gold production in the world in 2016 increased by 0.23% and amounted to more than 3100 tons. Gold production in Russia in 2016 decreased by 0.3% and amounted to 288.55 tons, of which 82%

is mined gold, 5% – associated and 13% – secondary. The main volume of gold production falls in the Siberian Federal district (41%) and the far Eastern Federal district (45%). Figure 2 shows the dynamics of world gold production [1, c. 29-31].

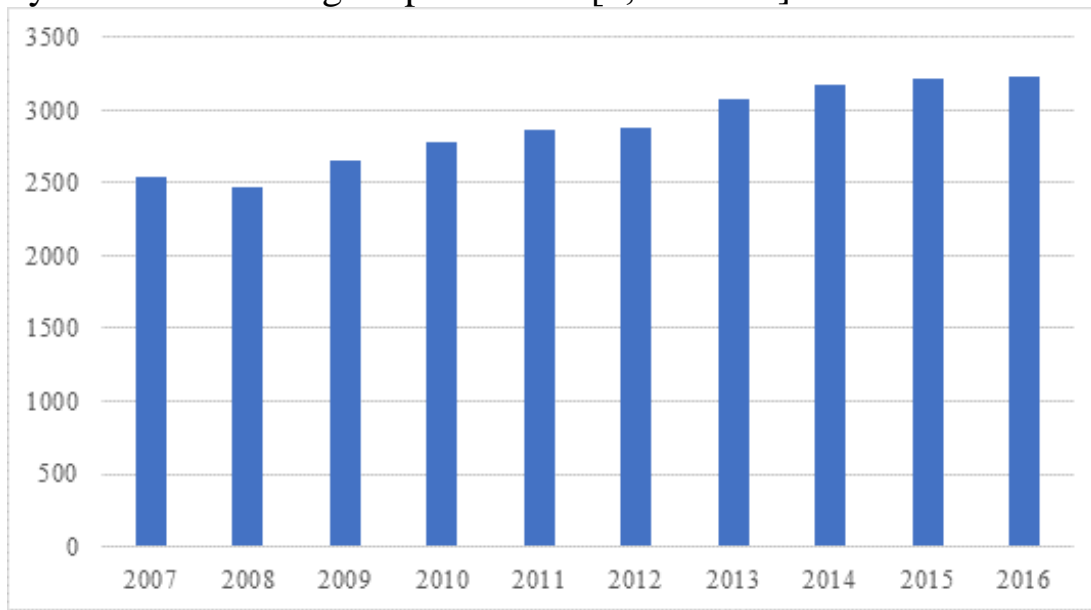


Figure 2. Dynamics of world gold production

As a result of the reduction in demand for gold, the surplus of the precious metal on the market multiplied by 21.6 times – from 44 tons in 2015 to 952 tons in 2016 [1, c. 32].

Predicting prices on the gold market, we can say that in conditions of economic instability, the population is trying to keep their savings in “hard currency”, so with the continuation of the economic crisis, the demand for gold and prices, respectively. In addition, it is known that gold reserves are drying up, and manufacturers operate on this fact, increasing the price of the precious metal. According to experts, the price of gold will increase by 5% in average [1, c. 32-33].

The world gold market broadly covers the entire system of circulation of this precious metal in the world-production, distribution, consumption. Sometimes this concept is considered in a narrower sense – as a market mechanism serving the purchase and sale of gold as a commodity at the national and international levels. It

should be borne in mind that when it comes to the main features and parameters of gold markets it usually implies, first, the purchase and sale of cash metal in bullion form and, secondly, wholesale methods of trading these bars. Accordingly, the features of trade in so-called “paper gold” are analyzed in the framework of gold exchanges [5].

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## TRENDS IN THE FUNCTIONING OF THE INSURANCE MARKET

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**Kukoba A. O., Zmiyova I. V. Trends in the functioning of the insurance market.** The article states that the basic directions of development and effective functioning of the national insurance market are inextricably linked to the creation of a competitive environment and improvement of its organizational structure. The article analyses the current state, tendencies and problems of the domestic insurance market development and describes the factors that curb the development of the insurance market,

**Keywords:** competitive environment, insurance market, curbing factors, trends.

**Кукоба А. О., Змійова І. В. Тенденції функціонування страхового ринку.** У статті стверджується, що основні напрями розвитку і ефективного функціонування національного страхового ринку нерозривно пов'язані зі створенням конкурентного середовища і вдосконаленням його організаційної структури. Представлено аналіз сучасного стану, тенденцій і проблем розвитку вітчизняного страхового ринку та описано фактори, що стримують розвиток страхового ринку.

**Ключові слова:** конкурентне середовище, страховий ринок, тенденції, стримуючі фактори.

**Кукоба А. А., Змиева И. В. Тенденции функционирования страхового рынка.** В статье утверждается, что основные направления развития и эффективного функционирования национального страхового рынка неразрывно связаны с созданием конкурентной среды и совершенствованием его организационной структуры. Представлен анализ современного состояния, тенденций и проблем развития отечественного страхового рынка и описаны факторы, которые сдерживают развитие страхового рынка.

**Ключевые слова:** конкурентная среда, развитие, страховой рынок, тенденции, факторы сдерживания.

The o b j e c t of the article is the insurance market, its basic directions of development and effective functioning. The s u b j e c t is the analysis of the current state, tendencies and problems of the domestic insurance market development. The p u r p o s e of the

article is to identify weaknesses of the domestic insurance market, formulate solutions to the problem of developing the insurance market and consider possible ways to improve the position of Ukraine in the international arena, expanding existing relationships.

Leading analysts from all over the world project further expansion of the insurance market in developing countries in the next 10 years. The importance of insurance as an economic sector will be facilitated by the optimization of risk management, which makes it possible to reduce the financial pressure on business, the budget on the population of the country due to the accumulation of money supply, which is undoubtedly an important factor in the development of the state.

The demand for life insurance and all risks insurance is expected to increase in the coming years due to the high level of urbanization and increased financial security of the population. Today, trends in the insurance market in the world tell about the transformation of its institutions and strengthened ties and interaction between countries from a financial point of view, which leads to: formation of strategic alliances; concentration of capital; use of new technologies; mergers of insurance, banking and financial capital; formation of a unified standardized legislative package; the emergence of new types of insurance and reinsurance. These trends primarily exist due to the fact that the economies of the developed countries are increasingly affected by globalization and becoming increasingly transnational. This enables many insurance companies to enter such markets, integrate them, and create strong insurance companies with capitalization and assets. Analyzing all the factors, it is proposed to define the world insurance market as a set of national insurance markets that are members of the global world space in the field of insurance, taking into account all the requirements of international law and under the influence of all economic world processes [6].

As a result of the growth and concentration of insurance, banking and loan capital, transnational financial groups have begun to form. The growth of insurance, banking, investment and financial

capital led to capital movements between countries. The renowned rating agency Standard & Poor's has published nine of the world's most influential insurance groups. From 1999 to 2016, the number of countries that applied the sectoral model of financial market surveillance decreased from 17 to 6. However, it should be emphasized that the sectoral model was not reintroduced in any country. At the same time, various consolidated models were being actively implemented. If, in 1999, the FSA (Financial Supervisory Authority) model was applied in only 3 countries. In 2010, the FSA model was used in 12 countries. Consolidation of supervision at central banks (CB model) was not applied at all in 1999, and in 2010 this model was used by 4 countries.

The widespread adoption of the FSA model is associated with the application of the model's variants in the major national financial markets of the UK and Germany. From 2001 to 2014, supervision was transferred to the Financial Services Authority, independent of the Bank of England, in the United Kingdom. Since 2002, the Federal Financial Supervisory Authority (BaFin) has been operating in Germany, independently of the Bundesbank. After 2010, the process of introducing more consolidated models continues. For example, in Lithuania since 2012, market sector oversight is fully integrated with the Bank of Lithuania.

It should be noted that the trend of consolidation of supervision is dominant, but this process is not straightforward. So, after the 2007–2008 financial crisis, the UK supervisory service was reformed. Oversight functions were shared between the newly established Financial Institutions Oversight Office and the Oversight Office, part of the Bank of England. Summarizing, we can conclude that data on financial market surveillance models used in the European Union confirm the tendency towards consolidation found by Martin Meletski and Anki Podpiera. This conclusion does not contradict the results of the European Central Bank's oversight structure [5].



Obviously, during the analyzed period, the transition from less consolidated (sectoral, partially integrated sectoral) models to more consolidated FSA and CB models occurred in EU countries.

The national financial markets of the Baltic States have many similarities, which are defined by close macroeconomic indicators, a similar structure of the economy and the impact of such risks. However, the models of regulation of financial services markets are different in all countries. Both Latvia and Estonia have applied modifications to the Financial Services Authority (FSA) model since 2001, while in 2012 Lithuania switched from a sectoral to a central bank model. Estonia and Latvia are members of the Eurozone and the integrated European Stability Mechanism (ESM) and Single Supervisory Mechanism (SSM).

The Latvian model can be described as more integrated. The Independent Financial and Capital Markets Control Commission, together with the oversight and regulation function, typically typical of such an authority (banking, securities and insurance), also manages a Deposit Guarantee Fund. The Bank of Latvia focuses on monetary policy and its role in regulating financial markets is less significant.

The Estonian Financial Inspectorate controls all three sectors of the financial market but acts in greater coordination with the Bank of Estonia. The Guarantee Fund in Estonia is not integrated into the FSA and is a separate institution. In Lithuania, the sectoral model was reformed in 2012. The supervision functions are concentrated in the Bank of Lithuania, which is also responsible for macro – prudential supervision. The deposit function is represented by a deposit and investment insurance fund managed by the Ministry of Finance. Due to the fact that the Eurozone is scheduled for 2016, Lithuania has to become a member of the ESM and SSM mechanisms. With the accession to the euro area, the central banks of Estonia and Latvia can play a major role in regulating national financial markets. For Lithuania, new future central bank functions in the banking union architecture may lead to an over – concentration of supervisory and regulatory competence.

Thus, we can speak about a new stage of development of the insurance world market, based on the internationalization of countries in the insurance industry. This tendency leads to expansion of the insurance markets infrastructure, new insurance products appear, relocation of insurance financial flows and formation of new financial centers, increase of capitalization of insurance companies, and introduction of new legal standards for unification of the world legal insurance base.

The question of the integration of the Ukrainian insurance market into the world remains open, as it largely depends on the political situation, which cannot be named stable today.

It should be noted that in EU law, two components are justifiably distinguished, which can be conditionally called political and economic (there are also definitions such as institutional and substantive law) [1]. The first one deals with the status of different bodies of the EU, the second – the creation of a common market and the formation of a common economic policy [2]. EU economic law aims to create a common economic space in various areas of business, including insurance services.

EU economic law is based on a number of fundamental principles, also called freedoms: freedom to move goods; freedom of movement of persons (freedom of establishment, inclusive); freedom to provide services; freedom of movement of capital [3].

In addition to the fundamental principles on which EU economic law is based, there are also specificities for the adoption of regulations in the European Union, which are divided into: regulations having direct legal effect in all EU Member States; directives to be transposed into the national legislation of the EU Member States; recommendations that are not legally binding on EU Member States [4].

## TASKS AND GOALS OF INFORMATION WARFARE

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**Kulyk A. E., Broslavska Y. M. Tasks and goals of information warfare.** The article considers the definition of “information warfare”, analyzes its forms and studies the goals that guide information wars. Information warfare is regarded as a generalized concept. The main focus is on tasks (including psychological) and methods of the information warfare and its current stage.

**Keywords:** goals of warfare, information operations, information warfare (war), tasks of information warfare.

**Кулик А. Е., Брославська Є. М. Завдання і цілі інформаційної війни.** У даній статті здійснюється огляд поняття «інформаційна війна», аналіз її видів та дослідження цілей, якими керуються інформаційні війни. Інформаційні війни розглядаються як узагальнене поняття. Найбільша увага приділена методам (у тому числі і психологічним) і заходам ведення інформаційної війни на сучасному етапі.

**Ключові слова:** завдання інформаційної війни, інформаційна війна, інформаційні кампанії, цілі інформаційної війни.

**Кулик А. Э., Брославская Е. М. Задания и цели информационной войны.** В данной статье рассматривается определение «информационной войны», анализ её видов, а также исследование целей, которыми руководствуются информационные войны. Информационные войны рассматриваются как обобщенное понятие. Наибольшее внимание уделяется методам (в том числе и психологическим) и мерам ведения информационной войны, а также современный этап информационной войны.

**Ключевые слова:** задания информационной войны, информационная война, информационные кампании, цели информационной войны.

The object of the article is information warfare (information operations). The subject of the article is information warfare tasks and goals. The purpose of the article is to study information warfare at its current stage. The relevance of the article is justified by the fact that today every country in the world needs to create an effective system of counteraction to information and psychological operations. It is no secret that many

states now view information warfare as an effective foreign policy tool.

Naturally, any conflict between people is primarily informational. The concept of “information warfare” implies achieving information and information technology superiority over the adversary by damaging their information, information processes and information systems while protecting own information, information processes and information systems [5, p. 47]. This is achieved primarily by the use of information weapons in cyberspace.

Information warfare can take many forms, such as [4]:

- Psychological warfare;
- Cyber war;
- Network War;
- Ideological sabotage;
- Electronic warfare, which may be manifested in the following ways:
  - Television and radio may be suppressed.
  - TV and radio resources may be captured / subdued for a misinformation campaign.
  - Communication networks may be blocked or made unavailable.
  - Stock market operations may be sabotaged by electronic intervention, enabling leakage of sensitive information or spread of misinformation.

The purpose of the information war is to weaken the moral and material forces of the opponent or competitor and to strengthen own ones [7]. It envisages the use of propagandistic means to influence human consciousness in ideological and emotional fields. Obviously, information warfare is an integral part of the ideological struggle. However, it does not lead directly to bloodshed or destruction, claims no casualties, no one is deprived of food or shelter. Instead, this creates a dangerously careless attitude towards it. However, compared to conventional wars, the devastation caused by information wars in social and individual psychology is quite commensurate and sometimes exceeds the effects of conventional wars.

The primary task of information wars is to manipulate the general public. There are many purposes of such manipulation, such as [4]:

- bringing hostile or harmful ideas and views into the public and individual consciousness;
- disorientation and misinformation of the general public;
- weakening certain beliefs or customs for the sake of enhancing one's own values;
- intimidation of the own nation;
- intimidating the enemy with the demonstration of power;
- providing a market for the national economy.

In this case, information warfare is an integral part of competition.

At the strategic level, the purpose of an information warfare campaign is to influence the decisions of an opponent or competitor, and thus to act in such a way so that to make them unaware of this influence. Even when this goal is difficult to achieve, it still remains the ultimate goal of the campaign at the strategic level. A successful information campaign at the strategic level will lead to decisions made by the enemy (and therefore his actions) that will contradict his intentions or interfere with their implementation [1, p. 29].

The purpose of information attacks at the operational level is to create such obstacles to the enemy's decision-making that will make it impossible for the enemy to act or wage war in a coordinated and effective manner [6]. In other words, a successful information campaign conducted at the operational level will contribute to pursuing strategic goals, affecting the enemy's ability to make quick and effective decisions.

In an information war, the goal is to coordinate efforts made at the operational level with efforts made at the strategic level, so that when united, they would force the opponent to make decisions that would lead to actions beneficial for the actor in achieving his goals and would prevent the opponent from achieving his own ones.

With respect to the goals of attacks in the information war, it is clear that the more dependent an opponent is on information systems

when making a decision, the more vulnerable he is to hostile manipulations of these systems. Software viruses affect only those systems that use software [2].

The more advanced a society is, the more it relies on information and means of its delivery. This also includes the Internet but it only represents the pinnacle of this information structure. Every developed country uses telephone, banking and many other computer-controlled networks all of which have their inherent weaknesses.

In a broad sense, information warfare involves propaganda.

Thus, the main purpose of the information war is to disrupt the competitor's exchange of information. It is easy to understand that, as a rule, these weapons are not aimed at claiming casualties at all.

In its turn, the IT revolution opens up great opportunities for influencing nations and authorities, manipulating people's consciousness and behavior, even in remote places.

The twentieth century saw the development of high technologies and the emergence of the Internet. A still larger percentage of the global information space becomes part of the Internet. A negative invasion of information resources of other countries is made possible through this global information network. In this regard, the understanding of the concept of "war" has changed dramatically. With the development of information and communication systems, it is possible to wage "covert" war.

Modern information wars are distinguished by the following features [4]:

- massive cyber attacks;
- an extensive use of social networks in information wars;
- simultaneous massive accumulation of information through the media of various countries;
- an increasing role of various psychological techniques in the conduct of information wars.

Today, the most developed countries carry out cultural and ideological information expansion, which leads to the transformation of culture, traditions and spiritual values in the rest of the world [3].

The issue of protecting national information resources and maintaining the confidentiality of information exchange on the open world information networks has become especially acute. Many management systems in various fields of human activity have now become information-dependent. Violations of the adequate functioning of computers and telecommunications facilities can cause significant damage in the energy, financial fields and in the Armed Forces.

The main task of large-scale information wars of today is often to change the political leadership of a country [3]. In the modern world, a change in socio-political formation or political leaders is not possible in a politically stable country. After all, political stability means the ability of a public administration system to maintain a long-term functioning of the system without radical changes, to ensure the growth of social welfare, a favorable investment climate and the continuity of power. Therefore, all kinds of forms and methods of conducting information wars are aimed at disorganizing the population, changing current values and raising public discontent.

Experts believe that the real national problem is not represented by accidental failures, but the danger of a deliberate external impact on information resources [4]. Therefore, information security, information warfare and information weapons should be the main focus of attention.

In conclusion, it can be clearly stated that information warfare is a concept involving the battle space use and management of information and communication technologies in pursuit of a competitive advantage over an opponent. Thus, information warfare today is a comprehensive strategy that makes information vitally important for state and local government.

Given the globalization of telecommunications networks in the world, it can be assumed that the information types of aggression will have the priority in the future.

Experts in various fields should pay serious attention to this issue in order to avoid most negative consequences of this war for all

mankind. Therefore, today countries of the world must work together to create a legal framework that can regulate public information.

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## INTERNATIONAL TERRORISM AS A GLOBAL PROBLEM IN THE MODERN WORLD

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**Kupina O. K., Broslavska Y. M. International terrorism as a global problem in the modern world.** The article addresses the problem of the spread of terrorism, which is one of the most global and large-scale issues for the entire world community. Terrorism in our time integrates with organized crime, easily overcomes state borders, causing irreparable damage to both the national security of individual states and inter-national stability as a whole. The main focus is on the search for the effective measures to prevent and combat terrorism.

**Key words:** counter-terrorism actions, global problem, international cooperation, international terrorist organizations, terrorism, terrorist activity.

**Купіна О. К., Брославська Є. М. Міжнародний тероризм як глобальна проблема в сучасному світі.** У статті розглядається проблема поширення тероризму, яка є однією з найбільш глобальних і масштабних для всієї світової спільноти. Тероризм в наш час інтегрується з організованою злочинністю, легко долає державні кордони, завдаючи непоправної шкоди як національній безпеці окремих держав, так і міжнародній стабільності в цілому. Основна увага приділяється пошуку ефективних заходів щодо запобігання тероризму і боротьбі з ним.

**Ключові слова:** глобальна проблема, контртерористичні дії, міжнародне співробітництво, міжнародні терористичні організації, тероризм, терористична діяльність.

**Купина Е. К., Брославская Е. М. Международный терроризм как глобальная проблема в современном мире.** В статье рассматривается проблема распространения терроризма, которая является одной из самых глобальных и масштабных для всего мирового сообщества. Терроризм в наше время интегрируется с организованной преступностью, легко преодолевает государственные границы, нанося непоправимый ущерб, как национальной безопасности отдельных государств, так и международной стабильности в целом. Основное внимание уделяется поиску эффективных мер по предотвращению терроризма и борьбе с ним.

**Ключевые слова:** глобальная проблема, контртеррористические действия, международное сотрудничество, международные террористические организации, терроризм, террористическая деятельность.

The object of the article is international terrorism as a phenomenon and a consequence of the processes of globalization. The subject of the article is the activity of international terrorist organizations and the influence of international terrorism on the policies of leading countries. The purpose of the article is to analyze the phenomenon of international terrorism, its main characteristics and to identify the key trends in the development of international terrorist organizations. The main focus is on the identification of the most problematic points, analysis of the factors that form the problem, and consideration of possible solutions to the problem.

International terrorism is one of the most important problems not only of our country, but also of the world as a whole. Terrorism has gone from the frame of simple intimidation to the active destruction of the chosen country: the goal of terrorist attacks is to cause the maximum possible material damage and human casualties. It is obvious that the terrorist activity is getting more and more organized and modern counter-terrorism is a real war with an invisible enemy.

Terrorism is an ideology that is opposed to basic humanitarian social values and is willing to frighten the population and destabilize the activities of state institutions, an ideology of total destruction and brutal violence. The goal of this violence is to achieve the desired result for terrorists – revolution, destabilization of society, unleashing war with a foreign state, gaining independence for some territory, decline in the prestige of power [4].

Terrorism is a crime, which is always deliberate and committed with direct intent. The actions of terrorists are aimed at achieving their goals through public attention, public and government intimidation, promotion of their political, religious or other views [1]. Terrorism bears a high degree of public danger and is sometimes uncontrolled by the will of the states that, for the most part, act in a non-coordinated way. The awareness of this fact makes the world community sharply raise the issue of countering terrorism, find ways

to overcome differences and look for the ways of international cooperation.

The general analysis of concepts and views allows emphasizing some features of modern terrorism:

1. Terrorism has become technocratic. This feature of modern terrorism appears to be the most dangerous one. Terrorists have acquired the possibility to not only create the most dangerous types of weapon or obtain it in some different way, but also learnt to analyze the specificity of modern social infrastructure. This circumstance forces society to spend a lot of resources for maintaining security of industrial production sites, waterworks, large traffic intersections, railway stations and airports [6].

2. Terrorism has become a network phenomenon, in other words it self-organizes through social networks, that makes it possible to organize terrorist acts, manage their organizations and their coordination.

3. The main contingent of terrorist groups and organizations consists of young people.

4. Terrorism integrates with criminal business and criminal groups. To some extent, terrorism has become involved in criminal business, such as arms and drugs trafficking.

5. Terrorism is now more targeted at civilian population than it used to be.

6. Expanding to the international scale, terrorism has significantly reduced the importance of individual states in a struggle to combat it. Operating in the international arena, modern terrorism requires more coordination of international efforts, raising the benefit of international relations to the new level of cooperation and coordination [6].

There are different types of counter-terrorism actions:

1. Safety: a complex of measures permitting to create an “anti-terrorist environment” in a country. Safety includes a set of measures permitting to prevent terrorist attacks (checkpoints at airports, inspection of cargo, profiled visa control, control over the purchase of dangerous components used for making bombs).

2. Survivability: a complex of measures permitting to minimize losses. Survivability includes a set of measures, which help the society to lose fewer lives, suffer less loss, and prevent public panic.

3. Preventive measures for destroying the terrorists' abilities to attack [3].

It is obvious that today there are gaps in the laws of individual states at the national level, and as a result, there are imperfections in legislative and law enforcement practices. Using these gaps, terrorist organizations increase the number of terrorist acts committed by them, frequently using funds raised from interested "investors", thereby turning their activities into a profitable business [5]. Among such interested entities it is possible to emphasize the role of non-governmental organizations and various shadow funds, political parties and governments of various states, as well as separate interested individuals and commercial organizations. The disadvantages of legislative regulation also include the lack of standardized methods to counter terrorist crime, both at the level of individual states and on the international scale. As a result, we can observe how organizations banned in one country are full participants in civilian circulation in other countries.

Every year, more and more organizations are created to combat international terrorism – this mission is entrusted mainly to the United Nations, and anti-terrorist centers are also being established on a regular basis [2].

**Conclusion.** The growing amount of terrorist attacks and qualitative modification of terrorism have made the issue of modern terrorism one of the most pressing problems in today's society. Terrorism has become not only a form of revolutionary activity, but also one of the leading methods comprising some aspects of international confrontation and a form of warfare. Overcoming international terrorism as a growing global problem requires collective efforts of the majority of states and the entire world community. There is no doubt that we are at a pivotal moment in history. The outcome of the world's civilized nations' collective fight

against terrorism will determine the future course of international relations.

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## DIFFICULTIES OF CROSS-CULTURAL COMMUNICATION IN TOURISM

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**Kurylo Y. V., Saprun I. R. Difficulties of cross-cultural communication in tourism.** The article considers a complex issue of cross-cultural communication in tourism sphere. Cross-cultural communication as a process of verbal and non-verbal communication between people from various nationalities has been examined. The integrity of language and culture as a single entity has been singled out. The behavior of a native English speaker and an English learner has been compared. The special meaning of emotions in the process of communication has been described. The usage of polite phrases in the process of socializing as well as their impact on an interlocutor has been focused on. The importance of facial expressions and politeness has been underlined.

**Keywords:** cross-cultural communication, culture, emotions, facial expressions, language, politeness, polite phrases, tourism.

**Курило Є. В., Сапрун І. Р. Складності міжкультурної комунікації у туризмі.** У статті розглянуто складне питання міжкультурної комунікації в туристичній сфері. Визначено термін міжкультурної комунікації як процес вербальної та невербальної комунікації між людьми різних національностей. Виокремлено цілісність мови та культури як єдиного цілого. Порівняно поведінку носія англійської мови та того, хто вивчає англійську мову. Описано особливе значення емоцій в процесі комунікації. Сфокусовано увагу на використанні ввічливих фраз у процесі спілкування, а також їх вплив на співрозмовника. Було підкреслено важливість міміки та ввічливості.

**Ключові слова:** ввічливість, емоції, культура, міжкультурне спілкування, міміка ввічливих фраз, мова, туризм.

**Курило Е. В., Сапрун И. Р. Сложности межкультурной коммуникации в туризме.** В статье рассматривается сложная проблема межкультурной коммуникации в сфере туризма. Определен термин межкультурное общение как процесс вербального и невербального общения между людьми разных национальностей. Выделена целостность языка и культуры как единого целого. Поведение носителей английского языка и изучающего английский язык сравнивалось. Описано особое значение эмоций в процессе коммуникации. Сфокусировано внимание на использовании вежливых фраз в процессе общения, а также их влияние на собеседника. Была подчеркнута важность мимики и вежливости.

**Ключевые слова:** вежливость, вежливые фразы, выражения лица, культура, межкультурное общение, туризм, эмоции, язык.

Nowadays in the era of globalization, a number of tourist trips is constantly increasing, international trade is developing, migration flows are rising, many international conferences attended by people of different nationalities and representatives of various cultural groups are held, international education programs are becoming steadily popular. The acute problem is the upbringing of tolerance and respect for foreign cultures, overcoming enmity due to their redundancy or simply dissimilarity. Also, the development of communication channels and a change in the forms of communication themselves endows it with completely new functions, the study and understanding of which becomes necessary for existence in modern conditions. The article expounds the notion of cross-cultural communication in tourism and considers the issue of its specificities. The s u b j e c t of the article is cross-cultural communication in tourism. The o b j e c t is cross-cultural communication as the way of interaction and information process between people. The a i m of the article is to examine the problems of the communication while travelling, to describe the importance of understanding and exchanging culture. Special attention is given to non-linguistic factors that have the most serious impact on the dialogue of cultures. Politeness is set up as a consistent part of communication. The topic is r e l e v a n t because research into the problems of cross-cultural communication is especially relevant in the sphere of tourism which is constantly growing and changing. In today's world, one of the factors that provokes globalization is the increasing number of people migrating. The growth of international tourism brings people from various cultures into contact with each other and encourages to deeply understand the specifics of cross-cultural communication. As a result, more than ever before the world is characterized by an interdependent global community.

Many linguists, psychologists and scientists who research the problems of cultures examine the term "cross-cultural communication". There are many definitions for it. Scientists agree that the concept of "intercultural communication" is composed of the concepts of "culture" and "communication". "Culture can be considered to be a general, universal for society (ethnos, nation) system of value orientations,

stereotypes of consciousness and behavior, forms of communication and organization of joint activities of people that are transmitted from generation to generation. It affects the perception, thinking, behavior of all members of society and determines their belonging to this society” [1].

Intercultural communication is characterized by the fact that when meeting representatives of different cultures, each of them acts in accordance with their cultural norms. The classical definition is provided by researchers E.M. Vereshchagin and V.G. Kostomarova in their work “Language and Culture”, where “intercultural communication is understood as an adequate mutual understanding of two participants in a communicative act belonging to different national cultures” [2].

T. B. Frick states that “Intercultural communication is the communication of people who represent different cultures.” I. I. Khaleeva provides a similar definition: “cross-cultural communication is defined as a process of verbal and nonverbal behaviors between representatives from different cultures” [5]. This, having undertaken a study of the term and drawn on some information from numerous sources, cross-cultural communication can be viewed as a process of verbal and non-verbal communication between people from various nationalities.

Nowadays people should pay more attention to the culture of the country which language they learn to be able to function organically and successfully in the environment. It should be pointed out that language and culture are interrelated and they cannot be detached from each other. Culture is a power on how people view the world and interact in that world while learning a language is a sort of practice of intercultural communication. Tourism is one of the kinds of cross-cultural communication that can increase the level of cultural tourism. A culture perceives the other one through its own prism. Mostly the other language environment is a barrier for completely intensive communication. Moreover, tourism is a factor that contributes to the forming of cultural tolerance. It helps people to understand each other better, to perceive a personality's vision and to gain some cultural experience. The most prevalent problems are lack of foreign language



knowledge and unwillingness to join other cultures. Due to these problems, a wide range of difficulties with intercultural communication while travelling arises. One of the problems is that most tourists, especially from CIS countries do not speak the language of international communication very well. Even when a tourist does not speak good English, French or Spanish it does not interfere with cross-cultural communication if only they are eager to talk to residents. Although cross-cultural understanding will be more successful if a tourist knows the history of a chosen country and its etiquette. The fact remains that the knowledge of the language is fundamental to ensure that tourist will understand the culture in the right way with more results [4].

Every language has its standards. To learn a foreign language and to speak fluently seems to be impossible without learning the culture of the nation. Moreover, the perfect knowledge of the language does not ensure that the tourist who goes to another country will feel comfortable in the other cultural environment, even if the duration of his staying is limited. In any case, there are cultural barriers in the world.

In addition to verbal communication, there are non-linguistic factors, the so-called non verbal behavior, that have the most serious impact on the dialogue of cultures. Non verbal behavior can be determined as “communication human acts distinct from speech. Since nonverbal behavior includes every communicative human act other than speech (spoken or written), it naturally covers a wide variety and range of phenomena: “everything from facial expression and gesture to fashion and status symbol, from dance and drama to music and mine, from flow of affect to flow of traffic, form the territoriality of animals to the protocol of diplomats, form extra-sensory of violence to the rhetoric of topless dancers”[3]. While the study of verbal behavior and nonverbal has been done independently in several disciplines, the relationship between the two has not received the attention it deserves. Human communication is a wholesome fusion of both verbal and nonverbal acts. This fusion appears to have both physiological (genetic) as well as socio-cultural consequences. The fusion of verbal and nonverbal behaviors in a communicative act marks the human species distinct from other species. That is the manner in which the fusion

between verbal and nonverbal acts has taken place in humans marks the humans distinct from other species. Also, societies and cultures are exploitation of this fusion of verbal and nonverbal acts for varying contexts, pursuits and purposes. Moreover, various cognitive disorders, including language disorders, found in humans can be seen as those of differences in the degree and manner of fusing the verbal and nonverbal behaviors.

It is well recognized that the verbal and nonverbal behaviors are closely related. Socialization processes in every society insist upon mastery and exploitation of this relationship in both children and adults in their communication modes. For example, what postures, voice modulations, facial expressions, gestures, etc., that one should or should not employ in a particular context for a particular pursuit and purpose are all predetermined in cultures. Deviations from the well-set norm are allowed certain effects only. Deviations are also classified into several abnormal varieties. In essence, what makes communication essentially human is the intrinsic binding within all such communication between verbal and nonverbal facets [7].

Psychologists found out that “from 60 to 80% of communication is carried out through non-verbal means of expression in the process of human interaction, and only 20-40% of the information is transmitted using verbal means” [3]. The way a tourist looks; his appearance, the tone of voice, manners and the way he speaks, while being abroad, while travelling also matter. This particularly applies to the citizens of the former Soviet Union countries. The reason relates to monotony and flat intonations in the Ukrainian and Russian languages. “Scientists consider that there is a great distinction between Ukrainian/Russian intonation and English. Languages tone sounds completely different. Due to some differences in the phonological systems, it is relatively difficult for Russians and Ukrainians to acquire native-speaker-like standards of pronunciation and intonation. Like many other learners of English, Russian and Ukrainian learners find it troublesome and difficult to produce some sounds accurately. Russian and Ukrainian have variable stress patterns compare to English. However, Russian and Ukrainian learners may give undue prominence to words that English

native speakers would swallow and. they may ask questions with falling instead of rising intonation, which does not sound polite to English native speakers” [8].

Moreover, the truth is that our nation has got used to communicating without showing any emotions. That is the reason why, for instance, most native English speakers may feel uncomfortable with a Russian or Ukrainian speaker who, as they think, does not care about the intonation and polite constructions in the same company. To avoid misunderstanding it would be better if every learner could adopt a holistic approach to their studies. One of the most important things is not only to say grammatically correct sentences, but more than this is to sound properly and tolerant. Some constraints are possible even with just saying yes or no. Namely, usually foreigners, in this case speaking about the Americans, do not reply separately yes/no. It sounds too brief. At least we should add “please” and “thank you”. Without these words, our speech will be too short and rude.

We cannot underestimate the impact of smiling because foreigners mostly start communicating with great ease. People, who did not get used to that open-mindedness, get destabilized. They might be scared just hearing usual things like compliments about a beautiful dress or shoes or hair. Another thing is the small talk that is necessary for maintaining contact. The problem is most people for whom English is the second language are afraid of small talk. The reasons are different, lack of English-speaking practice, not sure in knowledge. Fear of misunderstanding, not knowing what talking about. The solution to this problem is learning phrases that help in making conversation.

It is essential to acquire skills to thank for compliments, exchange a few words while buying coffee or doing shopping abroad. It creates a comfortable environment.

Every English learner always can choose the way they would like to speak. The first one either to sound weird for yourself but normal for an interlocutor or good for yourself but inadequate for others. It is just necessary to switch between languages and the discomfort will disappear.

To conclude, language and culture are interrelated. Language cannot be detached from the culture. Consequently, culture is a powerful force that helps to interact in the world. Tourism is a factor that forms cultural tolerance. It contributes to understanding each other better, personality's vision, cultural experience. Intercultural communication can increase the level of cultural tourism. Every English learner can always choose the way he would like to speak, having mastered certain patterns.

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**LA E-RESIDENCY ET START-UP VISA  
EN ESTONIE EN TANT QU'ÉLÉMENTS  
DE LA STRATÉGIE DE MARQUE D'UN PAYS**

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**Kushnir A. O., Dudka L. A. La e-Residency et start-up visa en Estonie en tant qu'éléments de la stratégie de marque d'un pays.** L'article traite des principales dispositions et principes du programme de résidence électronique et du start-up visa de l'Estonie dans le cadre de la nouvelle image de marque du pays. Une attention particulière est accordée aux caractéristiques de la mise en œuvre de ces programmes et à leur rôle dans le développement de l'information et de la communication du pays.

**Mots-clés:** e-résidence, e-gouvernement, rebranding, start-up visa, ICT.

**Кушнір А. О., Дудка Л. А. Е-резиденція і старт-ап віза Естонії як елементи брендингу країни.** У статті розглядаються основні положення і принципи програми е-резиденції і старт-ап візи Естонії в рамках ребрендингу країни. Увага приділяється особливостям реалізації цих програм і їх ролі в інформаційно-комунікаційному розвитку країни.

**Ключові слова:** е-резиденція, електронний уряд, ребрендинг, старт-ап віза, ІКТ.

**Кушнір А. О., Дудка Л. А. Е-резиденция и старт-ап виза Эстонии как элементы брендинга страны.** В статье рассматриваются основные положения и принципы программы е-резиденции и старт-ап визы Эстонии в рамках ребрендинга страны. Внимание уделяется особенностям реализации этих программ и их роли в информационно-коммуникационном развитии страны.

**Ключевые слова:** е-резиденция, электронное правительство, ребрендинг, старт-ап виза, ИКТ.

L'objet de cet article est la République d'Estonie. Le sujet de l'article est le gouvernement électronique de l'Estonie, le programme de résidence électronique du pays et le programme Startup Estonia, leurs composants, leurs principales dispositions et leurs réalisations.

L'histoire de la gouvernance électronique en Estonie est célébrée dans le monde entier comme un exemple à suivre. Le renouvellement numérique du contrat social. Décideurs et entrepreneurs numériques jalousement regarder la petite Baltique et expliquer souvent la qualité et

la qualité du pays acceptation des services électroniques avec son point de départ historique unique [8]. Mais il y a quelques années, l'Estonie a fait un grand pas en avant en introduisant un programme absolument unique dans le système de gouvernement électronique.

En 2014, l'Estonie a lancé un système de résidence électronique permettant aux étrangers non-résidents d'obtenir une carte d'identité numérique estonienne. La carte numérique permet aux utilisateurs d'accéder à une série de services numériques, tels que leur permettre de créer et d'utiliser des signatures électroniques, de créer et de gérer des entreprises, d'effectuer des opérations bancaires en ligne, etc. La procédure d'obtention de la carte est assez simple. Outre la fourniture de plusieurs éléments standard tels que le formulaire de demande, l'identification nationale et la photo personnelle, les demandeurs doivent payer une taxe (50 € en 2014) et soumettre une explication écrite "concernant l'intention d'utiliser l'identification numérique et les circonstances de son utilisation" [3]. Si accordée, la carte numérique sera émise dans les 15 jours.

L'Estonie s'est transformée en e-Estonie en un exemple de "marque nationale": l'idée selon laquelle les nations, pour leur survie et leur sentiment d'appartenance, devraient utiliser les principes capitalistes du marketing international pour promouvoir le pays une marque [2]. Le préfixe «e» est censé signifier un pays numériquement innovant et avancé, et le «même» du «codage de première année» est devenu un élément important de ce projet, car il soutenait non seulement la prétention du pays à l'excellence numérique, mais également a aidé ses citoyens à comprendre cette nouvelle image de leur pays sous le nom de "e-Estonie".

Cet effort a été entrepris face à plusieurs tendances négatives: taux d'émigration élevé, faible intérêt des jeunes pour la formation aux ICT dans les universités et tendance alarmante à l'abandon de ces programmes, pour ne citer que quelques exemples. Cependant, l'Estonie a également bénéficié de certains avantages qui émergent ironiquement de son passé de république soviétique, en dépit de son attitude officielle actuelle de «legs zéro» de son passé soviétique [6]. La marque d'e-Estonie et l'initiative éducative «Programmation de

tigres» sont devenus plausibles dans le contexte général d'une techno-modernité préexistante qui met l'accent sur la pensée tournée vers l'avenir, la conviction du pouvoir de la technologie et son rôle pour faire du monde un lieu sûr, plus prospère et plus démocratique.

Le développement technologique dans le domaine de l'information et de la communication (ICT) a créé de nouvelles opportunités et de nouveaux défis pour les façons dont les citoyens pratiquent et expérimentent la citoyenneté démocratique. Les inquiétudes concernant la qualité de la citoyenneté dans les démocraties contemporaines sont nourries par la perception de la crise des institutions démocratiques traditionnelles, comme en témoignent le faible taux de participation électorale, la diminution de la participation publique à la vie civique et politique et le cynisme envers les institutions politiques [3]. Dans ce contexte, les TIC suscitent l'espoir de redynamiser la citoyenneté et les institutions démocratiques.

Le gouvernement estonien a clairement indiqué que la résidence électronique n'était pas destinée à se substituer ni à conduire à la citoyenneté. L'identité numérique n'accorde pas non plus le droit de résidence en Estonie. Cependant, la conception et la structure délicate du système, qui rapproche la résidence électronique de la citoyenneté, présentent plusieurs caractéristiques. Premièrement, le statut de résidence électronique a pour objectif de permettre aux personnes de "participer à l'administration publique et privée de l'Estonie". Ou bien la participation est une dimension importante de la citoyenneté démocratique, une dimension qui peut déclencher des revendications normatives d'inclusion. Deuxièmement, l'une des conditions à remplir pour obtenir le statut de résidence électronique est que la personne «ait des liens avec le pays d'Estonie ou un intérêt raisonnable à utiliser des services électroniques publics en Estonie» [3]. La formulation de «liens avec le pays» est particulièrement proche de la formule «lien authentique», qui est souvent utilisée pour désigner la citoyenneté. Troisièmement, en insistant sur le fait d'attirer les entreprises dans le but de stimuler le développement économique du pays, le système apporte un élément de contribution au bien commun. Ou encore, la citoyenneté

moderne reposait sur les «contributions des hommes ordinaires» [4] par le travail, les impôts, le service militaire, etc. Si les résidents électroniques sont considérés comme des contributeurs à la société estonienne, ils peuvent également être considérés comme ayant un intérêt pertinent la société et ainsi devenir membre à part entière.

La justification politique de la carte de résidence électronique estonienne est économique. L'accent est mis sur l'encouragement de l'entrepreneuriat et l'attraction des entreprises en supprimant les obstacles administratifs et en contournant les réglementations en matière de migration. En cherchant à attirer 10 millions d'e-Estonsiens d'ici à 2025 dans un pays de 1,3 million de citoyens, le gouvernement cherche à renforcer la compétitivité de l'Estonie sur le marché mondial [5]. Cela s'ajoute à d'autres mesures favorables aux entreprises estoniennes, telles que le réinvestissement libre d'impôt pour réinvestir dans les bénéficiaires et la promotion des services numériques.

Le programme «Startup Estonia» est une autre direction du développement de l'Estonie sur la scène mondiale. Startup Estonia (SUE) est une initiative gouvernementale gérée par le Fonds de développement estonien (FED) et financée par le Fonds régional européen. Le programme SUE a pour objectif de stimuler le développement de l'écosystème des start-up estoniennes et de lancer ainsi différentes activités de formation pour soutenir l'émergence et le développement d'entreprises en phase de démarrage, ainsi que pour améliorer leur accessibilité à l'argent intelligent. SUE souhaite augmenter le nombre de startups en Estonie de 350 à 1000 d'ici 2020.

La Startup Estonia, s'appuyant sur les contributions du Global Entrepreneurship Monitor (GEM), du Global Entrepreneurship Development Index (GED) et de divers experts internationaux, est parvenue à deux conclusions principales [9]:

- Les entrepreneurs en démarrage luttent pour que la valeur de la société dépasse 1 million d'euros. Le manque d'expérience est la principale raison pour laquelle nous avons atteint le plafond de verre.
- La phase d'idéation est bien couverte par un grand nombre d'initiatives, mais l'écosystème manque de programmes centrés sur la constitution d'équipes et le développement de l'idée.



Afin de réduire ces goulots d'étranglement, différentes initiatives seront lancées dans le cadre du programme Startup Estonia. En substance, ils peuvent être divisés en 2 groupes: les programmes de formation contribuant à la constitution d'équipes fortes et au lancement de nouvelles entreprises; deuxièmement, des activités visant à aider les startups à se développer et à se préparer à attirer des investissements pour les financer. Toutes les initiatives suivent un ordre particulier – équipe initiale – développement d'équipe avec développement de produit et de client – conception de l'entreprise – préparation à l'investissement.

Au total, le programme de visa de démarrage a reçu 1 108 demandes. «En 2017, nous avons 167 employés et 107 fondateurs transférés en Estonie, puis en 2018, les chiffres étaient nettement plus élevés – 483 employés et 174 fondateurs, ce qui signifie que nous avons enregistré une croissance de 236% en un an», selon l'organisation [7].

L'éventail d'applications est très large, mais il y a des domaines où la quantité d'applications dépasse d'autres. Les industries les plus populaires sont la fintech, les logiciels d'entreprise / services en tant que services, les technologies médicales, les biens de consommation et l'hôtellerie. Les secteurs de l'agritech, des technologies de l'information et de l'énergie sont les succès probables de 2019.

*La Conclusion.* L'Estonie se positionne donc consciemment comme un «État électronique» et se développe avec confiance dans le domaine des technologies Internet. La prochaine étape sur cette voie a donc été la décision des Estoniens de donner la possibilité de profiter des avantages d'une société numérique, non seulement pour leurs résidents, mais également pour les étrangers. En 2014, l'Estonie a annoncé qu'elle mettait en place un programme de résidence numérique (virtuel) (e-Residence), rapidement baptisé «citoyenneté électronique estonienne». Dans le même temps, le programme Startup Estonia permet d'attirer des capitaux, des investissements et des innovations dans le pays. Grâce à cela, le climat des affaires du pays est florissant, ce qui permet à la petite Estonie d'attirer l'attention du monde entier.

L'Estonie est un exemple frappant de la manière dont, ne disposant pas de conditions climatiques et géographiques propices à

la production, peut devenir un leader sur la scène mondiale en utilisant les innovations en matière de ICT.

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**DEVELOPING  
OF THE FAVOURABLE CONDITIONS  
FOR INNOVATION GROWTH  
OF UKRAINIAN ECONOMY BASED  
ON THE FOREIGN EXPERIENCE**

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**Kuvichko A. S., Skrypnyk T. I. Developing of the favourable conditions for innovation growth of Ukrainian economy based on the foreign experience.** The article identifies the friction points of creating the innovative economy. The main directions of the favourable conditions for innovation growth of Ukrainian economy are considered. The main points of innovation growth are identified and the possible ways of its solvation are formed.

**Keywords:** innovations, innovative development, competitive advantages, economic growth.

**Кувічко А. С., Скрипник Т. І. Формування сприятливих умов для інноваційного розвитку української економіки на основі зарубіжного досвіду.** Стаття висвітлює проблеми формування інноваційної економіки. Було виявлено основні напрями формування сприятливого середовища для інноваційного розвитку економіки України. Визначені головні проблеми інноваційного розвитку та сформовані варіанти їх вирішення.

**Ключові слова:** інновації, інноваційний розвиток, конкурентні переваги, економічне зростання.

**Кувичко А. С., Скрыпник Т. И. Формирование благоприятных условий для инновационного развития украинской экономики на основе зарубежного опыта.** Статья отражает проблемы формирования инновационной экономики. Были выявлены основные направления формирования благоприятной среды для инновационного развития экономики Украины. Определены главные проблемы инновационного развития и сформированы варианты их решения.

**Ключевые слова:** инновации, инновационное развитие, конкурентные преимущества, экономический рост.

The object of the article is the process of stimulating of Ukrainian innovation activity The subject is the information about development of innovative activity in Ukraine and some

foreign countries. The relevance : the current state of the national innovation system of Ukraine allows us to come to a conclusion on the lack of mechanisms for “launching” an innovation model which is adequate to the current state of the economy and global challenges of the world.

In the modern context of market relations development and increasing competition the role of innovative development is growing, in particular for the development of the country and successful financial and economic activity of enterprises. Innovative development involves the use of technologies and creation of fundamentally new products. Innovations are essential component in providing successful, long-term and sustainable functioning of the enterprise and effective competitive strategy.

The revitalization of innovative activity at all levels is relevant for the Ukrainian economy, because only an innovative development path will ensure the competitiveness of products and enterprises due to constant updating of technologies and equipment, expansion of markets, effective use of scientific and technological capacity and stimulation of its growth.

In considering this problem the first point to be analysed is economic factor, which primarily means the lack of funding. Thus, in 2018, R&D funding was only 0.62% of GDP, and this is many times lower than in developed countries (1.7% in Canada and 4.7% in South Korea) (table 1). The cost of innovation is lower only in such countries as Macedonia, Latvia, Romania, Cyprus and Malta (from 0.43% to 0.61%). Consequently, the absolute funding ratio is dramatically reduced too, and if there is not enough money, then there is not enough investment. The material and technical basis of research organizations and business entities also do not meet today's requirements. [2, p. 286]

*Table 1***Domestic R&D costs in some countries (2018)**

Country	GDP share, %	Overall, \$ billion.
UK	1,9	28,2
Germany	2,4	48,3
Canada	1,7	13,8
USA	2,7	252,2
Japan	3,2	94,7
South Korea	4,7	71,4
Ukraine	0,62	0,55

Also, it should be mentioned that insufficient attention is paid to social factor in Ukraine. The formation of an innovative economy in Ukraine is taking place if there is a contradiction between the objective patterns of social development (regarding the need for the intellectualization of society) and the conditions for its development and implementation. Hence, that determines the ideology of creation the economic motivation system, the components of this system and the interconnections between them. [4, p. 24] In the transition to the trend of "knowledge society", "knowledge economy", "information civilization", "innovation modernization", creative class may be considered as the main generator of innovation, as the subject of capital reproduction and as a social group, on which the global competitiveness of the state depends. In the context of post-industrial development, it is the national creative class that is the main generator and source of innovation, and it creates the symbolic capital of the nation. In a situation where it is depressed, scattered, marginalized, innovation has to be exported from the outside, and that can only be the characteristic of undeveloped countries.

The third factor is the legislative one. The current tax system doesn't stimulate innovation and investment activities, there is no system of preferential lending to developers and distributors of innovations, there is insufficient state insurance and guarantees for foreign and domestic investors, as well as support for domestic

producers. For example, raw wood, aluminum raw materials are exported from Ukraine. Instead, furniture and aluminum products are imported from abroad, and that causes damage to Ukrainian manufacturers of similar products and reduces the job opportunities. [2, p. 287]

In solving the existing problems in the innovation sector of the Ukrainian economy, the most appropriate way is to rely on the experience of foreign countries. Regarding the economic component, the lack of sufficient funds for full-scale innovation today should be taken into account. Therefore, it is necessary to develop industries and types of production that do not require large investments. An example is the success of the South Asian countries, the so-called "Asian tigers", which originally developed the production of simple devices from foreign components. Such elements mostly can be produced in Ukraine, so instrumentation and service industries can be one of the priority areas in Ukraine.

As for the financial support for innovation activities, a mutually agreed system of instruments and mechanisms should be established. Various funds are being created for the financial support of science and innovation in developed countries. It can be state, cooperative, corporate, university, scientific, charitable, venture funds, etc.. In particular, this trend was observed in the USA, Japan, Great Britain, Germany, as well as in the countries of Eastern Europe. In Western countries there are extra-budgetary funds, which are successfully operating and divided into state funds and funds of large scientific societies. [5]

With regard to the social component, it is primarily related to the employees, their professional level, their motivation for high-performance work. During the introduction of innovation the increase in automation and mechanization level leads to labor decrease. However, an increase in national income will require an increase in production capacity, which is currently relevant for Ukraine, and that increases the need of labor. Encouraging developers is also an important part of implementing innovation. In foreign practice is used the system of balanced indicators.

Stimulation based on it includes four components: financial, client, internal business processes, training and development. This approach provides a comprehensive assessment of the activities of company employees.

Within the legislative component the state goal is to create an appropriate institutional field, to adopt legislations and suitable tax system for entrepreneurship development. For example, in the US, a number of cutting-edge innovations have not been taxed for 7 years. State support is needed first of all for the implementation of large-scale innovations, which do not give immediate effect but have forward-looking scientific and technical significance. For example, the US and Japan had fully state-funded work on the creation of fifth generation computing machines. The task of the state is to provide insurance against risks of innovative activity, guarantees of foreign capital safety, that would reduce the outflow of foreign investors.

Analyzing experience of the leaders in innovative development, there should be noted the key aspects that could be used in the construction of Ukraine's innovation policy. Korean experience shows that it is necessary to accelerate development of the domestic market and facilitate development of small businesses. Two lessons we can learn from experience of South Korea. Firstly, is that human resources are key to the country's scientific and technological development and economic growth. And secondly, is that nothing can better motivate private businesses to invest in technological development than a real market economy, but not the dominance of oligarchs. [1]. Germany's key innovation drivers include a harmonized government innovation policy, comfortable R&D facilities, that provided and supported by its extensive innovation infrastructure and powerful technical support, high R&D costs, free education, etc. These features of German innovation development can be easily applied in Ukraine, that would allow to found the innovation activity. Sweden has a high level of innovations in the national economy, which is the result of focused management actions that provide the basis of the innovation system, because of close integration between science development, high levels of staff training and future specialists in educational institutions, business and

investment willingness to maintain innovation. Integration processes will have a positive impact on the Ukrainian innovation climate, as they will provide the market with influential and efficient resources. [3, 117]

**Conclusion:** The modern institutional structure of the domestic industrial complex does not correspond to the world tendencies of competition and globalization and is far behind foreign countries in terms of the overall level of innovation activity. The cause of this problem has been formed historically and increased due to serious political instability. In order to overcome the negative trends in innovative development of the country, it is necessary to analyze the current innovative state of successful countries and their development background, and try to apply foreign experience taking into account the features of the national economy

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**ANALYSIS OF INTERNATIONAL  
AND NATIONAL BUDGET  
AIR TRANSPORTATION**

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**Kuydina K. A., Startseva N. M. Analysis of international and national budget air transportation.** This article is devoted to the description of business models of low-cost airlines as well as the specific of their activity. The special features of such airlines are given, their types and geography of air transportation. The international market of low cost airlines is getting so much stronger that it is challenging the other types of transport, in particular its rival – rail transport. Budget airlines offer a fundamentally new business model, the basic principle of which is low cost – low fare, it provides a lower cost per passenger seat and more revenue per employee. Low cost airlines offer low prices for flights in exchange for the abandonment of most traditional passenger services.

**Keywords:** air transportation, budget airline, business model, low cost, low fare, revenue, special features, traditional passenger services.

**Куйдіна К. О., Старцева Н. М. Аналіз міжнародного і національного ринку бюджетних авіаперевезень.** Ця стаття присвячена опису бізнес-моделей авіакомпаній лоу-костерів, а також специфіці їх діяльності. Наведено особливості таких авіакомпаній, їх види та географію повітряних перевезень. Міжнародний ринок авіакомпаній лоу-костерів стає настільки сильнішим, що він кидає виклик іншим видам транспорту, зокрема його конкуренту – залізничному транспорту. Бюджетні авіакомпанії пропонують принципово нову бізнес-модель, основний принцип якої – низька собівартість – низька вартість проїзду, вона забезпечує менші витрати на пасажиро-місце та більший дохід на одного працівника. Авіакомпанії лоу-костери пропонують низькі ціни на рейси в обмін на відмову від традиційних пасажирських послуг.

**Ключові слова:** авіаперевезення, бізнес-модель, бюджетна авіакомпанія, дохід, низька вартість проїзду, низька собівартість, особливості, традиційні послуги для пасажирів

**Куйдіна Е. А., Старцева Н. Н. Анализ международного и национального рынка бюджетных авиаперевозок.** Эта статья посвящена описанию бизнес-моделей авиакомпаний лоу-костеров, а также специфике их деятельности. Приведены особенности таких авиакомпаний, их виды и география воздушных перевозок. Международный рынок авиакомпаний лоу-

костеров становится настолько сильным, что он бросает вызов другим видам транспорта, в частности его конкуренту – железнодорожному транспорту. Бюджетные авиакомпании предлагают принципиально новую бизнес-модель, основной принцип которой – низкая себестоимость – низкая стоимость проезда, она обеспечивает меньшие затраты на пассажиро-место и больший доход на одного работника. Авиакомпании лоу-костеры предлагают низкие цены на рейсы в обмен на отказ от традиционных услуг для пассажиров.

**Ключевые слова:** авиaperевозки, бизнес-модель, бюджетная авиакомпания, доход, низкая себестоимость, низкая стоимость проезда, особенности, традиционные услуги для пассажиров.

The o b j e c t of the article is a process of low-cost airlines development, analysis of leading companies and the demand for them on world market. The s u b j e c t of the article is epy development of the low-cost airlines and their future prospects. The *purpose* of the article is highlighting the special features of the activities of airline discounters, familiarization with their types and geography of air transportation.

Today international market of low cost airlines is developing rather rapidly and dynamically. It has strengthened so much that openly challenges not only the airlines, but also the other types of transport; in particular, it is a competitive rival of rail transport.

Budget airlines have made a real revolution in the travel industry by offering a fundamentally new business model that has made it possible to travel to millions of people at extremely low prices compared to the prices of traditional carriers. The basic principle of such airline: low cost – low fare, which provides a lower cost per passenger seat and more revenue per employee. Low cost airlines offer low prices for flights in exchange for the abandonment of most traditional passenger services.

The specificity of the low-cost airlines business model is as follows:

1. Direct sale of tickets:

a) emphasis on direct ticket sales, especially through the Internet in order to avoid the payment of commissions to agents and reservation systems, as well as the cost of the ticket offices.

2. Simple fares and easy directions:

a) a simple payment scheme for air transportation, the use of one form for travel in both directions, refusal from paper tickets and transfer to electronic tickets;

b) an increase of the ticket price as the aircraft fills up for the purpose of encouraging the early booking;

c) simple routes – direct flights between airports without intermediate landings;

d) the fare is advertised, not the final price of the ticket – the ticket price may not include airport charges, taxes, fuel surcharges, etc.;

3. Avoiding costs for optional luxury items and reducing the role of special services:

a) reducing the range of services provided to passengers on board on airplane;

b) increasing the age of children, from which the child can fly independently, which reduces the cost for this category of passengers;

c) departure early in the morning or late in the evening in order to avoid possible expenses due to airspace, as well as to save on lower airport charges;

d) one passenger class;

4. Using fewer staff:

a) the staff performs several functions, for example, stewards, in addition to direct duties, also register passengers on a flight and are engaged in cleaning the cabin;

5. Efficient use of aircraft fleets:

a) execution during a day of many flights by one plane and as a result – fast turnover of airplanes at airports;

b) one type of aircraft which reduces the cost of training and maintenance of equipment;

c) the use of airplanes with a minimum permissible distance between rows of seats (29 inches), the rejection of folding chairs and headrests. [1]

<i>Cost category</i>	<i>Low-cost advantage (%)</i>
Total operating expenses	— 28%
Crew	— 30%
Petrol	— 3 %
Maintenance and Repair	— 45%
Fees	— 3 %
Passenger service	— 100%
Marketing and sales	— 69%
Parking space rental	— 94%

Figure 1. Cost advantages of low-cost carriers (per seat-kilometer) [7]

Today, under the influence of competition, this business model has received a number of modifications that can be reduced to the following types of budget airlines:

- Classic low-cost – is a classic business model of low-cost airlines, which involves a concentration of efforts to reduce costs by all possible means ( the term "no frills " is often used to describe them). These airlines offer the lowest rates or airfare prices. An example of airlines that are using the classic model is Southwest (USA), Ryanair (Ireland), AirAsia (Malaysia), Sky Express (Russian Federation).
- Low-cost excesses (the term "less frills" is used for them) – these airlines can offer transit flights, free drinks and meals on board. They can fly to major airports in order to attract a more demanding and cash-based category of customers. Examples of such airlines can be Frontier Airlines (USA), EasyJet (WB), Air Berlin (Germany).
- Super low-cost – such airlines with a minimum of service offer passengers a high level of comfort in flight (even higher than that of traditional carriers). Examples: WestJet Airlines (Canada), JetBlue Airways (USA).

- Business low-cost – they offer cheap flights in a business class, usually on long distances (Europe-USA, Europe-Asia, Asia-USA).
- Long-distance low-cost airlines – these airlines focus on popular intercontinental routes, offering low fares, a minimum of free services, and one type of aircraft. Mostly it is Australia and Southeast Asia, such as Jetstar Airways (Australia), AirAsia X (Malaysia) and Oasis Hong Kong Airlines. [2]

According to the magazine "Airline Business" (May, 2012), the TOP-10 of budget airlines looks like this (Figure 1). [3]:

Regarding the geography of transportation, most of the budget airlines focus their activities on domestic traffic in the country of landing, transportation to neighboring countries, transportation within the continent or transportation in the most popular destinations.

№ п/п	Airline	Country	Number of passengers (million)	Passenger turnover, million pass / km	Number of planes
1.	Southwest Airlines	USA	135.3	167 154	698
2.	Ryanair	Ireland	76.0		293
3.	EasyJet	United Kingdom	54.5	61 347	204
4.	Gol	Brazil	36.2	33 266	101
5.	Air Berlin	Germany	35.3	52 140	124
6.	JetBlue Airways	USA	26.4	49 403	172
7.	Lion Airlines	Indonesia	25.9		75
8.	AirAsia	Malaysia	18.0	21 307	57
9.	WestJet Airlines	Canada	16.0	27 183	98
10.	Norwegian	Norway	15.7		

Figure 2. The TOP-10 of budget airlines looks like this [3]

In Europe, the development of low-cost carriers (LCC) contributes to a number of factors: deregulation of airspace, small distances and a large number of airports. Among European budget airlines should be noted the following ones: Ryanair (Ireland) – Europe's largest budget airline which operates flights across Europe, Feel Air (Norway) – provides long-distance flights from Oslo and Stockholm, Wizz Air (Hungary) – the largest budget airline in Eastern Europe, TUIfly (Germany) which makes its flights from Germany to resort destinations, Pegasus Airlines (Turkey) – flies from Europe to Turkey. [4]

Southwest Airlines (USA) is the oldest and largest low-cost airline in the world. It is also the world champion in flight safety – over 40 years of work and 18 million flights without airplane crash.

Asian Civil Aviation shows the most dynamic growth rates and the lowest airfares in the world. Quite often the low price leads to a decrease in quality but among the Asian low-cost airlines there are well-known world leaders such as AirAsia (Malaysia) and Lion Airlines (Indonesia).

One of the safest airlines in the world are discounters of Australia. Because of the low population of the continent and the underdevelopment of the route network, there is a rather small number of airlines. In Australia, domestic flights and flights to Asia are provided by budget Australian Airlines and Jetstar Airways. [5]

Africa is still the most backward region in the world in the field of civil aviation, but with a low density of air traffic, there is a very large number of air crashes.

As for Ukraine, in 2008 the first low cost airline Wizz Air Ukraine, which is the Ukrainian division of the largest low-cost airline in Eastern Europe Wizz Air began to carry out its flights. Regarding the fleet of aircraft, discount airlines use a series of Airbus aircraft (A320, A330, A340) and Boeing (717, 737, 747, 767). It all depends on the history of the airline's development: some from the beginning were ordinary airlines and then switched to a model of

low-cost, while others from the beginning being budget decided to develop either long-distance or regional transportation directions. [6]

Today, low-cost has become the preferred means of travel for a third of the world's passengers. The consultant OAG estimates that this year more than 50 percent of travelers from 10 European countries are already choosing low-cost airlines. [8]

It is estimated that in 2027 – that is, within ten years – half of the nearly 7 billion flights globally will be of this type. With the growth in passenger traffic set to increase consistently over the next ten years and the demand for cheaper, no frills flying to a wider choice of locations, the future for LCC's looks bright and set to play an ever more important role in the aviation industry.

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## THE ROLE OF «SOFT POWER» IN FOREIGN POLICY OF GREAT BRITAIN

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**Kuzmenko A. S., Pravnik Iu. O. The role of «soft power» in foreign policy of Great Britain.** The work is devoted to the analysis of «soft power» role in foreign policy of Great Britain. The essence of «soft power» as an object of international political relations was defined. . The main directions of «soft power» in the country's foreign policy were analyzed. The problems and prospects of maintaining «soft power» in the country's foreign policy were identified.

**Keywords:** foreign policy, globalization, Great Britain, international relations, public diplomacy, «soft power».

**Кузьменко А. С., Правник Ю. О. Роль «м'якої сили» у зовнішній політиці Великої Британії.** Робота присвячена аналізу ролі «м'якої сили» у зовнішній політиці Великої Британії. Визначено сутність «м'якої сили» як об'єкту міжнародно-політичних відносин. Проаналізовано основні напрями «м'якої сили» у зовнішній політиці країни. Виявлено проблеми та перспективи ведення «м'якої сили» у зовнішній політиці країни.

**Ключові слова:** Велика Британія, глобалізація, зовнішня політика, міжнародні відносини, «м'яка сила», публічна дипломатія.

**Кузьменко А. С., Правник Ю. О. Роль «мягкой силы» во внешней политике Великобритании.** Работа посвящена анализу роли «мягкой силы» во внешней политике Великобритании. Определена сущность «мягкой силы» как объекта международно-политических отношений. Проанализированы основные направления «мягкой силы» во внешней политике страны. Выявлены проблемы и перспективы ведения «мягкой силы» во внешней политике страны.

**Ключевые слова:** Великобритания, внешняя политика, глобализация, международные отношения, «мягкая сила», публичная дипломатия.

The o b j e c t of the article is foreign policy of Great Britain. The s u b j e c t is «soft power» as an instrument of foreign policy in Great Britain. The p u r p o s e of the article is to comprehensively examine the specificities of the functioning of a system known as the «soft power» potential in UK foreign policy. The r e l e v a n c e of the topic is due to the theoretical and practical significance of the

growing role of «soft power» and cultural and communication tools in influencing the current system of international relations. Countries that actively use «soft power» in foreign policy include the United Kingdom, which is one of the leaders in the effective use of «soft power» because of the uniqueness of its historical experience and the specifics of contemporary foreign policy. Therefore, there is a need to study in detail the components of the UK's «soft power» and tools for indirect global process management.

Any state seeks to exercise direct and indirect influence on the international environment and other states, based on its goals, interests, opportunities. The main resources of influence of the state include: financial, economic, military, political, diplomatic, demographic, structural and organizational. However, even possessing certain means and resources of influence does not mean that the state is capable of managing them effectively. One of the most effective modern tools for increasing the influence of the state is the so-called «soft power», which is characterized by the state's ability to influence the public opinion with the following resources: the depth and attractiveness of values and traditions of national culture; achievements in science and education; the ability to convince themselves of their right and win the sympathies of different segments of the public of foreign countries.

The current global rebalancing must be read as an urgent call to action for leaders, diplomats, and foreign policy makers. Without question, those charged with shaping their nation's foreign policy need to be ready for the uncertain times ahead. As countries work to make sense of the rapidly changing context and adjust strategies accordingly, the soft power resources at the disposal of governments will be a critical part of the foreign policy tools needed going forward. Those countries most adept in using soft power to facilitate positive collaboration will be better placed to weather the current uncertainty and geopolitical instability, and ultimately shape global events.

Power in international relations has traditionally been defined and assessed in easily quantifiable «hard» terms, often understood in

the context of military and economic might. Hard power is deployed in the form of coercion: using force, the threat of force, economic sanctions, or inducements of payment. In contrast to the coercive nature of hard power, soft power describes the use of positive attraction and persuasion to achieve foreign policy objectives. Soft power shuns the traditional foreign policy tools of carrot and stick, seeking instead to achieve influence by building networks, communicating compelling narratives, establishing international rules, and drawing on the resources that make a country naturally attractive to the world [1].

The concept of «soft power» turned out to be in demand not only in their native country author of the term, American political scientist J. Nye, but also in many states of the world. By «soft power» J. Nye himself means power based on the attractiveness of national culture, values and foreign policy, and contrasts it with «hard power» based on coercion or bribery. He believes that in the modern world not only the military and economic capabilities of the state are playing an important role, but also «the ability to convince others to desire what you want».

Great Britain is often mentioned by researchers and experts as one of the most successful states in the world in this area. According to Prime Minister David Cameron, his country is a «superpower» in terms of «soft power». Indeed, in the numerous international rankings of «soft power» and «country brands», the United Kingdom has always been a leader. The term «soft power» is present in the political discourse of the country and is used in official documents.

The key areas for implementing this policy are:

1. English;
2. Education;
3. Science and innovation;
4. Culture and art;
5. Sports;
6. International development;
7. Foreign Policy and Defense;
8. Media.

The influence of British culture and sports are widespread, particularly notable during the British Invasion, Cool Britannia, and more recently the Diamond Jubilee and 2012 Summer Olympics. The opening and closing ceremonies celebrated British culture and achievements with the world. London was the first city to host the modern Olympics three times. British media is broadcast internationally, notably the BBC World Service, BBC World News and The Economist magazine. British film and literature have international appeal, and British theatre helps make London one of the most visited cities in the world. Schools and universities in Britain are popular destinations for students of other nations [2].

Alongside the English language, English contract law is the most important and most used contract law in international business. London is the headquarters for four of the world's six largest law firms. The UK and more specifically London is a centre of international finance where foreign participants in financial markets come to deal with one another. It is headquarters for major international corporations, many of which choose to be listed on the London Stock Exchange.

English is a language of international communication, it is widespread throughout the world, and it is one of the most prominent in everyday life phenomena that directly relate to the British «soft power». About 1.75 billion people speak English (more than 300 million English are native speakers and 600 million people speak second language) – a quarter of the world's population. People who have learned English as a foreign language far outnumber their native speakers. It provides the UK with a competitive edge in the fields of culture, diplomacy, journalism, science and technology, and is also a soft power tool. America, Australia, Canada, Jamaica, New Zealand and all anglophone speakers who consider their mother tongue to have the same benefit.

British education is one of the most important resources of national «soft power», recognized both at home and abroad. This resource has been accumulating over a long period of time: yes, Oxford

and Cambridge Universities were founded in the 13th century, and today they are in the top ten universities in the world [3].

Projects of the British Council in the field of science include the organization of various exhibitions, seminars, public lectures of scientists, providing financial support for scientific events and others. For example, the council has co-organized the Science Festival in Athens (Greece) for several years and holds scientific symposia with scientists from the United Kingdom and the Middle East.

The United Kingdom is actively engaging members of the royal family to tackle important foreign policy challenges. The Queen herself has not been traveling outside the country since 2015: she then visited Germany on a state visit. Abroad it is represented by children, grandchildren and cousins. Solemn events are an important element of soft power [3].

The good relations of the royal family of Great Britain with the European royal families, their popularity, as well as the desire to meet as many people as possible during their visits, make it possible to successfully use them as «soft power».

The very fact of having a royal family, which is a symbol of the United Kingdom, makes the country more powerful: there are few people in the world who have never heard of the UK and the Queen, and this already gives the country certain advantages.

Having no official political authority, members of the royal family, in addition to charity, very successfully popularize Britain abroad and are a necessary element of the state machinery of the kingdom. Their contribution to the successful application of the «soft power» policy is quite significant: from foreign visits to sales office. Proper application of the areola of their popularity can do much more for the country than certain political actions. And this is not surprising: in our time, «soft power» often becomes more convincing than the strength of a weapon [4].

An analysis of the public policy of the «soft power» of Great Britain allows us to note its inherent features:

- the desire to build on existing advantages and maximize the use of existing tools and mechanisms before creating new ones;

- the great importance attached to non-state players who are involved in the spread of «soft power» and the desire to distance oneself from the state in work in a number of areas;

- attitude to the policy of «soft power» as a strategy, not tactics, that is, an emphasis on the long-term and consistent implementation of the whole range of activities related to «soft power», and not on individual short-term projects and programs;

- the desire to use «soft power» to improve the security and welfare of UK citizens;

- the desire to use «soft power» in order to distance to a certain extent from the wide sphere of influence under the leadership of the USA and the European Union, to create a recognizable and different national image of Great Britain [5].

The significant advantages of the UK are:

- «an experienced and respected diplomatic corps in the world»;

- permanent seat of the UN Security Council;

- the only or similar approaches of the leading political parties of the kingdom to a number of key international problems;

- special in its proximity relations with the United States;

- historical ties with numerous peoples outside of North America and Europe;

- a notable influence as a global trading state.

It also focuses on the English language as a phenomenon of the modern world.

The main problems that affect or may damage a successful soft power policy are Brexit in the first place, the global humanitarian crisis, the huge flow of refugees from the Middle East and Africa, and serious criticism of the costs of international development programs can also play a negative role for «soft power». To achieve its foreign policy goals, the UK has development prospects in areas such as the dissemination of English, culture and art, sports, education, science, the media, and defense [5].

**C o n c l u s i o n.** In today's context, «soft power» is an extremely important factor in shaping the attractiveness and positive

image of any country in the world. At the same time, this direction is intended to promote comprehensively the state's openness to democratic socio-political reforms within the state and to enhance the country's participation in international organizations and world processes.

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## THE PLACE AND ROLE OF ASEAN IN THE WORLD ECONOMY

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**Kybalna D. R., Zmiyova I. V. The place and role of ASEAN in the world economy.** The article studies the history, the current state and main trends in the development of ASEAN's economic activities in the world economy system. The author analyzes the influence of the integration processes on the development of trade, attraction of foreign capital. The main problems, which should be addressed in the context of ASEAN internal and external policies, and the prospects for further development of the ASEAN block have been considered in the article.

**Keywords:** ASEAN, association, export-import operations, foreign direct investment, integration.

**Кибальна Д. Р., Зміюва І. В. Місце і роль АСЕАН в світовій економіці.** У статті розглядається історія створення, сучасний стан та основні тенденції розвитку економічної діяльності АСЕАН в системі світового господарства. Відзначено вплив інтеграційних процесів на розвиток торгівлі, залучення іноземного капіталу. Проаналізовано основні проблеми, що виникають при веденні внутрішньої та зовнішньої політики АСЕАН та визначено перспективи щодо подальшого розвитку АСЕАН.

**Ключові слова:** АСЕАН, асоціація, експортно-імпортні операції, інтеграція, прямі іноземні інвестиції.

**Кибальная Д. Р., Змиева И. В. Место и роль АСЕАН в мировой экономике.** В статье рассматривается история создания, современное положение и основные тенденции развития экономической деятельности АСЕАН в системе мирового хозяйства. Определено влияние интеграционных процессов на развитие торговли и привлечение иностранного капитала. Сделан анализ основных проблем, которые возникают при осуществлении внутренней и внешней политики АСЕАН и определены перспективы дальнейшего развития АСЕАН.

**Ключевые слова:** АСЕАН, ассоциация, АТР, интеграция, прямые иностранные инвестиции, экспортно-импортные операции.

The object of the study is the process of economic integration in the Asia-Pacific region, such as ASEAN. The subject of the study is the peculiarities of ASEAN activity in the



modern world economic processes. The purpose of the article is to analyze the economic activity and assessment of the development level of ASEAN. The actual value of the research is stipulated by the growing potential of integration processes in ensuring international economic stability in the context of globalization in the Asia-Pacific region (APR). The APR positions in the international arena are steadily growing and the economies of the countries of the region are developing dynamically. A special place in the APR belongs to ASEAN, which has an extensive decentralized governance structure, and the success of each country depends on the performance of all member countries. ASEAN is one of the most dynamic regional groups with growing economic potential and political influence on regional processes not only in the Asia-Pacific region but also around the world.

The Association of South East Asian Nations (ASEAN) was established in 1967 and consists of five countries – Singapore, Thailand, Philippines, Indonesia and Malaysia. Brunei, Vietnam, Laos, Myanmar and Cambodia joined later. At present, ASEAN is one of the largest regional organizations in the world with a territory of 4 493 516 sq km, population of 649.01 million, total GDP of \$ 2963.19 trillion, foreign trade turnover of \$ 2.6 trillion, total exports in 2018 amounted to \$ 1425.5 billion and imports – \$ 1375.3 billion [7]. The growth rate of the domestic consumption market in South-East Asia is one of the highest in the world [6].

The processes of establishing regional associations in South East Asia continued until the establishment of ASEAN. The founding document of the organization was the Bangkok Declaration [5], which outlined the main goals of its creation: to accelerate the economic development, social and cultural progress of the countries of South-East Asia; expansion of active cooperation and mutual assistance in the fields of economy, culture, science, technology and training; strengthening peace and regional stability, cooperation with other international organizations [4].

Formation of ASEAN in the mid-1960s was caused by the necessity of military and political stability in South-East Asia. Until

the mid-1970s, the political factor promoted integration in the economic sphere. The internal political stability and the absence of foreign conflicts created favorable conditions for economic development, which led to the rapid transformation of ASEAN countries into a successful and dynamically developed regional economic center [1].

The economy of ASEAN member countries exceeded 5% in 2018. According to the dynamics of ASEAN export-import operations, you can see a rather successful development of this region with small fluctuations, new sources and factors of the economic growth and favorable conditions for such growth contributed to the upswing. The main factors of increasing and stabilizing the development of the national economies of South-East Asian countries are the high demand from the industrialized countries, as well as China for commodities, which favorably affected the ratio of export and import prices in foreign trade of the countries of the region. The main foreign trade partners of ASEAN are EU countries, including Germany, the USA, India, China, Japan and South Korea. FDI inflows into the East Asian region significantly contribute to the regional economic integration. The main investors in the region are corporations of industrialized countries. Investors are attracted by factors such as cheap labor and local raw materials. A significant proportion of FDI attracted to the region comes from third countries [3].

According to the dynamics, the main investors in the ASEAN economy are EU countries, China, USA and ASEAN member countries. In general, the inflow of foreign direct investment into the region tends to increase. Manufacture, financial intermediation, services, and trade are among the priority areas for FDI investment in ASEAN.

Despite the fact that ASEAN brings together countries with different levels of economic development, ASEAN is among the three most powerful economies in the world. This is evidenced by the increase in trade and investment within the merger. This tendency is, first of all, related to the territorial proximity of countries and

belonging to one region. ASEAN's tasks involve active interaction between participants in virtually all areas of activity. The ASEAN countries subsequently succeeded in overcoming objective difficulties on the path to economic integration. For example, the same type of export structure facilitated consolidation in negotiations with Western partners, which strengthened the position of both the group itself and its individual participants.

The successful promotion of ASEAN regionalism primarily determines the consensus-based decision-making mechanism. ASEAN gives priority to collective interests over the individual interests of member states. Although many researchers say that Singapore has a strong influence on the development of ASEAN, economic issues are resolved through negotiations and the interests of all participants are taken into account. At the moment, there are many prospects for ASEAN, the achievements of which will strengthen the position of the Asia Pacific countries in the international arena, the main ones being:

- the increase of foreign investments in the region;
- the settlement of territorial disputes;
- the increase in trade volumes;
- the strengthened political cooperation between member states;
- the expansion of activity to the markets of Europe, Russia, South America.

On the way of further development, the countries – members of this group should overcome the existing contradictions, significant difference in economic potentials, find the optimal combinations of market mechanisms with the regulatory role of the state in the context of the specificity of the Asian region [2].

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**THE ROLE OF FOREIGN LANGUAGES  
IN TOURISM BUSINESS  
AND INTERNATIONAL INFORMATION**

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**Lasitsa D. A., Ponikareva A. Yu. The role of foreign languages in tourism business and international information.** The article discusses the role of foreign languages in the modern world and the need to study foreign languages during the development of tourism – the global industry. The influence and role of foreign languages in the tourism business and international information.

**Keywords:** English language, foreign languages, international information, tourism, tourism business.

**Ласиця Д. А., Понікарьова А. Ю. Роль іноземних мов у розвитку туристичного бізнесу та міжнародної інформації.** У статті розглядається роль іноземних мов у сучасному світі та необхідність вивчення іноземних мов в період розвитку туризму – світової індустрії. Вплив і роль іноземних мов у туристичному бізнесі і міжнародної інформації.

**Ключові слова:** англійська мова, іноземні мови, міжнародна інформація, туризм, туристичний бізнес.

**Ласица Д. А., Поникарёва А. Ю. Роль иностранных языков в развитии туристического бизнеса и международной информации.** В статье рассматривается роль иностранных языков в современном мире и необходимость изучения иностранных языков в период развития туризма – мировой индустрии. Влияние и роль иностранных языков в туристическом бизнесе и международной информации.

**Ключевые слова:** английский язык, иностранные языки, международная информация, туризм туристический бизнес.

The s u b j e c t of the study is foreign languages in the tourism business and international information. The p u r p o s e of this article is to study the role of foreign languages in the modern world, their impact on the tourism business and international information. The r e l e v a n c e of the research is determined by the development of the tourism business and international information and the necessity to get reliable information and news regarding national and global events.

We live in the 21st century, in the age of technology and

globalization. In the modern world there are about 250 states. Each state has its own history, language and culture. Of course, today you can count a large number of languages and dialects that are used in a particular area but also you can distinguish those languages that are considered to be international around the world. They are English, French, Russian, Arabic, Spanish, Chinese.

We understand that knowledge of a foreign language is becoming a vital necessity. People use languages for communication, expression of thoughts, feelings, emotions, for understanding each other. At present, knowledge of foreign languages is critically necessary, as it gives the opportunity to read foreign literature, communicate with representatives of other countries, get acquainted with their culture, economy, science and technology.

In modern human life there are a lot of professions where it is impossible to do without knowledge of foreign languages. This list includes translators, foreign language teachers, diplomats, journalists, guides, stewardesses, taxi drivers, customs officers, this list goes on, since any representative of an organization must speak a foreign language in order to understand a foreigner.

Generally, we can no longer imagine our life without foreign languages. We want to listen to foreign music, read original books, have friends around the world, travel, work abroad and so on. When studying languages, a person is developing, improving and becoming filled. It is great to fully understand different people from different points of the planet and to be on the same wavelength with them.

It is probably hard to argue with the fact that, for example, the role of the English language in the modern world is significant. Once we could call it foreign, but now it may well be called international. In many countries of the world they attach great importance to the English language, trying to learn it from early age.

Nowadays, when contacts with other countries are becoming closer, knowledge of foreign languages plays an important role. A modern person should know at least one foreign language, because mutual understanding between people is of great importance for productive international cooperation.

Without knowledge of foreign languages, such cooperation is simply impossible. Since today, states are actively engaged in dialogue on the international scene, and open more and more horizons for the implementation of various activities for international communication. For example, these are sports and music events, business, the exchange of students and schoolchildren, and, of course, tourism.

The role of foreign languages in the development of the tourism business and international information is extremely great. Moreover, languages are one of the main factors of development.

What is tourism business in general? In general, we can say that the tourism business includes many interrelated industries that create the conditions for travel and leisure. The provision of quality services and the creation of favorable conditions is closely intertwined with knowledge of foreign languages. The same can be said about the tourist, because going to a particular country, knowledge of the state language will greatly simplify life and make the trip easy and fun. Moreover, you can even increase your level of knowledge by communicating with local residents.

A foreign language for specialists of any profession is a means of communication with representatives of a different culture. It is especially important for specialists in the field of international tourism and hospitality, who daily have to deal with people from around the world.

Nowadays, tourism is a powerful global industry that is developing quite rapidly. And it is very important that professionals who will be dedicated to their work in this industry. Naturally, it is difficult to be a professional in the tourism business without knowledge of foreign languages. After all, a foreign language is the basis of tourism.

The same can be said about the close relationship of foreign languages with international information.

First you need to understand what international information is. This is documented or publicly announced information about events and phenomena in the international community (international information space), recorded on tangible media with details that allow you to identify this information. People who associate

themselves with professions in this field must definitely know at least two foreign languages. After all, their work will be directed to the field of international relations and public administration. They simply need languages to ensure informational interactions with the aim to establish and develop external relations of the states.

Also, knowledge of foreign languages allows you to receive information from primary sources. This is very important, since the information is not distorted. A person can independently receive and analyze information from any country without using additional resources. Nowadays it is very important to hear and understand the incoming information, to be able to analyze it.

Therefore, we can conclude that the role of foreign languages in international information is quite large and has great strength.

Knowledge of foreign languages plays an important role in many areas. And we can sum up that the role of foreign languages is prominent and has great power in the tourism business and international information.

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## **PROBLEMS, DEVELOPMENT AND PROSPECTS OF THE TOURISM INDUSTRY IN UKRAINE**

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**Lebed Y. A., Litovchenko Y. N. Problems, development and prospects of the tourism industry in Ukraine.** The article is devoted to the analysis of the tourism market in Ukraine, its development, problems and prospects. The article discusses the pace of development of the tourism services industry, and also the situation of Ukraine in the field of tourism against the background of world standards. The internal and external factors that delay the development of the tourism sector are identified. The article gives conclusions and recommendations for solving these problems. Proposals are provided for the region to overcome a crisis situation for the further development of the tourism industry in Ukraine.

**Key words:** development, internal and external factors of the tourism industry, problems and prospects of tourism in Ukraine, tourism market, tourism industry.

**Лебідь Я. О., Літовченко Я. М. Проблеми, розвиток та перспективи туристичної індустрії в Україні.** Стаття присвячена аналізу туристичного ринку в Україні, його розвиток, проблеми і перспективи. У статті розглядаються темпи розвитку туристичної галузі послуг, а так само положення України в сфері туризму на тлі світових стандартів. Визначено внутрішні та зовнішні чинники, які затримують розвиток туристичної сфери. Зроблено висновки та надано рекомендації щодо вирішення даних проблем. Розроблено пропозиції щодо виходу галузі з кризового становища для подальшого напрямку розвитку туристичної індустрії в Україні.

**Ключові слова:** внутрішні і зовнішні чинники туристичної індустрії, проблеми і перспективи туризму в Україні, розвиток, сфера туризму, туристичний ринок.

**Лебедь Я. А., Литовченко Я. Н. Проблемы, развитие и перспективы туристической индустрии в Украине.** Статья посвящена анализу туристического рынка в Украине, его развитие, проблемы и перспективы. В статье рассматриваются темпы развития туристической отрасли услуг, а так же положение Украины в сфере туризма на фоне мировых стандартов. Определены внутренние и внешние факторы, которые задерживают развитие туристической сферы. Сделаны выводы и даны рекомендации по решению данных проблем. Разработаны предложения относительно выхода области из кризисного положения для дальнейшего направления развития туристической индустрии в Украине.

**Ключевые слова:** внутренние и внешние факторы туристической индустрии, проблемы и перспективы туризма в Украине туристический рынок, развитие, сфера туризма.

The o b j e c t of the article is the tourism market of Ukraine, the s u b j e c t is the problems and development of the tourism industry in the country. The a i m of the research is to analyze the development of tourism infrastructure in Ukraine, to identify the country's position in the global tourism market and the main problems that can be the reason for the intraday growth of the tourism industry in Ukraine.

In its broadest sense, the tourism industry is the total of all businesses that directly provide goods or services to facilitate business, pleasure and leisure activities away from the home environment. In simple terms, a tourist is a person travelling to another location, away from their usual social environment, for business, pleasure or social reasons. By most accepted definitions, to be classed as a tourist, a person needs to stay at that location for longer than 24 hours, but for no longer than one year [1].

Tourism offers a wide range of benefits, including economic benefits for countries attracting a large number of visitors, due to the money they spend not only on their actual stay, but also in local businesses. It also provides a large number of jobs for people working in the transport and hospitality industry, among others. Moreover, tourism has the potential to improve relationships between nation states or businesses, to create opportunities for entertainment and recreation, and to improve the value of a currency [3].

Ukraine tourism is one of the fastest growing branches of the national economy. During the period of the Soviet Union, tourism was not even a branch of the State economy. It was just a neglected part of “the sphere of services”. For a considerable length of time, foreign tourists were allowed to come to officially designated “open” cities only. Practically no soviet citizens were allowed to travel abroad. Today the Ukraine tourism industry confidently has entered the world tourist market. Tourism in Ukraine has been recognized and is an important economic factor. There is a good reason for this change [1].

A tourist sector of the economy serves as a major source of currency for about 38% of countries in the world. It's all a matter of priorities and one that many countries in the world choose to emphasize. In the present day we can see that things are beginning to change in the Ukraine's tourist industry. The Cabinet of Ministers and the President, adopted several important decrees on tourism, "The Program of Development of Tourism up to the year 2010" has already been launched. In October 1997, Ukraine became a Full Member of the World Tourism Organization (WTO). The World Tourism Organization has placed Ukraine in the top 25 most visited countries in the world. Does Ukraine tourism really have what it takes to attract tourists? Yes, it truly has great potential [4].

There are many features that are advantageous to the development of Ukraine tourism:

1. Over 500 cities of Ukraine were founded more than 900 years ago, also 4,500 villages of Ukraine are more than 300 years old.

2. More than 150-thousand monuments of culture, history, and archeology reflect the remarkable history of the Ukrainian people. 80 % of the monuments of Kyivan Rus epoch (IX – XII centuries) are concentrated in the territory of Ukraine.

3. The excavations of ancient towns in Tira, Olviya, Panticapea dating from the 5th century B.C. as well as the magnificent fortresses built in the 14th-15th centuries by Italians from Genoa.

4. More than 600 museums introduce the most outstanding facts and personalities of Ukrainian history and culture.

5. Ukraine has excellent and diverse geography, climatic conditions, and scenic nature. The Carpathian mountains are a traditional place for skiing, mountaineering and kayaking.

6. Many regions of Ukraine have saved their ethnic originality. Tourists therefore have a great opportunity to get acquainted with national culture, songs, dances, and meals [2].

Ukraine tourism industry statistics shows that the most popular tourist destinations are: the capital of Ukraine – Kyiv city (30%), City of Lviv, Carpathian region, City of Odessa [3].

Ukraine tourism opportunities are not restricted to the traditional destinations which are mentioned above. There are still many “special” places where you will find the unique combination of virgin nature and animal life. There are many National Parks, Biosphere and Nature Reserves in Ukraine [3].

Lack of information about Ukraine is one of the main reasons for the low rate of tourism development. Of course, the reasons must be sought in the difficult socio-economic situation in the state. The main external factors that hinder the development of tourism in Ukraine is the unfavorable conditions for entrepreneurship in general and tourism in particular, caused by the lethargy and unexpectedness of economic reforms.

In conclusion, it can be argued that the Ukrainian tourism market is developing slowly, but confidently. The country has all the necessary conditions for the development of the tourism sector. To improve and promote Ukraine in the global tourism market, the country must solve some important points that were caused by external and internal factors. There are some of them, for example, the socio-economic situation of the country, the correct distribution of natural and cultural resources, the ability to adequately represent Ukraine to foreign citizens. Ukraine has a big chance to reach a high level in the global tourism market.

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## **IMPORTANCE OF CROSS CULTURAL UNDERSTANDING IN TRAINING OF PROFESSIONALS IN THE TOURISM INDUSTRY**

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**Levina M. O., Startseva N. M. Importance of cross cultural understanding in training of professionals in the tourism industry.** The article analyzes cultural differences and peculiarities that affect the tourism sector as a whole and personnel training in particular as well as the main problems of intercultural communication. The examples of the most popular cross-cultural differences such as non-verbal communication or body language and attitude to food and national cuisines are shown. The recommendations for the prevention of cross-cultural differences are put forward.

**Key words:** body language, communication, cross cultural, cuisine, culture, international tourism, language, training.

**Левіна М. О., Старцева Н. М. Важливість міжкультурного розуміння у підготовці фахівців у сфері туризму.** У статті проаналізовано культурні відмінності та особливості, які впливають на туризм в цілому та підготовку кадрів зокрема, а також основні проблеми міжкультурної комунікації. Показані приклади найпопулярніших міжкультурних відмінностей, таких як невербальне спілкування або мова тіла та ставлення до їжі та національних кухонь. Висуваються рекомендації щодо запобігання міжкультурних відмінностей.

**Ключові слова:** культура, міжкультурний, міжнародний туризм, мова, мова тіла, національна кухня, підготовка, спілкування.

**Левина М. А., Старцева Н. Н. Важность межкультурного понимания в подготовке профессионалов в сфере туризма.** В статье проанализированы культурные различия и особенности, которые влияют на туризм в целом и подготовку кадров в частности, а также основные проблемы межкультурной коммуникации. Показаны примеры самых популярных межкультурных различий, таких как невербальное общение или язык тела и отношение к еде и национальной кухне. Выдвигаются рекомендации по предотвращению межкультурных различий.

**Ключевые слова:** коммуникация, культура, международный туризм, межкультурный, национальная кухня, подготовка, язык тела.

The o b j e c t of the article is cross-cultural differences that affect the tourism sector significantly. The s u b j e c t is the impact of these differences on the personnel employed in the tourism industry.

In recent years, turismologists have been engaged in solving the problems of intercultural communication. The fact is that in the field of tourism at all stages of the creation, distribution and direct use of tourist products there are numerous contacts between people in various possible contexts. V. K. Fedorchenko and I. M. Minich pointed out that international tourism is based on the feelings of respect for national culture and history of each people as well as the main interests of each state [2]. Because of this diversity sometimes the cross-cultural conflicts occur.

The cross-cultural conflict is a contradiction that arises, as a rule, among representatives of different cultures, the moving force of which is historical and cultural stereotypes concerning various spheres of activity [1].

To prevent such conflicts, it is necessary to train specialists with relevant skills. The outcome of cross-cultural personnel training is qualitative personality changes such as changes in thoughts, in affective reactions and changes in real behavior.

An effective cross-cultural training program is aimed at increasing knowledge of culture and cultural differences as well as awareness of the actual problems, which take place in the interaction of different cultures. An integrated approach to solving a specific problem when different arguments are taken into consideration (cultural, economic, political) expands thinking. Thus, the understanding of people from another culture and the ability to look at their problems from the perspective of other cultural representatives are being developed.

Cross-cultural collisions produce certain affective reactions associated with feelings and emotions of disintegration, which form the basis for "acute cognitive stress" or "cultural shock" [6]. People who temporarily find themselves in another culture and face different views on such universal values as equality, honesty, justice, can form negative views on this culture and its representatives. Cross-cultural training of

specialists is also aimed at helping to overcome affective reactions.

In order to obtain cross-cultural understanding and make tourists satisfied with their overseas travel, language is an important factor. Tourism hosts should be aware of tourists' language customs and traditions. H. Fitzgerald [4] noticed that in the case of, for example, Japanese visiting Australia, it is important for the host enterprises to provide some "on-site interpretation" service which basically tend to remove the confusion between different languages.

Non-verbal communication is also very important for a tourist. According to Reisinger [9], cross-cultural difference don't only refer to verbal communication, but also to all sorts of human activities between a tourist foreigner and a local host. Non-verbal behavior is a significant element for a tourist because it is easier to be noticed and understood than verbal communication. Mehrabian [8, p. 43] states that less than 10% of a message is communicated by words writing, twice as much as that of the message is expressed by the language (20%) and 70% is reported through non-verbal language in terms of posture, gesture and facial expression. What is more, when greeting the formality of the behavior as well as body touching are important means of non-verbal communication which should be considered by tourists.

Non-verbal communication is an important factor that tourism hosts as well have to take into consideration. Both the verbal and non-verbal communication is indispensable to tourism hosts. According to FitzGerald, when the Asian people visit Australia their hosts should be aware of the cultures and customs sensibilities of the visitors. For instance, for Chinese people, there must not be too much body touch between male and female. They prefer to smile without touching. The only touching is hand-shaking at the first meeting which has been widely accepted recently. Therefore, hosts should avoid much body contact. With regard to tourists who come from Japan and Korea, it should be remembered to pass and receive all the objects using both hands. People from different cultural backgrounds have different views on the body languages. There is an example of different meanings of body language/gestures in different countries [5].



Figure 1. An example of different meaning of body language in different countries [7].

Tourists are looking for commodities that can give them an insight into the nature of a place and people who are living there. They provide both visible memories (local words, pictures) and “sensory memories” which have stronger association with the local culture they have experienced [10].

Food and national cuisine are also considered to be of cultural importance. It is exciting for tourists because they can experience the local culture via tasting local cuisine. Therefore, tourists are likely to purchase “regional specialties” as well as sit in the famous local restaurant enjoying the authentic local food. Meanwhile, it is also argued that developing the local catering is a kind of establishing connection between consumers and the local residents. Local specialties are a sort of souvenirs for tourists which differ from other objects.

It is stated that designing and providing high-quality catering or distinctive local food products is one way of promoting local food brands. Normally, there are several famous local restaurants which can be recommended for tourists during their travelling. Hosts should be aware of successful tourism management and have to develop a range of local catering service which can be distinguished by tourism management and attract a constant flow of visitors.

Meanwhile, it is vital for hosts to master the food restrictions concerning different customers as well. In the Christian calendar two



significant events must be remembered: Easter day and Christmas. [5]. Both of them are the commemoration of Jesus Christ whereas Easter day follows a “lunar cycle” and Christmas day is fixed every year. Except avoiding “red meat” on Friday, there is no particular food restriction for Christians. Some special food should be prepared and provided in hotels and restaurants on Easter day and “big family Christmas feast” [5, p. 7]. However most of the Buddhists are vegetarians, and “vegetarianism” is the single restriction for food in this religion [5, p. 13]. This issue should be noticed by people who run international tourism business.

Therefore, it is important to prepare tourists in a socio-cultural context before traveling to a region with specific ethno-cultural characteristics. With this purpose tourism professionals should offer potential tourists relevant reference publications as well as prepare notifications and leaflets. The formation of cross-cultural communication skills and mastering the appropriate behavioral cultures are very important. [1].

To summarize it should be underlined that cross-cultural communication and understanding not only affect the international tourists, but are equally important to the hosts who run the global tourism enterprises. Therefore, they must be aware of the cultural differences such as different languages, different non-verbal communication and different traditions and customs people and nations have. It is recommended that hosts provide both interpreters and translators of relevant information for foreigners. Tourism business owners have to provide ideal service which can give international tourists a unique local cultural experience. It should be noted that customers’ cultures and customs should always be respected.

The cross-cultural understanding in a global tourism industry may never be completely taken into consideration by hosts, however, further studies to identify potential problems and solutions as well as making improvements in cross-cultural communication should result in better understanding and more enjoyable experiences for both hosts and tourists [3]. This issue is a pressing problem which needs

to be solved in the near future for further developing and expansion of tourism industry.

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## GOLD DEMAND TRENDS

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**Levitskaya M. A., Oliynik N. A. Gold demand trends.** The article focuses on gold demand trends by source and regions over the last ten years as well as the relevance of gold as a strategic asset, and purposes for which gold is bought around the world.

**Keywords:** gold, asset, gold demand trends, jewellery, investment.

**Левицька М. А., Олійник Н. А. Тенденції попиту на золото.** У статті розглядаються тенденції попиту на золото за джерелами та регіонами протягом останніх десяти років, важливість золота як стратегічного активу, а також цілі, для яких купують золото у всьому світі.

**Ключові слова:** золото, актив, тенденції попиту на золото, ювелірні вироби, інвестиції.

**Левицкая М. А., Олейник Н. А. Тенденции спроса на золото.** В статье рассматриваются тенденции спроса на золото по источникам и регионам за последние десять лет, значение золота как стратегического актива, а также цели, для которых покупают золото по всему миру.

**Ключевые слова:** золото, актив, тенденции спроса на золото, ювелирные изделия, инвестиции.

Being a highly liquid yet scarce asset, and bought as a luxury good as much as an investment, gold is becoming more mainstream, with worldwide demand for gold growing, on average, 5% per year, which makes the study relevant. Moreover, as gold is bought for multiple purposes, the percentage ratio of demand by source and by region is also changing. The purpose of the article is to determine the features of the demand for gold around the world and identify its existing trends. The object of this study is statistical data on the world demand for gold over the past 10 years.

The relevance of gold as a strategic asset has not changed over the past decades. Despite its scarcity, gold is considered to have high liquidity and bought for many purposes around the world to be used as:

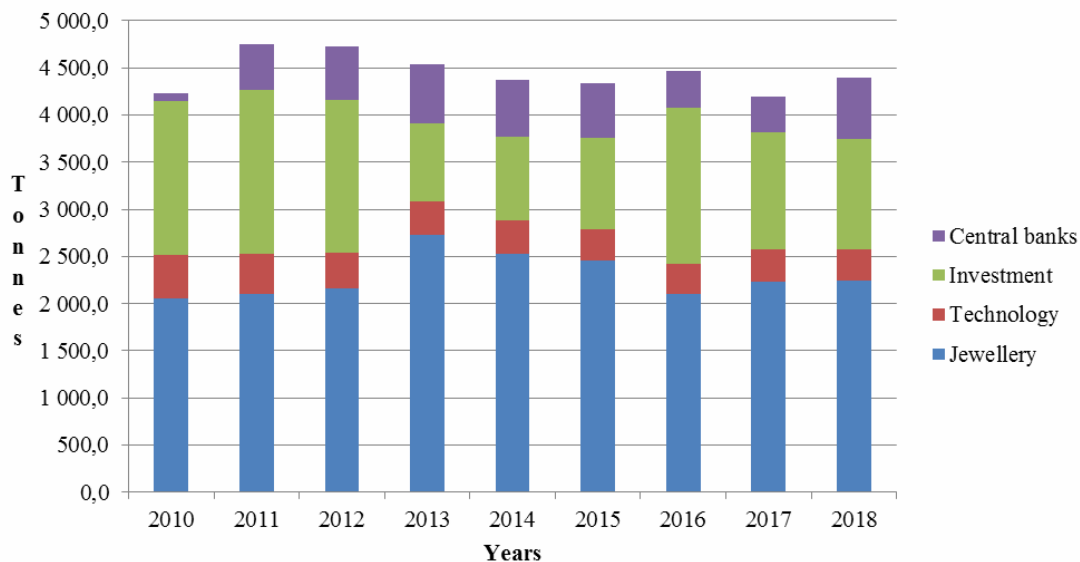
– a source of long-term returns;

- a diversifier that can mitigate losses in times of market stress;
- an asset to store savings or exchange for other assets;
- a means to enhance overall portfolio performance;
- a luxury good;
- other purposes [5].

World Gold Council estimates that there are approximately 193,000 tonnes of gold above ground, worth more than £6.1 trillion. Mine production adds approximately 3,000 tonnes per year, equivalent to an annual 1.6% increment [4].

Gold's diverse uses in jewellery, technology and by central banks and investors, mean different sectors of the gold market to rise to prominence at different points in the global economic cycle. This diversity of demand and self-balancing nature of the gold market underpin gold's robust qualities as an investment asset [1].

In order to understand the main trends of gold demand, statistic data for the last ten years need to be analyzed.



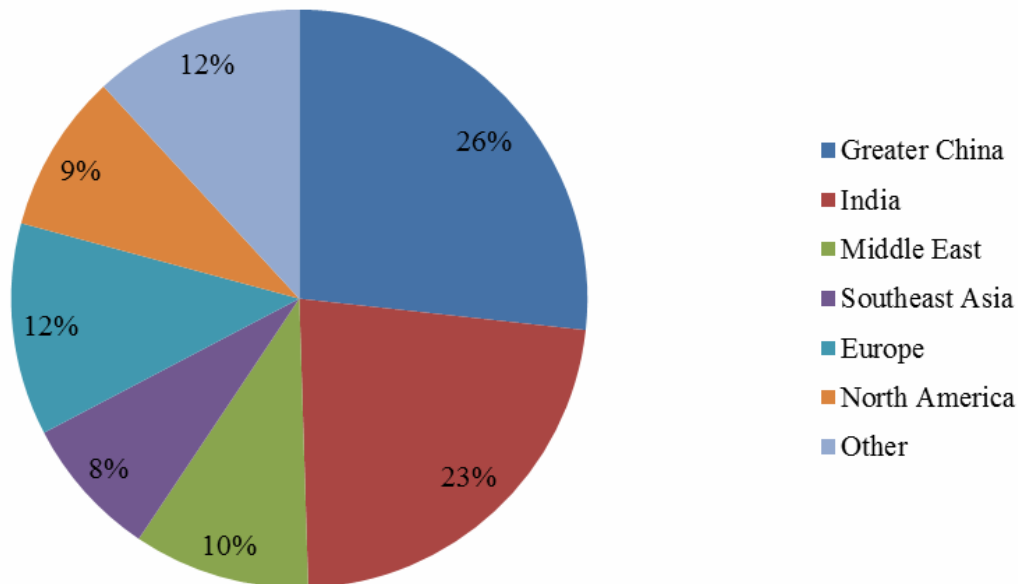
Source: [2].

Figure 1. Average gold demand by source from 2010 to 2018 years

This bar chart shows how many tonnes of gold were used in jewellery, technology, investment and by central banks for the last nine

years. We can see that, firstly, jewellery turns out to be the most requested source, and it has taken almost half of the total demand for all these years. It adds approximately 100-200 tonnes per year, equivalent to an annual 5-6% increment, despite a slight decline to 2100 tonnes in 2016, which is very close to the figure in 2010. Secondly, investments also makes up a large share of the aggregate demand for gold, although over the past 5 years its share has decreased by about 35% and now it is considered to be 1100 tonnes. Thirdly, the share of technology has remained almost the same at 350 tonnes-level over these years in contrast to share of central bank demand, which has fluctuated from 79 to 656 tonnes in 2010 and 2018 respectively.

In fact, gold is bought around the world and in order to analyze the gold demand trends more precisely, geographical structure need to be explored. The pie chart given below shows which regions (and countries, in particular) occupy a leading position in the demand for gold.



Source: [3, 5].

Figure 2. Average gold demand broken down by regions

Overall, Greater China consumes a lot of gold for different purposes as one of the biggest producers in the world. Although, China's jewellery market saw slight declines over the past ten years and total jewellery demand dropped to 137.8 tonnes in 2018, China

continues being the leader in the global gold consumption. India has the same situation due to its huge jewelry production, especially for 'wedding seasons'.

As to investments, demand in the Middle East has fallen down by 27% to 15.7 tonnes largely due to a drop in Iranian demand, which fell by 31% over these years. This has been the first decline in Iranian bar and coin demand since 2016 [2].

European and American gold demand trends have not changed much due to their stable demand in such sectors of the economy as technology and investment. Europe, on average, consumes three percent more gold than North America because of a number of countries such as Switzerland (there is a huge share of central bank demand and investment), Germany, Belgium and so on [2].

Overall, the trend of results looks reasonable since the largest consumption of gold is in countries that occupy different leading positions in various sectors of the world economy.

**C o n c l u s i o n .** The relevance of gold as a strategic asset has not changed over the past decades. Gold is considered to have high liquidity therefore it is bought for many purposes around the world and worldwide demand for gold is growing, on average, 5% per year. This research also shows that jewellery is the most requested source, and it takes almost half of the total demand during all this time. Investments also makes up a large share of the aggregate demand for gold, although over the past 5 years its share has decreased by about 35%. According to the geographical structure, China continues being the leader in global gold consumption as well as India due to their huge jewelry production.

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## UKRAINE IN THE WORLD MARKET OF GOODS AND SERVICES

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**Liadovska Y. D., Radchenko O. I. Ukraine in the world market of goods and services.** The article deals with the substantial changes in foreign economic relations of Ukraine, the search for ways to achieve economic sovereignty of Ukraine. The description of the concept and structure of the global market and ascertainment of prices in the world markets are presented in the paper. The main competitive advantages of Ukraine in the services sector are analyzed.

**Keywords:** foreign economic relations, foreign trade, market for goods and services, world market.

**Лядовська Ю. Д., Радченко О. І. Україна на світовому ринку товарів та послуг.** У статті проаналізовано зміни зовнішньоекономічних відносин України, пошук шляхів досягнення економічного суверенітету України, розкрито концепції та структури глобального ринку, встановлення цін на світових ринках, підвищення ефективності економіки.

**Ключові слова:** зовнішньоекономічні відносини, зовнішня торгівля, ринок товарів та послуг, світовий ринок,.

**Лядовская Ю. Д., Радченко Е. И. Украина на мировом рынке товаров и услуг.** В статье проанализированы изменения внешнеэкономических отношений Украины, поиск путей достижения экономического суверенитета Украины, представлены концепции и структуры глобального рынка, механизмы установления цен на мировых рынках, повышение эффективности экономики.

**Ключевые слова:** внешнеэкономические отношения, внешняя торговля, мировой рынок, рынок товаров и услуг.

The world market is a form of organization of economic relations of sale and purchase (alienation-appropriation) of goods between states, legal entities and individuals of countries of the world, governed by economic laws inherent in commodity-money relations (laws of value, demand, supply, competition, etc.), as well as interstate agreements and supranational international organizations.

The world market is commodity-money relations between countries with different levels of socio-economic development,



interconnected by participation in the international division of labor and production specialization. The subjects of these relations include production, transport, trade, credit, financial, currency and other structures of the world economy, its state and interstate bodies and organizations.

The world market operates on the principles of freedom of economic activity of subjects of international economic relations; contractual relations between them; competition and openness of the economy.

The following features are inherent in the modern world market:

- the organization of economic and social ties on the principles of approximation of the economy;
- the presence of competition and more options for production;

They are included in the list of key economic indicators that will apply to the retail brand of goods: manufactured goods, goods and services, which can be found in the country. The world market as a developed system of international economic relations for the exchange of goods and services has a certain structure that reflects the system of individual interconnected markets as elements of a common market. According to their economic purpose, they distinguish the world market of goods and services, the world market of capital and loans, the world labor market, etc. [2].

Foreign economic activity, i.e., the international exchange of goods and services, is one of the most ancient forms of international relations. It also includes the movement of capital, international labor migration, international monetary relations. The necessity and effectiveness of the international exchange system is obvious: each country has its own set of natural resources, the size of capital and labor. The country's specialization in the production of goods for which it has the best conditions allows it to expand their output by using some of them for sale, and to buy goods that are not enough for the money raised.

After independence, one of the priority tasks of Ukraine was its integration into the global economy. However, this process turned

out to be rather painful for the young state, since Ukraine faced extremely fierce competition in the international markets of goods and services. The delay in market reforms and rather slow industrial restructuring led to the deterioration in the structure of the foreign trade of Ukraine. Unlike the countries of Central and Eastern Europe, Ukraine remained an exporter of mainly raw materials and semi-finished products and was not able to increase the share of goods with high added value in the overall structure of exports. The geographical diversification of the foreign trade of Ukraine gradually led to consolidation in new markets [1].

Analyzing the state of the foreign trade of Ukraine, all researchers note its inefficient product structure, which “is based mainly on price competition in the field of semi-finished products and products with a low level of added value and an insignificant level of manufacturability” [3].

The development of the country’s foreign trade was marked by a number of problems, among which, first of all, the irrational structure of domestic exports, which is dominated by raw materials and products with a low level of processing. Moreover, the key problems of the development of the country’s foreign trade are associated with the diversification of its geopolitical or regional priorities, with the optimization of the structure of exports and imports, with the harmonization of national legislation in accordance with the requirements and norms of the GATT / WTO [4].

According to the analysis of the product structure of export-import relations, Ukraine exports mineral products, base metals and the metal-related products, agricultural products, textiles and textile products to the EU region and the export volume is increasing significantly. The comparison of the commodity structure of the foreign trade of Ukraine and the EU countries indicates a limited range, which reflects the structure of the EU exchange with developing countries. The commodity structure of Ukrainian exports is extremely unfavorable. It indicates the inability of the state to overcome the structural imbalances of the economy formed in the framework of the former USSR. The analysis of the relations

between the export and import of products shows that almost all commodity items are dominated by the import of goods, which negatively affects the country's economy. The commodity structure of Ukrainian exports is clearly expressed in raw materials. The structure of Ukrainian exports is dominated by goods with a low degree of processing (about 66%) [5].

The commodity structure of the foreign trade of Ukraine has not changed for ten years. The leading positions in Ukrainian exports belong to metal products – about 40%, chemical industry and fertilizers – almost 20%, engineering products – 10-13%, some types of food industry products. In the commodity structure of imports, energy resources prevail – about 40%; machinery and equipment account for 13 –18%, chemical industry products – about 10%.

Taking into account the processes of globalization and in order to ensure economic development, the state's foreign trade policy should be aimed at:

- intensification of foreign trade in general;
- implementation of the existing and potential competitive advantages due to well-determined structural priorities of foreign trade;
- any encouragement to the growth of high-tech imports (machinery, equipment, technologies, ideas, etc.) in order to reduce the technological gap between Ukraine and advanced countries.

The necessary conditions for the implementation of such a foreign trade policy are:

- further development of basic institutions of a market economy in order to create acceptable conditions for increasing the competitiveness of national business;
- state financing of the purchase of patented technology and know-how abroad;
- free from customs duties on the import of modern machinery and equipment;
- exemption from taxation of profits in the amount of scientific and technical development expenses;

- reduction of tax rates in cases of production and export of products with a high degree of added value [4].

The commodity structure of Ukraine's foreign trade has not changed much over the course of eighteen years, the nomenclature of goods has remained unchanged and provides the bulk of foreign exchange earnings. In general, the export structure covers many types of national goods, but the list of goods that account for the bulk of the currency has no more than ten items: metals, chemical products, fertilizers, some types of food industry products.

The leading positions in Ukrainian exports belong to metal products (44% of exports), mineral products and chemicals (22%), while engineering products account for only 12%.

The leading positions in Ukrainian exports belong to metal products (44% of exports), mineral products and chemicals (22%), while engineering products account for only 12% [6].

International trade overcomes the limited national resource base, the capacity of the domestic market and establishes the relations between the national market and the world, expands the scale of production limited by the curve of production opportunities, provides the additional income due to the difference in national and international production costs, develops the specialization of the country, increases the volume of production. Ukraine, as a young state, is at a new stage of joining the system of the world economic relations, and not only the dynamics of foreign trade depends on how this process will be implemented, but how much the development of the state as an organic subsystem of the world economy will depend on.

The international trade in services is a complex of diverse types of economic activities. Economists have tried to figure out the nature of services and their role which is based on various aspects. There is no clear universally accepted scientific definition of the relevant economic categories.

The main competitive advantages of Ukraine in the services sector, including international markets, are cheap labor and the country's favorable geographical position. This provides several

possible directions for the development of the sector. For example, to increase the efficiency of production processes, including labor productivity, metallurgical enterprises will be faced with the need for business reorganization. Now it is difficult to predict exactly where, in addition to metallurgy, steelworkers will be able to apply their skills, but according to the experience of other countries, the upgrading and retraining of the workforce are inevitable. In general, the cheapness of labor in Ukraine could stimulate, first of all, the development of the transport sector, maintenance (for example, automobiles) and trade [7].

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**LES RELATIONS ÉCONOMIQUES DE L'UKRAINE  
ET LA REPUBLIQUE POPULAIRE DE LA CHINE  
ET L'ÉTAT COMMUNICATIF ACTUEL**

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**Lohvynenko B. H., Dudka L. A. Les relations économiques de l'Ukraine et la République populaire de la Chine et l'état communicatif actuel.** L'article s'entretient les relations économiques de l'Ukraine et la République populaire de la Chine, et les problèmes communicatives et linguistiques accompagnants entre deux pays. On analysa les possibilités pour engager les investissements chinois et augmenter les quantités commerciales entre l'Ukraine et la Chine. On représenta aussi la structure du commerce extérieur de l'Ukraine dans la Chine et le contraire. On examina les problèmes communicatives et des moyens les prévenir.

**Les mots-clés:** les relations économiques, les problèmes communicatifs, les quantités commerciales, la structure du commerce extérieur, les investissements.

**Логвиненко Б. Г., Дудка Л. А. Економічні відносини між Україною та Китайською Народною Республікою та сучасний стан комунікації.** У статті розглядаються економічні відносини України та КНР, а також комунікативні та лінгвістичні супутні проблеми у відносинах між двома країнами. Було проаналізовано перспективи до залучення китайських інвестицій та збільшення об'ємів торгівлі між Україною та Китаєм. Було зображено структуру експорту України до Китаю та навпаки. Було також досліджено основні комунікативні проблеми та засоби їх подолання.

**Ключові слова:** економічні відносини, комунікативні проблеми, об'єми торгівлі, структура експорту, інвестиції.

**Логвиненко Б. Г., Дудка Л. А. Экономические отношения между Украиной и Китайской Народной Республикой и современное состояние коммуникации.** В статье рассматриваются экономические отношения Украины и КНР, а также сопутствующие коммуникационные и лингвистические проблемы во взаимоотношениях между двумя странами. Были проанализированы перспективы к привлечению китайских инвестиций и увеличения объемов торговли между Украиной и Китаем. Была изображена структура экспорта Украины в Китай и наоборот. Также были исследованы основные коммуникативные проблемы и способы их устранения.

**Ключевые слова:** экономические отношения, коммуникативные проблемы, объемы торговли, структура экспорта, инвестиции.

L'objet de l'article sont les relations internationales entre l'Ukraine et la République populaire de la Chine. Le site de l'article sont les relations économiques et l'état communicatif de l'Ukraine et la RPC. Le but de l'article est indiquer les perspectives du coopération commercial avec la Chine, analyser les possibilités pour engager les investissements chinois et examiner les problèmes communicatives entre le peuple de l'Ukraine et la Chine. L'actualité de l'article est significatif et a la grande importance pour l'économie ukrainienne moderne.

Le commerce extérieur de l'Ukraine avec la République populaire de Chine toujours était le fait économique assez inconnu et de peu importance pour le citoyen ordinaire de notre pays, en comparant avec les relations commerciales entre l'Ukraine et l'Union Européenne où la Fédération Russe. Mais ils ont l'actualité considérable pour l'économie ukrainienne, puisque en étant le pays agricole et pauvre, la Chine à court terme devient le pays riche et une grande puissance, qui peut mener la politique indépendant sur la scène mondiale. La Chine soutiens invariablement la souveraineté ukrainienne et l'intégrité territoriale. À sa tour, l'Ukraine soutiens le politique de «seulement Chine» et reconnaît la RPC comme le seul pays-successeur de la République de Chine, établit par Sun Yixian (Yat-sen) en 1911. L'établissement et le développement des relations commerciales avec la Chine peuvent être l'outil pour diversifier des exportations, moderniser les technologies de la production ukrainienne et attirer les investissements.

Aujourd'hui l'Ukraine a l'économie agro-industriel. La plupart des exportations sont les produits de l'agriculture, métallurgie, production des mécaniques et les produits chimiques – ils font environ 80% des exportations.

L'adhésion de l'Ukraine à l'OMC en 2008 permet d'être le membre égal sur le marché international. À la suite on annule les restrictions spécifiques et libéralise les conditions d'accès aux marchés étrangers pour un certain nombre de produits ukrainiens dans les secteurs de la métallurgie, chimie, construction de machines et de l'agriculture. L'étude de fabrication des produits avec l'haute

valeur ajoutée est la tâche fondamentale et la priorité importante pour développer la structure des exportations ukrainiennes. Grâce à la signature de l'Accord d'association entre l'Ukraine et l'Union européenne notre pays augmente les volumes de la coopération commerciale avec les pays européens, mais en raison des limitations protectionnistes de l'Europe la coopération augmente assez lentement. En même temps, à cause de l'agression de la Fédération de Russie, les indicateurs du commerce avec les pays post-soviétiques et les pays-membres de l'UEE déclinent.

Le territoire de la Chine moderne possède d'énormes ressources minérales – ils font 140 types. La prospérité économique moderne du pays eut réalisé dans les années 90 grâce à l'utilisation la plus efficace des ressources disponibles, comme le charbon, le pétrole, l'ores du fer, tungstène, bauxite, cobalt, zinc et autres métaux non ferreux. Les réserves du charbon industriel représentent 35% des réserves mondiales, dont la moitié sont situées dans le nord de la Chine. Les bassins pétroliers sont inégalement répartis à travers le pays. L'un des plus grands puits de l'huile et du gaz du monde est le champ Daqing (大庆油田), son volume des réserves du pétrole – 5,7 milliards de tonnes, du gaz naturel – 1 milliard de mètres cubes.

Jusque dans les années 1960, tout le commerce extérieur de la Chine, à quelques exceptions près, ne concernait que l'URSS et ses alliés européens (principalement la Tchécoslovaquie, la Pologne et l'Allemagne de l'Est). Jusqu'en 1975, la Chine communiste n'était pas reconnue comme légitime et la principale mission à la convocation de l'ONU eut la délégation de la République de la Chine (ou Taiwan), aujourd'hui partiellement reconnue.

Le développement du commerce extérieur chinois renouvela au début des années 1970. Après la mort de Mao Zedong, en 1971 l'homme d'État chinois assez célèbre Deng Xiaoping initia le commencement du Politique des Réformes et d'Ouvertures, grâce à lui le commerce extérieur de la Chine avec les pays occidentaux tripla depuis seulement 4 ans. Ces dernières années, le gouvernement commence des réformes dans le secteur des services, notamment des investissements à grande échelle dans les pays du monde entier. Les



banques chinoises sont maintenant les plus importantes en termes d'actifs et de rotation du capital. Shanghai et l'unité administrative spéciale du Hong Kong (Xianggang) sont les centres mondiaux du commerce et d'opérations financières. Récemment, les pays occidentaux investissaient en économie de la Chine, et aujourd'hui, la Chine elle-même investit dans les économies d'états mondiaux plus faibles. Le dernier événement très important pour l'économie chinoise et mondiale eut l'achèvement de la formation du projet d'intégration économique eurasiatique, appelé Une ceinture et Une voie. L'Ukraine aussi rejoignit ce projet en 2018.

Actuellement, les relations économiques entre l'Ukraine et la République populaire de la Chine font l'objet d'une activation maximale. La coopération commerciale et économique entre l'Ukraine et la République populaire de la Chine est régie par l'Accord entre le gouvernement de l'Ukraine et le gouvernement de la République populaire de la Chine sur la coopération commerciale et économique (1992), qui établit le régime de la plus grande assistance en matière de perception de droits de douane sur les marchandises à l'exportation et à l'importation des deux pays, les taxes et autres paiements internes.

Selon l'information de la service ukrainienne des statistiques d'état, en 2018 la structure d'exportations ukrainiennes à la Chine eut représentée par les minéraux ferreux et la cendre (31,2%); les céréales et le grain (29,3%); les graisses animales et huiles végétales (17,1%); les réacteurs nucléaires et les chaudières à vapeur (8,7%); le bois et les produits en bois (4,1%); les produits de l'industrie alimentaire (4,2%).

La structure d'importations en Ukraine eut représentée par les machines électriques (27,5%); les chaudières et les machines à vapeur (18,7%); les plastiques et les matériaux polymères (5%); les voitures (3,9%); les produits de l'industrie chimique (6%); les produits en métaux ferreux (3,4%); les vêtements et les chaussures (8%); les appareils ménagers (5%); les jouets (2,6%) la gomme en latex et caoutchouc (4%).

La coopération commerciale entre l'Ukraine et la RPC a l'importance significative et la grande potentialité, mais il y a aussi un barrière considérable pour augmenter l'efficacité du développement des relations économiques – c'est la différence entre les langues ukrainienne et chinoise. La langue chinoise est un des langues plus difficiles et a l'écriture extraordinaire, différent de l'écriture latine ou cyrillique. Malgré le rôle de l'anglais comme la langue internationale, les entrepreneurs chinois préfèrent rédiger les documents en utilisant leur-même langue maternelle, aussi la politique du gouvernement chinois à bloquer l'accès aux villes américaines et européennes ne permet pas faire les affaires de manière productive et confortable.

Pour rapprocher les relations économiques et culturelles, on établit les centres culturels appelés l'Institut du Confucius, ici les professeurs chinois enseignent la langue et la culture chinoise. Aussi on organise les examens de qualification internationaux, tels que HSK (汉语水平考试, ou le test de compétence en chinois) et BCT (新商务汉语, ou le test de compétence en chinois d'affaires). En utilisant les certificats de passe d'HSK ou BCT les étudiants peuvent obtenir la bourse et faire ses études dans les universités chinoises. Le diplôme est cité en Ukraine, alors les étudiants aussi peuvent trouver un travail après l'obtention. En même temps, à Wuhan il y a l'Institut des recherches en langues slaves orientales, où on étudie la langue, culture et l'histoire ukrainienne.

La coopération et le développement des relations avec la République populaire de la Chine ont la grande potentialité et les avantages extraordinaires. Malgré la politique ukrainienne officielle d'intégration aux structures économiques et géopolitiques de l'Union européenne, nous devons développer les relations avec autres grandes puissances, comme la RPC et apprendre de leurs-mêmes erreurs et expériences pour développer avec la plus efficace notre-même pays et rendre l'Ukraine puissante et prospère.

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**BILATERAL RELATIONS  
BETWEEN UKRAINE AND PEOPLE'S REPUBLIC  
OF CHINA AND THE ROLE OF THE CHINESE LANGUAGE  
IN ECONOMIC AND POLITICAL CO-OPERATION**

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**Lohvynenko B. H., Zmiyova I. V. Bilateral relations between Ukraine and People's Republic of China and the role of the Chinese language in economic and political co-operation.** This article describes economic and political relations between Ukraine and People's Republic of China and the role of Chinese language in bilateral co-operation between two countries. Modern perspectives of Ukrainian economy towards the increase in the volumes of bilateral trade to attract Chinese investments have been analyzed. The structure of Ukrainian export and import of goods and services as well as the present state and role of the Chinese language in bilateral political, business, cultural and educational spheres of co-operation have been described.

**Key words:** bilateral relations, Chinese language, economy, investments, language position, volumes of trade.

**Логвиненко Б. Г., Зміюва І. В. Двосторонні відносини між Україною та Китайською Народною Республікою та значення китайської мови у економічному та політичному співробітництві.** У статті розглядаються економічні та політичні відносини України та КНР, а також значення китайської мови у двосторонньому співробітництві між двома країнами. Було проаналізовано сучасні перспективи до залучення китайських інвестицій в українську економіку та збільшення об'ємів торгівлі між Україною та Китаєм. Було зображено структуру експорту України до Китаю та навпаки. Було також досліджено роль китайської мови у сферах політики, бізнесу, культури та освіти.

**Ключові слова:** двосторонні відносини, економіка, інвестиції, китайська мова, роль мови, об'єми торгівлі

**Логвиненко Б. Г., Змієва И. В. Двухсторонние отношения между Украиной и Китайской Народной Республикой, а также значимость китайского языка в экономическом и политическом сотрудничестве.** В статье рассматриваются экономические и политические отношения Украины и КНР, а также значение китайского языка во взаимоотношениях между двумя странами. Были проанализированы перспективы к привлечению

китайских инвестиций и увеличения объемов торговли между Украиной и Китаем. Была изображена структура экспорта Украины в Китай и наоборот. Также были исследованы основные позиции китайского языка в сферах политики, экономики, культуры и образования.

**Ключевые слова:** двусторонние отношения, инвестиции, китайский язык, объемы торговли, роль языка, экономика.

The object of the article is the bilateral relations between Ukraine and People's Republic of China (PRC). The subject of the article is economic and political relations between Ukraine and China. The aim of the article is to describe perspectives of the economic co-operation between Ukraine and China, to analyze modern possibilities to attract Chinese foreign capital and to define the role of the Chinese language in Chinese-Ukrainian relations.

The cooperation between Ukraine and China was always perceived by an average Ukrainian as something not so important as relations with Russia, European Union or the United States of America. But nowadays the People's Republic of China has become a powerful and prosperous country, not so far being another weak and devastated socialist one [4]. Therefore, it has a considerable actuality and the source of valuable experience for Ukraine's own economic and political strategy [3].

Ukraine was recognized by PRC on December 27<sup>th</sup>, 1991. Ukraine recognized China one week later, on January 4<sup>th</sup>, 1992. Bilateral relations between Ukraine and China always had the character of a friendship and strategic partnership. China invariably supports Ukrainian sovereignty and territoriality. Ukraine, in its turn, is overwhelmingly supporting a political opinion of "the only one China", recognizing People's Republic of China as the only successor country of the Republic of China, established by Sun Yixian (Yat-sen) in 1911 [5].

Taking into account the ongoing changes and reforms in Ukraine in recent years, both sides are currently working to launch a new stage in the development of bilateral relations by raising them to a new level. On January 24, 2019, at the World Economic Forum in Davos, the President of Ukraine P. Poroshenko met the Vice

President of the People's Republic of China Wang Qishan [1]. The parties agreed to continue the development of bilateral trade, economic and investment cooperation, which should be facilitated by holding the next session of the Ukrainian-Chinese Intergovernmental Commission on Cooperation in 2019. Wang Qishan also reaffirmed full support for Ukraine's independence, sovereignty and territorial integrity within its internationally recognized borders [5].

Ukraine's present economy has an agro-industrial structure. The majority of exports consists of agricultural, metallurgical, engineering and chemical products – they cover about 80% of the Ukrainian exports [7]. Trade and economic cooperation between Ukraine and the People's Republic of China is governed by the Agreement between the governments of Ukraine and China on Trade and Economic Cooperation (1992), which establishes the regime of active assistance for the levying of duties on export and import, trade, production taxes, VAT and other internal fees [6].

In 2018, the volume of trade in goods and services amounted to 1.1 billion of US dollars, which means an increase by 27.4% comparing with 2017. Exports from Ukraine to China amounted to 2.3 billion of dollars, increasing by 9.1%, meanwhile imports to Ukraine amounted to 7.8 billion of US dollars, increasing the whole amount by 34.1%. The negative balance for Ukraine during this period amounted to 5.5 billion of dollars [6]. During the first 3 months of 2019, trade in goods and services amounted to 2.74 billion of dollars and increased by 34.6% compared to the first 3 months of 2018. Exports from Ukraine to China amounted to \$ 666.33 million and increased by 62.7%, imports of Chinese goods and services to Ukraine counted \$2.6 billion, increasing by 27.5% comparing with similar period in 2018 [3].

In 2018, the structure of Ukrainian exports of goods to China was dominated by supplying:

- Ores, slag and cinder – 29%, approximately 652 million of dollars;
- Grain and cereals – 25.1%, 552 million of dollars;

- Vegetable oils and animal fats – 19.4%, 426 million of dollars;
- Nuclear reactors, boilers and machines – 9%, 200 million of dollars;
- Products of food industry – 6.5%, 142 million of dollars;
- Logs and wooden products – 4%, 90 million of dollars;
- Electric engineering machines – 1%, 23 million of dollars;
- Other products – 1,6% , about 36 million of dollars [3].

The structure of providing services to China was reached by supplying:

- Transporting services – 49.2%, 52 million of dollars;
- Business services – 36.5%, 39 million of dollars;
- Travelling services – 6%, 7 million of dollars.

The structure of gaining services from China was reached by supplying:

- Financial services – 50%, 95 million of dollars;
- Business services – 14,4%, 27 million of dollars;
- Transporting services – 13%, 25 million of dollars [6].

Economic co-operation with China has a significant importance and actuality for Ukrainian economy, but there is a huge and considerable problem in communicating with Chinese business and developing bilateral relations is a language complexity of Chinese and poor prevalence of English along the country [2]. Chinese is one of the most difficult languages all over the world, which has a complicated grammar, unique but at the same time difficult writing and tonic system of pronunciation. All these features differentiate Chinese not only from German, Roman or Slavic languages, but even from Indo-European language cluster itself. The Chinese language a priori can't refuse hieroglyphic writing system and launch Roman, Cyrillic or any alphabet in quotidian usage because of independent and complicated system of word formation, based on initials (声母) and finals (韵母). Every initial and final cannot be changed or pronounced in a different way. Also the system of tones and the

availability of specific idioms (成语), proverbs (谚语) and loaded sayings makes ideographic writing necessary for transferring the meaning of words and expressions [8].

Unfortunately, the modern geopolitical situation between the People's Republic of China and the United States of America and poor extension of English in China make lots of inconveniences while communicating with the Chinese. The trade war with America and protectionist policy of the Chinese government to encourage and propagate the usage of their national language with overseas partners may be considered a big problem for Ukraine [8].

But still, these questions don't seem to be insurmountable. To stimulate Ukrainian businessmen and young intelligence the Confucius Institute has established eight branches to cooperate with universities of Poltava, Kharkiv, Kyiv, Lugansk and Lviv. These institutions invite Chinese tutors to teach Chinese language and culture. Furthermore, they organize international examination of the Chinese Proficiency Test, also known as HSK and HSKK (oral). According to the results of the examination, students of the institute can win a scholarship with Confucius Institute Scholarship Program to obtain a course of Teaching Chinese to Foreigners, History and Arts bachelor, master and doctorate degrees. To obtain the scholarship for learning business affairs, the institutions also provide BCT examination test for the proficiency in business Chinese. There are Chinese Government, regional, provincial and university Scholarship programs for Ukrainians as well. As a result, more and more Ukrainian young people concentrate their efforts to learn Chinese and obtain a degree in a Chinese university, as the diplomas and educational certificates are quoted all over the world [8].

Economic, political and educational cooperation with PRC has a significant potential and gives incredible opportunities for Ukraine. Despite the official Ukrainian policy of integration with European Union and their economy, the developing of collaboration with other Greater Powers such as China may be beneficial for Ukraine's trade diversification, its own national interests and may open new markets for Ukrainian products as one of the steps to nationwide prosperity.



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## SPANISH SEPARATISM ON THE EXAMPLE OF CATALONIA AND THE BASQUE COUNTRY

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**Lunina V. S., Ponikaryova A. Yu. Spanish separatism on the example of Catalonia and the Basque country.** Separatism in Spain is a phenomenon caused by the desire of ethnic groups compactly living in Spain and its overseas territories to form independent national states. The most famous and active separatist movements are the Basque Country and Catalonia. The purpose of the article is to understand the causes of separatism in Spain. The study of the concept of "separatism" is very relevant, since in almost every state, regardless of the level of development, this problem exists. The characteristic features of the concept of "separatism" were analyzed. Based on the analysis of the causes of separatism in Spain, it was found that the region of Catalonia and the Basque Country have ceased to see the future as part of the country to which they belong.

**Keywords:** Basque Country, Catalonia, ethnic groups, national interests, nationalism, self-determination, separatism, Spain.

**Луніна. В. С., Понікарьова А. Ю. Іспанський сепаратизм на прикладі Каталонії та Країни Басків.** Дана стаття "Сепаратизм в Іспанії" представляє собою коротку характеристику того, що відбувається в Історичному регіоні Каталонія і в автономному співтоваристві на півночі Іспанії – Країни Басків. Мета статті – розібратися в причинах виникнення сепаратизму в рамках Іспанії. Вивчення такого поняття, як "сепаратизм" є досить актуальним, так як майже в кожній державі, незалежно від рівня розвитку існує дана проблема. Проаналізовано характерні особливості поняття "сепаратизм". Сепаратизм в Іспанії – явище, викликане прагненням етнічних груп, що компактно проживають на території Іспанії і її заморських територій, до утворення незалежних національних держав. На основі аналізу причин виникнення сепаратизму в Іспанії було встановлено, що регіон Каталонії і Країна Басків перестали бачити майбутнє в складі країни, до якої вони належать.

**Ключові слова:** Етнічні групи, Іспанія, націоналізм, Каталонія, Країна Басків, національні інтереси, самовизначення, сепаратизм.

**Луніна. В. С., Поникарева А. Ю. Испанский сепаратизм на примере Каталонии и Страны Басков.** Данная статья "Сепаратизм в Испании" представляет собой краткую характеристику происходящего в Историческом регионе Каталония и в автономном сообществе на севере Испании – Страны Басков. Цель статьи – разобраться в причинах

возникновения сепаратизма в рамках Испании. Изучение такого понятия, как “сепаратизм” является весьма актуальным, так как почти в каждом государстве, вне зависимости от уровня развития существует данная проблема. Проанализированы характерные особенности понятия “сепаратизм”. Сепаратизм в Испании – явление, вызванное стремлением этнических групп, компактно проживающих на территории Испании и её заморских территорий, к образованию независимых национальных государств. На основе анализа причин возникновения сепаратизма в Испании было установлено, что регион Каталонии и Страна Басков перестали видеть будущее в составе страны, к которой они принадлежат.

**Ключевые слова:** Испания, Каталония, национализм, национальные интересы, сепаратизм, Страна Басков, этнические группы.

Nationalism was a powerful weapon of the hard regime of Italy, Germany, Spain and Portugal. In interweaving with fascism and racism, nationalism dealt a severe blow to many peoples of the world and became a prerequisite for the development of separatism. Separatism is a policy aimed at gaining regional independence with sovereign political and economic systems. Separatists operate in a certain territory of an already established and recognized state. Their movement violates the integrity and unity of the country, therefore, in most cases leads to interethnic and interstate conflicts. The main causes of separatism are closely related to nationalism: the infringement of religious, racial and national minorities, which leads to disagreement with the current political regime in the country. Nationalist and separatism movements in Spain are movements that advocate for greater autonomy or independence for the regions and peoples of Spain and for the protection of their languages and cultures. The national movements of the peoples of Spain combined the ideas of national and social liberation. The leftist nature of Spain's peripheral nationalisms was strengthened during the confrontation with the right dictatorship of Francisco Franco. Following Spain's transition to democracy in the 1970s and 1980s, Spain's national movements were able to develop legally. Under the post-Frankish constitution of 1978, Spain was divided into autonomous communities, which roughly correspond to the historical and national regions of the state. National movements in Spain are at

different stages of development. The Catalan and Basque national movements have achieved linguistic and cultural rights and are on the verge of establishing independent states.

The first object of study is the Catalonia Autonomous Region. The beginnings of popular separatism in Catalonia can be traced back to the mid-19th century, about one century after the loss of the Catalan Constitutions when the country fell under the rule of the Bourbon dynasty and its historical institutions were annulled. Between the 1850s and the 1910s, individuals, organisations and political parties started demanding full independence of Catalonia from Spain. Nowhere in Western Europe has the call for independence sounded so loud as in Catalonia. During the dictatorship of Francisco Franco, who ruled in Spain from 1936 to 1975, the Catalan language was banned. However, in the late 70s, Catalonia received a high degree of cultural and political autonomy, it has its own regional parliament – in Barcelona. The modern Catalan separatism movement originated in the early XX century. In pre-war royal Spain, the Catalans first achieved the formation of a public Catalan community and then the creation of the Catalonia Autonomous Region. In the 1930s, Catalonia again tried to declare independence, but in the course of the Civil War, they allied themselves with the central Republican government against the Franco-dominated dictatorship. The reprisals against Catalans during the Franco regime have greatly helped to promote the Catalan independence and separatism movements. In 1979, Catalonia gained autonomy and later recognition of the Catalan language. The Government of Catalonia, taking advantage of the dissatisfaction of the population with the consequences of the crisis, as well as the autonomous statute approved in 2008, turned nationalist sentiment into the channel of separatism. At the same time, the separatists represent themselves as spokesmen for the interests of the entire Catalan society, although the results of parliamentary elections and opinion polls indicate that their supporters constitute, at best, only half the population of the autonomy. The Catalan conflict complicates relations between this region and the rest of Spain,

destabilizes the situation in the European Union and damages the country's image.

The second region where the problem of separatism exists – Basque Country. The Basque country, which has always been considered to be one of the main centers of separatism in Europe, has given Catalonia the first place in the struggle for independence for a number of reasons. The Basque minority was once much more militant. The Basque language was also banned during the years of Franco's dictatorship. And from 1961 to 2011, seeking the separation of the region from Spain, the Basque separatist group ETA killed more than 800 people, but later refused to continue the violence. “This region is considered, along with Catalonia, most prone to independence,” said Juan Andres Rodriguez, an employee of the State Center for Sociological Research (CSI). Basque Nationalist Party (BNP) rules there. Its goal is the creation of a sovereign state, including all the lands inhabited by the Basques. And this is not only the Basque Country itself, but also neighboring Navarre, part of the provinces of Burgos and Cantabria, as well as the French department of the Atlantic Pyrenees. The BNP intends to achieve its goal “slowly and only through negotiations” with Madrid and Paris, explains another DW interlocutor, an expert from the Madrid Political Analysis Foundation Mariano Ortega Diaz. According to him, the left-wing coalition Euskal Herria Bildu, with 18 out of 75 seats in the Basque parliament and demanding a referendum following the example of Catalonia, is more aggressive in terms of achieving independence. The coordinator of the coalition is Arnaldo Otegi, three times convicted for belonging to the ETA terrorist group. ETA itself, which emerged in the late 50s of the last century, is still valid, although it has not been suited for terrorist attacks since 2011. A total of 829 people died at the hands of Basque terrorists.

However, neither terrorist attacks nor political negotiations brought closer the holding of a referendum on the independence of the Basque Country. According to the Spanish constitution, only a central government can hold a referendum on this issue. But Madrid, as in the case of Catalonia, rejects this option, considering it illegal.

In c o n c l u s i o n , Madrid states that the Spanish constitution does not provide for the division of the state or secession of certain regions. As for the possible revision of the current constitution and state borders, this issue can only be resolved at a national referendum with the participation of the entire population of Spain, and not individual regions. All previous popular polls in Catalonia and the Basque country, Madrid called "farce and empty pastime." More conservative sections of Spanish society urge the government to use the provision of article 155 of the Spanish constitution. It allows the government to suspend regional autonomy and introduce direct rule from Madrid in case of flagrant violation of the country's laws by local leaders. The Spanish Minister of Defense Pedro Morenes, answering the question whether he is ready to use the army against the separatists, answered diplomatically: "If everyone follows the law, then such actions will not be needed." To sum up, the issue of the fight against separatism is an acute problem today. We see the willingness of the Government of Spain to apply all measures prescribed by law to preserve the unity of the country, but we also see the fierce struggle of the inhabitants of Catalonia and the Basque Country for their sovereign. What will happen next – time will tell.

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## **ANTI-DUMPING PROCEDURES AS A METHOD OF DUMPING REGULATION IN FOREIGN TRADE**

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**Lutsenko N. S., Zmiyova I. V. Anti-dumping procedures as a method of dumping regulation in foreign trade.** The article discusses the reasons for conducting anti-dumping procedures and the format for their use within the WTO. The data on the use of anti-dumping procedures in the period from 1995 to 2018 are given on the example of some countries, the sectors of their use and the reasons for a large number of anti-dumping duties on exporters have been analyzed.

**Keywords:** anti-dumping procedures, dumping, dumping regulation, exporter, foreign trade, WTO.

**Луценко Н. С., Змійова І. В. Антидемпінгові процедури як метод регулювання демпінгу у зовнішній торгівлі.** У статті розглядаються причини проведення антидемпінгових процедур та порядок їх застосування у рамках СОТ. Наведені данні щодо застосування антидемпінгових процедур у період з 1995 року до 2018 року на прикладі деяких країн, розглянуто сектори їх використання, проаналізовано причини великої кількості антидемпінгових мит щодо експортерів.

**Ключові слова:** антидемпінгові процедури, демпінг, експортер, зовнішня торгівля, регулювання демпінгу, СОТ.

**Луценко Н. С., Змиёва И. В. Антидемпинговые процедуры как метод регулирования демпинга во внешней торговле.** В статье рассматриваются причины проведения антидемпинговых процедур и порядок их применения в рамках ВТО. Приведены данные по применению антидемпинговых процедур в период с 1995 года до 2018 года на примере некоторых стран, рассмотрены сектора их использования, проанализированы причины большого количества антидемпинговых пошлин в отношении экспортеров.

**Ключевые слова:** антидемпинговые процедуры, внешняя торговля, ВТО, демпинг, регулирование демпинга, экспортёр.

In recent years, dumping has become one of the most common ways of capturing markets and combating competitors, as well as maintaining widespread recovery in times of economic crisis. Therefore, it is necessary to study how countries use dumping and protect their market from it, what stipulates the actual value

of the study. The s u b j e c t of the study is anti-dumping procedures within the WTO. The p u r p o s e of the study is to determine the procedures for conducting anti-dumping measures and their reasons.

Dumping is the sale of goods or services at artificially reduced prices in the foreign market in order to win markets and eliminate competitors, i.e. dumping is price discrimination between two markets. The protection of the national interests of countries is ensured through anti-dumping procedures.

The World Trade Organization (WTO) was set up on April 15, 1994 to liberalize trade by signing the relevant multilateral agreement in Morocco. The WTO became the successor to the General Agreement on Tariffs and Trade (GATT), an organization that existed from 1947 to 1994. The main tasks of the WTO are to ensure the long-term and stable functioning of the system of international trade relations, to ensure equality in trade for all countries, the consistent implementation of a fair trade policy and the gradual abolition of customs and trade restrictions.

WTO membership has become a prerequisite for any country seeking to integrate into the world economy. That is why Ukraine became a member of the WTO in May 2008. The agreement between Ukraine and the WTO clearly defined the basic “rules of the game” that our country agreed to integrate into the world economic space, and set clear boundaries for further deep integration of Ukraine into regional economic associations [2].

The task of the WTO is to ensure transparency of international trade, so dumping is regulated by some WTO provisions. During the multilateral trade negotiations under the GATT known as the Uruguay Round, one of the most debated issues on the agenda was dumping and anti-dumping. This is because the positions of the negotiating parties on this issue varied significantly. Some participants tried to simplify the mechanism of application of anti-dumping measures, while other participants tried to establish a more stringent procedure for their application. In the result of the negotiations, the participants in the Uruguay Round reached a compromise, which led to the adoption of the WTO Agreement on



the Application of Article VI of GATT 1994, known as the Anti-Dumping Agreement. Together with Article VI of GATT 1994, it establishes rules governing dumping and anti-dumping measures [3].

It should be noted that the WTO does not prohibit dumping, but does allow Member States to apply anti-dumping measures. If any member lodges a complaint, the WTO should determine whether there are any breaches based on multilateral agreements. It may impose anti-dumping measures if:

- import dumping is present (the export price of the product is less than its selling price in the exporting country);
- the national producer of similar products of the importing country is harmed or threatened with such damage (the Agreement defines pecuniary damage as material damage or threat of material damage);
- there is a causal link between dumping and harm being caused ('dumped' imports have caused foreseeable harm and the domestic industry suffers from a fall in deposits, loss of sales and market share, diminished production and reduced productivity) [1].

During an anti-dumping investigation there are the following main steps:

- 1) non-compliance with the anti-dumping procedure;
- 2) initiation of an anti-dumping investigation;
- 3) publication of a report on the initiation of an investigation;
- 4) receiving statements from other parties about their interest in the investigation within the time limits specified in the report on the initiation of the investigation, providing interested parties with information and comments, holding hearings and consultations upon their request;
- 5) conducting an investigation, gathering the necessary information and evidence, information and comments;
- 6) adoption by the Interagency Commission on International Trade of a decision on the application of previous anti-dumping measures;
- 7) the adoption by the Commission of a definitive decision on an anti-dumping investigation, which cancels the previous one and

terminates the investigation without the application of anti-dumping measures or with the application of definitive anti-dumping measures and the fixing of a definitive anti-dumping duty rate.

The duration of the anti-dumping investigation shall not exceed one year from the date of entry into force of the decision on its initiation. The WTO agreement allows governments to act against dumping when there is a significant threat to competing domestic industries. However, the government must be able to prove this [3].

*Table 1*

**WTO Member States using  
anti-dumping measures in 1995-2018**

Country	Anti-dumping initiations by reporting member	Anti-dumping initiations by exporting country
India	919	236
United States	694	290
European Union	510	128
Argentina	368	47
China	274	1327
Turkey	227	98
South Africa	231	78
Brazil	417	156
Republic of Korea	147	428
Thailand	82	230
Ukraine	65	93
Japan	13	221

*Source: [4; 5]*

We can see that the greatest number of anti-dumping duties were applied by undeveloped countries and India during the 1995-2018 period. Unlike other countries that are involved in anti-dumping investigations, the Government of India has imposed 919 anti-dumping measures, while the United States has 694 anti-dumping measures, the European Union has implemented only

510 anti-dumping measures. Moreover, such trade policy instruments are used by countries such as Argentina, China, Turkey, South Africa and Brazil.

At the same time, China is the absolute leader in the number of anti-dumping duties applied to its exporters. This is due to the fact that, first, China is a leading exporter of world commodity trade and is in serious competition in the domestic markets of most countries. Secondly, when conducting anti-dumping investigations, China is not recognized as a market economy country and, accordingly, the normal price is determined by comparing it with the cost of producing the like product in a third country.

Most anti-dumping measures were applied to base metals and articles between 1995 and 2018. The following are products of the chemical and allied industries, resins, plastics and articles, rubber and articles, machinery and electrical equipment [6].

**C o n c l u s i o n .** Anti-dumping measures are steps taken by the state to protect the domestic market from dumping of goods and services. The country complaining of dumping is responsible for investigating the existence of dumping and the non-material injury caused by the dumping, the need for the anti-dumping duty and its size.

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## THE NATIONAL COMPETITIVENESS OF UKRAINIAN ECONOMY IN THE WORLD ECONOMY

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**Lysenko A. O., Radchenko O. I. The national competitiveness of Ukrainian economy in the world economy.** The article deals with the concept of "competitiveness of the economy". The influence of the constituent factors on the competitiveness index of Ukraine, as well as the main obstacles for ensuring the development of the national economy in the conditions of globalization are noted. The main indicators of the level of national competitiveness are considered and analyzed.

**Keywords:** competitiveness, economy, globalization, the Global Competitiveness Report.

**Лисенко А. О., Радченко О. І. Національна конкурентоспроможність України у світовій економіці.** У статті розглядаються визначення поняття «конкурентоспроможність економіки». Відзначено вплив складових факторів на індекс конкурентоспроможності України, а також основні перешкоди для забезпечення розвитку національної економіки в умовах глобалізації. Розглядаються і аналізуються основні показники рівня національної конкурентоспроможності.

**Ключові слова:** конкурентоспроможність, конкурентоспроможність України, економіка України, національна економіка, глобалізація.

**Лысенко А. О., Радченко А. И. Национальная конкурентоспособность Украины в мировой экономике.** В статье рассматриваются определения понятия «конкурентоспособность экономики». Отмечено влияние составляющих факторов на индекс конкурентоспособности Украины, а так же основные преграды для обеспечения развития национальной экономики в условиях глобализации. Рассматриваются и анализируются основные показатели уровня национальной конкурентоспособности.

**Ключевые слова:** конкурентоспособность, конкурентоспособность Украины, экономика Украины, национальная экономика, глобализация.

The o b j e c t of the article is the study of the concept of "national competitiveness" and the analysis of the current state of the competitiveness of Ukrainian economy. The s u b j e c t of the paper is

to consider the components of The Global Competitiveness Index. The purpose of the article is to examine the national economy, to identify the most problematic issues relating to ensuring the development of the national economy in the conditions of globalization, and to determine the ways of improvement.

The national competitiveness of a country's economy is a set of properties that determine the ability of the national economy to compete successfully with the economies of other countries.

Nowadays, in the context of globalization, the level of national competitiveness is a decisive indicator for the economy, the place it occupies in the system of international relations, a pledge to the sustainable socio-economic development of the country and its national security. The level of national competitiveness is a constant phenomenon that changes under the influence of a diverse range of factors, both external and internal environment [1].

The World Economic Forum, which has been measuring competitiveness among countries since 1979, defines it as “the set of institutions, policies and factors that determine the level of productivity of a country” [3].

However, the international competitiveness of economy is a more meaningful term that implies:

- the country's ability to achieve high rates of economic growth that acquire sustainable quality in the medium and long terms;
- the productivity level in this country;
- the ability of national economic entities to compete successfully with certain external entities in the international markets [2, p. 39-40].

What is the main condition for the competitiveness of the Ukrainian economy? The same as for any country or company, it was simply and briefly described by one of the best experts in the world of competition M. Porter – to create values or a set of values for a target group of consumers who will definitely want to acquire them. If it succeeds, it will ensure market conquest and financial success.

According to The Global Competitiveness Report, Ukraine ranks 85th out of 141 countries in terms of competitiveness [4].

Taking into account figures mentioned above, I can make the following conclusions:

	2018–2019	
	Score	Rank
<b>Index</b>	<b>57</b>	<b>85</b>
Institutions	47,9	104
Infrastructure	70,3	57
Macroeconomic stability	57,9	133
Health	65,6	101
Skills	69,9	44
Product market	56,5	57
Labour market	61,4	59
Financial system	42,3	136
ICT adoption	51,9	78
Market size	63,0	47
Business dynamism	57,2	85
Innovation capability	40,1	61

- the financial system (136th), macroeconomic stability (133rd), and state institutions (104th) are the worst indicators;
- despite the crisis conditions, the high level of education and training together with the market capacity give the possibility of further development in Ukraine;

- the country practically does not change the level of its infrastructure, does not expand and attract new innovations;
- a weak institutional environment and the lack of macroeconomic stability remain the main problem of the country.

According to the report, the average annual GDP growth rate over 10 years ceased to be negative and improved from -2.1% to 0.1%, while the growth of foreign direct investment over the 5 years decreased from 2.7% of GDP to 2.3% of GDP .

The main trend of the last four years has been the gradual reorientation of the export markets of Ukrainian producers in view of the political situation. The commodity structure of exports of goods shows a significant decrease in the level of metallurgy production and an increase in the share of agricultural products, which indicates a change in strategic commodities from raw materials and non-precious metals to agricultural products. Among trading partners, there is a sharp decline in the share of CIS countries (mainly the Russian Federation) and an increase in the share of Europe.

Nowadays the main obstacles to ensuring the competitiveness of the Ukrainian economy in the global environment are the unstable political situation, the tightness of the internal market, the lack of incentives for innovation and investment activities, the spread of corruption, dependence on imports, and first of all fuel and energy resources; the irrational export-import structure, the internal structure of production; problems with credits because of extremely high interest rates; inflation and currency regulation; lack of a clear and transparent program of structural restructuring of the national economy.

Ukraine's long-term goals remain the following: strengthening its internal institutions and improving the investment climate; solving problems related to energy dependency and commodity markets; establishing reliable and long-term trade relations with its partners.

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## SELECTION CRITERIA FOR MIGRATION DIRECTION ON THE EXAMPLE OF SWITZERLAND

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**Lytvynenko K. I., Kalyuzhna A. B. Selection Criteria for Migration on the example of Switzerland.** This article is devoted to the main criteria for choosing a country for migration. The article discusses the theoretical aspects of the migration process, the advantages of Switzerland as a developed country and, accordingly, the main direction of migration, and explores the main indices of attractiveness of the country for migrants. Conclusions have also been made on the economic, social and political indicators that influence the migrant's decision to move.

**Keywords:** developed countries, donor country, labor migration, migration, migration direction, Switzerland.

**Литвиненко К. І., Калюжна А. Б. Критерії вибору напрямку міграції на прикладі Швейцарії.** Дана стаття присвячена виявленню основних критеріїв вибору країни для міграції. У статті розглянуті теоретичні аспекти міграційного процесу, переваги Швейцарії як розвинутої країни і, відповідно, основного напрямку міграції, та досліджені основні індекси привабливості країни для переселенців. Також зроблені висновки щодо економічних, соціальних та політичних показників, які впливають на рішення мігранта про переміщення.

**Ключові слова:** країна-донор, міграція, напрям міграції, розвинені країни, трудова міграція, Швейцарія.

**Литвиненко К. И., Калюжная А. Б. Критерии выбора направления миграции на примере Швейцарии.** Данная статья посвящена выявлению основных критериев выбора страны для миграции. В статье рассмотрены теоретические аспекты миграционного процесса, основные индексы привлекательности Швейцарии для переселенцев, исследованы преимущества Швейцарии как развитой страны в качестве основного направления миграции. Также сделаны выводы относительно экономических, социальных и политических показателей, влияющих на решение мигранта о перемещении.

**Ключевые слова:** миграция, направление миграции, развитые страны, страна-донор, трудовая миграция, Швейцария.

Population migration is the movement of people across borders of certain territories with change of place of residence forever, for more or less long time or with regular return to it. Usually migration is voluntary, although history has known cases of compulsion to it, and the basis for it is a certain human decision, made with different prerequisites and for some reason. At the present stage prerequisites for labor migration are: poor living conditions of working population in individual countries, stable and relatively high level of wages in major immigration centers, social opportunities to more fully realize their abilities in immigration countries, natural disasters, and religious, cultural persecution in donor countries.

The main causes of the decision to leave a native country for another one are: uneven economic development of different countries, differences in unemployment rates, rapid population growth in the world, the use of the achievements of modern scientific and technological revolution by donor countries, contributing to the displacement of unskilled labor, especially the socio-political development of individual countries regions, cheap labor services in underdeveloped countries. At the same time, in order to choose another country, we also need to consider the arguments in its favor. The o b j e c t of our article is international labor migration trends, and the s u b j e c t is the selection criteria for a recipient country based on the Swiss economy example. The p u r p o s e of the article is to identify and investigate the main causes of migration at the contemporary stage of development of the world economy. The r e l e v a n c e of our topic is justified by the fact that according to statistics, most importers of labor force are mainly the countries of Europe, which build their policies without fail taking into account the migration situation.

In the second half of the twentieth century, international migration proved to be one of the main factors in social transformation and in the development of economies of all regions of the world. Its importance is growing rapidly throughout the 21st century as population mobility increases and migration takes on more and more new forms. Migration is one of the results of integration of

local communities and elements of the national economy into global structures, at the same time it causes further social changes both in the countries which migrants leave and in those which receive them [1].

International labor migration is the process of moving workers from one country to another, based on the decision of each worker to leave his or her native land and to receive certain benefits from moving. Switzerland is one of the main areas of international labor migration at this stage. Each year, this country receives an average of 160,000 migrants, of whom 40,000 remain in the country for permanent residence [8].

In order to explain this situation, it is necessary to find out by what standards this country is selected by migrants to move, it should also be noted that the criteria of "attractiveness" of the country can be economic, political, social, etc.

Switzerland is one of the most developed and richest countries in the world. Its population is 8,466,017 people and its GDP is \$ 679 billion.

These two indicators only give us the first criterion for the "attractiveness" of Switzerland for immigrants – GDP per capita. At first glance, it is an economic indicator, but for migrants it has no economic benefit, that is, it serves as a "lure" of the host country for foreign workers. GDP per capita shows migrants the living standards in the host country. In Switzerland, the figure is \$ 80,637 and with this value, the country ranks second in the nation's GDP per capita rating [6].

For comparison, GDP per capita in Bulgaria, a country with almost the same population (7,500,000 people) is \$ 8,077, which is 10 times less [5].

The second criterion for the selection of Switzerland by migrants is the value of the Global Peace Index – a political indicator. Most migrants seek not only countries with better working conditions, but also escape from hostilities in the homeland, which is a priority for peace in the host country.

Global Peace Index – developed by sociologists and economists from an international group of experts at the Institute of Peace, together with the University of Sydney's Center for Peace and Conflict Studies, characterizes the level of security of residence in countries and regions. To calculate it, 23 indicators are taken, the main ones being the number of internal and external wars, those killed in the wars, political imbalance, the percentage of refugees, the number of killings, the export and import of weapons [3].

In view of these indicators, it is clear that the smaller the value of the index, the better the situation in the country is. Switzerland's global index of peacefulness is 1.37, it ranks seventh from the end in this ranking. For comparison, Syria was ranked first in 2017, with a value of 3.81, and the last was Iceland with 1.11 [4].

The third criterion for choosing Switzerland as a potential destination by migrants is the Happiness index, a social indicator. 6 factors are used to calculate this indicator: GDP per capita, social support, life expectancy, freedom of citizens to make important decisions independently, generosity and attitudes towards corruption. The most "happy" countries are those in which this index is equal to or greater than 7.5. In 2015, Switzerland ranked second in the world with a value of 7.51, in 2018 it has shifted to 6th place, but will still remain a country with a very high level of happiness – 7.48 [1].

As for the economic indicators that have the greatest impact on the choice of migration destination and the benefits to migrants, the main ones are the unemployment rate and the minimum wage in the host country [2].

Unemployment – a quantitative indicator that is defined as the ratio of the number of unemployed to the total economically active working population of the country – is measured in percentage.

In Switzerland, this figure is quite low – 3.2%, it is ranked 98th in the ranking as of 2017, which means high employment of all able-bodied population, including migrants who come to the country to find a job [7].

The last figure is the minimum rate of salary, which is also very important for future migrants, since they are calculating their income

during their stay in the recipient country, but there is simply no such figure in Switzerland [10]. In the 2014 open referendum, 76% of the population decided that they did not need such an indicator. For the sake of familiarity and theoretical calculation of their benefits, only approximate figures are provided: for non-skilled workers – \$ 2280-4360, for specialists – \$ 2900-5500 [3].

**C o n c l u s i o n .** Thus, when deciding on emigration to earn a living, migrants consider the reasons to leave their home, which can be very diverse – economic, cultural, environmental, political, national, religious, racial, psychological, humanitarian, and evaluate the country's future by economic, political and social criteria. There are developed and established criteria to identify the attractiveness of any country for migrants. Switzerland ranks among the top countries in terms of attractiveness based on such criteria with the economic factor coming to the forefront. The role and impact of foreign workers on the economy of the recipient country are among the **p r o s p e c t s** of research.

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**DEMOGRAFISCHE ALTERUNG:  
EIN NEUER BLICK AUF DAS PROBLEM  
UND DIE LÖSUNGEN AM BEISPIEL  
DER UKRAINE**

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**Lytvynenko K. I., Pirog I. I. Demografische Alterung: Ein neuer Blick auf das Problem und die Lösungen am Beispiel der Ukraine.** Dieser Artikel befasst sich mit der Ermittlung der wirtschaftlichen Folgen eines so weit verbreiteten Phänomens wie der demografischen Alterung (am Beispiel des Finanzsystems der Ukraine). Der Artikel diskutiert die Hauptursachen und -typen dieses Prozesses, seine Bedeutung für die Wirtschaft des Landes, allgemein akzeptierte und alternative Kampfmethoden. Die Auswirkungen der Bevölkerungsalterung auf das Kredit- und Bankensystem der Ukraine im gegenwärtigen Entwicklungsstadium werden untersucht. Rückschlüsse werden auch auf weitere Methoden zur Bekämpfung dieses Phänomens gezogen.

**Schlüsselwörter:** Alterung der Bevölkerung, Anpassung der Politik, Anteil älterer Menschen, demografische Alterung, neuer Ansatz, die Ukraine.

**Литвиненко К. І., Пірог І. І. Демографічне старіння: новий погляд на проблему та шляхи її вирішення на прикладі України.** Дана стаття присвячена виявленню економічних наслідків такого поширеного у всьому світі явища як демографічне старіння (на прикладі фінансової системи України). У статті розглянуті основні причини та типи даного процесу, його значення для економіки країни, загальноприйняті і альтернативні методи боротьби. Досліджено вплив старіння населення на кредитно-банківську систему України на сучасному етапі розвитку. Також зроблені висновки щодо подальших методів контролю цього явища.

**Ключові слова:** адаптація політики, демографічне старіння, новий підхід, старіння населення, частка людей похилого віку, Україна.

**Литвиненко Е. И., Пирог И. И. Демографическое старение: новый взгляд на проблему и пути ее решения на примере Украины.** Данная статья посвящена выявлению экономических последствий такого распространённого во всем мире явления как демографическое старение (на примере финансовой системы Украины). В статье рассмотрены основные причины и типы данного процесса, его значение для экономики страны, общепринятые и альтернативные методы борьбы. Исследовано влияние старения населения на кредитно-банковскую систему Украины на



современном этапе развития. Также сделаны выводы насчет дальнейших методов контроля этого явления.

**Ключевые слова:** адаптация политики, демографическое старение, доля пожилых людей, новый подход, старение населения, Украина.

Das O b j e k t der Forschung ist der Alterungsprozess der Weltbevölkerung. G e g e n s t a n d der Forschung sind Methoden zur Lösung der Folgen der demografischen Alterung durch Anpassung der Wirtschaft an dieses Phänomen. Das Ziel dieser Arbeit ist es, die Ursachen der demografischen Alterung zu untersuchen und moderne Methoden zur Anpassung an diesen unvermeidlichen Prozess zu untersuchen. Die Relevanz dieses Themas liegt darin begründet, dass die Bevölkerungsalterung in fast allen Ländern der Welt zum vorherrschenden Trend geworden ist und sie in der gegenwärtigen Phase der Staatsentwicklung nur Möglichkeiten gefunden haben, dieses Phänomen als negativ zu behandeln, und nicht über die positiven Aspekte dieses Prozesses und seine Anwendung bei der Gestaltung der Politik nachgedacht haben.

Demografische Alterung – ein Anstieg des Anteils älterer Menschen an der Gesamtbevölkerung. Der Alterungsprozess der Bevölkerung wird zu einem der bedeutendsten gesellschaftlichen Umwälzungen des 21. Jahrhunderts. UN-Prognosen zufolge werden bis 2050 22% der Weltbevölkerung in Rente gehen und in Industrieländern wird es für jeden arbeitenden Bürger einen Senioren geben. Dies betrifft nahezu alle gesellschaftlichen Bereiche. Die demografische Alterung wirkt sich auf die Arbeits- und Finanzmärkte, die Nachfrage nach Gütern und Dienstleistungen wie Wohnen, Transport und Sozialschutz sowie auf die Familienstruktur und die Beziehungen zwischen Menschen verschiedener Generationen aus. Ältere Menschen werden zunehmend als Teilnehmer am Entwicklungsprozess gesehen, deren Fähigkeit, zum Wohle ihrer selbst und ihrer Gesellschaft zu handeln, in Politiken und Programmen auf allen Ebenen berücksichtigt werden sollte.

Dies ist das Ergebnis des anhaltenden demografischen Wandels, der Verschiebungen in der Art der Bevölkerungsreproduktion, der

Fruchtbarkeit, der Mortalität, ihres Verhältnisses und auch der teilweisen Migration. Es gibt zwei Hauptentwicklungen, die den Altersdurchschnitt einer Bevölkerungsgesamtheit anheben: die Erhöhung der allgemeinen Lebenserwartung und der anteilige Rückgang jüngerer Menschen durch einen Geburtenrückgang oder deren Auswanderung [1]. Auf dieser Grundlage gibt es zwei Arten des Alterns: Altern „von unten“ (das Ergebnis einer Abnahme der Geburtenrate); Altern „von oben“ (das Ergebnis einer Zunahme der durchschnittlichen Lebenserwartung und einer Abnahme der Sterblichkeit im Alter). Geben Sie ein praktisches Beispiel: Im Jahr 2000 betrug der Anteil der über 60-Jährigen in der Ukraine und in Deutschland 20,5% bzw. 23,2%. Prognosen zufolge werden die Indikatoren beider Länder bis 2050 auf 38,1% ansteigen [2].

Die Indikatoren dieser Länder sind auf den ersten Blick ähnlich, haben aber in der Realität ganz andere Bedeutungen. Für die Ukraine bedeuten diese Zahlen einen stetigen Rückgang der Geburtenrate und für Deutschland eine stetige Verbesserung des Lebensstandards und infolgedessen eine Erhöhung der Lebenserwartung. In der Ukraine altert die Bevölkerung „unten“, in den Industrieländern des Westens „oben“ (medizinischer Fortschritt).

Ursachen für den Rückgang des Nachwuchses Erwerbstätiger sind: eine bewusste persönliche Familienplanung. Jahrhunderts bemerkbar. Einen großen Anteil daran hat die zunehmende Gleichberechtigung und materielle Unabhängigkeit von Männern und Frauen zueinander. Viele Menschen verzichten ganz oder teilweise auf Kinder, aus bewusster eigener Entscheidung; die zunehmende Verfügbarkeit moderner Verhütungsmittel; zunehmende Zukunftsangst durch die steigende Gefahr von Arbeitslosigkeit und Lohnrückgang wegen Rationalisierung durch den technischen Fortschritt und weltweite Konkurrenz durch die Globalisierung und den Abbau von Arbeitnehmerrechten, die Gewaltentwicklung in der Gesellschaft und zunehmende Umweltprobleme; Kinderlosigkeit durch Unfruchtbarkeit von Menschen aufgrund von Umwelteinflüssen; die Auswanderung von Fachkräften [4].

Die Überalterung der Bevölkerung stellt das soziale Unterstützungssystem der Bevölkerung, den Schutz von Gesundheit, Beschäftigung und Arbeitsmarkt, das Bildungssystem, den Wohnungsbau, die kommunalen Dienstleistungen und die Verkehrsinfrastruktur, die Institution der Familie usw. vor Herausforderungen. Die offensichtlichsten Auswirkungen des Alterns sind finanzieller und wirtschaftlicher Natur: eine Verringerung der Arbeitskräfte, eine mögliche Verlangsamung des Wirtschaftswachstums, eine Erhöhung der Sozialausgaben für ältere Menschen, eine Erhöhung der Steuerbelastung und eine Verringerung der Ersparnisse. Gleichzeitig erfolgt die Verringerung der finanziellen Möglichkeiten für die soziale Sicherheit im Zusammenhang mit einer allgemeinen Zunahme der Nachfrage älterer Menschen nach sozialen Dienstleistungen. Von Vielen wird die Alterung einer Gesellschaft als ein finanzielles Problem gesehen. Um dieses Problem zu lösen, nutzen sie in der Regel die nachteiligste Möglichkeit, nämlich eine Erhöhung der Steuerbelastung der Erwerbsbevölkerung und eine Erhöhung der Altersvorsorge. Es sollte jedoch berücksichtigt werden, dass eine alternde Bevölkerung alle Lebensbereiche betrifft und Entscheidungen für jeden erforderlich sind.

Die sozioökonomischen Auswirkungen einer alternden Bevölkerung sind so eng miteinander verknüpft, dass sich Minderungsmaßnahmen positiv auf andere auswirken. Für das Management, nämlich das Management und nicht den Kampf gegen diesen Fortschritt, sollte man eine Reihe außergewöhnlicher sozialer und finanzieller Entscheidungen in Betracht ziehen, die in einem Entwicklungsland (Ukraine) angewendet werden können, und dadurch die nachfolgende Politik an dieses Phänomen anpassen.

Angemessene Gesundheitsversorgung kann dazu beitragen, die Erwerbstätigkeit der Rentner zu verlängern und die Belastung durch Rentenzahlungen zu verringern; die Ausweitung der Beschäftigung älterer Menschen schafft finanzielle Voraussetzungen für die Verbesserung ihrer sozialen Unterstützung; die Förderung der Kinderbetreuung durch Abschreibungsmodelle im Rahmen

der Familienpolitik, sowie eine staatliche Bezuschussung von Kindertagesstätten; die Einführung von Zwangsmechanismen, z. B. eine Kopplung der Rentenhöhe an die Zahl der aufgezogenen Kinder, medizinische Maßnahmen; die Förderung der Reproduktionsmedizin; Politik zur Verringerung von Arbeitslosigkeit und der Angst davor; eine geeignete Einwanderungspolitik mit Blick auf leistungsfähige und jüngere Immigranten; die Verringerung der mikrokanonischen Unterhaltspflicht und Erhöhung des staatlichen Anteils am Unterhalt des Nachwuchses; Eine Anhebung des Renteneintrittsalters.

Die meisten dieser Entscheidungen beziehen sich auf den „neuen Ansatz“, können aber durchaus in der Politik der Ukraine Fuß fassen. Ein Beispiel dafür, dass die Wahrnehmung der demografischen Alterung in der Vergangenheit in der Ukraine nicht mehr relevant ist, sind die Auswirkungen auf das Kredit- und Bankensystem [3].

Tatsache ist, dass im gegenwärtigen Entwicklungsstadium und unter den Bedingungen der wirtschaftlichen Schwierigkeiten, in denen sich unser Land ständig befindet, die Altersvorsorge nicht mehr die einzige Hoffnung älterer Menschen auf Existenz ist. In den letzten Jahrzehnten gab es verschiedene Trends bei der Sicherung des Lebensunterhalts im Alter, z. B. : die Ansammlung von Geldern für das Alter, der Kauf und der anschließende Verkauf von Immobilien.

Der erste Trend steht in direktem Zusammenhang mit dem Kredit- und Bankensystem, da viele Erwerbstätige nicht auf den Staat angewiesen sind, sondern selbst anfangen, für das sorglose Alter zu sparen und zu sparen. Dies führt zu einer Erhöhung der Anzahl und des Zeitpunkts von Einzahlungen. Dieser Trend hat sich aus mehreren Gründen entwickelt, von denen die wichtigsten sind: eine kleine Rente, Schwierigkeiten beim Erreichen des „Dienalters“, wenn junge Menschen in anderen Ländern arbeiten und zunehmend selbstständig arbeiten.

Der zweite Trend bezieht sich hauptsächlich auf solche Bankgeschäfte wie „Kredite“, die in jungen Jahren mit einem

konstanten Einkommen durchgeführt werden. Menschen kaufen Immobilien in jeder Situation und an jedem Ort, nur um in Zukunft ein passives Einkommen zu haben. Mit solchen Trends und dem fortschreitenden Alterungsprozess der Bevölkerung in naher Zukunft werden Rentner nicht mehr eine Belastung für ihren eigenen Staat sein, sondern vielmehr aktive Teilnehmer am Finanzsystem und schon in jungen Jahren.

Schlussfolgerungen. Es ist unmöglich, den Alterungsprozess zu verhindern. Er hat einen objektiven Charakter und ist auf eine Zunahme der Lebenserwartung und eine Abnahme der Geburtenrate während der Zivilisationsentwicklung zurückzuführen. Gleichzeitig muss eine angemessene staatliche Politik formuliert werden, um auf die Herausforderungen einer alternden Bevölkerung zu reagieren, betrachten Sie diesen Prozess nicht als eine Bedrohung, mit der umgegangen werden kann, sondern als eine neue Chance, die zum Wohle des Staates genutzt werden kann. Es versteht sich, dass die bisherigen Ansätze längst überholt sind, sich die Kultur der Bevölkerung grundlegend verändert hat und jedes Land sich an neue Bedingungen anpassen und diese in künftigen Plänen berücksichtigen muss.

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## EUROPIAN UNION ECONOMY: PROBLEMS AND PROSPECTS OF DEVELOPMENT

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**Makusheva V. D., Radchenko O. I. European Union: problems and prospects of development.** The article deals with the issues concerning the development of the economy of the European Union, prospects of further growth, as well as the obstacles in the way of its improvement. The work reveals the problems of highly developed and developed member countries within the union, as well as strategies that will help return the EU economy to its previous level.

**Keywords:** development, economy, European Union, growth, problems, prospect.

**Макушева В. Д., Радченко О. І. Європейський Союз: проблеми та перспективи розвитку.** У статті розглядається тема розвитку економіки Європейського Союзу, перспективи подальшого розвитку, а також проблеми, які виникають на шляху її поліпшення. Робота розкриває проблеми високорозвинених та розвинених країн-учасниць всередині угруповання, а також стратегії, які допомагають повернути економіку ЕС на колишній рівень.

**Ключові слова:** економіка, Європейський Союз, перспективи, проблеми, розвиток, угруповання.

**Макушева В. Д., Радченко Е. И. Европейський Союз: проблеми и перспективы развития.** В статье рассматривается тема развития экономики Европейского Союза, перспективы дальнейшего роста, а также проблемы, которые возникают на пути к улучшению. Работа раскрывает проблемы высокоразвитых и развитых стран-участниц внутри союза, а также стратегии, которые помогут вернуть экономику на прежний уровень.

**Ключевые слова:** Европейский Союз, перспективы, проблемы, развитие, союз, экономика.

The o b j e c t of the article is the development process of the European Union and the problems that the economy of this integration association faces. The s u b j e c t of the study is the economic conditions of the EU countries and their further development within this integration association. The p u r p o s e of

the article is to identify the main problems of the EU economy in the process of a detailed study of the development of the union and determinate prospects for further development. The topicality of the problem under study is the importance of this association in the world economy, since the European Union integrates some of the strongest countries in the world and the economic development of this union is strategically important for the development of the world economy. The p r o s p e c t of the analysis is to figure out the right reasons of the occurrence of the biggest problems EU economy has been facing and prevent the economy in the future from those difficulties.

European Union abbreviated EU is a group of 28 countries that together cover much of the continent and operate as a cohesive economic and political block. Nineteen countries of the union use the euro as their official currency. These countries are known as Eurozone. The first idea of this organization was to make countries that trade with one another become economically independent and so more likely to avoid new conflicts that was especially relevant in the aftermath of the Second World War. The union which was establish as a purely economic association has evolved into an organization spanning policy areas, from the climate, the environment and health to external relations and security, justice and migration. A name change from the European Economic Community (EEC) to the European Union (EU) in 1993 reflected this [6]. It is worth mentioning that the EU was not always as big as we know it today. When European countries started to cooperate economically in 1951, only Belgium, Germany, France, Italy, Luxembourg and the Netherlands participated. Over time more and more countries decided to join. The criteria for entering the Union are included in the Copenhagen criteria which were adopted in 1993, and the Treaty of Maastricht. The Union currently consists of 28 EU countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, the

UK. Also Romania and Bulgaria became members of the EU in 2007. At the moment there are five candidates for future membership of the Union: Turkey (applied on 14 April 1987), North Macedonia (applied on 22 March 2004 as "Former Yugoslav Republic of Macedonia"), Montenegro (applied in 2008), Albania (applied in 2009), and Serbia (applied in 2009) [5].

According to the brief description of the development of the EU, it should be noted that such a hurried expansion of the union led to the unification of countries that are different not only in their development, but mentality, culture, religion, etc. In addition, the EU currently has 24 official languages. This problem badly effects decision-making within the union. Besides, all European countries are faced with the problems of migration flows. The local population doesn't want to put up with new residents but at the same time immigrants are not ready to take any actions in order to become a part of the country they have immigrated. They don't seek to learn the language, to adopt customs, they gather in large crowds and create their culture within the culture of the host country [3]. Accordingly, this causes indignation of the local residents, in some countries the number of negative attitude towards immigrants has crossed the index of 50%. Moreover, this problem complicates the political life of the union, because it leads to additional financial losses, government has to pay benefits, pensions, scholarships, etc. The second important problem arising from the rapid growth of the EU was the lack of financial resources for the development of new countries. Highly developed countries don't understand why they have to pay large taxes on the maintenance of poorer countries.

One of the most challenging problems is related to the long-term crisis of the "peripheral" countries. Trying to correspond to the high standards of socially oriented economies of the leading countries, these states solve their social problems by increasing the state budget expenditures, consequently increasing its deficit and, as a result, the public debt. But, as we know, the national budget deficit provokes an increase in the government debt. In Greece, the government debt makes up 113% of GDP, despite the fact that



Greece's GDP is only 2% of the European, the problem of this country provoked the destructive effect on other countries, which allowed us to suppose the Eurozone crisis [1]. Although, this problem has not been fully resolved yet, but the EU is trying to combat it with the help of international organizations.

The current EU economy is developing under the “Europe 2020” program, which aims to return to its previous pace of development. This program is based on the active development of information technology, the introduction of innovations, as well as improving the quality of education provided, moreover, the EU has begun an active fight against unemployment among European youth. The next important step in the further development of the EU is environmental issues. One of the ways to solve them is to use innovative technologies that would make it possible to switch to alternative energy sources harmlessly for the ecology and with less usage of non-renewable energy sources. The final element of the modern EU development strategy is the territorial cohesion of the EU population, improving living standards in less developed countries, increasing employment levels, as well as increasing the efficiency of the labor market [7].

The following special indicators were developed in order to evaluate objectively the results of the developed strategy:

- an increase in the employment rate of the able-bodied population to 75%;
- an increase in research and development costs up to 3% of GDP;
- a reduction in the number of students who drop out of school to 10%;
- a decrease in the number of people living in poverty by 20 million people;
- 20% reduction in emissions of air polluting gases;
- an increase in energy efficiency by 20%;
- an increase in the share of renewable energy up to 20%;

The presence of these criteria, of course, is a huge advantage of the Europe 2020 strategy, because it facilitates monitoring of the

implementation of recommendations developed at the supranational level by the member countries. In addition, the fact that each EU institution has been allocated clear competencies and set clear tasks is a significant advantage to the current EU strategy. The countries that are members of the European Union are required to report on the progress they have made towards converging with the criteria approved in the program twice a year. At the same time, while making a plan for the development of the national economy for the next year, the EU member state can set its own benchmarks based on its own assessment of the current state of its state budgets. For example, Finland, Holland, and Poland planned to reduce the number of students dropping out of school to a level below the supranational level of 10% in 2015, while Italy set a more realistic goal of 16% [4]. The above-mentioned features of the organization of activities of all the connecting links of the European integration association fit into the so-called “pillars” on which the foundation of the EU strategy rests. They include a specific set of tasks that need to be solved and clearly formulated areas of activity; providing support to participating countries in working out their own development plans. We have to admit that the presence of these “pillars” gives some flexibility to the system of the European Union, because it “gently pushes” the countries of the Union to bring their national aspirations closer to the common European ones, providing the opportunity to defend their own interests, and not demanding unconditional submission. Of course, there is a “warning policy” against those who do not implement the initiatives proposed by the plan, but in practice its implementation is extremely rare. At the same time, internal disagreements between the member states and their unwillingness to limit the borders of their sovereignty for the sake of the “common cause” of the European Union hinder the pace of achieving the set guidelines. In terms of improving the environmental situation and expanding the use of alternative energy sources, Europe has always been at the leading position in the world, therefore, according to experts, it may even succeed in exceeding the set guidelines [2].

In conclusion, we can say that in the European Union there is still a gap between highly developed countries and developed countries that have just joined the union, which destroys the potential for balanced development and further integration. The success of the proposed strategy depends entirely on whether all EU members can act as harmoniously and efficiently as possible

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## LES RESSOURCES DES BANQUES D’AFFAIRES ET LE TRAJET DE LEUR OPTIMISATION

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**Malko V. V., Bezvesilna N. T. Les ressources des banques d’affaires et le trajet de leur optimisation.** Dans l’article donné il s’agit du concept des ressources des banques d’affaires, leur classification, les problèmes principaux de l’acquisition des ressources et le trajet de leur optimisation.

Mots-clés : les ressources des banques d’affaires, le capital statutaire, les ressources financières réservées, le bénéfice non partagé, les taxes sur l’utilisation des ressources.

**Малько В. В., Безвесільна Н. Т. Ресурси комерційного банку та шляхи їх оптимізації.** У статті розглянуто поняття ресурсів комерційного банку, їх класифікація, основні проблеми утворення ресурсів та шляхи оптимізації.

**Ключові слова:** ресурси комерційних банків, статутний капітал, резервовані грошові ресурси, нерозподілений прибуток, ресурсна база.

**Малько В. В., Безвесильная Н. Т. Ресурсы коммерческих банков и пути их оптимизации.** В статье рассматривается понятие ресурсов коммерческих банков, их классификация, основные проблемы получения ресурсов и пути их оптимизации.

**Ключевые слова:** ресурсы коммерческих банков, статутный капитал, резервированные денежные ресурсы, неразделённая прибыль, ресурсная база.

Les banques d’affaires effectuent leur activité pour la réalisation de bénéfices. Cette activité consiste dans le service des clients à la base des contrats signés y compris une certaine récompense en argent, ce qui devient la bénéfice de banque. Les trésoreries, les opérations de crédit, les opérations de banque et d’autres opérations sont dans la liste des services donnés aux personnes morales et physiques.

Les banques épargnent les revenus accumulés sous forme des dépôts qui deviennent plus tard le capital emprunté. Ce capital-là est utilisé pour le financement par crédits des entreprises. La possibilité des banques de délivrer des crédits dépend du nombre des moyens

monétaires accumulés par la population et du chiffre des ressources des entreprises.

Pour le fonctionnement effectif du système de banque il existe le système électronique du règlement de compte qui permet de diminuer des dépenses, active les règlements et assure plus de sûreté des opérations. Les banques garantissent la direction des moyens monétaires économisés pour les objets de la production lorsqu'elles font paraître des obligations et des paquets d'actions.

Les activités des banques d'affaires sont limitées par la législation de la sphère de la production matérielle, du commerce, de l'assurance et de l'acquisition des biens immobiliers. Il est défendu aux banques de l'établissement des taux monopolisés et des commissions, de la limitation illégale de la concurrence dans la fonction bancaire.

L'activité des banques d'affaires est orientée à la fonction intermédiaire et prévoit l'achat des disponibilités et leur vente aux personnes morales et physiques. Le placement avantageux des ressources garantit la stabilité économique et l'indépendance des banques ce qui assure l'augmentation de leurs recettes et la liquidité. Le total des ressources financières dont la banque dispose et les utilise pour la réalisation des opérations actives et passives, se nomme les ressources des banques d'affaires.

Les banques réalisent le capital d'emprunt par la voie de l'emmagasinage de l'épargne, des recettes et des économies. Les comptes des banques d'affaires se composent des fonds de base, de réserve et d'autres. Le bénéfice qui est à la circulation monétaire et qui est utilisé comme les ressources financières fait partie des fonds propres.

Les ressources très importantes des banques d'affaires sont les comptes de clients et les comptes aux devis qui se composent des disponibles des comptes en continu et des ceux-ci bancaires des personnes morales, des comptes mis en dépôt au trésor, des restes des fonds d'usage spécial et de motivation économique, des comptes d'organisations budgétaires et sociales etc. Les crédits donnés aux autres banques et aussi leurs comptes qui font les comptes de

correspondant de la banque forment aussi partie des ressources des banques d'affaires.

Toutes les ressources des banques d'affaires peuvent être divisées en fonds propres et fonds empruntés. Le capital de base, les fonds différents, les réserves pour risque et le bénéfice non partagé composent le compte propre de la banque.

Les fonds empruntés se composent de l'argent aux comptes de dépôt des clients, des emprunts reçus dans les autres banques, les comptes des créditeurs. Le caractère de l'activité de la banque est en ce que ses fonds empruntés sont beaucoup plus considérables que ses fonds propres.

Les fonds propres se composent des fonds et des réserves utilisés par la banque durant toute la période de son fonctionnement et ils sont déterminés d'assurer la stabilité économique de la banque, en couvrant des déficits possibles et agrandir au maximum des recettes-actions. Le capital de la banque attire des ressources financières auxiliaires au marché, assure la liquidité et diminue des risques.

La fonction de protection assure le maintien de la solvabilité des intérêts des actionnaires de la banque et des déposants en cas de la liquidation de la banque. La fonction rapide du capital a une très grande importance au début du fonctionnement de la banque, parce que les achats des bâtiments, de l'installation mécanique et d'autres choses se réalisent d'après les fonds propres. La fonction régulatrice est orientée à la protection des intérêts des dépositeurs et la stabilité du système de la banque.

Puisque la banque utilise les comptes empruntés des sources différentes, elles se divisent en ressources stables et inconstantes. La partie des sources stables dans la base principale de ressources peut être à la limite de 10-15%, les placements inconstants et les interventions sans dépôts peuvent composer 25-30%, et les fébriles spéculatifs composent 8-10%. 50% du capital sont des placements fixés à un certain délai, les comptes courants font 30-25%, les crédits interbancaires composent 20-25% des comptes empruntés.

Les sources de la base qui forment le capital propre de la banque sont :

1. Le capital statutaire de la banque est formé du capital social ou du capital privé par

l'accumulation des versements des fondateurs ou l'émission d'actions. Les fonds statutaires de la banque d'affaires se forment grâce aux comptes des versements propres des actionneurs.

2. Les ressources financières réservées, qui font les fonds de la réserve de la banque d'affaires, assurent les frais imprévus, compensent les pertes à cause de l'activité de la banque, et mettent aussi en paiement les distributions d'après les actions privilégiées en cas du bénéfice insuffisant. La stabilité de la banque d'affaires est assurée par les comptes réservés qui réduisent la probabilité de sa faillite.

Les fonds donnés ne peuvent pas être moins de 25% du capital de statut, et le chiffre des comptes prélevés ne peut pas être moins de 5% du bénéfice net.

3. Le développement de production et le développement social dépendent des fonds spéciaux, qui se composent des fonds de la réévaluation des moyens fondamentaux, des fonds des comptes de base et d'autres. La formation et l'utilisation de ces comptes sont déterminées dans les limites du statut de la banque. Les fonds donnés forment le bénéfice de la banque.

4. Le bénéfice non partagé est la réserve de banque fixée pour la capitalisation qui est créé après la répartition des revenus nets.

La Banque nationale de l'Ukraine a de certaines demandes envers les fonds de statut qui influencent le chiffre du capital propre de la banque. La dimension du capital dépend aussi du caractère des opérations actives réalisées et des traits spécifiques aux services des clients.

La banque d'affaires doit aussi prendre en considération les facteurs, qui influent sur l'augmentation des ressources financières, notamment les facteurs macroéconomiques, l'état du marché financier, la législation, la psychologie des clients, des concurrents et des propriétaires, les facteurs du système intérieur.

Aujourd'hui la date de la nomination des dépôts à terme est difficile à cause du déficit des fonds propres de roulement à l'entreprise et les rythmes élevés d'inflation. La ressource donnée a une grande mobilité des ressources financières mais relativement une valeur élevée. Pour augmenter l'efficacité du fonctionnement, les banques ukrainiennes ont besoin d'attirer et d'emprunter les ressources parce qu'elles font une part lourde des investissements de capitaux de ressources.

Les ressources de banque sont créées par suite des opérations passives. La réception du crédit interbancaire est le résultat des transactions passives, ce qui est reflété dans les contrats correspondants pour le délai d'un jour à quelques mois. La Banque nationale de l'Ukraine peut aussi accorder des avances lombardes et vendre des avances par les mises aux enchères de crédits aux banques d'affaires. Les investisseurs qui achètent des obligations peuvent aussi alimenter la trésorerie bancaire par leurs fonds. Les ressources financières mobilisées d'après les opérations passives sont utilisées dans les différentes directions d'après la conduite des transactions actives.

La politique de pourcentage fait voir la sécurité et la stabilité de l'activité de la banque d'affaires. Les demandes principales envers le taux d'intérêt sont la probabilité maximale pour les déposants potentiels et la prévention des fluctuations brusques de la marge de pourcentage entre les transactions actives et les opérations passives de la banque. Les opérations passives de dépôt forment les ressources empruntées. Elles attirent et mettent en circulation les disponibilités qui sont temporairement à la balance de banque, ce qui se trouve aux comptes de la population, des entreprises, des banques.

Ce sont de différents déposants qui peuvent réaliser les opérations passives. Voilà pourquoi on accorde les opérations qui sont faites grâce aux comptes des entreprises, des banques correspondantes et des personnes physiques. A l'état de la distribution des dépôts sur la somme du remboursement possible des personnes physiques par le fonds d'assurance des dépôts de ces personnes 01.03.2019 les déposants ont une grande confiance à



telles banques comme Privatbanque, Ukrsibbanque, Alfa banque, Ukrgasbanque, Première banque ukrainienne internationale, Aval, Kredobanque et d'autres. Les leaders des dépôts des devises étrangères sont Privatbanque, Ukrsibbanque, Kredobanque. La plus grande somme du remboursement possible par le fonds d'assurance des dépôts des personnes physiques appartient à la Privatbanque et compose 131 417 567 grivnas.

Dans la deuxième moitié de l'an 2018 les chocs intérieurs et extérieurs n'ont pas substantiellement influencé sur l'activité du secteur bancaire. Les banques d'affaires ont réalisé le financement par crédits et attiré le refinancement.

L'état militaire établi dans dix régions de l'Ukraine n'a pas eu de grande influence sur le travail des banques : les consignations accordées à la population et au business n'ont pas diminué, l'activité des banques reste liquide et stable. Ce sont les signes de la confiance des clients aux banques en général.

Le contrat de coopération avec le Fonds monétaire international a soulagé d'enlever de grands risques pour l'économie et le secteur financier. Le travail net d'après le programme donné doit assurer l'Ukraine par le volume suffisant des ressources financières pour son activité extérieure avec les investisseurs étrangers. Ces actions font venir la stabilité du marché monétaire et le ralentissement de l'inflation.

D'après les données de la Banque nationale de l'Ukraine on attend l'augmentation des revenus des ménages et des firmes. Cette année-là les prêts pour ces compagnies augmentent pour 15% et plus. L'octroi de crédit de détail va un peu diminuer le rythme, mais un certain temps il sera assez grand à cause de la petite base de la comparaison.

Aujourd'hui il y a de différentes causes qui sont les problèmes principaux dans la formation et l'utilisation des ressources des banques d'affaires.

La cause principale extérieure est la situation économique qui est faite en Ukraine aujourd'hui, qui augmente la méfiance des banques, l'influence inflationniste immédiate par taux d'intérêt, qui

provoque des sorties de capitaux à l'étranger, un changement de la structure des dépôts actifs et dépositaires, une réduction de la base de dépôts, des réformes du marché, qui à court terme provoquent des processus qui conduisent à une crise bancaires, les attaques de raider qui permettent de vendre ou de liquider actifs de la banque.

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## L'IMPACT DE LA MONDIALISATION SUR LE PHENOMENE DU DEVELOPPEMENT MONDIAL

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**Malushko A. S., Dudka L. A. L'impact de la mondialisation sur le phénomène du développement mondial.** L'article traite de l'impact du processus de mondialisation sur le développement du système mondial. Un examen complet des positions des principaux chercheurs de différents domaines scientifiques et de différentes périodes de l'histoire est réalisé. Au cours du processus de développement de la communauté mondiale, le phénomène de la mondialisation, apparu initialement dans le domaine économique, s'est progressivement étendu à toutes les sphères de la vie humaine (politique, sociale et spirituelle). La mondialisation de la variante néolibérale imposée au monde par une oligarchie transnationale, fondée sur les principes du fondamentalisme du marché et sur la volonté d'extraire les superprofits, constitue un grave danger pour la société moderne, contribuant à la croissance du chômage et de la pauvreté, exacerbant la situation environnementale et introduisant une normalisation primitive dans la culture. Le monde moderne traverse une période de transition – une ère d'incertitude. En conséquence, la question se pose de rechercher une alternative idéologique viable nécessaire pour parvenir à un développement uniforme et à la justice sociale.

**Mots-clés :** mondialisation, mondialisme, économie mondiale, capitalisme, capital transnational, néolibéralisme, problèmes globaux.

**Малушко А. С., Дудка Л. А. Вплив глобалізації на феномен світового розвитку.** У статті розглядається вплив процесу глобалізації на розвиток світової системи. Був проведений всебічний огляд позицій провідних дослідників різних наукових напрямків та історичних періодів. В процесі розвитку світового співтовариства феномен глобалізації, спочатку що виник в економічній області, поступово поширився на всі сфери людської життєдіяльності (політичну, соціальну та духовну). Глобалізація неоліберального варіанту, нав'язана світу транснаціональною олігархією, в основі якої лежать принципи ринкового фундаменталізму і прагнення до вилучення надприбутків, несерйозну небезпеку сучасному суспільству, сприяючи зростанню безробіття і злиднів, посилюючи екологічну ситуацію і привносячи примітивну стандартизацію в культуру. Сучасний світ перебуває в перехідному періоді – епосі невизначеності. Відповідно, ставиться питання про пошук життєздатної ідеологічної альтернативи, необхідної для досягнення рівномірного розвитку і соціальної справедливості.

**Ключові слова:** глобалізація, мондіалізм, глобальна економіка, капіталізм, транснаціональний капітал, неолібералізм, глобальні проблеми.

**Малушко А. С., Дудка Л. А. Влияние глобализации на феномен мирового развития.** В статье рассматривается влияние процесса глобализации на развитие миросистемы. Сделан всесторонний обзор позиций ведущих исследователей разных научных направлений и исторических периодов. В процессе развития мирового сообщества феномен глобализации, изначально возникший в экономической области, постепенно распространился на все сферы человеческой жизнедеятельности (политическую, социальную и духовную). Глобализация неоліберального варианта, навязанная миру транснациональной олигархией, в основе которой лежат принципы рыночного фундаментализма и стремление к извлечению сверхприбылей, несёт серьёзную опасность современному обществу, способствуя росту безработицы и нищеты, усугубляя экологическую ситуацию и привнося примитивную стандартизацию в культуру. Современный мир находится в переходном периоде – эпохе неопределённости. Соответственно, ставится вопрос о поиске жизнеспособной идеологической альтернативы, необходимой для достижения равномерного развития и социальной справедливости.

**Ключевые слова:** глобализация, мондиализм, глобальная экономика, капитализм, транснациональный капитал, неоліберализм, глобальные проблемы.

Le processus objectif de développement de la communauté mondiale est la mondialisation, à travers laquelle la formation d'un système complexe à plusieurs niveaux de relations socio-économiques. Dans le cadre de ce phénomène, il y a une augmentation significative des relations politiques, socio-économiques, informationnelles et culturelles des pays du monde. Dans le contexte politique, la mondialisation ou le soi-disant "mondialisme" cherche à établir des institutions supranationales de gouvernement – un gouvernement mondial unique. Sur le plan économique, la mondialisation personnifie le processus de formation d'une économie mondiale monolithique interconnectée, un marché unique des biens, des capitaux et des services. Ainsi, la mondialisation est comprise comme le processus historique d'unification de toutes les sphères de la vie humaine, principalement le changement dans la structure de l'économie mondiale, compris

comme une imbrication étroite des sujets de l'économie mondiale sur la base de l'internationalisation, de la transnationalisation et de la libéralisation, liées les unes aux autres par un système de relations politiques. Par conséquent, le capitalisme, en tant que système social et idéologie, appelant à une augmentation du capital et à l'obtention de superprofits, occupe une place centrale dans ce processus social et la tendance du développement mondial.

La mondialisation de l'économie mondiale a été étudiée et continue d'être activement étudiée par des scientifiques de différentes écoles et régions. Il est généralement admis que c'est Karl Marx qui a introduit pour la première fois le concept de «mondialisation» dans la littérature, mais au XIXe siècle. ce terme a été utilisé dans le sens de «commerce international intensif». Sur la base de la vision du monde de l'universalisme des Lumières, Marx a développé l'idée de l'émergence d'un système mondial de capitalisme, puis, à travers la révolution prolétarienne, l'utopie de transformer l'humanité en une seule société civile mondiale sans État – le communisme [1]. Cette utopie n'a pas eu lieu, l'élite dirigeante soviétique a pris la voie de l'édification du communisme dans un seul pays, malgré l'opposition des marxistes orthodoxes.

Plus de cent ans avant le début de la mondialisation en tant que phase active du développement du capitalisme, K. Marx a donné une analyse exhaustive de ce phénomène. Un aspect clé des enseignements de Marx était la description de la nature immanement chaotique du capitalisme, largement sensible aux crises et à l'instabilité. Il a soutenu que la poursuite incessante du profit obligerait tôt ou tard les entreprises à automatiser les emplois et à commencer à produire de plus en plus de biens, tout en réduisant les salaires des travailleurs jusqu'à ce qu'ils puissent enfin acheter les produits de leur travail. Les entreprises produisent et produisent jusqu'à ce qu'il ne reste plus personne pour acheter leurs produits.

Les réflexions sur la surproduction ont conduit Marx à prédire le phénomène qui est maintenant appelé la mondialisation – la propagation du capitalisme dans le monde à la recherche de nouveaux marchés pour les produits. Marx a écrit : "Le besoin

constant d'élargir le marché des produits marketing pousse la bourgeoisie sur toute la surface du globe." Il a non seulement prédit avec précision ce qui s'est passé au 20e siècle, mais il a également expliqué la raison de ce phénomène : la recherche constante de nouveaux marchés et d'une main-d'œuvre bon marché, ainsi que le besoin constant de ressources naturelles – ce sont des animaux qui doivent être nourris en permanence [2].

V. Lénine a développé les enseignements de Marx et a ensuite formulé la théorie de l'impérialisme comme le stade le plus élevé du capitalisme. Il a décrit la concurrence continue entre les capitalistes et, par conséquent, la centralisation du capital qui, après la fusion du capital bancaire avec l'industrie, forme un « capital financier » qui peut défier l'ordre mondial existant et entamer une nouvelle redivision des territoires à travers le monde. De plus, Lénine a créé la théorie du développement inégal sous le capitalisme, qui décrit une politique agressive et agressive de capital financier. L'élite politique et la classe capitaliste, selon la théorie, ont fermement obtenu le droit de surexploiter le travail et d'extraire les superprofits des colonies [3]. Sans approfondir la signification philosophique du concept, qui génère de nombreuses contradictions, nous pouvons conclure que cette théorie prévoyait certains des phénomènes observés dans l'économie mondiale moderne. Il convient de souligner que la théorie actuelle constitue la base de la compréhension néo-marxiste moderne de la mondialisation et a un impact significatif sur l'approche du système mondial.

L'un des premiers scientifiques modernes à étudier les processus fondamentaux de la mondialisation a été l'économiste américain Theodore Levitt. Grâce à son article « Mondialisation des marchés », écrit en 1983, le terme « mondialisation » était fermement ancré dans le vocabulaire des universitaires modernes. Levitt affirme que d'ici la fin du XXe siècle, les marchés mondiaux ont atteint des ampleurs inimaginables auparavant [7]. Dans le cadre de la nouvelle réalité économique, les entreprises cherchent à en tirer parti grâce à d'énormes économies dans les étapes de production, de distribution, de gestion et de commercialisation. Ainsi, en réduisant les prix des

biens et services, les entreprises sont en mesure de se débarrasser de leurs concurrents sur le marché. Par conséquent, les grandes entreprises se concentrent sur des produits peu coûteux et standardisés à l'échelle mondiale au lieu de produits fabriqués pour des consommateurs spécifiques. T. Levitt prédit que la structure des préférences est « homogénéisée » et que le monde moderne s'oriente vers la fusion en une seule communauté [4].

Le scientifique britannique et l'un des fondateurs de la théorie de la mondialisation culturelle, Roland Robertson, au contraire, estime que les sociétés qui produisent et vendent leurs produits à l'échelle mondiale sont obligées d'adapter leurs produits aux conditions spécifiques du marché local. Robertson a introduit le terme de « globalisation », c'est-à-dire le processus de coexistence de caractéristiques et de caractéristiques régionales dans le contexte du développement d'une culture mondiale de masse. Par conséquent, la mondialisation évolue simultanément dans deux directions : au niveau des élites mondiales, des processus d'intégration impressionnants et la formation d'une seule idéologie mondiale dominante ont lieu, et au niveau régional, une archaïsation complète et la perte de toutes sortes d'universalisme se produisent. Selon Robertson, ce processus est ambigu et peut conduire à la création d'une société mondiale et provoquer le développement d'une « barbarie », « archaïsme », « régionalisme » et « localité » complètement nouveaux [5].

Au XXe siècle, le système mondial a atteint les limites de son développement et il n'y a plus de place pour une nouvelle expansion. Cela signifie que le capitalisme mondial est au bord de l'extinction historique: il est né dans certaines conditions historiques et a atteint la limite dans la mise en œuvre de son modèle. L'idéologie libérale, qui a été son fondement, est dispersée en l'absence d'une alternative idéologique à grande échelle (pour laquelle le communisme est depuis longtemps). Wallerstein déclare: « Les limites structurelles du processus d'accumulation sans fin de capital qui régit notre monde ont atteint la proue du navire et agissent maintenant comme un frein fonctionnel. Ils créent une situation chaotique. Cinquante ans plus tard, un nouvel ordre émergera de ce chaos. » La mondialisation moderne n'est donc pas le début d'un nouveau processus, mais la fin et la fin de l'ancien. Ce qui

mettra fin à «l'ère de la transition», Wallerstein ne précise pas, admettant : «Nous sommes face à l'incertitude» [11].

À la base, la mondialisation moderne a une tendance néo-libérale américano-européenne et se développe dans l'intérêt de plusieurs pays développés et sociétés transnationales. Le processus de mondialisation et le rôle croissant des sociétés transnationales conduisent à une augmentation sans précédent et impitoyable des inégalités partout dans le monde, aggravent la situation environnementale dans le monde, encouragent l'intervention des institutions internationales dans les affaires intérieures des États souverains, et bien plus encore [8]. À cet égard, les mouvements d'anti-mondialistes s'opposant à la mondialisation dans son ensemble et de mondialistes alternatifs, rejetant la mondialisation néolibérale et le pouvoir mondial du capital transnational et défendant les principes de justice sociale et la protection de l'identité culturelle des peuples du monde, sont répandus. Des universitaires de renommée mondiale tels que Joseph Stiglitz et Noam Chomsky déclarent ouvertement les dangers de la mondialisation sur la scène du Forum social mondial, créé en opposition au Forum économique mondial de Davos, offrant un modèle alternatif pour le développement de la mondialisation. Un cas rare aujourd'hui où les représentants de l'élite intellectuelle américaine ne partagent pas l'opinion de la nomenclature dirigeante occidentale. Stiglitz critique le «fondamentalisme du marché» et la politique du consensus de Washington, estime que les conditions imposées par le FMI au pays client ne provoquent que des catastrophes économiques et ne contribuent pas à la croissance économique, et la libéralisation du commerce international se poursuit uniquement dans l'intérêt d'un petit nombre de sociétés transnationales [12]. La mondialisation, note Stiglitz, nécessite une interaction collective mondiale. Cependant, afin de réaliser la justice sociale et de réduire l'écart entre les pays développés et les pays en développement, il est nécessaire d'instaurer une coopération sous un tout nouveau format, où il n'y a pas de dictature du capital financier international [13]. Cependant, ces sentiments ne sont pas répandus et ne sont pas en mesure de remettre en cause l'ordre mondial moderne. La mondialisation, comme auparavant, est de nature



néolibérale et occidentale, permettant à un certain groupe de sujets de l'économie mondiale de se développer avec succès et à d'autres de se battre pour leur survie.

**C o n c l u s i o n .** Ainsi, quelle que soit la direction dans laquelle se développe la mondialisation, elle constitue objectivement un processus inévitable et irréversible. En outre, à la fin du XXe siècle, le phénomène de la mondialisation a donné naissance à la soi-disant «économie mondiale» en tant que nouvelle réalité historique et phase moderne de l'évolution des relations économiques internationales, exprimée par le passage de la totalité des économies nationales, reliées entre elles par l'échange de biens manufacturés, à l'interpénétration de toutes les entités économiques et leur interdépendance. d'un ami internationalement. Malheureusement, dans de telles conditions, les tendances négatives de la mondialisation moderne ne font que s'aggraver. La mondialisation et l'ordre mondial moderne sont de nature expansionniste prédatrice, et peut-être que seule la Russie, qui repensera sa mission et développera une idéologie viable et résiliente, pourra apporter à ce monde certaines orientations sociales et morales capables d'équilibrer le système mondial moderne.

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## CHINESE POSITION ON NORTH KOREA AND KOREAN UNIFICATION

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**Marchenko V. S., Karpusenko M. V. Chinese Position on North Korea and Korean Unification.** China's political attitudes toward the Korean Peninsula and its role in managing North Korea have been a constant source of intrigue for many researchers in South Korea, the U.S., Japan and other stakeholders in the region. Trying to understand Chinese elite sentiments about the Six-Party Talks, the security situation on the peninsula, have only increased with the uncertainty over the future of North Korea under the helm of the young leader Kim Jong-un. What's the current status of Sino-North Korean relationship and how will it evolve from here?

**Keywords:** The Sino-North Korean relationship; China's foreign policy; North Korea; South Korea; US Pacific policy.

**Марченко В. С., Карпусенко М. В. Позиція Китаю щодо Північної Кореї та Корейського Об'єднання.** Політика Китаю щодо Корейського півострова та її роль в управлінні Північною Кореєю були постійним джерелом інтриг для багатьох дослідників з Південній Кореї, США, Японії та інших зацікавлених сторін у регіоні. Намагаючись зрозуміти настрої китайської еліти щодо шестисторонніх переговорів, ситуація з безпекою на півострові лише зростає з невизначеністю щодо майбутнього Північної Кореї під керівництвом молодого лідера Кім Чен Ина. В якому стані зараз китайсько-північнокорейські відносини і який розвиток вони отримають далі?

**Ключові слова:** Китайсько-північнокорейські відносини; зовнішня політика Китаю; Північна Корея; Південна Корея; тихоокеанська політика США.

**Марченко В. С., Карпусенко М. В. Позиция Китая по Северной Корее и Корейскому объединению.** Политика Китая в отношении Корейского полуострова и ее роль в управлении Северной Кореей были постоянным источником интриг для многих исследователей из Южной Кореи, США, Японии и других заинтересованных сторон в регионе. Пытаюсь понять настроения китайской элиты по поводу шестисторонних переговоров, ситуация с безопасностью на полуострове только увеличивается с неопределенностью будущего Северной Кореи под руководством молодого лидера Ким Чен Ина. В каком состоянии сейчас китайско-северокорейские отношения и какое развитие они получают далее?

**Ключевые слова:** Китайско-северокорейские отношения; внешняя политика Китая; Северная Корея; Южная Корея; тихоокеанская политика США.

The subject of the article is the Chinese Position on North Korea and Korean Unification. The relevance of the research is to understand the Chinese elite sentiment on the key issues that shape China's attitude toward North Korea and the peninsula in general by surveying the views of Chinese scholars on Korean affairs. It is important for us to pay attention to Chinese scholars' opinion on North Korea because China is likely to play a bigger role in North Korea's future now as the young heir's dependence on China for economic and political support is expected to deepen. In fact, it is now common behavior for the international community to turn to China for clues about North Korea when something happens in the latter, whether it is a new move in the military or economic reforms. Admittedly, we are living in a world where it is increasingly difficult to construct a geopolitical formula for North Korea, without factoring China into our equation.

Different estimates put North Korea's dependence on China for up to 90 percent of its energy supply, 80 percent of its consumer products and 40-45 percent of its food supply. Simply put, North Korea is a country whose survival depends on China. China's role has been highlighted as much as North Korea's provocations in international headlines. In fact, a longtime mantra of the U.S. State Department also holds that "China is the key to North Korean belligerence." Against the backdrop of the information blackout surrounding Kim Jong-il's death in December 2011, some analysts went so far as to argue that "China is the only country that has eyes inside North Korea." It is then important to understand China's political attitude toward North Korea.

Just like policy makers in Washington and Seoul, China's policy makers are part of a robust and often very competitive community. Among the foreign policy items, North Korea is the most divisive among the senior leadership in China. There are a multitude of actors in China that shape and influence its policy toward North Korea. In fact, this multiplicity of actors is becoming an increasing feature of Chinese foreign policy towards North Korea. While externally, China's North Korean policy remains unchanged,

in private Chinese experts say that North Korea is a case of how it is getting harder to achieve consensus. There is also more pluralism of views on North Korea than there used to be. There are different actors in China's policy making toward North Korea, each with their own, and sometimes conflicting motivations, interests, and influence.

Unfortunately, Chinese experts themselves are partly responsible for feeding such a sweeping generalization, as they often follow the official Communist Party lines in their remarks on North Korea. In some instances, they do not divert a single word from their written speeches before the international community, prompting audience members to discount them as not having freestanding scholarly views. Another popular and persistent outside perception states that the Chinese academic community is "irrelevant" in terms of policy considerations as they are not part of the decision-making process. This reflects a lack of understanding of reality on the ground. In China, there is a lack of a "revolving door" system, as seen in many other countries, in which a faculty member of an academic institution enters government service and returns to the university, upon the completion of his public service. The argument goes that Chinese scholars don't have "ears" inside the decision-making process, or the Chinese division of bureaucrats and academics don't allow the latter access to policy-deliberation processes.

Over half of the Chinese scholars (63 percent = "None" + "Unlikely") polled believe North Korea is unlikely to give up its nuclear weapons. Among them, 9 percent said the chance is "none." This question touches upon the core of the most controversial argument surrounding North Korea's nuclear drive: that is, whether Pyongyang sees its nukes as "tradable" in exchange for economic aid and diplomatic recognition, or it sees its nukes as something non-negotiable. The implication is obvious. If North Korea will stick to nuclear weapons, no matter what, then the Six-Party Talks automatically lose its rationale for existence because the talks' chief aim is to persuade Pyongyang to give up nuclear weapons. Even the Chinese, arguably the country that often defends North Korea in the international debate on North Korea's nuclear programs, doubt North

Korea will ever renounce its nuclear weapons. As chair to the Six-Party Talks, this may be seen as a “self-defeating” confession by China. Then, an obvious question will challenge the usefulness of the six-nation negotiation regimen.

A quarter of Chinese scholars believe that the Six-Party Talks are de facto dead, while 53 percent said that as long as there is no other alternative, we have to rely on the Six-Party Talks. The result is interesting in that the Chinese government has been endorsing officially and repeatedly the Six-Party Talks, often invoking the relevant parties to return to the talks.

About half of the Chinese scholars believe the current relationship between China and North Korea is "dubious friends," while 25 percent said the two countries need each other for strategic purposes. Only 4 percent said the two are friends. Thirteen percent said they are allies. This is a wakeup call for the news outlets which tend to portray the duo as having “blood ties” since the Cold War period. This actually reflects the feedback Chinese scholars have been giving for years. In fact, the Chinese expression “半信半疑的朋友” (literally meaning “half-trusting and half-suspicious friend”) was the direct expression by a prominent Chinese professor in his lecture to Chinese university students. The students giggled upon hearing it (a sign that they also agreed on the characterization of the two nations’ relationship). It is also worth noting that a quarter of the respondents said that Beijing and Pyongyang formed a relationship out of their mutual strategic needs.

In fact, unlike popular commentaries on the staunch ideological affinity of the two, their relationship has also been shaped by mutual tension and mistrust. For example, the 1992 establishment of diplomatic relations between Beijing and Seoul deeply hurt Pyongyang’s feelings. Therefore, the correct question to ask is what prevents the couple from breaking away from each other? And what “missteps” have Seoul and Washington made in their strategy to work together with China? It also has a bearing on the recent Cheonan incident.

Today, China and North Korea appear all the closer to each other in the aftermath of Kim Jong-il’s death. But the survey results point out

that China's sculpting of such an appearance is strategic rather than genuine. The results debunk the widespread belief that states: "China will never give up North Korea," or "China and North Korea are Cold War allies." Only 13 percent of respondents view the bilateral relationship as an alliance. Even a smaller percentage of respondents (4 percent) see them as genuine "friends." Rather, almost half of them (47 percent) feel ambivalent about their relationship, as defined by the Chinese expression "ban xin ban yi de peng you," which literally means "half-trusting, half-suspicious friend."

It is this author's position that China's foreign policy stance toward North Korea is not an immovable principle, but remains fluid. Once again, a sweeping statement such as "China and North Korea will 'always' stick together" is an over-blown statement. For instance, China's policy shifts in 2006 to harshly criticize North Korea was very unusual, given China's "traditionally friendly ties." But China's policy shifts three years later in 2009 to mend back ties with North Korea was also unusual. What shouldn't be missed is that China's policy on North Korea vacillated in that mere three-year period. That, this author argues, means something. And the biggest determining factor for China's foreign policy change is its calculation of its national interests. Remarkably, this fundamental principle in international relations has often eluded the purviews of outside analysts. As China's perception of its own national interest changes, so will its relationship with North Korea.

**Conclusion.** Seoul and Washington need to do more confidence-building efforts with their Chinese counterpart. For example, as seen in the survey data, so few of China's experts on Korea have ever visited South Korea (just 60 percent) and even more surprising that only 20 percent of them have visited North Korea. South Korea should be focusing on inviting those "Korea experts" to visit South Korea for extended study tours, as part of a long-term effort to manage and resolve the Korean Peninsula problem.

How the dynamics between China's leader Xi Jinping and North Korea's Kim Jong-un will evolve will be a keenly watched item among security experts. The duo's relationship will also be

naturally influenced by outside variables as well, such as Washington's relationship with Beijing and Seoul's positioning with China in the post-Lee Myung-bak administration. Over the long-term, the United States and South Korea also need to seek to reassure China that South Korea and U.S. intentions in general, and especially in connection with North Korea, are not incompatible with China's interests.

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## NATURAL RESOURCE POTENTIAL IN THE SPHERE OF TOURISM ACTIVITIES

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**Martirosian A. A., Ilchenko V. V. Natural resource potential in the sphere of tourism activities.** In this article the natural-resource potential is considered as a component of the tourist potential, because the natural resource potential of Ukraine is the major element for development of the tourist activity.

**Keywords:** ecotourism, natural resources, natural resource potential, tourist resources, tourist and recreational resources.

**Мартіросян А. А., Ільченко В. В. Природно-ресурсний потенціал у сфері туристичної діяльності.** У даній статті розглядається природно-ресурсний потенціал як складова туристичного потенціалу, тому що саме природно-ресурсний потенціал України є найважливішим елементом для розвитку туристичної діяльності.

**Ключові слова:** екологічний туризм, природно-ресурсний потенціал, природні ресурси, туристичні ресурси, туристсько-рекреаційні ресурси.

**Мартirosian A. A., Ilchenko V. V. Природно-ресурсний потенциал в сфері туристической деятельности.** В данной статье рассматривается природно-ресурсный потенциал как составляющая туристского потенциала, т.к. именно природно-ресурсный потенциал Украины является важнейшим элементом для развития туристической деятельности.

**Ключевые слова:** природно-ресурсный потенциал, природные ресурсы, туристические ресурсы, туристско-рекреационные ресурсы, экологический туризм.

Socio-economic development of Ukraine and certain regions, which are characterized by an increase in anthropogenic pressures on nature, depletion many types of natural resources, an increase in the amount of environmentally harmful emissions, a decrease in the quality of the living environment of people, causes the need to create a scientifically based system for the rational development of the natural resource potential of the territory.

The o b j e c t of the study is the natural resource potential. The s u b j e c t of the study is the natural resource potential in tourism.

The purpose and tasks of the work. The purpose of this work is to evaluate, analyze and comprehensively study the natural resource potential of tourism activities.

Tourism business in market conditions can be carried out in the presence of four important elements: capital, technology, personnel, tourism resources. This means that it is not enough, having capital, to acquire technology, to hire a human resources team and to engage in tourism. It is necessary to choose a place where there is tourism resources, and if there is no such place, then it must be created. This is one of the features of the tourism business in the market.

Tourism resources are a national heritage. And those of them that are of particular importance belong to objects and monuments of world significance.

Classification systems of tourism resources are quite clear and reasonable.

According to reference [3] tourism resources have the following basic properties

- attractiveness;
- climatic conditions;
- availability;
- degree of research;
- sightseeing significance;
- landscape and environmental characteristics;
- socio-demographic characteristics;
- potential stock;
- method of use, etc.

But, when comparing Ukrainian and foreign classification systems, certain difficulties arise. This is mainly due to differentiation recreational resources and various socio-economic conditions of countries. In this regard, the specifics of certain types of tourism are taken into account in Ukraine. According to the authors of [4, 5], it is necessary to single out tourist-recreational classification of Ukrainian tourism resources, since the majority of tourists are currently in Ukraine precisely for the purpose of treatment, rehabilitation and recreation, i.e. use available natural and

recreational resource. According to CJSC «Ukrproftur», out of 447 thousand tourists served by the enterprises of this joint-stock company in 2005, 280 thousand traveled with the aim of rest and recovery. Tourism and recreational resources are components of the geographical environment, objects of anthropogenic activity, which due to properties such as uniqueness, historical or artistic value, originality, aesthetic appeal and therapeutic significance can be used to organize various types of recreational recreation.

In this article, special attention is paid to the consideration of the natural resource potential in tourism activities. In the field of tourist recreational activities, according to reference [5], the following components of natural resources are considered:

- Balneological resources;
- Phytotherapy resources;
- Landscape and recreational resources;
- Climatic resources.

1. Balneological resources are natural healing resources that are used for non-drug treatment at resorts and outside resort conditions. These resources take part in the main process of social production – the reproduction of labor, participate in continuous updating physical strength and mental abilities of a person. Balneological resources include healing mineral waters and mud. The largest balneological region of Ukraine is the Carpathian region, in particular the Carpathian region. Over 200 sources and wells are known here mineral waters.

An important balneological region is Podillia. There are 10 deposits and 16 sources of mineral water.

Also in Ukraine, 7 peat and 10 sulfide deposits are exploited as mud treatment. Such mud resorts of Lviv region are known, and also Berdyansk, Evpatoria, Hadzhibey.

2. Phytotherapy resources are limited by the parameters of recreational use of forests, their water-protective measures, and healing effects on the human body and a favorable sanitary background for treatment, recreation, tourism. The area of Ukrainian forests of national importance is 6.9 million hectares, and those that can be used for recreational activities are 4 million hectares.

Based on a comprehensive assessment, some scientists [5] identified 265 suitable for recreational development of the territory and certain areas with a total area of over million hectares.

3. Among the landscape recreational resources, mountains occupy a special place. The diversity of natural landscapes, the presence of extreme favorable and comfortable conditions make it possible to develop various types of recreational activities – from sports to spa treatment.

The mountain-recreational resources of our state are concentrated in the Carpathians and the Crimean mountains.

4. Climatic resources are an important condition for the development of recreational facilities, since they determine the overall comfort of the territory relative to treatment and rest. The climatic conditions of some regions are contraindicated for visiting by guests with certain diseases, and in others climatic conditions, such patients will feel great. Ukraine belongs to countries with favorable weather conditions for summer types of recreation.

The duration of the favorable period for winter types of recreation ranges from 20-26 days in the south and up to 40 or more in the north and northeast.

When considering natural resources, only some of the most in demand examples of objects of this type were identified resources in the Ukrainian tourism market. This list of objects is regularly updated. The above classification of natural resource potential it is not the only one and includes far from all types of natural resources; therefore, it requires refinement.

Most Ukrainian classifications are outdated and require a significant update. The classification above does not address such important components of the natural resource potential of Ukraine as beach resources and wetlands. Beach resources occupy a special place among recreational resources. Over 55% of the world's recreational people, one way or another, associate their rest and recovery with staying near the water. It is known that staying on the beach is especially useful for healing people, because here the complex acts on the body health factors associated with the elements of the sea.

Beach resources of Ukraine are concentrated in the coastal territories of Odessa, Kherson, Zaporizhzhya and Donetsk regions, and in the Crimea.

The territory of the southern coast of the Crimea has recreational value.

An important place among the types of resource potential is also occupied by the wetlands of Ukraine. As an example – the wetlands of the Danube. The main factor contributing to the development of tourism in the Ukrainian Danube is the presence of valuable natural complexes that are unique wildlife and high biodiversity. Along with the possibility of developing health tourism, including sea tourism, the region has a special potential for organizing ecological trails and bird watching spots, eco-tourism, recreational tourism fishing and hunting, rural tourism, ethnographic, historical and scientific tourism [6].

A special place is also occupied by nature reserves and objects. These are reserves and nature reserves of different forms and directions of conservation, national nature parks, arboretums, valuable natural sites, natural monuments of local importance, and monuments of landscape gardening.

Recreational activities here are allowed only in those places and to the extent that guarantees the preservation of valuable natural complexes.

Over the years of independence, the area of the nature reserve fund of Ukraine has more than doubled. As of November 2009, it includes over 7200 territories and objects with a total area of 2.8 million hectares, which is 4% of the state. This includes 17 natural and 4 biosphere reserve, 19 national natural parks, 45 regional landscape parks, 3078 natural monuments, 2729 nature reserves, 616 botanical, zoological gardens, arboretums and parks-monuments of landscape gardening art, 793 reserved tracts. Despite this, the area of nature reserve.

Fund in Ukraine is insufficient and remains much smaller than in most European countries, where the average reserve percentage is 15%.

So, the natural resource potential of Ukraine is one of the most important components of the development of the tourism industry in our country. ZAT example «Ukrproftur» showed that tourism activities in the domestic tourism market are in demand among Ukrainian tourists, most of who travel with the aim of rest and recreation in places with attractive natural landscapes.

Thanks to the favorable climatic conditions that Ukraine is rich in, it seems possible to use and visit various tourist regions in both winter and summer.

Assessment of the tourist natural resource potential will allow the formation of environmental routes that do not require large financial investments, but therefore, an acceptable pricing policy for the Ukrainian tourist will be respected.

For Ukraine, ecotourism resources can become a variety of natural zones, landscapes, a large number of reserves, wildlife preserves, national parks, cultural monuments, relatively low density and traditional hospitality of the population. The country's particular attractiveness for tourists create a wealth of ethnic cultures, a variety of folk holidays, customs, crafts, crafts, as well as a kind of Ukrainian cuisine.

The planning of ecological tours should be preceded by a serious collection of specific information about the region, including such parameters as climate features, food resources of the territory, population density and its possible participation in ensuring the tourism program, traditions and customs of local residents, recreational capacity of the territory.

The world practice of ecotourism has proved that scientific institutions and nature conservation can be effective tour operators and consultants, organizations, reserves, funds and societies planning and implementing environmental protection measures.

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## DYNAMICS AND STRUCTURE OF THE INFLUX OF FOREIGN DIRECT INVESTMENT IN UKRAINE

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**Matviienko A. P., Skrypnyk T. I. Dynamics and structure of the influx of foreign direct investment in Ukraine.** The dynamics of the influx of FDI in Ukraine in recent years is reviewed; the causes of changes are analyzed. The countries that invest in the Ukrainian economy are identified. The sectors of the Ukrainian economy that attract the most investment are also highlighted.

**Keywords:** accumulated volumes FDI, foreign direct investment, foreign investors, the dynamics, the influx of FDI.

**Матвієнко А. П., Скрипник Т. І. Динаміка та структура припливу прямих іноземних інвестицій в Україну.** Розглянута динаміка припливу ПІІ в Україну за останні роки; проаналізовані причини змін. Виявлено країни, які інвестують в українську економіку. Також виділені сектори української економіки, які отримують найбільше інвестицій.

**Ключові слова:** динаміка, іноземні інвестори, накопичені обсяги прямих іноземних інвестицій, приплив ПІІ, прями іноземні інвестиції.

**Матвиенко А. П., Скрипник Т. И. Динамика и структура прилива прямих иностранных инвестиций в Украину.** Рассмотрена динамика притока ПИИ в последние годы; проанализированы причины изменений. Выявлены страны, которые инвестируют в украинскую экономику. Также выделены секторы украинской экономики, которые привлекают больше всего инвестиций.

**Ключевые слова:** динамика, иностранные инвесторы, накопленные объемы прямих иностранных инвестиций, приток ПИИ, прямые иностранные инвестиции.

The o b j e c t of the article is the influx of foreign direct investment into the Ukrainian economy. The s u b j e c t is the changes in dynamics and in structure of the influx of foreign direct investment in Ukraine. The p u r p o s e of the article is to attract attention to a role of foreign investment in the development of the national economy.

It is difficult to overestimate the need to attract funds from foreign investors. Foreign direct investment is a long-term



investment of material resources in the country's economy by non-resident companies [2]. Capital flows contribute to the implementation of new technologies, business development and revitalization of the investment process.

Now domestic financial institutions are unable to ensure the needs of Ukrainian small, medium and large businesses requiring reconstruction and re-equipment. Therefore, the issue of attracting foreign investments has become one of the most burning issue for our country.

The dynamics of accumulated volumes FDI and the dynamics of their influx into the Ukrainian economy are shown in Figures 1 and 2.

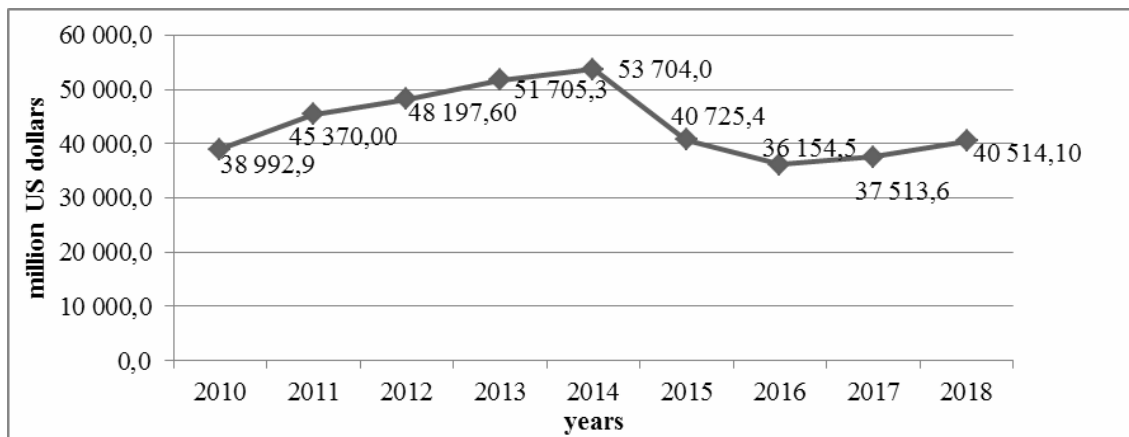


Fig. 1. The dynamics of accumulated volumes FDI (equity) into Ukraine in 2010–2018. [1]

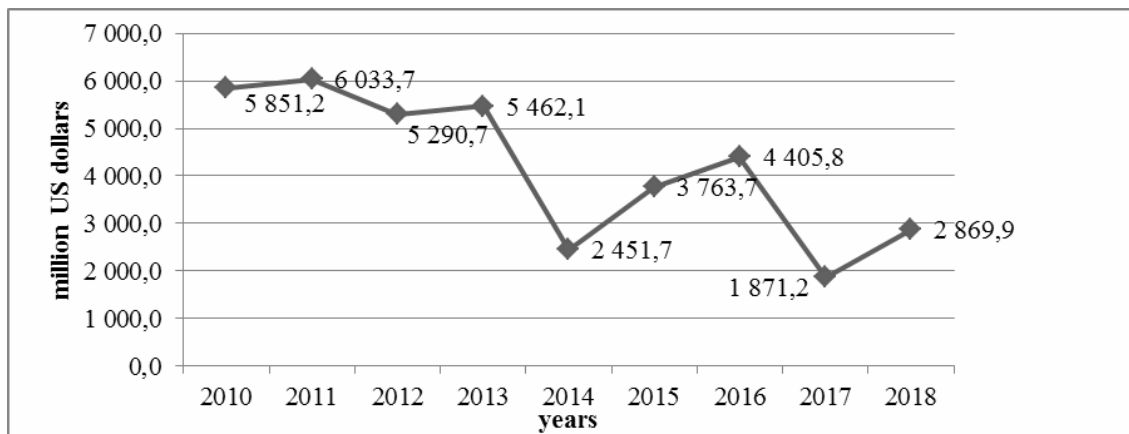


Fig. 2. The dynamics of foreign direct investment (equity) influx into Ukraine in 2010-2018, [1].

According to the fig. 1 and 2, the accumulated FDI volumes gradually increased during 2010-2013, and the influx of FDI was on the level of \$ 5000-6000 million every year. However, in 2014, due to the crisis in Ukraine, the situation has changed for worse. Military conflict and other factors have a significant negative impact on the decision of foreign investors about the contribution of capital to the economy of our country. Such a sharp reduction in investment is also explained by the fact that the data considered are without the temporarily occupied territory of the Autonomous Republic of Crimea and Sevastopol, as well as part of Anti-Terrorist Operation Zone.

Investments have not yet returned to the level of 2013, although there has been a slight positive trend in FDI influxes during 2015–2016. The influx of investments in 2017 fell sharply by 57.5% compared to 2016.

As of January 1, 2018, the cumulative share capital in Ukraine was \$ 40,514 million. It was 4.3% more than at the beginning of last year [3].

Investors from all over the world have been investing in Ukraine. The largest amount of foreign investments by cumulative total as of 2017 came from the European Union – \$ 26,203 million. Asia was in second place with \$ 11,080 million investments. The largest number of investments among African countries came to Ukraine from the Seychelles (\$ 171.3 million). Virgin Islands (British) invested in Ukraine \$ 1,601.8 million. The leader among Australia and Oceania countries was the Marshall Islands (\$ 45.8 million).

Figure 3 reveals the list of European Union countries that have invested their money into the economy of our country.

The three leaders of the European Union on investing in Ukraine's economy have remained unchanged for more than 8 years. Among them Cyprus takes the first place with the amount of FDI accumulated in the amount of \$ 9 690.1 million, accounting for almost 37% of EU investment and 25.8% of total investment. The Netherlands and the UK invested \$ 5,948.4 and \$ 2,008.7 million respectively.

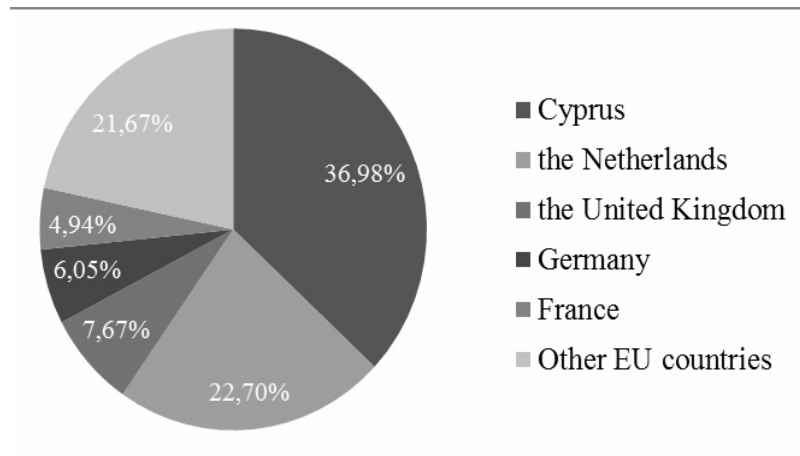


Fig. 3. Accumulated foreign direct investment (equity) from EU countries into the Ukrainian economy in 2017, [1].

The Russian Federation is also actively investing in Ukraine (\$ 4 317.4 million).

Figure 4 shows the sectors of economy where investors have invested the most in cumulative results.

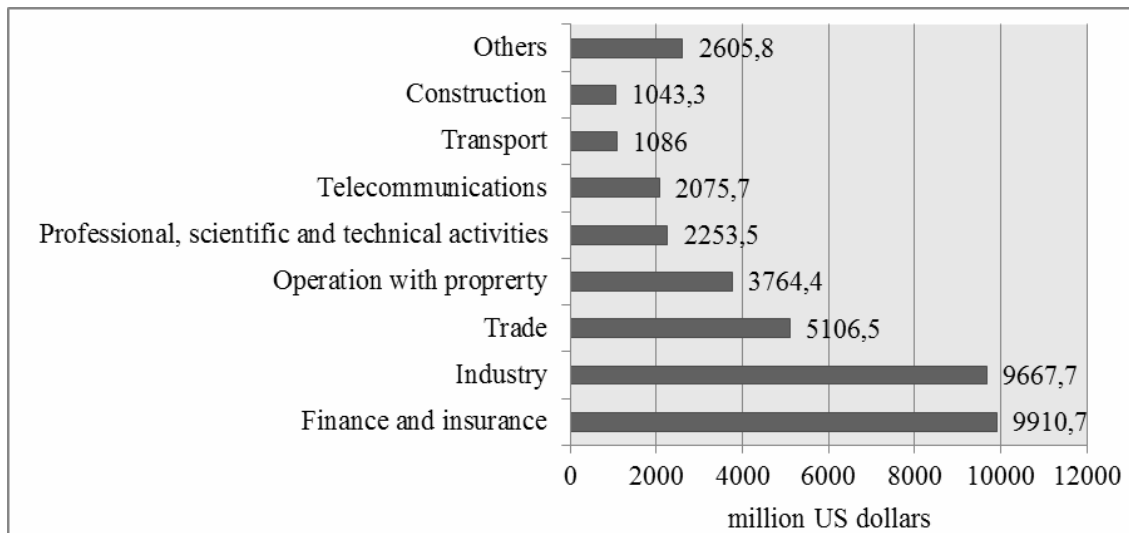


Fig. 4. Accumulated foreign direct investment (equity) in Ukraine by type of economic activity in 2017 [1].

The largest volumes of cumulative FDI were directed to financial and insurance institutions and organizations, industrial enterprises and trade with 26,4, 25,8 and 13,6 percent of investment

respectively . As we can see, most FDI are channeled into already developed areas of economic activity. At the same time, it is more attractive for foreign investors to invest in telecommunications, property, professional, scientific and technical activities.

Conclusion. Foreign direct investment is a driving factor for Ukraine's integration into the world economy. As the dynamics of accumulated FDI and their revenues shows the current state of foreign investment has been characterized by a decrease in capital influx in recent years. Foreign investors limit their activities due to economic and political instability in Ukraine. Effective reforms should improve the situation in the country.

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## CAUSES OF THE ARAB-ISRAELI CONFLICT

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**Melnykova A. S., Karpusenko M. V. Causes of the Arab-Israeli conflict.**

For many years Arab- Israeli conflict has been one of the most dangerous conflicts on Earth. Escalation of this actions can influence as begging of new regional war as destroy system of international relationships in our society. Determining the reasons for the confrontation may give an impetus to defuse tension in the region and solve the problem as a whole. In this article you can see three main reasons – lack of water, the European factor and migration due to which, according to researchers, this conflict arose.

**Keywords:** Arab-Israeli conflict, causes, resources, international relations, Palestine.

**Мельникова А. С., Карпусенко М. В. Причини Арабо-ізраїльського конфлікту.** Протягом багатьох років арабо-ізраїльський конфлікт залишається одним з найнебезпечніших конфліктів сучасності, ескалація подій якого може вплинути на початок не тільки нової регіональної війни, а й порушити систему міжнародних відносин в цілому. Визначення причин протистояння може дати імпульс до розрядки напруги в регіоні та вирішення проблеми в цілому. У статті розглядаються три основні причини – брак води, європейський чинник і міграція, через які на думку дослідників виник цей конфлікт.

**Ключові слова:** Арабо-ізраїльський конфлікт, причини, ресурси, міжнародні відносини, Палестина.

**Мельникова А. С., Карпусенко М. В. Причини Арабо-израильского конфликта.** На протяжении многих лет арабо-израильский конфликт остается одним из опаснейших конфликтов современности, эскалация событий которого может повлиять на начало не только новой региональной войны, но и нарушит систему международных отношений в целом. Определение искомых причин противостояния может дать импульс к разрядке напряжения в регионе и решения проблемы в целом. В статье рассматриваются три основных причины – нехватка воды, европейский фактор и миграция, из-за которых по мнению исследователей возник этот конфликт.

**Ключевые слова:** Арабо-израильский конфликт, причины, ресурсы, международные отношения, Палестина.

The s u b j e c t of the study is causes of the Arab–Israeli conflict. The p u r p o s e of the study is to research the lacks of water, the European factor and migration, due to which, according to researchers, this conflict arose. The r e l e v a n c e of the research is related to the Arab-Israeli conflict of 1948 which can very easily be considered a multilateral conflict because it wasn't just a conflict between the Palestinian Arabs and the State of Israel, but it also included a Pan-Arab volunteer force and an armed contingency from Egypt, Transjordan, Iraq, Syria, Lebanon, and Saudi Arabia. Not only were there several sides in the conflict, but the fairly large contingency that resided from the United Kingdom within the country created problems for both sides of the conflict as their withdrawal deterred certain actions which could have changed the outcome of the conflict. It was assumed by US intelligence agencies that the Jewish population wouldn't be able to hold out for more than 2 years, however, the resilience of the Jewish people proved to be a determinant they couldn't account for at the time which allowed them to hold out. [3, p.1] On the other hand, the Arab Palestinians, by themselves, were relatively weak. Not only were they economically and politically reeling from suppression of their uprising from 1936-1939, but they were incredibly disorganized and split by the other Arab states that were only really fighting to achieve their own ends in terms of acquiring some of those lands that Palestinians had claimed. [1]

In fact, it was noted that their armaments could not be determined because their lack of organization put them in a position where they did not have appropriate weapons systems. Ultimately, the conflict ended with a partition which included the new State of Israel, the West Bank, and the Gaza Strip. [2] However, the conflict may have had an armistice and a partition of land, but there were issues including the problem of Palestinian refugees and the fact that the Holy Land is more or less an indivisible issue to be split between two different nations like the Islam practicing Palestinians and the Jewish Israelis. These issues would cause the conflict to become much more systemic in nature leading to future outbreaks of violence

in the future. Ultimately, it is critical to look at the origins of the conflict rather than simply the progression of the conflict because it is in the origins of the conflict that we can see how certain indivisible issues which prevent resolution originate to initiate conflict. [1]

There are several different theories which go into how this Arab-Israeli conflict originated. These theories are the importance of resources like water in the region, European aggression in terms of both Anti-Semitism and remnants of old colonial structures which created tension between the two ethnic groups, and a flat out rejection by Arab nations of Israeli Statehood. Another major theory that will be addressed is in regard to that of Palestinian refugees, which may not necessarily be an origin of the conflict, certainly perpetuate tensions which have resulted in the conflicts between the Israelis and Palestinians.

From an economic perspective, the concept of scarcity almost demands that conflict arise. Across the world, conflicts emanate from scarcity of resources like rare earth metals, food, and water. In the Arab-Israeli Conflict, the scarcity of water has certainly played a major role in its origination. Although this issue has been facilitated by other factors like European colonialism and nationalism, people like the Israelites and Palestinians who live by the Jordan watershed have created limitations of scarce water. [3, p.2] Since people have used the water from the Jordan watershed for generations it has become reasonable to assume that tensions will arise over control over the water as an extension of who controls the land. In particular, the migration of Jews into those lands both before and after World War II created a state of unsustainability in terms of having enough water to support those kinds of increases in population. This notion was exacerbated by the fact that in periods of drought, water was already a pressing issue, but with a large increase in population, such as the millions of Jewish refugees that arrived after the Second World War, water would become incredibly scarce, resulting into conflict-breeding tension. However, it is important to note that water on its own is not the sole or even primary explanation of the Arab-

Israeli Conflict, but it is certainly a contributing factor to the conflict and should not be underestimated by any means [5].

The English had a pretty strong grasp in the area, even up until the actual conflict in 1948, such that they actually influenced factors which determined the outcome of the conflict itself. However, the English influence goes further than that. In particular, the British's Balfour Declaration of 1917 reconstituted the land such that it would then belong to the Jewish population. [2] The action recognized and validated that the land of Palestine had always belonged to the Jews, even though the Palestinians had been living there peacefully. [3, p.1] In a very colonial way, the British made a very indirect manifestation of divide and conquer. This became evident when the United Kingdom made conflicting promises with both the aforementioned Balfour Declaration and the Hussein-McMahon Correspondence. In particular, the demand for a Jewish state was stalled by the English, resulting in aggressive tactics and even terrorist actions by many Jewish resistance movement members. [5] The lack of British compliance with Jewish desire to make a state and the indirect measure of the British to complex things by making promises to both the Arab Palestinians and the Jews certainly exacerbated the problems because it obviously created at the very least a level of confusion as to what was to be done with Palestine [3, p. 2].

However, the influence of Europe would not end there. Anti-Semitism resulting from two different time periods served as a push factor for Jews to move to Palestine in order to escape persecution, while also creating a new Zionist movement where Jews tried to exert some level of nationalism for them in order to push the creation of a state. In particular, the extreme violence of the Russian pogroms in Poland proved to be one example from a wave of Anti-Semitism that went throughout Europe during the 1870s and 1880s causing the creation of a nationalist movement for Jews that pushed for sovereignty while also butting heads with Arab nationalism in the Middle East. [5] However, the key event that can be considered a direct reason why conflict emerged was in the late 1930's and early 1940's, the extreme violence of the Holocaust served as an incredibly



powerful push factor which forced many Jews to emigrate to Palestine looking to be safe from violence from Hitler's Germany. [4] This resulted in an even more resolute push for a Jewish state, such as the Biltmore program which would develop a Jewish state as part of the English Commonwealth. [5] By going around the Arab Palestinians and making deals with the United Kingdom, the Jews attempts at nationalism resulting from those initial push factors created a situation in which conflict almost seemed unavoidable. This proves that European Anti-Semitism also proved to be an important factor in structuring the conflict which would erupt in 1948 because much like prioritization of different regimes in Rwanda regarding the Hutus and Tutsis, British collaboration with the Jews after they migrated there and effectively putting them in a better and immediate position following World War II created another situation where European influence is the origin of a conflict.

A third theory that typically explains the origin of the Arab-Israeli conflict was the rejection of Israeli statehood by Arab Palestinians and other bordering Arab nations. Although over time, countries like Jordan and Egypt would make settlements with Israel and recognize its statehood, the origin of the conflict was certainly the original rejection by Arab nations of their statehood. [7, p. 9] However, the most common explanation for why the conflict started is considered a misconception for a few reasons. First, many of these Arab states were only interested in furthering themselves rather than protecting the sovereignty of Palestine. [5] However, this narrative changes slightly, promoting the idea that even though the Arab states have some responsibility in the conflict, it stems from a rivalry within the Arab states. In particular, Syria and Egypt did not trust Jordan since it had a secret relationship with Israel which would grant the Jordanians the West Bank. Thus, the only reason troops were sent from these two countries was actually to prevent Jordan from acquiring more territory. Another major problem with the rejection theory is that it assumes an unprovoked attack by Palestine and the Arab countries, however, it was actually more a reaction of the countries to Israel forcing out thousands of Palestinians from the

country as they overstepped the boundaries set in the UN partition. The third misconception of this theory actually goes back to our second theory of European colonialism and combines it with the original misconception that determined that the Arab nations had more of an interest in themselves than in Palestine. Specifically, the English and French mistakes when it came to making boundaries between Palestine and Syria created a situation where Syria was seeking to gain territory it had lost during the colonial era. Specifically, Syria was trying to regain the territory which controlled the Hatzbani and Baniyas rivers [6, p. 9].

**Conclusion.** Ultimately, it is evident that water scarcity and European influence are to major facts that establish an origin story for the Arab-Israeli conflict. More than that, the notion that the Arab rejection of statehood, although it is partially true, has some misconceptions about, especially in regards to the fact that the conflict was initiated on an unprovoked Arab attack. It is also evident that none of the three theories are a root or singular cause for the conflict, rather they mesh together to form a multi-faceted theory that explain most of the conflict through problems of Anti-Semitism, water scarcity, insecurity within the inter-community of the Arab nations, and Palestinian refugees. Ultimately, it is evident that by applying the bargaining model, one can see that the origins of the conflict proved to be almost impossible to avoid and would have almost always ended in conflict. However, it is also evident that times have changed and there is a lot more wiggle room on some issues regarding the systemic conflict, but misperceptions about who the Palestinians are and problems of indivisibility with Jerusalem prove to make any permanent solution to the conflict out of anyone's reach.

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**E-COMMERCE AS A SIGNIFICANT FACTOR  
IN THE DEVELOPMENT  
OF INTERNATIONAL ECONOMIC RELATIONS**

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**Migunov P. D., Radchenko O. I. E-commerce as a significant factor in the development of international economic relations.** The article presents the analysis of experience of the countries in establishing a high e-commerce level. The state of development of Ukraine in this regard is shown. The categories and modern e-commerce models are examined. It is concluded that the use of modern approaches and different tools for organizing e-commerce of high-quality improves the investment climate in a country and increases the percentage of services in the GDP structure.

**Key words:** e-business, e-commerce, consumer, GDP, types of e-commerce.

**Мігунов П. Д., Радченко О. І. Електронна комерція як важливий фактор розвитку міжнародних економічних відносин.** У статті проаналізовано досвід країн, щодо створення високого рівня електронної комерції та визначити стан розвитку України в цьому питанні. Отримано такі результати: проведено аналіз сучасних моделей електронної комерції, визначено сьогодишній стан України в електронній сфері. Висновки: використання сучасних методів та різних інструментів для будування якісної електронної комерції спонукає до розвитку інвестиційного клімату та збільшує значний відсоток сфери послуг у структурі ВВП.

**Ключові слова:** види електронної комерції, електронна комерція, електронний бізнес, рівень ВВП, споживач.

**Мигунов П. Д., Радченко Е. И. Электронная коммерция как важный фактор развития международных экономических отношений.** В статье проанализирован опыт стран в области создания высокого уровня электронной коммерции, определено состояние развития Украины в этом вопросе. Получены следующие результаты: проведен анализ современных моделей электронной коммерции, определены сегодняшнее состояние Украины в электронной сфере. Выводы: использование современных методов и различных инструментов для построения качественной электронной коммерции побуждает к развитию инвестиционного климата и увеличивает значительный процент сферы услуг в структуре ВВП.

**Ключевые слова:** виды электронной коммерции, потребитель, уровень ВВП, электронная коммерция, электронный бизнес.

.The o b j e c t of the article is the development of international economic relations in the process of globalization. The s u b j e c t of the paper is e-commerce in the framework of development of international economic relations. The p u r p o s e of the study is to determine the role of e-commerce development in international economic relations. R e l e v a n c e of the study is that highly developed countries have a very high percentage of e-commerce services, so an in-depth analysis of the impact of e-commerce on the country's economy plays an important role.

To date countries are heavily involved in the globalization process. There are elements of the world economy that are accelerating this process, namely: the cross-border movement of goods and services, information, intellectual outcomes, capital and labor.

It should be noted that e-commerce occupies a special and significant place in the country's development. E-commerce refers to any form of business transaction whereby the parties interact electronically instead of physically exchanging or making direct physical contact, whereby ownership or the right to use a product or service is transferred from one person to another [1]. In ancient times land was an important factor in the economy of any country. Thus, it was a priority step to conquer the territory and enlarge its borders, especially if it was fertile soil to improve agriculture. But to date, for an international legal entity, namely the country, it is not so important a territory but intellectual development, which will increase the investment as well as the national income.

It should be focused on the following categories of e-commerce:

- business-to-business (B2B). This area includes all levels of interaction between companies. Special technologies and standards for electronic data exchange, such as EDI, can be used.
- business-to-consumer (B2C). The basis of this trend is electronic retail.
- business-to-administration (B2A). Business-Administration interaction involves business relations between commercial

entities and government organizations, ranging from local authorities to international organizations.

- consumer-to-administration (C2A). This trend is the least developed, but it has a rather high potential that can be used to organize the interaction of state structures and consumers, especially in the social and tax sphere.
- consumer-to-consumer (C2C). It implies the possibility of consumer interaction to exchange commercial information. This can be an exchange of experience of purchasing a product, an exchange of experience of interaction with a particular company, and much more [1].

It is generally assumed that the world economy has undergone a complex evolutionary path. It can be distinguished several technological structures. Moreover, each stage is characterized by leading countries with specific environments and tools for developing national economies.

Technological ways	Period	Leading countries	Prevailing technologies
I	1770-1830 years	Belgium, the UK, France, Russia	Water engine, iron smelting and iron processing, canal construction
II	1840-1880 years	Great Britain, the USA, Germany	Steam engine, coal industry, mechanical engineering, ferrous metallurgy, machine tools
III	1890-1940 years	France, the USA, the UK, Germany	Electric motor, electrical and heavy mechanical engineering, steel production, inorganic

			chemistry, shipbuilding, transmission lines, standardization
IV	1940-1990 years	The USA, the USSR, European countries, Japan	Nuclear power, non- ferrous metallurgy, organic chemistry, synthetic materials, electronics, automotive industry
V	1990-2030 years	The USA, Japan, EU, PRC, Southeast Asian countries	Computing, telecommunications, robotics, micro and fiber technologies, aerospace, artificial intelligence, biotechnology

*Table [1]*

According to the above figures, we can see that from the beginning of the 1990s, during the fourth technological period, countries have been developing the sphere of electronics industry.

The United States should be highlighted as the country that participated in almost every stage and nowadays it has one of the highest GDP in the world – \$20.4 trillion [3]. The US export amounts to \$1.56 trillion with 49% of hardware and electronic programs. Since 2012 the largest American private employer in the IT field has been IBM (International Business Machines), due to that fact 436,100 jobs were generated [4]. The analysis of the data mentioned in the table indicates that the intensive development of the service sector, including electronic activity began in those years.

The study of information concerning European countries shows that Estonia is the first country to adopt e-government. It is in this country that it is very easy to obtain a certificate of residence or any other administrative service using information technology. This

process is transparent, it destroys the bureaucratic system and minimizes corruption.

If for certain reasons Ukraine cannot correspond the Western model of sustainable development at the moment, it still has a chance to improve standards of living by implementing e-commerce in various fields. The e-commerce categories listed above formulate the rules which are necessary to introduce and use in the consumer market both domestically and internationally. The most profitable link is B2B (business to business), which allows Ukraine to develop not only large-scale businesses, but middle-class enterprises. This process will certainly improve international investments in various projects, thereby increasing the national income level of the country. The B2A (business to administration) relationship is considered to be perspective, provided the authorities negotiate with the business representatives and reach win-win decisions, e.g., a decrease in taxes. But this activity should be transparent, only in this case Ukrainian consumers can notice the improvement of living conditions in the country.

To sum up, e-commerce makes it possible to increase the national income and improve international relations on the world stage, especially for Ukraine seeking to join the EU and NATO. Using e-government and e-activities in the country, international partners can ascertain that all processes are transparent and corruption is reduced to a sufficiently low level. According to the US example, the service sector of the country's GDP is an indicator of qualitative development of the country, so the improvement of technology provides a career path for future IT and science professionals and does not force them to work abroad.

It is concluded in the process of globalization, e-commerce can take very high positions as compared with other spheres. It simplifies various administrative procedures, namely: taking easily citizenship, voting for a presidential candidate or any other elections, getting a job and sending a child in kindergarten. We can already communicate with each other through social networks from anywhere in the world using high technology. Thus, the analysis of the current situation shows the perspectives of further implementation of e-commerce in Ukraine.



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**THE DEVELOPMENT  
OF ADVENTURE TOURISM IN UKRAINE  
AS EXEMPLIFIED BY NORWAY**

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**Moisieienko V. M., Saprun I. R. The development of adventure tourism in Ukraine as exemplified by Norway.** The article considers the problem of the development of adventure tourism and the perspectives of its further growth in Ukraine referring to Norwegian experience. The examples of the most popular extreme activities and locations in Norway have been examined. The peculiarities of adventure tourism in Ukraine as a relatively young emerging market segment have been analyzed. The opportunities of its implementation in Ukraine have been decomposed. The feasibility study concerning adventure tourism in Ukrainian has been conducted. Safety as a key factor in adventure tourism has been proved.

**Keywords:** adventure tourism, emerging market segment, extreme sports, feasibility, implementation, Norwegian experience, safety, Ukrainian adventure tourism.

**Моїсєєнко В. М., Сапрун І. Р. Розвиток пригодницького туризму в Україні на прикладі Норвегії.** У статті розглянуто проблему розвитку екстремального туризму та можливості й перспективи його подальшого розвитку в Україні, посилаючись на досвід Норвегії. Проаналізовано приклади найбільш популярних у Норвегії екстремальних видів діяльності та приклади локацій. Зроблено аналіз специфіки екстремального туризму в Україні як відносно нового зростаючого ринкового сегменту. Вивчено можливості їх впровадження в Україні. Досліджено доцільність розвитку цього виду туризму в Україні. Обґрунтовано безпеку як ключовий фактор екстремального туризму.

**Ключові слова:** безпека, впровадження, доцільність, екстремальний спорт, зростаючий ринковий сегмент, норвезький досвід, екстремальний туризм, екстремальний туризм в Україні.

**Моисеенко В. М., Сапрун И. Р. Развитие приключенческого туризма в Украине на примере Норвегии.** В статье рассмотрено проблему развития экстремального туризма и возможности и перспективы его дальнейшего развития в Украине, ссылаясь на опыт Норвегии. Проанализированы примеры самых популярных в Норвегии экстремальных

видов деятельности и примеры локаций. Сделан анализ специфики экстремального туризма в Украине как относительно нового растущего рыночного сегмента. Изучены возможности их внедрения в Украине. Исследована целесообразность развития этого вида туризма в Украине. Обоснована безопасность как ключевой фактор приключенческого туризма.

**Ключевые слова:** безопасность, внедрение, норвежский опыт, приключенческий туризм, растущий рыночный сегмент, целесообразность, экстремальный спорт, экстремальный туризм в Украине.

The o b j e c t of the article is adventure tourism in Ukraine. The s u b j e c t of the article is the analysis of the development of adventure tourism in Ukraine. The p u r p o s e of the article is to investigate appropriateness of implementing Norwegian experience in Ukraine and to pay travel agents` attention to the vacant niche of Ukrainian adventure tourism in order to encourage the growth of its marketing share and increase the income from tourism.

Nowadays adventure tourism is getting more and more popular due to the lack of adventure, extreme feelings and bright impressions in modern consumer`s everyday life. It should be mentioned that today there is still neither a clear definition nor an arranged classification for this kind of travelling. In addition, there are no unified rules for organizing extreme tours. According to the tourism experts` opinions, almost any type of recreation that goes beyond the ordinary and routine can be classified as adventure one [4]. The difficulty is that the concept of routine life for each person is individual. In a word, adventure tourism is a journey in the wild, which aims at “hunting for” new experiences and combines physical activity with nature and/or cultural learning. The Adventure Travel Trade Association (ATTA) defines it as “trips that provide experiences (both mental and physical) to places that are novel or unique to the traveller, emphasise the natural environment, and provide challenge through experiences of culture, activities that promote physical health and excitement/fun” [4]. It varies from soft adventures to hard ones. (table 1)

*Table 1***Variety of adventure tourism activities**

Soft adventure tourism activities	Hard adventure tourism activities
<ul style="list-style-type: none"> <li>• bird watching/wildlife observation, safari</li> <li>• canoeing, kayaking, rafting</li> <li>• cycling, horseback riding</li> <li>• diving, snorkelling</li> <li>• hiking, walking</li> <li>• surfing, sailing</li> </ul>	<ul style="list-style-type: none"> <li>• caving</li> <li>• climbing</li> <li>• kite surfing</li> <li>• paragliding</li> <li>• trekking</li> </ul>

Reference: [8]

Adventure tourism has grown rapidly worldwide over the past years with tourists visiting destinations previously undiscovered. This allows both new and well-known destinations to market themselves as truly unique locations, appealing to those travellers looking for rare, second-to-none experiences. Nowadays more and more lovers of adventurous travels are choosing Norway as a traditional place to spend their holidays. This can hardly be surprising because there is a limited range of countries that have such a wide variety of venturesome attractions and risky destinations with enchanting views on offer.

First of all, Norway can boast of a well developed alpine skiing. This sport together with snowboarding is a popular winter pastime in many parts of the world, especially in Norway, where up to 25% of the population are active skiers [7]. These activities are presented with 10 resorts equipped for any level of training. There are both quiet resorts for family holidays and ones that offer eventful weekends with snowmobile safari service, ice fishing and reindeer sleigh rides. Nevertheless, the most impatient and addicted skiers can go to the extraordinary resort Kvitfjöl – Norway's largest resort with artificial snow opened from November to May. Thus, every fun seeker will find a perfect place for himself.

Rafting is an equally exciting activity that will definitely win adrenaline lover`s heart forever. Norway being a country of waterfalls, fjords, mountains, glaciers and rivers, where wild untouched nature and the latest achievements of civilization are combined, rafting here is one of the things that must be experienced. No wonder the Norwegian rivers are included in the dream list of professional kayakers and rafting enthusiasts. Some rivers require a lot of experience and hard training in order to be conquered, whereas slow-flowing streams are suitable for family pastime. The best well-known destinations for extreme sports are the Sjoa River in Oppland that considered to be one of the best white rafting rivers in Europe, the Stranda (Strandaelva) and Raundal (Raundalselva) rivers in Voss, in western Norway [1]. Despite a wide range of available attractions, offered activities, and dizzying adventures they have something in common that must be taken into consideration. The main general concept of all organizers dealing with adventure tourism is safety.

They have to provide all the necessary equipment needed for a variety situations and circumstances, such as helmets, wetsuits and life jackets. The Icelandic Tourist Board has issued safety guidelines relating to the tours and excursions considered to be adventurous. A safety plan comprises rules on safe procedures, contingency plan and safety report. Safety plans form part of the quality and safety system of every company. Moreover, staff members must be thoroughly familiar with areas, routes travelled, and services on offer. Participants and buyers of tours and excursions must be informed of the main risk factors it involves [5]. Regardless, owing to unique features and diverse conditions, local rafting options are popular among adrenaline seekers worldwide.

Extreme addicted tourists regarding rest only as a time to saturate the blood with adrenaline as much as possible often prefer inimitable skydiving. Skydiving appeared out of love of flying and feeling of free fall. It is these emotions make people jump from a greater height, open the parachute closer to the ground, and create as long fall as possible. This flight is truly breathtaking: the average speed of an athlete jumping out of an airplane is 180-200 km/h – and

this is only at the beginning of the fall. By the way, despite the fact that the height of the jumps may seem very impressive (from 1 to 5 km) a free fall lasts no more than a minute. Despite all the riskiness of skydiving, even tourists who are hardly familiar with the wisdom of this kind of activity can engage in extreme sports. However, in this case, a jump from a three-kilometre height must be performed in tandem with a professional skydiver.

Norway possesses a variety of opportunities to meet the demand for jumps. For instance, Trollveggen, or Troll Wall, is the highest stonewall in Europe and one of the most difficult objects for jumping due to protrusions reaching 50 meters. The next point is Kjerag is a tall mountain on the southern shore of the Lysefjorden. The spectacular view attracts many visitors either merely to take stunning photographs or jump from the cliff. Preikestolen is another great jumping attraction in Norway. Due to the popularity of this sport in the country, the authorities are improving the conditions of the trails leading to the cliff. Incredibly extraordinary location is Kjeragbolten presenting a boulder stuck between two cliffs. It is accessible without any equipment, so thrill loving tourists`visits are comparatively frequent. Trolltunga is in the top-5 most visited and dangerous skydivers` destinations as well. It is a piece of rock looking like troll tongue that hangs horizontally above Ringedalsvatnet Lake [6]. Base jumpers and skydivers from all over the world come here to admire the views and enjoy their extreme sports.

The last but not least Norwegian adventures are challenging walks in mountainous areas such as trekking, hiking and backpacking. The difference among these types of activity is the level of complexity and length of itinerary. A wide variety of landscapes, hiking routes and wild, unexplored trails have brought Norway the glory of Europe's best hiking destination. A few examples of classic but difficult routes are climbing the Prekestulen plateau, the Trolltung rock, the Galkhøpiggen mountain peak and the Besseggen and Rumsdalseggen ranges.

Speaking about Ukraine, adventure tourism is a relatively young emerging market segment still largely unknown to the public. People rarely change their preferences in vacations. Nevertheless,

Olga Yudenko, deputy manager of tourism for the company “Pan Ukraine”, noted that “the usual passive beach relaxation is not enough for Ukrainians, and every year they become more active on vacation”. To meet the demand, tour operators agree to add a bit of extreme to the main tour programs [3].

Rafting is a type of outdoor activity on the water, which is rapidly gaining popularity in Ukraine. More and more people prefer to spend their holidays in nature not only observing beautiful landscapes but also conquering the water of mountain rivers.

Ukraine has excellent natural conditions for the development of rafting. Five most popular regions can be distinguished in the following way:

1. The Carpathians (The Black Cheremosh, The Prut, The White Cheremosh, The Black Tisza and The White Tisza rivers);
2. The Dniester (plain part);
3. The lower reaches of the Southern Bug River;
4. Kiev region (The Desna, The Ros rivers);
5. Zhytomyr (The Teteriv River).

There are no complicated rafting routes in Ukraine; most of the domestic rapids are classified as second and third levels. The only place in Ukraine of the fourth level of difficulty is the distance from the village of Yamna to the Proby waterfall in the Carpathians. Nevertheless, the main problem preventing rapid growing is safety. Although Ukraine`s nature has no rough river routes there is also no essential equipment and its latest upgrades. That is the first thing our travel agents should learn from Norwegian colleagues.

Skydiving is gradually becoming a popular pastime of the Ukrainian middle class. To take a break from the rapid pace of life and feel free expressing their emotions, they are willing to pay up to 160 UAH per jump. According to Dmitry Karpekov, the president of the PARA-SKUF Association and vice president of the Parachuting Federation of Ukraine (FPSU), almost all skydivers are people with above-average incomes. They are willing to pay more for the high-quality service and proper infrastructure. However, this is exactly what Ukraine lacks. According to the FPSU, Ukraine has about

30 aviation sport clubs that have permission to organize skydiving. It seems to be satisfactory number to meet the increased demand. Meanwhile, modern and equipped drop zones, a special area for parachuting, are not numerous. Travel agents can earn on parachuting, however the niche is still vacant [2].

As for skiing, snowboarding, trekking, hiking and other activities connected to existence of the mountains, Ukraine has as many opportunities to raise it as any modern European country with well-developed tourism. The main region of mountainous activities is obviously the Carpathian mountains. In total, Ukraine has 51 ski resorts. Their equipment is getting better, prices are at an affordable level, and reaching it is easier as well as cheaper than European ones. The most resorts have runs of varying difficulty, ski lifts suitable both for families with children and solo-skiers, beginners and professionals, youth and experienced races. Moreover, some routes have special jumps for freestyle. Therefore, competitions in this sport can be held in Ukraine.

The most famous ski complex is located in Kiev. As snowfalls are not frequent in this region, the complex is equipped with snow cannons. In addition, Uman, Kirovograd, Kharkiv and Cherkassy have similar resorts established on local hills and lowlands. However, today these kinds of sport are quite expensive way to relax, especially if you go to Bukovel or another promoted resort. Tourist want to be provided with a money worth service and feel fulfillment as it is after having visited Norway and its attractions. Ukraine should reconsider charges for active rest and lower it at least until quality costs money paid for services.

To sum up, it is hard to say for sure what extreme tourists are driven by to go down the mountain river by boat, or to jump from the height in a free fly. It is precisely known that dozens of adrenaline seekers guide travel agencies to create expeditions and excursions routes to places that are connected with extreme sports and activities. Ukraine is becoming a key source market for adventure tourism as it offers great opportunities for developing country destinations, as experience from Norway shows. European adventure travellers want to discover nature



and culture through exciting experiences and physical activities. Customised itineraries are increasingly popular, as well as adding wellness and transformative elements to adventure trips. Nevertheless, it is important to remember that safety is a key aspect of adventure tourism.

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## MANIPULATION OF PUBLIC OPINION IN MODERN SOCIETY

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**Mudra K. I., Bolibok N. A. Manipulation of public opinion in modern society.** The article discusses the concept of manipulation, its structure, its use in the modern world by mass media. The article assumes examples of manipulation, its analysis and its influence on public opinion.

**Keywords:** critical thinking, influencing, manipulation, mass media, public opinion.

**Мудра К. І., Болібок Н. А. Маніпуляція громадською думкою у сучасному суспільстві.** У статті розглядається поняття маніпуляції, її структура та використання у сучасному світі ЗМІ. Наводяться приклади маніпулювання, їх аналіз і вплив на громадську думку.

**Ключові слова:** вплив, громадська думка, ЗМІ, критичне мислення, маніпуляція.

**Мудрая К. И., Болибок Н. А. Манипулирование общественным мнением в современном обществе.** В статье рассматривается понятие манипуляции, ее структура и использование в современном мире СМИ. Приводятся примеры манипулирования, их анализ и влияние на общественное мнение.

**Ключевые слова:** влияние, критическое мышление, манипуляция, общественное мнение, СМИ.

The object of the article is the process of manipulation in the modern society. The subject of the article is mass media in the context of its using in manipulation. The purpose of the article is to draw attention to manipulation, its affect on public opinion and how people could deal with that. The relevance of the research is that manipulation has become one of the major aspects of modern life. The article assumes the consideration of manipulation as an actual tool of mass media, its essence and structure. The article also discusses the use of manipulation in modern society and its impact on public opinion.

Rapidly developing processes in modern society affect all aspects of life. It leads to awareness of the importance of the development of public consciousness of people, their communication, interaction and relationships on all sides of their life.

The main goal of manipulation is to get from your partner the desired, not taking into account his interests. Thus, manipulation is understood as the following, deliberate and hidden motivation of another person to do something, to experience certain states, to make decisions that are necessary for the initiator to achieve his own goals. The true goal is always hidden from the victim of manipulation and when this goal is revealed, communication moves to a qualitatively different level – not always pleasant for the manipulator. Manipulation is an effective communication tool, but almost always not ethical. Like any other tool, manipulation is dangerous and double-edged – exposed manipulation destroys trust, causes anger and resentment of the victim and negatively affects the manipulator as well. The negative impact on the manipulator is usually expressed with irritation, anxiety, frustration, guilt, which by turn complicates business and personal communication.

In our time, the media have a huge psychological impact on the consciousness and subconscious of the person. The reality that today's media offer us is certainly mediated by someone's opinion, it is simplified and does not offer reflection or analysis. In some cases, this information can be dangerous, as a person accepts it in a «ready» form, without hesitation. That is why whoever can suggest any thought and people accept it as sole truth. It is often easier for people to plunge into the flow of information than to perceive it critically.

The media today is a powerful influencer on the mental state of people. Today, despite the fact that the task of the media is to reflect public opinion, they indeed create it.

At present, a great amount of information is falling on society. Every day we have to make a lot of decisions. However, in most cases, people do not think about the nature of their decisions and actions, believing that they are based on their own desires. The fact that people are more likely to perceive information without

questions, without trying to analyze it, also contributes to manipulation.

Manipulation of public consciousness can be considered as a complex manipulative activity, usually pursued by the group of people (government, parties, etc.) or individuals (oligarchs, leaders of political movements, religious sects). This activity is conscious and purposeful, its organizers have certain goals, intentions to get beneficial results for themselves.

So, the process of manipulating people can be explained as follows. It can be seen as using people for the manipulator's benefit. People in this case become objects of manipulation, devalued and reified. Actions performed on the victims of manipulation are unknown, hidden and invisible to this person. The psychological meaning of manipulation consists of programming and controlling people's behavior, gaining power or advantage over them by limiting their freedom, choice, creating a situation in which the object will behave in a favorable way to the manipulator, without having a choice or not realizing it. The purpose of any manipulation is to hide their true intentions, to induce a person to commit certain actions, change values, opinions, attitudes, perceptions, and views. The necessary condition is to keep the object of manipulation the illusion of freedom of choice of decisions, the illusion of independence.

For example, a customer in a store chooses a well-advertised product from among other unknown. This product had not been purchased before. While buying, a person experiences positive emotions, in his mind a visual series showing happy and healthy people from advertising pops up. The buyer does not even doubt that it is his own decision to purchase this product, because he chose it from a considerable number of alternatives. But in fact, the buyer is the object of manipulation, he does not even properly consider these alternatives.

In this example, the buyer, of course, aimed at meeting his needs. A. Karpov writes: "Psychology "materializes" human needs in the form of a set of stereotypes, attitudes, standard rules. Assessing any external situation, a person compares it with these stereotypes

and makes a “conclusion” about how satisfied this or that need is. This “conclusion” is nothing, but an emotion (the word “conclusion” is taken in quotes, because it is usually understood as a logical conclusion, when emotion is not a logical conclusion). If the need is satisfied, we, without thinking or reasoning, will feel a positive emotion (joy, gratitude), if not – negative (fear, anger, hatred)” [1]. Because the emotional sphere is prone to logic, it is one of the most vulnerable targets for manipulation. To force a person to act on a given manipulator’s program you need to cause a strong emotion that would flooded the person and would not give the opportunity to return to a rational level and calmly think about the situation.

It is necessary to understand that any manipulation is an interaction. Manipulation will not take place without participation of object on which it is directed. S. G. Kara-Murza on this occasion notes: “A person can become a victim of manipulation only if he acts as its co-author, accomplice. Only if a person under the influence of the received signals rearranges his views, opinions, moods, goals – and begins to act on a new program – the manipulation will take place. And if he doubted, resisted, defended his spiritual program, he will not become a victim. Manipulation is not violence, it is seduction. Each person is given freedom of spirit and freedom of will. So, he is loaded with responsibility to resist, not to fall into temptation” [2].

Influencing public opinion is one of the leading functions of the media. Manipulation of public opinion in most cases is based on the use of stereotypes. For successful manipulation of public opinion it is necessary to have a reliable “map of stereotypes” of different groups of the population – the entire cultural context of the society.

Media tend to use two main ways of disseminating information – sequential and fragmentary. The print media, consistently and comprehensively covering a particular political problem in articles and other publications, use the first method often. The second method – fragmentary presentation of information – is especially common on television and has a number of features, giving rise to a

number of difficulties for listeners or viewers in knowing the essence of an event or process.

If to compare manipulative receptions, which are applied on all channels of mass media, a number of the most popular is allocated. These include fabrication and concealment of facts, references to authorities, sensationalism, repetition, the use of stereotypes and features of perception, the use of contrast, features of speech dynamics, editing and removal of quotations from the context.

**C o n c l u s i o n .** Nevertheless, it is possible to protect society from media manipulation. XXI century is the information age, the time when you need to be psychologically prepared for the perception of any information. If we perceive it more consciously, rather than passively, if we try not to take on faith unfounded beliefs, we will be aware of what we hear, see or read. Then it will be more difficult to manipulate our minds, and, consequently, public opinion will be created directly with our personal participation, and not only with the help of the media.

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## NORTH KOREA AND NUCLEAR DIPLOMACY UNDER INTERNATIONAL LAW

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**Musiyaka V. O., Broslavska Y. M. North Korea and Nuclear Diplomacy under International Law.** The proliferation of nuclear weapons today represents one of the greatest threats to international security. Nuclear weapons are usually a deterrent to potential aggressors. At the same time, nuclear proliferation can destabilize existing power balances or increase the probability of accidental nuclear strikes. The article reveals the problem of nuclear weapons in North Korea and the need for diplomatic regulation of the situation on the peninsula.

**Keywords:** nuclear program, nuclear weapons, the DPRK, the regime of non-proliferation of nuclear weapons, treaty on non-proliferation of nuclear weapons.

**Мусяка В. О., Брославська Є. М. Північна Корея та ядерна дипломатія відповідно до міжнародного права.** Розповсюдження ядерної зброї представляє сьогодні одну з найбільших загроз міжнародної безпеці. Ядерне озброєння, як правило, служить стримуючим чинником для потенційних агресорів. У той же час, розповсюдження ядерної зброї може дестабілізувати існуючі баланси влади або збільшити ймовірність випадкових ядерних ударів. У статті розкривається проблема ядерної зброї в Північній Кореї та необхідність дипломатичного регулювання ситуації на півострові.

**Ключові слова:** договір про нерозповсюдження ядерної зброї, КНДР, режим нерозповсюдження ядерної зброї, ядерна зброя, ядерна програма.

**Мусяка В. А., Брославская Е. М. Северная Корея и ядерная дипломатия в соответствии с международным правом.** Распространение ядерного оружия, представляет сегодня одну из наибольших угроз международной безопасности. Ядерное вооружение, как правило, служит сдерживающим фактором для потенциальных агрессоров. В то же время, распространение ядерного оружия может дестабилизировать существующие балансы власти или увеличить вероятность случайных ядерных ударов. В статье раскрывается проблема ядерного оружия в Северной Корее и необходимости дипломатического регулирования ситуации на полуострове.

**Ключевые слова:** договор о нераспространении ядерного оружия, КНДР, режим нераспространения ядерного оружия, ядерная программа, ядерное оружие,

The object of the article is Nuclear Diplomacy under International Law. The subject is nuclear weapons in North Korea. The purpose of the article is to analyze the international legal regime for non-proliferation of nuclear weapons, study the history of the establishment of the regime and the international legal mechanisms for regulating the non-proliferation of nuclear weapons in the DPRK, as well as examine the nuclear program of the DPRK.

The news media, till very recently, carried almost daily reports of some new developments in the 'North Korean crisis', emphasizing its political, diplomatic, and military dimensions. Such an emphasis is understandable given the enormity of the threat posed by the stance of the North Korean regime to the peace, stability, and many millions of lives in the region.

North Korea – known officially as the Democratic People's Republic of Korea – is a relic of the Cold War. Established as a communist dictatorship during occupation by the Soviet Red Army in 1948, North Korea invaded its southern neighbor in 1950. The invasion was repulsed by a United Nations military force after three years of warfare, in which more than 1.2 million people were killed. The fighting was interrupted by an armistice (i.e., cease-fire) agreement between the belligerents.

No peace treaty has ever been concluded, and North Korea's southern border remains the most heavily militarized frontier in the world.

Since at least the early 1990s, North Korea has been developing long-range missile technology capable of delivering nuclear warheads. The successfully-tested Nodong missile has a range of at least 1,000 kilometers, i.e., far enough to reach South Korea, Japan, parts of the Russian Far East, and northern China [1].

In October 2006, North Korea conducted its first test of a nuclear weapon. A second test was conducted in May 2009. The Russian Defence Ministry estimated the latter explosion to be 15–20 times more powerful than the bomb which destroyed Hiroshima. Later the same year, North Korea announced that it possessed a



stockpile of nuclear weapons. At the end of January 2013 DPRK conducted its third nuclear test.

On April 20, 2018, DPRK leader Kim Jong-un announced the freezing of nuclear and missile tests and a nuclear test site in the north of the country. South Korean President Moon Jae-in was in the DPRK from September 18 to September 20 2018, holding talks with North Korean leader Kim Jong-un. At the end of their meetings, a joint statement of intent to continue efforts to rid the Korean peninsula of nuclear weapons and the threat of war was signed [3].

On April 17, 2019, the DPRK tested a new "tactical guided weapon" – a powerful warhead missile. Testing of this type of weapons was the first since the unsuccessful summit of Kim Jong-un and Donald Trump in Hanoi. On May 4, the DPRK repeated the launch of short-range missiles. They were launched from the city of Wonsan on the east coast in the direction of the Sea of Japan. On May 9, North Korea again launched unidentified shells. The launch was conducted from Phenan-Pukto, where about 77 kilometers from Pyongyang is one of the DPRK missile bases. Nodon medium-range ballistic missiles are deployed on this base.

On May 16, 2019, North Korean site Meari condemned South Korea for joint exercises with the United States and placed Seoul in charge of disrupting the peaceful atmosphere on the Korean Peninsula. Washington and Seoul changed the format of joint military maneuvers this year, the number of participants of which has been repeatedly reduced, and also shifted the area of training from the border with the DPRK [5].

### **State Sovereignty**

The starting point for considering whether a State has breached its obligations at international law is always the principle of territorial sovereignty. Territorial sovereignty has been a cornerstone principle of international law since the emergence of the modern State system in the seventeenth century. According to this principle, a State is free to do whatever it pleases within its own territory, subject only to specific limitations imposed by international law itself.

Therefore, unless North Korea has violated some specific obligations binding on it under international law, it is free to develop, build and maintain nuclear weapons and missile delivery systems within its territory. Indeed, each permanent member of the United Nations Security Council (China, France, Russia, the United Kingdom, and the United States) has long done precisely that. Several other States, such as India and Pakistan, have followed their example. Participation in the 1968 Treaty on the Non-Proliferation of Nuclear Weapons (NPT) provides a firm basis for concluding that a non-nuclear State has surrendered its legal freedom to develop and acquire nuclear weapons. Only a small handful of States are not parties to the NPT. North Korea acceded to the NPT in 1985, but became in 2003 the only State to withdraw from participation [4].

#### **Security Council Resolutions**

North Korea is currently in breach of three Security Council Resolutions addressed specifically to it and made under Chapter VII of the United Nations Charter. Resolution 1718 (2006) saw the Security Council unanimously direct North Korea to not conduct any further nuclear test or launch of a ballistic missile, suspend all activities related to its ballistic missile programme, and abandon all nuclear weapons and existing nuclear programmes in a complete, verifiable and irreversible manner. Member States were also given permission to intercept and search shipments of cargo going to and from North Korea for WMD or associated items.

The Security Council, by Resolution 1874 (2009), unanimously condemned North Korea's nuclear tests of May 2009. It also demanded that North Korea not conduct any further nuclear test or any launch using ballistic missile technology, suspend all activities related to its ballistic missile programme, return to membership of the NPT, immediately comply fully with its obligations under relevant Security Council resolutions, and abandon all nuclear weapons and existing nuclear programmes in a complete, verifiable and irreversible manner and immediately cease all related activities [2].

Finally, on 7 March, the Security Council adopted Resolution 2094 (2013). This is the Resolution which North Korea claims is

justification for its "invalidation" of the 1953 cease-fire agreement. The Security Council unanimously condemned North Korea's most recent nuclear weapons test, re-affirmed the demands of earlier Resolutions including those concerning nuclear weapons, ballistic missiles and North Korea's return to the NPT, and further strengthened the regime of economic, commercial and financial sanctions against that State [1].

**Conclusion.** It seems clear that North Korea is in continuing breach of its obligations, under Art 25 of the Charter, to 'accept and carry out the decisions of the Security Council'. Decisions made by the Security Council under Chapter VII of the Charter are among the most serious obligations in international law. The unanimity with which these Resolutions have been adopted testify to the gravity of the security situation created by North Korea's on-going violations of its legal obligations.

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**FRANCHISESYSTEM  
IN DEN GRÖßTEN KONZERNEN  
DEUTSCHLANDS UND FRANKREICHS**

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**Mykhalevska S. S., Krupkina T. V. Franchisesystem in den größten Konzernen Deutschlands und Frankreichs.** The article examines the relevance of the franchise system in large corporations. German corporations in the field of services and education are considered in the article. The following corporations were selected for analysis: in the field of education: Duden – a dictionary and set of rules for grammar and spelling of the German language; in the service sector: Accor – a French chain of luxury hotels. The market structure in the hotel business and education are defined, a comparative description of companies from selected areas is derived, and features of the franchising system for these corporations are revealed.

**Keywords:** area of education, corporation, franchising, hotel business, system.

**Михалевська С. С., Крупкіна Т. В. Система франчайзингу у великих корпораціях Німеччини та Франції.** У статті досліджується актуальність системи франчайзингу у великих корпораціях. У ході написання роботи були розглянуті німецькі корпорації у сфері послуг та освіти. Для аналізу були обрані наступні корпорації: у сфері освіти: Duden – словник та перелік правил з граматики та правопису з німецької мови; у сфері послуг: Ассор – французька мережа готелів класу «люкс». Визначені структури ринку у сфері готельного бізнесу та освіти, виведена порівняльна характеристика компаній з обраних областей і виявлені особливості системи франчайзингу даних корпорацій.

**Ключові слова:** готельний бізнес, корпорація, система, сфера освіти, франчайзинг.

**Михалевская С. С., Крупкина Т. В. Система франчайзинга в крупных корпорациях Германии и Франции.** В статье исследуется актуальность системы франчайзинга в крупных корпорациях. В ходе написания работы были рассмотрены немецкие корпорации в сфере услуг и образования. Для анализа были выбраны следующие корпорации: в сфере образования: Duden – словарь и свод правил грамматики и правописания немецкого языка; в сфере услуг: Ассор – французская сеть отелей класса

"люкс". Определены структуры рынка в сфере отельного бизнеса и образования, выведена сравнительная характеристика компаний из выбранных областей и выявлены особенности системы франчайзинга данных корпорациях.

**Ключевые слова:** корпорация, отельный бизнес, система, сфера образования, франчайзинг.

Als O b j e k t des vorliegenden Artikels ist Franchisesystem in Deutschland und Frankreich gewählt. Der G e g e n s t a n d der Untersuchung ist gegenwärtiges Franchisesystem in den größten Konzernen Deutschlands und Frankreichs.

Die A k t u a l i t ä t der Arbeit wird dadurch bestimmt, dass die Entwicklung des Franchisegeschäfts im Kontext des Globalisierungsprozesses in der Welt vielversprechend ist.

Laut den Indikatoren des Bruttoumsatzes von den Franchisesystemen, der Quantität der Franchisegeber und Franchisenehmer, sowie der Anzahl der Personen, die sich mit der Franchisedienstleistungen beschäftigten, kann der Maßstab der Ausbreitung des Franchisings in den Nationalwirtschaften und in den globalen regionalen Wirtschaften bestimmt werden.

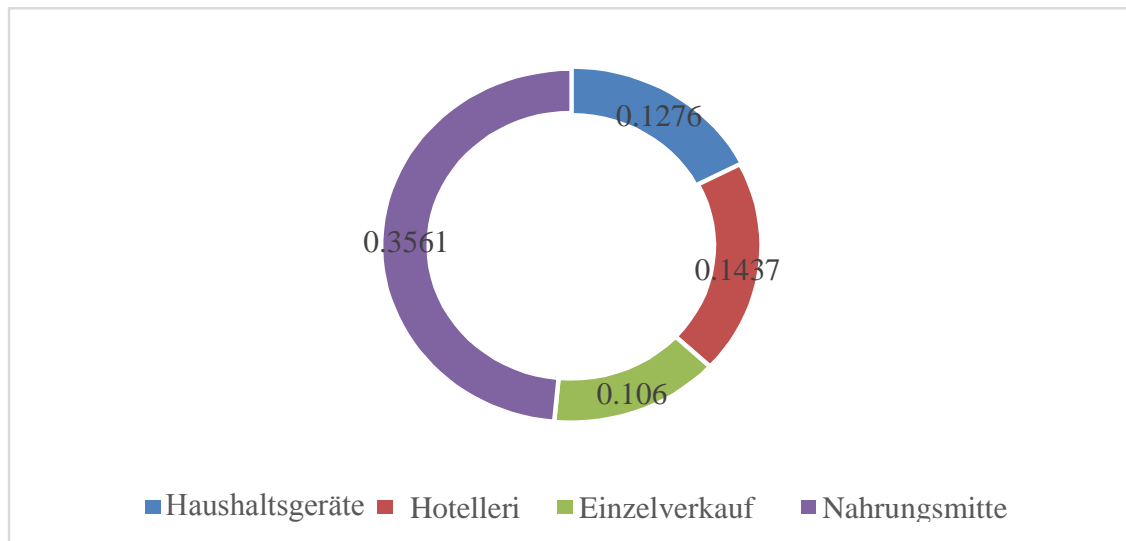
Die A t t r a k t i v i t ä t des Franchisings und seine Entwicklung für kleine Unternehmen und Einzelunternehmer bietet stabiles profitables Geschäft, und für bekannte Firmen und Unternehmen die Möglichkeit, ihre Position auf dem Markt auszubauen und zu etablieren.

Das Z i e dieser Untersuchung ist die Analyse des deutschen Franchisings in verschiedenen Tätigkeitsbereichen.

Franchising ist die Form der Organisation und der Leitung des Geschäfts, die sich dynamisch entwickelt. Es ermöglicht dem Eigentümer, den Verkauf seiner Waren und Dienstleistungen zu erweitern, indem er neue Unternehmen ohne Investitionen eröffnet [5].

Deutschland und Frankreich sind die führenden Länder der Welt und gehören zu den drei führenden europäischen Franchise – Ländern.

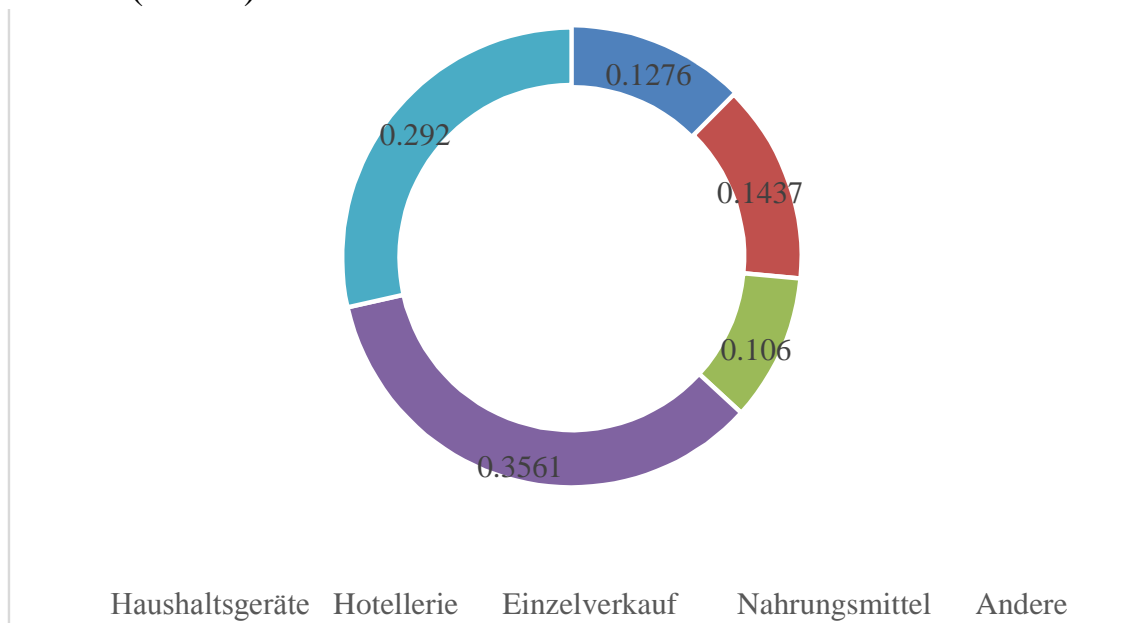
Das Bild 1 zeigt die Verteilung des Franchise-Systems Deutschlands.



**Bild 1. Branchen – Franchise – Verteilung in Deutschland im Jahr 2017, %** Quelle: zusammengestellt vom Autor in [1].

Der Jahresumsatz des Franchisesystems Deutschlands beträgt 65 Milliarden Euro. Das größte Potential haben Dienstleistungsbranche und Hotellerie.

Das Franchise-System Frankreichs wurde wiederum so verteilt (Bild 2).



**Bild 2. Branchen – Franchise – Verteilung in Frankreich Jahr 2017, %** Quelle: zusammengestellt vom Autor in [2].

Die Anzahl der Franchise-Unternehmen wächst kräftig von Jahr zu Jahr.

Franchising im Bereich der Hotellerie und der Ausbildung ist Geschäftsfranchise-Format. Der Franchisenehmer in diesem Format erhält nicht nur das Recht zum Verkauf des Produkts/ der Dienstleistung und die Methode vom Verkauf oder von der Erbringung der Dienstleistung (wie es vom Produktvertriebs-Franchise vorgesehen ist), sondern auch das Konzept der Führung des gesamten Unternehmens (von Registrierung des Geschäfts, Uniformen des Personals, Art der Erbringung der Dienstleistungen, Kundendienst und Personalschulung bis Werbe- und Marketingempfehlungen).

Sowohl in der Dienstleistungsbranche als auch in der Hotellerie existieren viele Firmen und Bereiche, in denen sie beschäftigt sind. Einer der Dienstleistungsbereiche ist die Ausbildungsbranche. In Deutschland entwickelt sich Duden als Franchise-Unternehmen. Es hat ein Franchise-System namens Duden Institute für Lerntherapie gegründet. Diese Institute fördern erfolgreich Kinder und Jugendliche mit Rechenschwäche, Lese-Rechtschreib-Schwäche oder Englisch-Schwäche. Das erste Institut dieser Art wurde im Jahr 1992 gegründet, und seit 1995 begann das Geschäft zu arbeiten und neue Franchise-Institute zu eröffnen. Derzeit gibt es 46 Franchise-Unternehmer in 86 Standorten.

Duden hat, wie alle anderen Franchise-Firmen, bestimmte Voraussetzungen:

- Investitionssumme – 50.000 Euro. Investitionssumme ist abhängig von den individuellen Lebenshaltungskosten in der Startphase sowie Mietniveau und Kostensituation vor Ort. Die Ausbildung zum Lerntherapeuten wird im Rahmen eines Hochschulzertifikats mit der SRH-Hochschule absolviert;

- Einstiegsgebühr – 12.000 Euro;
- Laufende Gebühr – 11,50 % [3].

Interessant ist aber, dass die Höhe des Eigenkapitals und der Werbegebühr individuell festgelegt wird. Die Summe der Werbegebühr wird im System gemeinsam mit den Franchisepartnern

ausgehend von geplanten überregionalen Marketingmaßnahmen festgelegt (maximal 1%).

Das Franchisesystem des Duden Instituts der Lerntherapie bietet die Möglichkeit, das eigene Institut zu gründen. Mit dem Know-How des Stamminstituts, einer umfassenden theoretischen und praktischen Ausbildung, einem breiten Materialangebot, einem Schulungsprogramm für die besten Mitarbeiter und der Marke "Duden" wird das Geschäft profitieren.

Durch die Arbeit mit dem Gesamtkonzept und den konsequenten Materialien, sowie durch die gut koordinierten Kommunikationsaktivitäten, erhält der Kunde die beste Dienstleistung bei der Implementierung integrativer Lerntherapien [3].

Als eines der größten Hotelnetze Frankreichs dient AccorHotels. Das Netz zählt mehr als 4000 Hotels, Resorts und Residences sowie 2500 exklusiven Privatwohnungen. Deutschland ist die Marktführer dieses Netzes und enthält mehr als 360 Hotels. AccorHotels existiert schon seit 1975. Das Gründungsjahr des Franchisesystems ist 1995. Seit dieser Zeit bekamen 54 Firmen die Franchisepartner des Netzes. AccorHotels hat mehr als 40 Jahren Erfahrung in solchen Bereichen wie Distribution, Marketing, Einkauf, Bau & Design sowie Innovation, Qualitätssicherung, nachhaltige Entwicklung und eigenes Reservierungssystem TARS. Franchising mit AccorHotels bedeutet Partnerschaft auf Augenhöhe, eine lohnende Investition in die Zukunft.

Die Voraussetzungen für die Partnerschaft mit AccorHotels:

- Investitionssumme: von 5 bis 30 Millionen Euro, je nach der Marke;
- Eigenkapital ist individuell und von der Marke abhängig;
- Einstiegsgebühr ist individuell, 200 – 400 € pro Zimmer, je nach der Marke, nach dem Stand;
- Laufende Gebühr – individuell, generell nach der Marke / Standort: 4,5 – 5,5% vom Nettoumsatz;
- Werbegebühr – 1,50%, zusätzliche Distributionsfee: je nach der Marke [4].



Aus dieser Untersuchung ist es zu schließen, dass Franchising eine der vielversprechendsten Formen der Unternehmensorganisation und –entwicklung ist. Dank Franchising können kleine Unternehmen in den Auslandsmarkt eintreten, und große Unternehmen können den Absatzmarkt erweitern und ihre Position festmachen. Die Dienstleistungsbranche ist eine der größten Branchen in den entwickelten Ländern. In Deutschland und Frankreich entwickeln sich der Ausbildungszweig und die Hotellerie rasant.

In der Ausbildungsindustrie existiert eine Tendenz, dass die Voraussetzungen für die Eröffnung des Instituts ab Anfang an festbestimmt sind. Duden schafft zum Beispiel die Möglichkeit, das eigene Institut mit dem Know-How des Stamminstituts zu gründen. Duden stellt zur Nutzung eine umfassende theoretische und praktische Ausbildung, ein breites Materialangebot, ein Schulungsprogramm für die besten Mitarbeiter und die Marke "Duden" bereit. Um ein Teil des Duden Konzerns zu werden, werden die Investitionen in der Höhe von maximum 50.000 Euro benötigt.

Gleichzeitig unterscheidet sich die Situation in der Hotellerie: In diesem Fall ist die Summe der Investition unbestimmt und tendiert individuell zu sein. AccorHotels gilt als das größte Hotelnetz in Frankreich. Falls jemand ein Hotel unter der Marke AccorHotels eröffnen möchte, muss der die Investitionssumme in der Höhe von minimum 5 Millionen Euro haben. Für diese Summe bietet AccorHotels die Erfahrung in solchen Bereichen wie Distribution, Marketing, Einkauf, Bau & Design sowie Innovation, Qualitätssicherung, nachhaltige Entwicklung und eigenes Reservierungssystem TARS.

Als P e r s p e k t i v e der weiteren Entwicklung der Arbeit kann die Tendenz des Franchisings in diesen Bereichen geschätzt werden und die detaillierte Analyse der Entwicklung des Franchisesystems in Hotellerie und Ausbildungszweig durchgeführt werden.

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## THE INNOVATION CAPACITY IN UKRAINE AND THE EU COUNTRIES

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**Nadtochiy D. Y., Oliynyk N. A. The innovation capacity in ukraine and the eu countries.** The article focuses on the comparative analysis of innovation capacity of Ukraine with EU countries at the national level. Also, it outlines the most recent problems in the development of the innovation system in Ukraine. The practical measures are proposed in order to provide a sustainable growth of the national economy in Ukraine.

**Key words:** innovation, the European Union (EU), Ukrainian innovation capacity.

**Надточий Д. Ю., Олійник Н. А. Інноваційний потенціал в Україні та країнах ЄС.** У статті проведений порівняльний аналіз інноваційного потенціалу України з країнами на ЄС на національному рівні. Також окреслено найсвіжіші проблеми розвитку інноваційної системи в Україні. Запропоновані практичні заходи для забезпечення сталого зростання національної економіки в Україні.

**Ключові слова:** інновації, Європейський Союз (ЄС), інноваційний потенціал України.

**Надточий Д. Ю., Олейник Н. А. Инновационный потенциал в Украине и странах ЕС.** В статье рассматривается сравнительный анализ инновационного потенциала Украины с странами в ЕС на национальном уровне. Также в нем изложены актуальные проблемы развития инновационной системы в Украине. Предложены практические меры для обеспечения устойчивого роста национальной экономики в Украине.

**Ключевые слова:** инновации, Европейский союз (ЕС), инновационный потенциал Украины.

In the context of the globalization of the world economy, innovation is one of the strategic issues for the development of the country. In an era of post-industrial society, information and technology gives the opportunity to create competitive advantages on the global market.

The relevance of the study is determined by the speed and scale of innovation processes in the modern world due to the increasing investments in Research and Development, the diversity of information technologies and new management methods.

The o b j e c t of the study is the innovation systems of Ukraine and EU member states at the national level. The s u b j e c t of the study is the economic relations between government, private sector and higher education establishments and the other organizations that are involved into the innovation development of countries.

Taking into account that EU countries develop a strong framework for innovations in order to occupy the leading position on the global market, this article attempts to give an assessment of the current Ukrainian capacity through comparing it with some EU countries. It should be noted that Latvia, Lithuania, Estonia and Ukraine had similar conditions for innovation development, as they were formerly part of the Soviet Union. Also, Bulgaria and Romania are rated last on the European innovation scoreboard [4].

*Table 1*

**Comparison of the innovation capabilities  
of Ukraine with the EU in 2018**

	Ukraine	Post-Soviet countries			Group IV	
		Latvia	Lithuania	Estonia	Bulgaria	Romania
Global nnovation Index Ranking, rank	43	34	40	24	37	49
Global Competitiveness Index Ranking, rank	81	54	41	29	49	68
Financing innovation, % of GDP	0,5	0,4	0,8	1,3	0,8	0,5
Researchers in R&D, per million people	1 037	1 599	2 937	3 305	2 243	912
Export of high-tech products,% of turnover	3,1	7,5	6,2	11,7	3,9	6,7
Exports of ICT services,% of turnover	4,8	3,8	1,1	3,1	3,3	4,6
University-industry Collaboration in	70	93	36	39	71	92

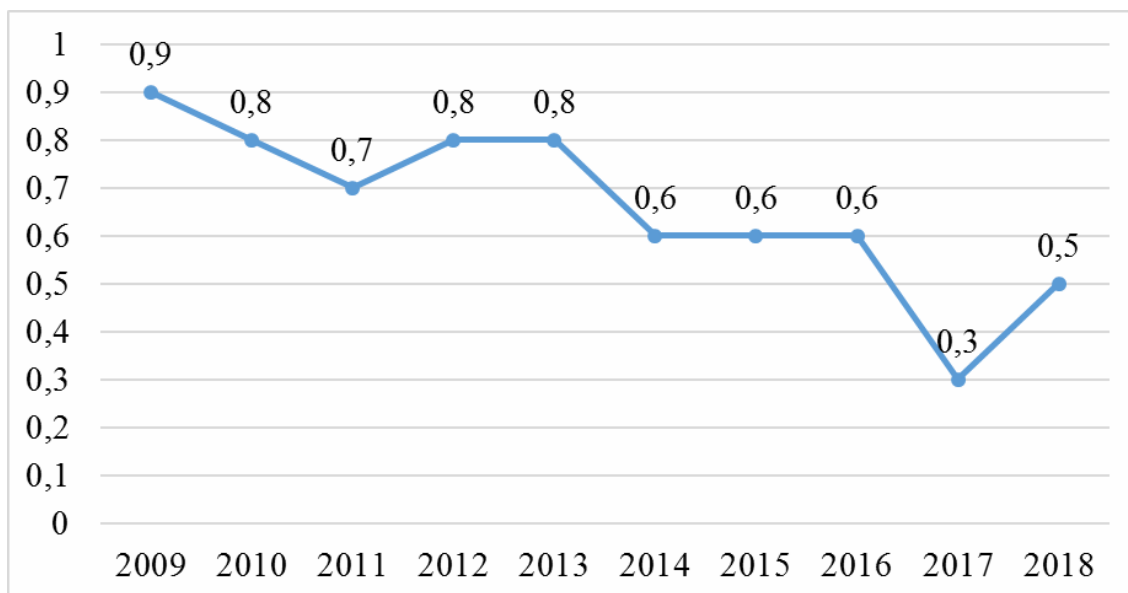
R&D Ranking, rank						
PCT patents applications per million people	3,6	11,8	15,9	27,2	7,4	3,9

*Source: [1-3, 5].*

According to Table 1, Ukraine has the highest difference in the ranks of innovation development and competitiveness of the country that indicates its research potential as ineffective, despite the fact that its level of the innovation potential is slightly behind the Post-Soviet countries and Bulgaria.

Analyzing the R&D financing indicators in Table 1, it is obvious that there has been a lack of investment in the promotion of innovation activities in comparison with the developing countries in the EU that fund an average of around 2 per cent of GDP.

As illustrated in Figure 1, Ukrainian share of R&D funding has been declining over the past 10 years due to the difficult political situation in the country.



*Source: [6].*

Figure 1. R&D funding in 2009-2018  
in Ukraine, % of GDP

Compared with EU countries, Ukraine has a low share of funds from higher education sector in the total R&D spending. In 2017 it was 0,4% whereas the public sector funds were 19% and the private sector – 80,6%. Such financing structure confirms the lack of public investment and the low level of autonomy of higher education establishments.

According to the number of scientists per million people, Estonia, Lithuania and Latvia are ahead. Romania is characterized by 2.9% decrease whereas over 10 years the share of researchers has decreased by 23.2% in Ukraine due to the issue of low funding in R&D, bureaucracy and the devaluation of the professions, that drive researchers to migrate to the EU, China or the USA [1].

It is also necessary to emphasize that Ukraine has one of the highest rates in the world in terms of the enrollment in higher education – 79% of the population aged 20 to 26 years.

Analyzing the share of exports of high-tech products, we can conclude that Ukraine uses the country's research potential ineffectively – the lowest indicator in comparison with the post-Soviet countries and the weak region of the EU – 3.1% of turnover. However, Ukraine ranked the 19<sup>th</sup> in the world in terms of patent applications and the 1<sup>st</sup> in terms of utility model patents [7].

At the same time, the highest level of export of ICT services is 4.8% of turnover in Ukraine. Taking into account the experience of the 'innovation leaders' in the EU, where the development of ICT contributes to the rapid development in the other industries, it is generally outsourced, so its impact on the other industries is neutral in Ukraine [4].

According to Table 1, Ukraine, Latvia and Group IV countries have a low level of cooperation between higher education and the private sector, which is one of the main drivers of innovation. It is also worth noting that Ukraine has a low level of clustering [7].

In s u m , Ukrainian innovation capacity has degraded in spite of its high scientific potential and its experience in the high-tech industries in comparison with the weak regions of the EU due to weak state policy. Based on the experience of European countries, it

is necessary to introduce structural reforms in the national innovation system, such as increasing decentralization of governance, creating a complex flexible system for financing innovation research and enhancing the autonomy of higher education.

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## **BILATERALE BEZIEHUNGEN SCHWEIZ – DEUTSCHLAND**

***I. V. Nedviga, I. I. Pirog, PhD (Sprachbetreuerin)  
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**Nedviga I. V., Pirog I. I. Bilaterale Beziehungen Schweiz – Deutschland.** Der Artikel behandelt die bilateralen Beziehungen Schweiz-Deutschland in verschiedenen Bereichen, insbesondere auf politischem Gebiet, und ihre Auswirkungen auf Zusammenarbeit, Handel, Kultur und andere. Der Einfluss der Beziehungen im Bereich Bildung, Forschung, Innovation wird zur Kenntnis genommen. Solche Indikatoren wie der Export und Import eines jeden Landes werden berücksichtigt.

**Schlüsselwörter:** Zusammenarbeit, bilaterale Beziehungen, Außenpolitik, Handelspartner, kulturelle Beziehungen, Tourismusindustrie.

**Недвиги І. В., Пірог І. І. Двосторонні відносини Швейцарія – Німеччина.** У статті розглядається двосторонні відносини Швейцарія – Німеччина в різних сферах, а саме у політичних, та їх вплив на співробітництво, торгівельні, культурні та інші. Відзначено вплив відносин в галузях освіти, досліджень, інновацій, Розглядаються такі показники як експорт та імпорт кожної країни.

**Ключові слова:** співробітництво, двосторонні відносини, зовнішня політика, торговий партнер, культурні зв'язки, індустрія туризму.

**Недвиги И. В., Пирог И. И. Двусторонние отношения Швейцария – Германия.** В статье рассматривается двусторонние отношения Швейцария – Германия в различных сферах, а именно в политических, и их влияние на сотрудничество, торговые, культурные и другие. Отмечено влияние отношений в области образования, исследований, инноваций, Рассматриваются такие показатели как экспорт и импорт каждой страны.

**Ключевые слова:** сотрудничество, двусторонние отношения, внешняя политика, торговый партнер, культурные связи, индустрия туризма.

Der Gegenstand des Artikels ist der Prozess der bilateralen Beziehungen zwischen Deutschland und der Schweiz. Das Thema ist schweizerdeutsche Beziehungen in Politik, Wirtschaft, Tourismus. Es sind ethische Standards im Kontext der Tourismusentwicklung in der modernen Gesellschaft. Ziel des Artikels ist es, die Beziehungen zwischen den beiden Ländern zu untersuchen und die problematischsten Fragen im Zusammenhang mit der Politik ihrer Beziehungen zu



untersuchen, sofern Beziehungen in den Bereichen Bildung, Forschung und Kultur bestehen. Um die problematischsten Bereiche zu identifizieren, analysieren Sie die Faktoren, die das Problem ausmachen.

Die Schweiz und Deutschland verbindet ein enges und vielgestaltiges, gutnachbarschaftliches Verhältnis, nicht zuletzt aufgrund der im größten Teil der Schweiz gemeinsamen Sprache. In gesellschafts-, wirtschafts- und außenpolitischer Hinsicht sind sich die Zielsetzungen beider Staaten ähnlich. Kontakte bestehen in großer Zahl auf allen Ebenen. Alle deutschen Bundespräsidenten haben der Schweiz Besuche abgestattet, zuletzt Bundespräsident Steinmeier am 25. und 26. April 2018. Es finden regelmäßige Konsultationen und Treffen auf Minister- und Staatssekretärebene statt. Die große Zahl der in der Schweiz lebenden Deutschen (rund 315.000, unter Einrechnung der Doppelstaater rund 450.000) und anderen EU-Bürger (als Konsequenz der ungebrochen hohen Nachfrage nach qualifizierten Arbeitskräften) ist eines der Themen in der innerschweizerischen Debatte um die mit der Europäischen Union vereinbarte Personenfreizügigkeit. Die Schweiz und Deutschland unterhalten vielfältige und intensive Beziehungen und sind durch eine gemeinsame Sprache sowie einen regen gemeinsamen, kulturellen und menschlichen Austausch miteinander verbunden [1].

In der Schweiz leben über 304 600 Deutsche. In Deutschland wohnen immerhin auch 88 600 Schweizer, was angesichts der Bevölkerungszahlen den verhältnismässig grösseren Anteil darstellt. Vereinfacht wurde die Wohnsitznahme im jeweils anderen Staat durch im Jahr 2002 in Kraft getretene Freizügigkeitsabkommen.

Die politischen Beziehungen der Schweiz mit Deutschland sind traditionell gut. Sie haben ungefähr 200 Verträge auf Vertragsbasis. Jährlich finden zahlreiche bilaterale Treffen auf Minister- und hoher Beamtenebene statt. Außerdem können Sie die Schweiz und Deutschland regelmäßig über aktuelle internationale Fragen und die Zusammenarbeit in multilateralen Gremien aus. Seit 2003 besteht außerdem ein institutionalisierter Kontakt zwischen der schweizerischen Bundesversammlung und dem deutschen Bundestag [3].

Deutschland ist der wichtigste Handelspartner der Schweiz. 2017 exportierte die Schweiz Waren im Wert von 44,7 Milliarden

CHF. The importe believe in same period on 54,5 Mia. CHF, was ein totales Handelsvolumen von 99,2 Mia. CHF ergibt. Die Schweiz und Deutschland sind gegenseitig als Investoren von grosser Bedeutung. Der Gesamtbestand der schweizerischen Direktinvestitionen in Deutschland Ende 2016 lag bei 39,1 Milliarden CHF. Schweizerische Unternehmen beschäftigen in Deutschland rund 260 000 Personen. Die deutschen Direktinvestitionen in der Schweiz glauben an das Ende 2016 auf 31,5 Milliarden CHF. Deutsche Firmen beschäftigen rund 121 000 Personen in der Schweiz [4].

Deutschland ist der wichtigste Partner der Schweiz im Bereich Bildung, Forschung und Innovation. Es finden regelmässig Treffen auf Regierungsebene und Arbeitstreffen auf technischer Ebene statt. Neben den Forschungs- und Bildungsprogrammen der EU bestehen zahlreiche bilaterale Zusammenarbeits- und Austauschabkommen. Das Staatssekretariat für Bildung, Forschung und Innovation (SBFI) vergibt Bundes-Exzellenz-Stipendien für Forschende und Kunstschafter aus Deutschland.

Die engen kulturellen Beziehungen zwischen den beiden Ländern haben eine lange Tradition und basieren auf der gemeinsamen Sprache. Der Austausch von schweizerischen Kulturschaftern mit Vertreterinnen und Vertretern des deutschen Kulturraums ist bedeutend und befruchtet das Kulturschaffen in allen Landesteilen. Präsenz Schweiz fördert verschiedene Projekte in Deutschland. Im Studienjahr 2018/19 studierten rund 11 000 Deutsche an Schweizer Hochschulen. Dagegen arbeiten etwas über 300 Schweizer Professoren an deutschen Hochschulen und 3 600 Schweizer studieren hier (Stand: 2018). Deutsche Medien finden in der Schweizer Öffentlichkeit breite Beachtung. Die Berichterstattung der Schweizer Medien über deutsche Politik, Gesellschaft und Kultur ist intensiv, kontinuierlich und vielfältig [2].

Die Bundesrepublik Deutschland war auch 2018 – mit einem Anteil von 22,7% – für die Schweiz der weltweit wichtigste Handelspartner. 2018 lag das Handelsvolumen der Schweiz mit Deutschland allein CHF 99 Mia. höher als das Handelsvolumen der Schweiz mit den restlichen Nachbarstaaten zusammen. Deutschland

ist sowohl wichtigste Exportdestination von Schweizer Exporten, als auch wichtigstes Herkunftsland von Schweizer Importen: 18,8% aller weltweiten Schweizer Exporte hatten vergangenes Jahr Deutschland als Ziel. Gar 27,1% aller Schweizer Importe stammten vergangenes Jahr aus unserem nördlichen Nachbarland.

In der Schweiz ist die Tourismusindustrie gut entwickelt, während in Deutschland nun mit neuem Elan entwickelt. In diesem Land gibt es neue Gebiete bisher nicht zugänglich für Touristen. Die Schweiz ist insofern interessant, als sie ein Beispiel für einen klassischen Tourismus darstellt. Das einzige, was die touristische Infrastruktur der Schweiz verbessern kann, ist die Weiterentwicklung des Komforts für Touristen. Deutschland kann sein Potenzial für die Entwicklung der sogenannten "neuen Regionen" nutzen, die bereits neue Touristenströme anziehen und auch weiterhin anziehen werden, da dies in der komplexen und widersprüchlichen Geschichte des Landes der Fall ist [1].

Damit die Beziehung zwischen Deutschland und der Schweiz zu analysieren, können wir schließen, dass Deutschland der wichtigste Wirtschaftspartner der Schweiz bleibt, also die deutsch-schweizerischen Beziehungen stetig weiter zu entwickeln, die positive wirtschaftliche Dynamik zeigt.

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## FOREIGN TRADE OF GERMANY

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**Nedviga I. V., Zmiyova I. V. Foreign trade of Germany.** The article studies the features of the development of foreign trade in Germany, identifies its trends, and assesses the role of this country in the global economy. The analysis shows its competitive advantages, which ensure Germany's superiority on the world stage, the country's economic indicators, the geographical and commodity structure of exports and imports has been examined, and modern trends in the development of Germany has been determined.

**Keywords:** commodity circulation, commodity structure, export, foreign trade, geographical structure of trade, Germany, import.

**Недвига І. В., Змійова І. В. Зовнішня торгівля Німеччини.** У статті розглядаються особливості розвитку зовнішньої торгівлі Німеччини, визначаються тенденції її розвитку, а також проводиться оцінка ролі даної країни в світовій економіці. Проводиться аналіз її конкурентних переваг, що забезпечують Німеччині перевагу на світовій арені, економічних показників країни, розглянута географічна і товарна структура експорту та імпорту, визначені сучасні тенденції розвитку Німеччини.

**Ключові слова:** географічна структура торгівлі, експорт, зовнішня торгівля, імпорт, Німеччина, товарна структура експорту та імпорту, товарообіг.

**Недвига И. В., Змиёва И. В. Внешняя торговля Германии.** В статье рассматриваются особенности развития внешней торговли Германии, определяются тенденции ее развития, а также проводится оценка роли данной страны в мировой экономике. Проводится анализ ее конкурентных преимуществ, обеспечивающих превосходство Германии на мировой арене, экономических показателей страны, рассмотрена географическая и товарная структура экспорта и импорта, определены современные тенденции развития Германии.

**Ключевые слова:** внешняя торговля, географическая структура торговли, Германия, импорт, товарная структура экспорта и импорта, товарооборот, экспорт.

The s u b j e c t of the study is Germany's foreign trade and its features. The p u r p o s e of the study is to identify specific aspects

and trends in the development of trade in Germany. At present, Germany is one of the most developed countries in the world, which is actively engaged in foreign trade. Therefore, it is necessary to study and analyze the foreign trade of Germany, as well as its competitive advantages, ensuring Germany's superiority in the world arena, which is the actual value of the study.

Germany is one of the leading players in the global economy and the largest economically significant country in Europe. This country is the second exporter after China (export volume in 2017 amounted to \$ 1,576 billion) and the third importer after the United States and China (import volume – \$ 1,0 104.6 billion) [10].

There are a number of factors that have a beneficial effect on strengthening Germany's position in world trade. First of all, the economic and geographical position of Germany is extremely favorable for the development of foreign trade. The country is located in the center of the most economically developed region of Europe, where the largest trade and transport arteries of world significance converge. Through Germany pass all the major trade routes connecting western and eastern Europe. The country has access to the North and Baltic Seas, which also contributes to the strengthening of trade and economic ties [6].

As it is known, Germany is a highly developed industrial country. At the same time, the state is not too rich in mineral reserves. Industrial production in the country has reached a very high level of development, Germany is ranked among the world technological leaders. It is the main manufacturer of engineering products and a leading exporter of machinery and equipment in the EU [3].

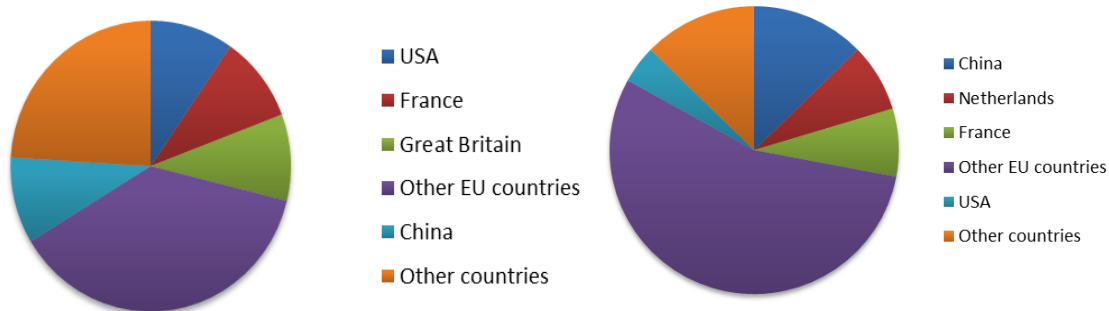
Speaking about the foreign economic activity of Germany, it should be noted that the country was one of the initiators of the creation of the European Union in 1957 and currently stands for deepening and expanding international economic integration on the European continent. Now the EU is the most developed integration group in the world, which has managed to go through all four stages of international integration [9].

Foreign trade is one of the most dynamic sectors of the German economy, a stimulator of its economic growth. In 2018, German enterprises exported goods by almost 1.318 trillion euros – three percent more than a year earlier. Imports over the same period increased by 5.6% to 1.090 trillion euros [8].

The main trading partners of Germany are France, the USA, Great Britain, the Netherlands, Italy. These five countries account for more than 40% of German trade, with France alone – over 10%.

The main export destinations of Germany in 2017 were the United States, France and the United Kingdom with a total share of 23.7%. In monetary terms, exports to these countries exceeded 220.8 billion US dollars [4]. Germany made full use of the advantages of the single European economic space, supplying 58% of its products to the countries of the European Union and 68% to the countries of Europe. 17% of exports go to the Asian market, of which 6.4% is exported to China. 12% is allocated to the American market, where the USA, the largest importer of German goods, holds a share of 8.9%. The smallest share of exports is Africa – 2%, Australia and Oceania – 0.8% [5].

In the first three countries of suppliers in Germany there are such countries as China, the Netherlands and France. The total share of these three countries in imports of Germany amounted to 24.6%, or 185.2 billion US dollars. Germany purchases most of the goods from European countries, whose share is about 71%. Thus, the UK and the Czech Republic are the largest suppliers of cars to Germany, because Volkswagen and BMW operate in these countries. 19% of German imports are imported from Asia. Here, China accounts for 10,3% – it is the first country in terms of the volume of purchased products. America takes 8% of the country's imports, Africa received 2%, and Australia and Oceania – 0.3% of the market [7].



*Source: [1]*

Figure 1. Geographic structure of exports and imports.

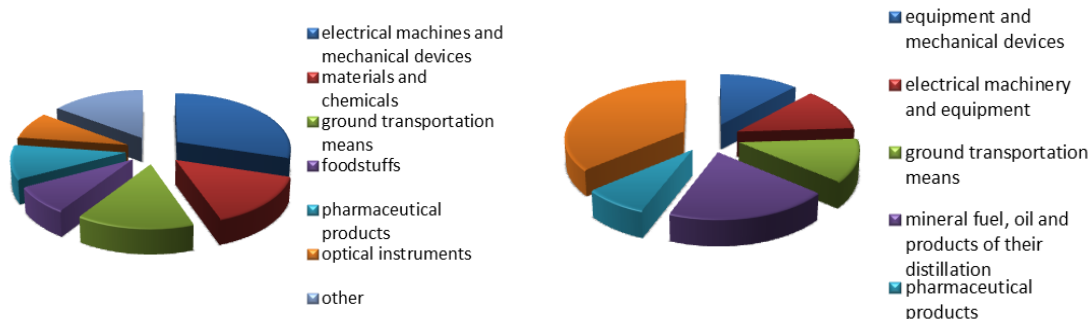
Total exports amounted to 647.6 billion US dollars. The most significant goods in the export structure of Germany:

1. means of ground transportation (except rail) – 165.8 billion US dollars / growth of 1.9% / share of 17.8%;
2. equipment and mechanical devices – \$ 158.3 billion / growth of 7.9% / share of 17.0%;
3. electrical machinery and equipment – \$ 95.4 billion / growth of 6.9% / share of 10.2%;
4. pharmaceutical products – 55.0 billion US dollars / growth 8.5% / share 5.9%;
5. optical instruments – 46.2 billion US dollars / growth of 9.8% / share of 5.0%.

Germany is the largest producer of engineering products and a leading exporter of machinery and equipment among the EU countries. In Germany, the automotive industry is the main industry: the share of exports is approximately 40%. Here are companies such as: Volkswagen, BMW, Audi, Porsche and others. Each year, these companies produce about 6 million cars and about 4 million more are produced abroad. By the way, Volkswagen holds a 11.5% stake in the global car market. In addition, Germany is one of the leaders in the electrical industry. Internationally recognized international brands have settled in Berlin: Bosch, Siemens, Hager, AEG-Electrolux [2].

The share of ten major imports of Germany amounted to 63.0% (475.3 billion US dollars). The most significant goods in the structure of imports of Germany:

1. equipment and mechanical devices – \$ 95.3 billion / growth of 5.2% / share of 12.6%;
2. electrical machinery and equipment – \$ 92.4 billion / growth of 9.4% / share of 12.3%;
3. land transport means (except for rail) – \$ 79.7 billion / growth of 10.2% / share of 10.6%;
4. mineral fuel, oil and products of their distillation – \$ 61.2 billion / growth of 21.6% / share of 8.1%;
5. pharmaceutical products – \$ 34.9 billion / 8.5% growth / 4.6% share.



*Source: [1]*

Figure 2. Commodity structure of exports and imports.

**C o n c l u s i o n .** Thus, it can be noted that external relations play a key role in the economic life of Germany. From the very beginning, she advocated close intersectoral relations in the global economy and adhered to the principle of the international division of labor. In accordance with this, the foreign trade policy of Germany is also being built. Germany is the largest economy in Europe, by and large its basis. According to the World Bank, the share of the German economy in world GDP as of 2017 was about 4.5%, second only to the United States, China and Japan.



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## WAYS OF RURAL (GREEN) TOURISM DEVELOPMENT IN UKRAINE

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**Nedyak V. S., Litovchenko Y. M. Ways of rural (green) tourism development in Ukraine.** The article discusses ways of development of rural (green) tourism in Ukraine, factors of influence on the prospect of rural (green) tourism development and prime measures for ensuring priority of development of this segment of the sphere for rural tourism development in Ukraine.

**Key words:** agrotourism, ecotourism, market of rural tourist services, rural green tourism, rural population, the rural estate, the rural territory.

**Недяк В. С., Літовченко Я. М. Шляхи розвитку сільського (зеленого) туризму в Україні.** У статті розглядаються шляхи для розвитку сільського (зеленого) туризму в Україні, а також фактори впливу на перспективу розвитку сільського (зеленого) туризму та першочергові заходи щодо забезпечення пріоритетності розвитку цього сегменту сфери для розвитку сільського (зеленого) туризму в Україні.

**Ключові слова:** агротуризм, екотуризм, ринок сільських туристичних послуг, сільська садиба, сільська територія, сільське населення, сільський зелений туризм.

**Недяк В. С., Литовченко Я. Н. Способы развития сельского (зеленого) туризма в Украине.** В статье рассматриваются способы развития сельского (зеленого) туризма в Украине, а также факторы, влияющие на перспективу развития сельского (зеленого) туризма и первоочередные меры по обеспечению приоритетности развития этого сегмента сферы для развития сельского (зеленого) туризма в Украине.

**Ключевые слова:** агротуризм, рынок сельских туристических услуг, сельская территория, сельская усадьба, сельский зеленый туризм, сельское население, экотуризм.

The o b j e c t of the article is the ways of development of rural (green) tourism. The s u b j e c t is the ways of development of rural (green) tourism in Ukraine. The p u r p o s e of the article is to analyze factors of sustainable tourism development in Ukraine, to identify problems of sustainable tourism development in Ukraine and to develop ways of their decision.

Tourism holds a specific place in economy of the countries. Performing a number of functions of economic, welfare, political, recreational, educational and ecological character, it is the sphere of

realization of market mechanisms, a source of replenishment state and local budgets. As shows experience of the countries of the world, aggravations an environmental and cultural and spiritual problem in many large cities of Europe, it is connected with processes of an urbanization and industrialization, objectively caused emergence of need for close communication of urban population with the nature. Development of rural tourism in Ukraine is relevant for the reasons of further influence on stabilization of economic development of villages, employment of a rural population, their exit from social and economic crisis, reduction of population shift from rural regions to the cities. Rural tourism in the majority of the countries of the world is considered as the integral component of the program of complex social and economic development of rural territories. In recent years the special relevance was acquired by a problem of development of rural tourism in the conditions which are brought closer to the nature. The organization of rest and tourism on the basis of rural settlements can have extremely positive influence on economy and ecology of many administrative regions of Ukraine for the account: uses of the available private housing stock, financial resources of a rural population for construction and adaptation of private housing for reception of tourists, self-employment of peasants and providing tourists with organic food.

The concept «rural tourism» is often identified with the concept «agrotourism». Really, between them there are a lot of parallels. But, adhering to the classification accepted in the world, the equal-sign between the called terms can't be put. The concept «rural tourism» on substantial filling is much wider in comparison with the concept «agrotourism». In other words, it is possible to claim that agrotourism is one of the most widespread (especially in the countries with the farmer organization of agrobusiness) forms of rural (green) tourism. Agrotourism is the entertaining type of tourism concentrated on rural territories which provides use of rural (farmer) economy for the purpose of a recreation, education or active attraction to traditional forms of managing [1, p. 59].

Agrotourism are the main key to success:

- farmer's level, skills of service of guests;
- esthetics of farm;
- proximity of placement of farm in the city center.

The concept «rural green tourism» is faithful carrying out leisure in the concept «ecological tourism». Ecological tourism (ecotourism) is the informative and entertaining type of tourism concentrated on natural (a little changed by the person) territories which provides occupations various forms of an active recreation in natural landscapes without infliction of harm to the environment.

Development of rural tourism demands accurate planning. Planning is developed taking into account accurately certain time frames with application of flexible modern integrative, ecologically safe and steady methods. The biggest problem of planning at the level of private owners of agroestates consists in absence in them special economic knowledge and the corresponding skills of management of rural tourism. Tourism in rural areas is a private initiative sector therefore level his planning has to happen in line with the general local and regional planning of social and economic and cultural development of rural communities. Planning of rural tourism is one of forms of management of the agrotourist organizations, consists in accurate definition and a concrete regulation of strategy, tactics and the mechanism of functioning of the agrotourist organizations and institutions in the market environment for the purpose of ensuring their effective competitiveness and economic prosperity [5, p. 171].

The essence of strategic planning of rural tourism is in what the owner of the agroestate is able to offer people than and as his offer differs from the proposal of potential competitors, potential opportunities, technologies and resources, company services, the corporate style and so forth.

The international experience of carrying out travel business demonstrates that one of the most effective methods of management of risks of subjects (green) tourism is insurance which not only allows insurance of expenses of the owner of the country estate upon destructive natural disasters, but also provides protection against

adverse change of an economic environment. The complex of marketing communications is the system of the actions directed to informing and belief of consumers, a reminder to them about a tourist product, sales promotion and creation of positive image of the agroestate or region in the opinion of the public. At a stage of assessment of needs of consumers it is necessary to create the main lines of the offered product (rest in the village) and to reveal what needs and expectations of consumers can be satisfied with this product.

Estimating appeal of a tourist product define such features of rural (green) tourism:

- rest in natural to the environmentally friendly environment;
- acquaintance with rural culture, traditions, crafts;
- family atmosphere;
- interesting rest for children;
- contact with the nature (plants, animal);
- participation in life of a rural household;
- more self-service [3].

The specified features of services in rural green tourism can satisfy such needs of potential tourists: rest, improvement of health, improvement of a physiological and mental condition of the person; need for new experience, receiving new impressions and knowledge of the nature, animals, village lives, etc.; change of a kind of activity – a temporary separation from vanity of the city, carrying out is a lot of time in the fresh air, communication with the nature, isolation from other tourists or big groups of people.

Rest in the village gives the chance not to communicate constantly with other vacationers as it usually happens in hotels or on recreation facilities, and most to plan the mode of rest.

Planning of creation and development of the agroestate provides development of the marketing plan in which it is necessary to define accurately needs of tourists which will come to the concrete region and to predict what services are necessary to them.

Marketing planning in general means definition of main goals of marketing and optimum model of their achievement through optimum distribution of resources.

The marketing strategy of development for the agroestate and its product in the sphere of rural (green) tourism it is possible to represent schematically.

Models of development of the agroestate:

- A – delivery of rooms for tourists (accommodation by food, is not present orientation to target groups. Profit small and casual);
- V – a board to agroestates (specially equipped rooms for guests, rather high profit);
- C – the organization of continuous rest (the traditional agroestate with the wide range of services, is not present specialization on groups of vacationers);
- B – reception of certain groups of guests (special services for certain groups of tourists. Profit invests in further development of activity);
- E – advanced services (very high-quality services, profit in a year it is approximately identical. There is a search of new segments of the market).

For each agroestate such analysis is individual, the experience in this sphere of action considering features of its arrangement, resource providing and gained. The chosen marketing strategy has to answer the purpose of the agroestate and be used for formation of long-term plans of activity [8, p. 164].

Tourism even more often plays a role of the indicator of the political relations between regions, the stabilizer of partnership at the nation-wide level. Therefore, despite great importance of tourism, the state determined it by one of the priority directions of development of national economy and culture, the sphere of realization of the rights and needs of the person and society, one of the defining components of social and economic policy of the state and regions. For today in Ukraine there is a number of problems which do not contribute to the development of tourist branch, lead to essential destruction of the economic and social relations in the tourist sphere.

It first of all lack of a control system in the tourist sphere in connection with uncertain special central executive authority concerning tourism, but also absence to the clear public policy aimed at the development (green) tourism. Problem in management of tourism is the imperfection of legal regulation at the regional and local levels, lack of plans of complex development of tourist and recreational zones.

In the territory of Ukraine the word «cluster» began to be used relatively recently, and its major importance consists in association of various elements in a whole for achievement of a goal or performance of a certain function.

Important characteristics of clusters are:

- geographical concentration (the enterprises are close located attracts an opportunity to save on the ambulance production interactions, exchange of a social capital);

- specialization (clusters concentrate around a certain sphere of action in which all participants are related);

- plurality of economic agents (activity of clusters covers not only the enterprises entering them but also public organizations, financial intermediaries, the institutes promoting cooperation, etc.);

- competition and cooperation (as main types of interaction between participants of a cluster);

- viability of clusters (are intended for a long-term outlook);

- involvement into innovative process [6, p. 243].

The tourist cluster represents the group of the interconnected enterprises and structures of the industry of tourism and related branches (health care, communication, transport) concentrated in a certain territory which in the interaction complement each other in the course of creation of a complex tourist product of the region.

The cluster of rural (green) tourism can be defined how the group of the interconnected enterprises concentrated in a certain territory, institutions and the organizations of the sphere of tourism and hospitality (tour operators, tourist agents, means of placement, food) and other related branches (transport and communication of the

equipment of communication, trade, etc.), regional authorities and the public associations interacting.

The essence of cluster model of rural (green) tourism consists in ensuring commercial activity, improvement of business relations and achievements between participants of a cluster indissoluble and the interconnected cooperation. Observance of conditions of equality and creation of conditions for growth of the competition in the market of rural (green) tourism is inherent in also cluster model of rural (green) tourism.

Public authorities and local government bodies have to carry out effective support of all participants of a cluster in the course of the organization of rural tourism. Besides, their competence has to include carrying out standardization and certification of means of accommodation of tourists in the rural zone, estimates of quality of production and services, compliance to certain standards. The credit unions founded by association of property and the interests of citizens will provide means for financing of development of subjects of rural tourism [4, p. 150].

The importance of cluster approach to the organization of rural tourism is that he pays much attention territorial and social to aspects of economic development, offers effective instruments of stimulation of regional growth owing to what employment grows, the competitiveness of regional production systems increases, the budgetary receipts grow.

So, advantages of introduction of cluster model of rural tourism following:

- rational use of local resources;
- attraction of new internal and external investments;
- combination of efforts of public authorities, local government bodies, enterprise structures and public organizations for the purpose of development of rural tourism;
- community of use of personnel potential;
- community of use of resources;
- increase in number of training programs and increase in its qualification;



- advance of a tourist brand of the region;
- participation in tourist fairs, exhibitions;
- increase in opportunities for innovative forms and activities in the sphere of rural (green) tourism. [7, p. 7]

Therefore, the organization of clusters of rural (green) tourism has to become perspective long-term a program problem of state policy which success also depends on combination of efforts of public authorities, local governments, the public, owners of estates, will promote elimination of social and economic problems of rural territories.

To attract the greatest number of vacationers to rural (green) estates and to get for it the corresponding profit it is necessary to create the minimum standards of service, to bring rural estates to appropriate level. It agrees with service level in Ukraine certification of estates is carried out, the certificate means a preliminary guarantee of services for the tourist. The Program of ecological certification of estates for rural (green) tourism «the Green Estate» works in our state. Tourists prefer to those estates, having the certificate and the sign «Green Estate» [2].

In conclusion, the main driving force of rapid development of rural (green) tourism is quickly growing demand for a recreation outdoors, is defined by increase in discrepancy of the circle of the modern person to his physiological and biological requirements. Increase in demand for rural rest increases owing to reduction of duration of working hours, increase in number of paid holidays, growth of education level, development of transport network – railway, road, the air and marine transport.

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## WORLD OIL MARKET: ANALYSIS AND FORECASTING OF THE CONJUNCTURE

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**Nerubenko V. D., Lavrinenko I. M. World oil market: analysis and forecasting of the conjuncture.** The article discusses current trends in the price of crude oil, as well as volumes of its consumption in the global oil market, the main exporting countries and oil importing countries, as well as the dependence of the economies on participation in international oil trade. The influence of oil production on the environment is examined and alternative energy sources are considered.

**Keywords:** Alternative energy sources, crude oil, export, globalization, import, oil production, world oil market.

**Нерубенко В. Д., Лавріненко І. М. Світовий ринок нафти: аналіз та прогнозування кон'юнктури.** У статті обговорюються сучасні тенденції цін на нафту, а також об'єми її споживання на світовому ринку нафти, основні країни-експортери та країни-імпортери нафти, а також залежність економік від участі в міжнародній торгівлі нафтою. Досліджено вплив видобутку нафти на навколишнє середовище та розглянуто альтернативні джерела енергії.

**Ключові слова:** альтернативні джерела енергії, видобуток нафти, глобалізація, експорт, імпорт, світовий ринок нафти, сира нафта.

**Нерубенко В. Д., Лавриненко И. Н. Мировой рынок нефти: анализ и прогнозирование конъюнктуры.** В статье рассмотрены современные тенденции цены на сырую нефть, а также объёмов её потребления на мировом рынке нефти, упомянуты основные страны-экспортеры и страны-импортеры нефти, а также зависимость экономик стран от участия в международной торговле нефтью. Рассмотрено влияние добычи нефти на окружающую среду и рассмотрены альтернативные источники энергии.

**Ключевые слова:** Альтернативные источники энергии, глобализация, добыча нефти, импорт, мировой рынок нефти, сырая нефть, экспорт.

The object of the article is the global oil market. The subject is changes in the global economy in the context of changes in the world oil market. The purpose of the article is to

draw attention of the professional community in the field of international economic relations to the impact of countries' participation in international oil trade on their economies, the dependence of world industry on oil as a resource that is limited, the impact of oil production on the environment and the search for alternative energy sources. The actuality of the topic is explained by the fact that the conjuncture of world oil market has an impact on exchange rates of the countries of the world, their economies, production, and our environment.

Main part. Nowadays, major oil reserves in the world have been found and the market has its sellers and buyers in the form of exporting and importing countries, presented in Table 1.

*Table 1*

**Major exporters and importers of crude oil in the world**

Oil exporting countries	Thousand barrels / day	Oil importing countries	Thousand barrels / day
Saudi Arabia	7500	China	8400
Russia	5100	USA	7900
Iraq	3800	India	4930
Canada	3200	Japan	3441
United Arab Emirates	2500	Republic of Korea	2949
Kuwait	2100	Germany	1830
Iran	2000	Philippines	1503
USA	2500	Italy	1346

[3, 9].

The conjuncture of any market depends on many factors, and the oil market also has its own factors of influence, but the main factors in our opinion are the factors of supply and demand, which in turn depend on the intentions of the countries participating in international trade of oil, and oil production in the world [10, p.28]. Global oil production is mainly controlled by OPEC, the Organization of Petroleum Exporting Countries, which has a major impact on oil price fluctuations. When supply exceeds demand, prices fall and vice versa. Mathematically, from Table 1 we can see

that imports or demand value is bigger than export value; it's because of fast developing countries such as China, India, Japan, and the United States. They have a very high volume of industry, which in its turn requires a lot of energy. So the world's oil consumption is increasing, let's look at the table of crude oil price dependence on its production by year:

*Table 2*

**Production of crude oil and its prices by years**

Years	Oil production, thousand bar. / day	Average oil price per barrel in USD
2008	73,584	99,67
2009	72,385	61,96
2010-2014	74,166-77,724	79,48-93,17
2015	79,784	48,72

[6, 7].

The table shows that in 2009 the price dropped sharply from 99.67, this was due to the crisis of 2008, then the market slowly recovered during 2010-2014, production rates increased but not as rapidly as in 2014-2015, very much oil was produced and the price in the world has fallen sharply from 93.17 to 48.72. Thus, we can see that crisis actions are capable of greatly reducing the price of oil like any commodity, but there is also an inverse relationship between oil production or the quantity of commodities on the market and its price. The more goods on the market, the less it will cost. Table 2 also shows that oil production has been steadily increasing over the years, so British Petroleum's forecast for fuel and energy resources is rather pessimistic. They say that oil production will increase by 2 times by 2030, and with such pace it may be enough only by 2065 [2], [5]. On the whole, the world oil distribution market is very uneven, so humanity needs to come up with more rational technological solutions for the efficiency and quality of production, as well as the consumption of oil and other fuel resources. Now let's look at how the price of oil affects exchange rates. Let's take countries like Russia and the USA. As for Russia, which is one of the

largest exporters of oil, the direct dependence of the ruble exchange rate on oil production can be traced, as oil is one of the main commodities of this country. It's not so easy in the USA, as it is one of the most energy-dependent economies in the world; they are one of the major producers (exporters) of oil, but at the same time one of the larger consumers of this resource. The US buys about 9 billion barrels of oil annually, which raises commodity prices both domestically and externally. The price of oil is rising and, as a result, the supply of the US dollar is increasing in the world market, which causes US dollar exchange rate falling. Thus there is an inverse dependence of the US dollar on the price of oil with a certain lag. In general, the fall of the US dollar increases the demand for oil and its price. On the contrary, the strengthening of the US dollar reduces real incomes in the consumer-countries of oil, reducing the oil demand and its price [11, p. 6]. If we consider oil as a resource for world production, it has a great effect on it because it is used in many industries: first of all, they make fuel such as gasoline or diesel fuel, produce plastics from which they make household devices, toys, rubber, paints, synthetic materials for clothing, detergents, cosmetics and it is used even in medicine and food production [1]. Due to the growth of the industry and as a result of energy consumption, it has a bad impact on the environment. Today we know alternative energy sources such as solar panels, windmills or water dams that produce energy, but even nuclear reactors cannot replace oil, because its efficiency is much higher [4].

When it comes to the impact of falling oil prices on the economy, overall, this means good news for oil importers such as Europe, China, India, Japan, and bad news for exporters such as OPEC-countries, Latin America and Russia. Oil importers have benefits from falling prices as the cost of oil imports falls. This reduces the current account deficit. For oil exporters, in turn, the fall in oil prices has the opposite effect – it reduces the cost of their exports and leads to a decrease in the trade balance [8].

**C o n c l u s i o n s :** The conjuncture of the oil market depends on many factors: firstly, this is the relation between the

supply and demand, when supply exceeds demand, prices fall and vice versa, factors such as the cost of production, seasonality, political stability in oil-exporting countries, USD exchange rates on the world market, as well as the volume of oil produced in the world, the more oil has been produced, the lower the price of oil is. Secondly, oil consumption in the world is increasing, and if production is not slowed down, it will be enough only until 2065, so humanity tries to replace oil production with alternative sources of energy, but oil cannot be replaced as a whole, because its use is more efficient and it also produces artificial materials, which are used in world production in many areas: fuel, clothing, plastics, chemical and food industry, cosmetics and others. Thirdly, oil prices affect the exchange rates of countries. In general, the fall of the US dollar increases the demand for oil and its price. On the contrary, the strengthening of the US dollar reduces real incomes in the oil-consuming countries, reducing the demand for oil and its price. Oil importers have benefits from falling prices as the cost of oil imports falls. This reduces the current account deficit. For oil exporters, in turn, the fall in oil prices has the opposite effect – it reduces the cost of their exports and leads to a decrease in the trade balance.

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## SPECIFIC CHARACTER OF TOURIST SLOGANS

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**Nestertsova Y. K., Valyukevych T. V. Specific character of tourist slogans.** The article discusses the problem of translation of tourist slogans and their influence on the development of tourism. The notion of a slogan is revealed and its impact on the customer is analyzed. Special attention is given to the problem of translation of tourist slogans from English into Ukrainian.

**Keywords:** advertising, customer, slogan, translation, tourism.

**Нестерцова Ю. К., Валюкевич Т. В. Специфіка туристичних слоганів.** У статті розглядається проблема перекладу туристичних слоганів, їх вплив на розвиток туризму. Розкрито поняття слогану та проаналізовано його вплив на споживача. Особливу увагу надано проблемі перекладу туристичних слоганів з англійської на українську.

**Ключові слова:** реклама, рекламний текст, слоган, споживач, туристична компанія.

**Нестерцова Ю. К., Валюкевич Т. В. Специфика туристических слоганов.** В статье рассматривается проблема перевода рекламных слоганов, их влияние на развитие туризма. Раскрыто понятие слогана и проанализировано его влияние на клиента. Особое внимание уделено проблеме перевода туристических слоганов с английского языка на украинский.

**Ключевые слова:** потребитель, реклама, рекламный текст, слоган, туристическая компания.

The o b j e c t of the study is tourist slogans. The s u b j e c t of the research are ways of their translation from English into Russian. The p u r p o s e of the research is to study the means of translation of English tourist slogans into Ukrainian.

Current focus of linguistic research on the comprehensive study of advertising texts and their components and various types of stylistic techniques, as well as a lack of coverage of translation aspect of advertising slogans constitute the a c t u a l v a l u e of the study.

The research material is promotional slogans from English and Ukrainian magazines, as well as official websites of companies.

A lot of scientists see advertising as a phenomenon that has long been a way to attract attention and give some message to the people. Nowadays advertising is everywhere and is represented as economic, informational and cultural phenomenon. Any advertising including the touristic one, represents a short piece of information in emotionally colored form and gives consumers the facts about touristic products or travel company. Advertising plays a very important role for any travel company and helps to increase their revenue.

It should be noted that advertising of tourist products has certain characteristics:

1. Advertisements should serve informational and propagandist functions because touristic product doesn't have constant attributes. A lot of adverts use comparison but it's almost impossible in touristic sphere. They could never call their product "ordinary" because each touristic service is unique.

2. It is very important to use photo, video and other multimedia tools in touristic advertising. The specific of touristic service is that you need to see a visual proof of the services on offer. We can definitely say that a beautiful colorful picture of some hotel or beach will attract more attention of customers than just beautiful words about it.

3. Most customers pay attention to the advertising that provides them benefits and advantages over competitors' offers and especially financial benefits. Customers believe the adverts that suggest them to save their money and get the most out of services received.

Professionally executed and qualified advertising has a double effect on the customer. On the one hand it helps travel companies to explore new markets, increase their sales and on the other hand it helps to increase their own revenue which facilitates them to pay their staff properly. And in return it helps to increase the interest of staff in better results of their performance [3].

Advertising gives customers new knowledge about services and enhances their satisfaction. Being a competitive tool, advertising sharpens it, improving the quality of travel services.

Depending on the object of advertising, we can talk about commercial and prestigious advertising. If the main task of commercial advertising is to generate and boost demand for a touristic product and inform consumers about the benefits of the product, then prestigious or image advertising is to reveal the benefits that differentiate the company from its competitors.

With the development of tourist industry, the prestige of the tourist product becomes the basis of advertising appeal since tourism nowadays is not only rest and leisure, but a lifestyle. What we see on the billboards, front pages and covers of popular magazines, in the advertisements of prestigious publications are examples of prestigious advertising. It is also called image. For prestigious advertising, first of all it is necessary to pay attention to the definition of consumers by interests and lifestyle [2, p. 458].

It is essential to mention such an important element of tourism advertising as a slogan. A slogan is a short but succinct phrase that should attract attention and be a specific motto of the company or carry the main idea that characterizes a particular service or product. It must be original and quickly memorized in order for the customer to have the desire to purchase the product [4]. Here are some examples of successful slogans: «*Де все бере початок*»; «*З нами Ваші найкращі канікули*»; “*Amazing Value*”; “*Behind Every Journey there is a Story*”.

The name of the travel company is also crucial. Often the founders of foreign companies announce the competition and pay considerable funds for a successful title. A well-established name is the object of sale and purchase in the tourist market. Such goods are in demand and are in the form of a franchise agreement.

Theoretically, the company may have any name, which depends only on the imagination and taste of the founders. However, a number of principles must be followed when choosing a business name to ensure its continuous success.

1. The name of the travel company shouldn't change. This simplifies business contacts. When choosing a name, you should take into account its invariance.

2. Association with the product or services of the firm, its characteristic and pleasant features. A well-chosen name contributes to the creation of an original and attractive logo of the organization, trademark, etc.

3. Briefness, sound, aesthetics. The name should be such that cannot be transformed into a non-audio by replacing, adding or subtracting letters [1, p. 88].

Names that consist of one or two words that reflect the type of business activity are best perceived. For example: «Глобус»; «Пиліжрум»; «American Express»; “SunHolidays”; “Oasis”; “Stylishtour”.

4. The uniqueness of the name. In case of an unfavorable impression about one of the companies, this impression may be transferred to another of the same kind. Registered trademarks and titles are protected by law.

5. Acceptability of the name for foreigners. Foreign words can also be used, but the approach to their use must be very careful. They should be used when you cannot find a direct equivalent in your native language.

A positive image of a travel company is a factor in attracting new clients, motivating them to turn to the services of this company in order to choose the optimal type of vacation.

Television advertising, special interviews, and television programs are actively working on creating the image. A positive image of a travel company is a factor in attracting new clients, motivating them to choose the services of this company in order to select the optimal type of vacation.

It is important to emphasize that tourist advertising must take into account specific features of the country, region, social status of potential consumers and the general political situation in society. Quality advertising must be truthful, promote a healthy lifestyle, culture and integrity in human relationships. Then it will provide the

travel agency with an increase in the number of clients and, accordingly, an increase in its profits. That is why awareness of modern advertising technologies is key to professional development of those working in tourism.

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## PROMOTING THE BRAND OF CHUGUIV INTERNATIONALLY

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**Nikoliuk A. V., Ilchenko V. V. Promoting the brand of Chuguiv internationally.** The article considers the problem of preserving cultural and architectural heritage of Chuguiv through developing tourism in the city by creating its tourist-attractive image and promoting its territorial brand nationally and internationally.

**Keywords:** brand, economic rise, profit, promotion, territorial brand, tourism development.

**Ніколюк А. В., Ільченко В. В. Просування бренда Чугуєва на міжнародній арені.** У статті розглядається проблема збереження культурної та архітектурної спадщини Чугуєва через розвиток туризму в місті шляхом створення іміджу, привабливого для туристів та просування територіального бренду у країні та за її межами.

**Ключові слова:** бренд, прибуток, просування, розвиток туризму, територіальний бренд, економічний ріст.

**Николюк А. В., Ильченко В. В. Продвижение бренда Чугуева на международной арене.** В статье обсуждается проблема сохранения культурного и архитектурного наследия путем развития туризма в Чугуеве, при помощи создания имиджа, привлекающего туристов, и продвижения территориального бренда в стране и за ее пределами.

**Ключевые слова:** бренд, прибыль, продвижение, развитие туризма, территориальный бренд, экономический рост.

The o b j e c t of the article is the world branding experience. The s u b j e c t is the brand of Chuguiv. The p u r p o s e of the article is to promote the brand of the city, feature the necessity of developing tourism in small cities, and acknowledge the role of indigenous communities in preserving local heritage.

In recent years, the development of marketing technologies in the world has accelerated, new methods of promoting goods along with new forms of advertising have emerged. Among the new trends, branding as a method of attracting investments, creating

employment, improving the competitiveness and innovative capacity of settlements, cities, towns, and countries in general is leading.

A brand is a unique combination of brand values, the consumer pays for, additional value, or favors that together evoke unique emotions.

A territorial brand – is a brand of a country, region, city or other territorial entity, which is an important factor in promoting the territory, based on its political, economic, and cultural potential, natural and recreational resources, as well as brands of goods and services, located in a specific geographical area. City branding is a source of social stability, investments, tourism, new jobs and much more.

The goals and objectives of territory branding are to ensure long-term and profitable positioning of a territory on a competitive market, the presence of the territory brand in the information space, brand awareness, inflow of financial resources into the territory, the broadcasting of regional decisions and initiatives to the external environment. A brand can be a proper name, a symbol or graphics that represents an economic object and is uniquely associated with it in the minds of consumers.

In the 1990s, the practice of marketing places became commonplace. In many countries, agencies began to promote the image of certain territories. New York City was one of the first cities to get its own brand. As a result, the “I love NY” logo has become widely used and has generated income for city. The annual volume of tourist visits has increased more than 110 times over past 20 years, the amount of financial return from tourism has increased more than 70 times (about \$ 6 billion a year) [3].

Since 2009, the Copenhagen brand concept has been developed. In fact, Open Copenhagen is a campaign within the framework of the “20 Steps” strategy of running out of bankruptcy in 1989, which threatened the city. In 2009, as part of the “Visit Copenhagen” Strategic Tourism Development Plan, the area rebranding was launched – cOPENhagen: Open For You. Copenhagen had to be presented as an open city in every sense,

comfortable, environmentally friendly, tolerant and “friendly to tourists, business, investment, events, life experience, alternatives”. As a result, Copenhagen is the best city in the world for cyclists (2014, Discovery Communications), the second best city in the world in terms of safety (2014, TripAtlas), the best city in the world for business (2015, Forbes), second in the list of sustainable city models (2015, Ernst & Young), Europe's most accurate and punctual airport (2015, FlightStats.com). In 2015, Copenhagen ranked 12th in the Reputation Institute's ranking, beating Stockholm, Prague and New York [5].

“I AMsterdam” was launched in 2004. According to the brand concept, Amsterdam is “a city of culture, a city of channels, a city of meetings”. Branded by Amsterdam Partners, “Kessels Kramer”, the campaign cost more than € 160 million. In the first five years, Amsterdam has quadrupled its annual number of tourists (in 2009, tourism brought the city € 5.2 billion) [6]. There was an expansion of the tourism spectrum: scientific and scientific-cognitive, cultural (up to 170 major international cultural events per year). By 2012, business tourism accounted for 26% of the total number of tourists.

The Hong Kong brand has been established since 2010. The main content of the brand is “multiculturalism”: a metropolitan city is not only a tourist, financial and logistic center, but also a center of innovation, creative industries and world-class education. During the 9 years of rebranding, there has been a serious redistribution of tourist flows: cultural and recreational tourism mainly from Asia, Oceania and Australia; business tourism – from America, South and Southeastern Europe. The logo of Hong Kong, one of Asia's most important economic centers, is the dragon. That is, a first-order association that is brought to mind by designers and accepted by any person immediately, because virtually everyone has certain ideas about a particular country or city. And Hong Kong, affirming its logo, wanted to emphasize both its cultural heritage and its focus on the future. The brand depicts a flying dragon, the letters H and K (Hong Kong) are hidden in its body, and the tail is a multicolored ribbon, symbolizing the versatility and flexibility of the city. Red is



the spirit of the people of the region, blue is the endless sky of Hong Kong, green is environmental friendliness.

While considering through major branding projects, it also important to mention the logo of the city of Melbourne, Australia. In July 2016, the authorities of Melbourne unveiled a new logo for the city. It is a letter “M” that resembles the shape of a crystal. Creating a new logo cost the Melbourne government \$ 240,000. According to Melbourne Mayor Robert Doyle, it is “vital” for the city to have an “innovative and strong brand” [7].

Among the most famous Ukrainian city brands Lviv is leading. The city's promotional logo depicts five colored towers that symbolize the city's rich architectural heritage, the diversity of cultures, nationalities and denominations that have existed in the city since its creation. Below the image of the towers is the inscription “Lviv is open to the world” which is the motto of the city.

As far as our target city is concerned, Chuguiv is the oldest of all the cities of Slobozhanshyna, and its location is considered to be the most attractive in the region. There are 24 architectural monuments in the city of Chuguiv, 4 of which are of national importance: the Headquarters of Military Settlements, Pokrovsky Cathedral, the Building of City Council, the Trade Rows. Of great importance are archeological and historical monuments (22), as well as fine specimens of monumental art (10).

In 2016 the official tourist site of the city called “Salut Chuguev” was created. It offers a calendar of the city’s major cultural and social events. In the summer of 2018, a mural was created on the wall of a nine-store building. It shows one of the most famous pictures of Ilya Repin named “Zaporizhtsi write a letter to the Turkish Sultan”. The routes and objects of tourist display were marked; information boards in English and Ukrainian were installed on 11 city objects related to the tourist information facilities.

The official tourist brand of Chuguiv depicts the natural landscape of a high river bank, inscribed in the cityscape with the recognizable contours of Chuguiv's structures. The eco-friendliness of the city, which draws attention of the majority of potential guests

pay close attention to, is emphasized by the symbols of a river, trees and a combination of colors that evoke a sense of naturalness and space – yellow, blue, green, white.

The informal brand “Heart with Pepper” reflects the character of the locals, their passion, while upholding their own opinion, values and priorities. It is used during festivities in the city and beyond as well as for the production of souvenirs.

Considering the artistic heritage of I. Repin along with other artists such as I. Rashevsky, L. Brodskaya, V. Zagonyek, G. Korzhev, A. Kurnakov, and A. Rubtsov the brand of Chuguiv can be used to further develop the existing tourist potential of the city and promote Chuguiv nationally and internationally.

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## ECONOMY OF NBA BASKETBALL SPORTS CLUBS

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**Nosatenko O. D., Zmiyova I. V. Economy of NBA basketball sports clubs.** The article states that now the sports industry reaches a new level of development and becomes a full-fledged branch of economy. This is evidenced by significant investments in the development of sports clubs and related infrastructure, although they are distributed very unevenly.

**Keywords:** basketball club, branch of economy, development, infrastructure, investment.

**Носатенко О. Д., Змійова І. В. Економіка баскетбольних спортивних клубів НБА.** У статті стверджується, що в даний час індустрія спорту виходить на новий рівень розвитку і стає повноцінною галуззю економіки. Про це свідчать значні розміри інвестицій в розвиток спортивних клубів та супутньої інфраструктури, хоча розподілені вони вкрай нерівномірно.

**Ключові слова:** баскетбольний клуб, галузь економіки, інвестиції, інфраструктура, розвиток.

**Носатенко А. Д., Змиёва И. В. Экономика баскетбольных спортивных клубов НБА.** В статье утверждается, что в настоящее время индустрия спорта выходит на новый уровень развития и становится полноценной отраслью экономики. Об этом свидетельствуют значительные размеры инвестиций в развитие спортивных клубов и сопутствующей инфраструктуры, хотя распределены они крайне неравномерно.

**Ключевые слова:** баскетбольный клуб, инвестиции, инфраструктура, отрасль экономики, развитие.

The subject of the study is the concept of the NBA financial system and its development trend. The purpose of the study is to describe in details all the nuances in the NBA financial system, as well as all the ways of financing in this area and sources of income. The actual value of the work is that at the moment the field of basketball is actively developing economically, finding more and more spectators and customers.

For more than thirty years, the philosophy of the National Basketball Association is that clubs should be approximately equal in strength and capabilities in the championship of the association, and

the change of leaders is a common occurrence for the NBA. Only in this case the tournament will be competitive, and the games will cause real public interest. Actually, this is the goal and the consequence of a reasonable policy that has been developed for decades – through the years of hegemony of the richest clubs, through the advent of television as the most important source of income for the association. Moreover, the love of sports here is in perfect harmony with a highly profitable business [4].

Today, 30 teams play in the NBA (29 from the USA and one from Canada). Among them, there are clubs with different profitability levels, but the association's management is trying to level this difference as much as possible. The main tools for equalizing opportunities are the salary ceiling and luxury tax, introduced in 1984, the draft system for rookies, and the even distribution of all association income between clubs. A salary ceiling means that the NBA club's payroll cannot exceed the set limit. In the 2019/2020 season, it was the sum of \$109 million (see Table 1). If it is exceeded, the club owner pays a luxury tax – a certain amount for every dollar in excess of the limit. The luxury tax is then divided among those clubs that have not gone beyond the established framework [4].

*Table 1*

**Top 10 largest salary statements of NBA clubs  
in the season 2019/2020, million US dollars**

<b>Club</b>	<b>Total salary</b>
Portland	145
Golden	139
Miami	136
Detroit	134
Oklahoma	133
Orlando	132
Denver	132
Houston	131
Milwaukee	130
Cleveland	130

*Source: [4]*

The NBA draft is organized in such a way that clubs with the worst performance last season have the pre-emptive rights for talented recruits from student basketball and foreign countries, i.e. this tool is aimed at equalizing the possibilities of clubs. Thus, in the NBA, a situation is initially blocked in which a sponsor can invest in his club unlimited amounts of money by buying the best players. In addition, the total amount of the collective television contract concluded by the NBA is divided between 30 teams in equal shares, regardless of the place in the standings. Today we are talking about the sum of \$24 billion for 9 years, the association signed this agreement with television companies in October 2014. As for the clubs, the main income comes from the sale of season tickets and tickets for matches, contracts with local media sponsors (Table 2) [5].

The scheme for distributing the money earned by the NBA on merchandising through the network of official stores “NBA Store” is approximately the same. At the moment, the income of any club consists of about 40% of their own earnings and 60% of what comes from the NBA. Associations own television rights, rights at the national and global levels, and rights to another media content, including digital. The association has its own national and global sponsors, advertisers. The association receives revenue from the sale of official merchandise and royalties from companies that produce licensed products with the NBA logo [1].

*Table 2*

**Top 10 most expensive NBA clubs, billion US dollars**

<b>Club</b>	<b>Capital</b>
New York Knicks	4
Los Angeles Lakers	3,7
Golden State Warriors	3,1
Chicago Bulls	2,6
Boston Celtics	2,5
Brooklyn Nets	2,3
Houston Rockets	2,2
LA Clippers	2,1
Dallas Mavericks	1,9
Miami Heat	1,7

*Source: [5]*

Let's look at a few specific examples of how this works.

30 NBA teams in the season 2018/2019 were able to raise almost 5.2 billion dollars in revenue, which provided 900 million dollars of operating profit. NBA revenue from ticket sales in the 2018/2019 season immediately increased by \$ 100 million compared to the previous season. In particular, the appearance of NBA superstar Kawaii Lenard at the Clippers caused a sharp increase in visitors to the club's home arena (20 thousand seats), and the successful performance of the Atlanta Hawks returned the audience to the Philips Arena stands (19 thousand seats) after a long break fixing a record number of full houses in the club's history. The average NBA ticket price was \$54 per match.

The association's revenues from sales and rights to television broadcasts of matches also increased: to local companies – by \$70 million and to national television networks – by \$20 million.

Advertisers eagerly collaborate with television stations that broadcast basketball matches. The reason is that sport is one of the few types of television content that the viewer tries to watch live.

The season turned out to be successful in terms of sponsorship contracts. The Nike sports company has intercepted an Adidas contract for equipping NBA teams since the 2019/2020 season. The agreement for 8 years will bring the association more than \$1 billion annually (by agreement with Adidas it was \$400 million). The Tissot brand became the first official NBA timekeeper to conclude a six-year contract for \$200 million, while telecommunications company Verizon replaced Sprint by signing a three-year agreement for \$400 million. Now, thanks to this alliance of content and marketing, all NBA videos are available on the Verizon mobile video service [3].

*Table 3***NBA revenue growth for 2013-2020, billion dollars**

<b>Years</b>	<b>Total revenue</b>	<b>Sponsorship income</b>
2013/14	4,79	0,679
2014/15	5,18	0,739
2015/16	5,31	0,799
2016/17	5,84	0,813
2017/18	6,12	0,835
2018/19	6,71	0,867
2019/20	6.85	0,891

*Source: [2]*

The salary ceiling for the 2020/2021 season is projected at \$134 million, which far exceeds the current \$109 million. The NBA earns \$390 million a year. The association ranks fourth in the ranking of the richest leagues in the world after the NFL (American football), MBL (English) and the English Premier League (football). Despite the fact that many sources of growth lie abroad. More than 100 foreign players from 37 countries play in the NBA. The results of the NBA games are presented in 215 countries of the world, and the league is constantly looking for ways to monetize its popularity outside the United States [2].

In July 2015, the conclusion of a contract with the Chinese Internet company Tencent to broadcast games and basketball videos. Five-year agreements were signed in the amount of \$500 million. According to the NBA, in China there are more than 300 million basketball fans. The contract is valid until 2020, but due to the situation in China and Hong Kong, the agreement may be terminated due to the fact that many organizations in the NBA have publicly supported the protests in Hong Kong.

Thus, it can be argued that the financing of professional clubs, as in the NBA, is carried out mainly due to income received directly from sports activities. This criterion is one of the main ones in characterizing the degree of development of professional sports in a particular country. Selling tickets for NBA club matches is a major source of revenue. The second source of significance for foreign



teams are funds received from the sale of broadcasting rights. The financial well-being of NBA basketball clubs can be explained by professional management and a well-established mechanism for redistributing opportunities and income in the association, which ensures the social protection of athletes, their qualifications and the amount of remuneration. Of great importance in attracting financial resources is the positioning of professional sports in the system of public values, which ensures attendance at competitions and interest in live broadcasts of matches.

**C o n c l u s i o n .** Describing the American model of NBA basketball clubs, we must emphasize their desire for maximum income, while the results are considered as a means of achieving profit. The future of the NBA is more dependent on the state of the domestic market, social values, and changes taking place in the country. The stable position of the NBA clubs is based on the high demand for its product – a spectacle. If a club becomes unprofitable, then it ceases to exist as a professional. One of the main goals of the league is to balance the strength of rivals.

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## MIGRATION CRISIS: EUROPEAN ASPECT

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**Odnozova A. Y., Davydenko I. V. Migration crisis: European aspect.**

The article considers the problem of the migration crisis in the European Union and examines the scope and direction of migratory flows to Europe, defines the threats for Europe caused by the uncontrolled migration. The author pays attention the causes of the large number of migrants in Europe, and studies the immediate measures to combat migrants.

**Keywords:** European Union, migrants, migration, migration crisis, migration policy, problems of the European Union, refugees.

**Однопозова А. Ю., Давиденко І. В. Міграційна криза: європейський аспект.** У статті розглядається проблема міграційної кризи у Європейському Союзі, описуються масштаби та напрям міграційних потоків до Європи. Виявляються загрози для Європи, пов'язані з неконтрольованою міграцією. Найбільша увага приділяється причинам виникнення великої кількості мігрантів у Європі, а також розглядаються негайні заходи щодо боротьби з мігрантами.

**Ключові слова:** біженці, Європейський Союз, мігранти, міграційна криза, міграційна політика, міграція, проблеми Європейського Союзу.

**Однопозова А. Ю., Давыденко И. В. Миграционный кризис: европейский аспект.** В статье рассматривается проблема миграционного кризиса в Европейском Союзе, описываются масштабы и направление миграционных потоков в Европу. Выявляются угрозы для Европы, связанные с неконтролируемой миграцией. Наибольшее внимание уделяется причинам возникновения большого количества мигрантов в Европе, а также рассматриваются немедленные меры по борьбе с мигрантами.

**Ключевые слова:** беженцы, Европейский союз, мигранты, миграционная политика, миграционный кризис, миграция, проблемы Европейского Союза.

The o b j e c t of the article is migration crisis. The s u b j e c t of the article is the problem of the migration crisis in the European Union. The p u r p o s e of the article is to define the main causes and consequences of the migration crisis in Europe.

Refugee movements and migration are at the centre of global attention. In recent years, Europe has had to respond to the most severe migratory challenge since the end of the Second World War. The unprecedented arrival of refugees and irregular migrants in the EU, which peaked in 2015, exposed a series of deficiencies and gaps in EU policies on asylum, external borders and migration. In response to these challenges, the EU has embarked on a broader process of reform aimed at rebuilding its asylum and migration policies based on four pillars: reducing the incentives for irregular migration by addressing its root causes, improving returns and dismantling smuggling and trafficking networks; saving lives and securing the external borders; establishing a strong EU asylum policy, and providing more legal pathways for asylum-seekers and more efficient legal channels for regular migrants [5].

The record migratory flows to the EU witnessed during 2015 and 2016 had subsided by the end of 2017 and 2018. However, in order to deliver what the Commission calls an effective, fair and robust future EU migration policy, the EU, based on the Treaties and other legal and financial instruments, has been implementing both immediate and longer-term measures. Europe, due to its geographic position and its reputation as an example of stability, generosity and openness against a background of growing international and internal conflicts, climate change and global poverty, is likely to continue to represent an ideal refuge for asylum-seekers and migrants. This is also reflected in the growing amounts, flexibility and diversity of EU funding for migration and asylum policies inside as well as outside the current and future EU budget [5].

The number of international migrants worldwide has continued to grow rapidly in recent years, reaching 258 million in 2017, up from 220 million in 2010 and 173 million in 2000. Since the United Nations International Conference on Population and Development in 1994, the issue of international migration and its relation to development has risen steadily on the agenda of the international community. Around 82 978 illegal migrants were able to reach

Europe in the first 10 months of 2019, according to the UN migration agency [4].

The EU's management of migration is scattered over many legal and policy instruments. Since the unprecedented levels of migration flows to Europe in 2015, this policy has been largely based on the European agenda on migration. EU action in this area consists of proposing and implementing immediate and longer-term measures focusing on the internal and external dimensions of its migration policy and on the EU's external borders. Measures include the return and re-admission of irregular migrants who have no right to enter or stay in the EU, the fight against migrant smuggling, the protection of EU's external borders, the creation of legal pathways for those who are in need of international protection, the establishment of a solid EU asylum policy based on balance between solidarity and responsibility, and addressing migration in cooperation with third countries through political and financial means. The EU details common standards across its several regulations and directives but the actual implementation of asylum and migration policy lies with the Member States, who must ensure that their national legislation is compliant with both EU law and international agreements [6].

The main causes of the migration crisis are the following.

Firstly, this is the civil war in Syria, where at least 250 thousand people have already died, and the end of the conflict is not expected in the near future [3]. Secondly, these are the conflicts that affected countries such as Afghanistan, Libya, Iraq, Eritrea and others [3]. Thirdly, the route to Europe has become more accessible. According to the refugees themselves, getting to the EU countries became cheaper, if earlier it required \$ 5000 – \$ 6000, but now this amount has decreased to \$ 2000 -3000 \$ [3]. The fact that countries such as Germany, represented by Angela Merkel, expressed their readiness to accept all refugees was an impetus for seeking asylum in European countries [3].

The migration crisis threatens to turn into very serious consequences for the European Union. Already, it can rightly be argued that it will affect all spheres of life in European countries: the

economy, the social and political sphere, relations in society and, of course, its security [3].

The reception and arrangement of refugees will require enormous costs from European countries, and this will primarily affect the social sphere. Reducing social spending will inevitably lead to the elimination of many social programs and, as a result, will affect the well-being of the poor, and this cannot but affect the change in attitude towards migrants, which is already negative [1].

A sharp increase in the number of migrants will inevitably lead to the growth in existing cities and the emergence of new ethnic neighborhoods, which means that the segregation of society will increase even more.

Since the majority of refugees come from Muslim countries, the total number of Muslims in Europe will increase sharply and they will undoubtedly change not only the ethnic, but also the political face of Europe. Their influence on the political situation and on the political system will increase undoubtedly, as they will create their own political parties [2].

In this way, Europe was confronted with an unprecedented in its scope and consequences situation with forced migration. The large-scale flow of forced migrants caused the collapse of migration policy and led to numerous socio-political problems in the EU countries. The European asylum system has faced both technical difficulties in identifying asylum seekers and a conceptual challenge that undermines the foundations of its existence, including the inconsistency of the idea of multiculturalism. The «refugee crisis» in Europe indicated the need for changes both in political structures and in the social system of the EU.

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**EXPORT CREDIT AGENCY  
THROUGH THE SYSTEM OF METHODS  
OF GOVERNMENTAL EXPORT PROMOTION**

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**Olenina O. Y., Skrypnyk T. I. Export credit agency through the system of methods of governmental export promotion.** The article presents the distinctions of state support for exporters through the creation of specialized financial institutions in the form of export credit agencies (ECA). Foreign experience of setting up the establishments in terms of the USA and China as well as the prerequisites for the creating an ECA in Ukraine are analyzed.

**Keywords:** financial institutions, foreign experience, export credit agency, prerequisites for the creating, state support for exporters.

**Оленіна О. Ю., Скрипник Т. І. Експортно-кредитне агентство у системі заходів державного стимулювання експорту.** У статті розглядаються особливості державної підтримки експортерів шляхом створення спеціалізованих фінансових установ у вигляді експортно-кредитних агентств (ЕКА). Проаналізовано іноземний досвід створення установ на прикладі США та Китаю, а також – передумови створення ЕКА в Україні.

**Ключові слова:** державна підтримка експортерів, експортно-кредитне агентство, іноземний досвід, передумови створення, фінансові установи.

**Оленина О.Ю., Скрипник Т.И. Экспортно-кредитное агентство в системе методов государственного регулирования экспорта.** В статье рассматриваются государственной поддержки экспортеров путем создания специализированных финансовых учреждений в виде экспортно-кредитного агентства (ЭКА). Проанализирован иностранный опыт создания организаций на примере США и Китая, также – предпосылки создания ЭКА в Украине.

**Ключевые слова:** государственная поддержка экспортеров, иностранный опыт, предпосылки создания, финансовые учреждения, экспортно-кредитное агентство.

The object of the article is the international practices of state export promotion. The subject is the distinctions of Ukrainian encouragement of export. The purpose is to document up-to-date methods of the export promotion and analysing both the international and the domestic experience of the governmental export incentive.

The problem statement. The development of foreign economic activity is an essential factor of improvement the efficiency of economic activity both at the level of individual business structures and across the country. The economy's strength of a country depends directly on the utilisation efficiency of its internal resources and integration of the country into the world economy system.

Increasing national export is one of the governmental priorities of both developed and developing countries. This is the case of small open economies, for which turnover and structure of exports are important drivers of growth. However, the escalating competition on the world commodity market as a result of the trade liberalization is a grave threat to the development of export sectors of such economies.

As a consequence, there is a need to carry out an active state policy aimed at supporting and stimulating national export. Export promotion helps expand international markets and improve the quality and competitiveness of goods, turn businesses into reliable exporters, utilize resources within highly productive industries and increase the value of advanced technology products in the export structure [3, p. 52].

In world practice, foreign trade regulation, in particular its export component, is carried out both directly by the activities of legislative and executive public authorities and by the creation of specialized financial institutions in the form of export credit agencies (ECA).

There is no single ECA model in the world. Every country guided by its current problems and priorities determines what kind of services it will provide through such a specialized institution. However, a common feature for all countries is that the activities of these establishments are applied controlling for ensuring a fully-fledged state export promotion policy.

The main purpose of ECA is to cover the risks appropriately resulting in foreign trade activities and that may appear either driven by term overrun or bankruptcy of foreign counterparties, which have been concluded with the relevant agreements by domestic exporters. This objective is achieved by performing the functions of state



insurance, guaranteeing and lending to national foreign trade companies running business abroad.

Such export support agencies of various forms of ownership have been around in almost all developed and developing countries. Today, ECAs are successfully operating in more than 100 countries. The best known ECAs in the world are Eximbank (the USA), NEXI (Japan), Euler Hermes (Germany), COFACE (France), Atradius (the Netherlands), SBCE (Brazil), CESCE (Spain), SEK (Sweden), Sinosure (China) [2, p. 90].

In the United States, there is an extensive system of government aid and export promotion that covers both export finance and organizational and technical support and trade-political promotion to export businesses. Direct export subsidy programs, which is common in a number of other Western countries, has a comparatively inconsiderable place in the encouragement. In the USA, they look like this: tax concessions for exporters of industrial articles, governmental grants for the export of some agricultural goods.

There are a number of the public export credit programs in the United States, as well as guarantee and insurance of the private export loans. The main credit and financial institution that promotes US exports is the Export-Import Bank (Eximbank). The Eximbank is a state-owned export credit agency. The main activities of US ECA are traditionally the export loan financing, submission of guarantee and insurance against export risks.

The Commodity Credit Corporation, which is reported to the Ministry of Agriculture, credits and even sometimes subsidizes agricultural exports. Economic and military aid provided by the United States to foreign countries is also partly used to finance US exports.

The leading export support institution in China is the split ECA, which includes the Export-Import Bank of China (CEXIM) and the Chinese Export and Credit Insurance Corporation (SINOSURE). The main purpose of CEXIM is to promote the export of mechanical and electronic equipment, new and advanced technology products from Chinese enterprises. Another organisation

is the China Development Bank, which annually allocates about \$10 billion for medium- and long-term export financing.

A significant tool for China's public policy implementation in encouraging national exports of high value-added products is the Sinosure. The Corporation was created by the decision of the State Council of the People's Republic of China on December 18, 2001. It is a state export credit agency that supports, first of all, the export of machinery and advanced technology products of Chinese production in the way of export credit insurance. The source of its capital is the Export Credit Insurance Fund, which is financed by the allocations of the state budget. The main functions of the Corporation are: insurance of short-term, medium-term and long-term export credits, insurance of Chinese investments abroad, providing reinsurance, commercial debt collection, evaluate the creditworthiness of trading partners, etc.

China also has a successful export promotion system, which provides vast exemptions and facilitates export operations, while import exemptions are prohibited.

Worth noting is that the Chinese ECAs strongly support state trade policy. They also play a large role in helping to facilitate the domestic production overage of steel products by promoting projects that use it. This policy is exemplified by the large number of railway, levee and building construction projects supported by CEXIM in 2016 [5].

Despite the almost lagging behind developed countries in the creation of state export incentive instruments (CEXIM was established in 1994 and Sinosure only in 2001), the Chinese government has been able to create a truly effective financing and insurance mechanism export in the short term, and now actively uses the experience of other countries, creating additional competitive advantages for its manufacturers in the world market.

Nowadays Ukraine is filling a niche that is close to a quarter of per cent (0.26%) of total world trade. Ukrainian exports consist overall of intermediate goods with a relatively low technological component. In general, the structure of Ukraine's exports is mainly raw materials – almost 70 percent of the exports of goods are made

by the agro-industrial complex, metallurgical and chemical industries, mineral products, wood, raw materials for consumer goods industry.

The key to the implementation of foreign trade policy is the establishment of a united full-fledged network of trade support institutions, which should respond to the needs of exporters and provide a wide range of support methods and services, such as policies and regulations, consulting services, financing and trade insurance, testing and certification of production, international logistics and freight forwarding.

Thus, the Ministry of Economic Development initiated the establishment of the Export Promotion Office, which has the status of a consultative advisory body. The Export Promotion Office of the Ministry of Economic Development is an inherent part of the trade support system. The institution operates in the areas: information, services, educational programs for exporters and offers of business opportunities.

In April 2013, the Ministry of External Affairs established a Council of Exporters and Investors of Ukraine to promote the implementation of national foreign policy and economic priorities, the entry of Ukrainian exporters into international markets, the protection of economic and trade interests abroad and attract foreign direct investment [1].

Taking over overseas experience, the Verkhovna Rada of Ukraine passed a government law on public financial assistance for national exports, which provides for the establishment of a state export credit agency. The law determines the principles of national financial support for export activities and aims at expanding the export capacity of domestic companies, the protection of Ukrainian businesses from the risk of non-payment. According to the law, the purpose of state financial assistance for export activity is an adaptation of modern financial and credit technologies in foreign trade, increase of export of high-tech products, increase of Ukraine's competitiveness on world markets. Governmental financial support for export activities should be provided through export credit

insurance and international economic agreements (contracts); providing assurances to foreign purchasers of obligations under the contracts and to the lending banks on export credits; ensure guarantees of compliance with the obligations of Ukrainian exporters during their participation in international tenders in accordance with the procedure established by the Cabinet of Ministers of Ukraine [4].

The establishment of ECA into the legislative environment of Ukraine formed the conditionals for quality restructuring and ramp-up of domestic exports, industrial production and the economy as a whole. Crucially important in Ukrainian realities is that ECA services are needed firstly by companies that negotiates into long-term contracts with foreign partners for the supply of high-tech, value-added products. Thus, ECA in Ukraine will perform another crucial function – the supporting to overcome the raw material specialization of the national economy.

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**UKRAINE AND THE EU:  
PROBLEMS AND OPPORTUNITIES  
FOR INTEGRATION  
IN MODERN CONDITIONS**

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**Oleynikova T. N., Karpusenko M. V. Ukraine and the EU: problems and opportunities for integration in modern conditions.** The article analyses the main vectors of development of Ukraine's integration into the European economic, legal and social space, as well integration processes in relation to the economic part of the Agreement on Association between Ukraine and the EU. The article identifies the main goals of economic integration which include: stable development of all economic institutions, balanced implementation in the European Economic Area, improvement of living standards, economic and monetary stability. In this paper, economic integration is considered through the mechanism of macroeconomic cooperation, which contributes to efficient macroeconomic policy and forecasting. The EU provides significant financial assistance for economic recovery due to multiple channels, including macroeconomic loans in addition to IMF funds, budget grants and investments by the EIB and EBRD.

**Keywords:** economic European integration, European Union, global market, progressive cooperation, prospects.

**Олейникова Т. Н., Карпусенко М. В. Україна і ЄС: проблеми і перспективи інтеграції в сучасних умовах.** У статті аналізуються основні вектори розвитку інтеграції України в європейський економічний, правовий і соціальний простір, а також інтеграційні процеси в зв'язку з економічною частиною Угоди про асоціацію між Україною та ЄС. У статті визначено основні цілі економічної інтеграції, до яких відносяться: сталий розвиток всіх економічних інститутів, збалансоване впровадження в Європейський економічний простір, підвищення рівня життя, економічна і грошово-кредитна стабільність. У даній роботі економічна інтеграція розглядається через механізм макроекономічного співробітництва, який сприяє ефективній макроекономічній політиці і прогнозуванню. ЄС надає значну фінансову допомогу для відновлення економіки завдяки багатьом каналам, включаючи макроекономічні кредити на додаток до коштів МВФ, бюджетні гранти та інвестиції ЄІВ і ЄБРР.

**Ключові слова:** економічна євроінтеграція, Європейський Союз, прогресивне співробітництво, перспективи, світовий ринок.

**Олейникова Т. Н., Карпусенко М. В. Украина и ЕС: проблемы и перспективы интеграции в современных условиях.** В статье анализируются основные векторы развития интеграции Украины в европейское экономическое, правовое и социальное пространство, а также интеграционные процессы в связи с экономической частью Соглашения об ассоциации между Украиной и ЕС. В статье определены основные цели экономической интеграции, к которым относятся: устойчивое развитие всех экономических институтов, сбалансированное внедрение в Европейское экономическое пространство, повышение уровня жизни, экономическая и денежно-кредитная стабильность. В данной работе экономическая интеграция рассматривается через механизм макроэкономического сотрудничества, который способствует эффективной макроэкономической политике и прогнозированию. ЕС предоставляет значительную финансовую помощь для восстановления экономики благодаря многим каналам, включая макроэкономические кредиты в дополнение к средствам МВФ, бюджетные гранты и инвестиции ЕИБ и ЕБРР.

**Ключевые слова:** экономическая евроинтеграция, Европейский Союз, прогрессивное сотрудничество, перспективы, мировой рынок.

The goal of this work is to analyse possible prospects of Ukraine's accession to the EU with a list of advantages and disadvantages of cooperation and further integration of Ukraine into the European Union.

Ukraine is a neighboring state of the European Union and even though it is not a member it is already discovering new opportunities to expand its influence on regional and global markets.

In fact, it is impossible to consider the future of Ukraine outside the European and world development, because cooperation with the EU is one of the methods of strengthening the country's position in the global system of international relations. It is also a means of pursuing national interests, building an economically developed and democratic country. That is why European integration and membership in the European Union are the most important strategic goal of our country. Integration processes are quite complex, so it is necessary to understand what Ukraine can get from cooperation with the EU.

Analysis of the latest research and publications. This issue is very topical. It is considered in the publications of such scientists and

specialists as A. Galchinsky, M. Yakubyak, V. Heyets, V. Movchan, P. Rudyakov, P. Gaidutsky, V. Vinnik, A. Fedirko, A. Kovaleva and others. They studied Ukraine's integration and cooperation with the EU, considered regional integration and issues of Ukraine's accession to the EU by comprehending and using various legal and economic mechanisms.

Ukraine's integration into the European economic space raises the issue of Ukraine's place in the European integration processes and the necessity to study risks and advantages of its accession to the European Union.

Ukraine's integration into the EU is a rather complicated issue, as it takes place over a long period of time, although it is clear that this process cannot go on quickly. For many years Ukraine has been discussing its integration choice, i.e. the choice of a European or Eurasian integration model. Integration choice of any country has at least three aspects: legal, economic, political. For Ukraine, these three aspects are of particular importance. The legal aspect is the preservation of sovereignty and statehood, the economic aspect is the development of the country and the welfare of the people, the political aspect is the provision of the civilized future of the Ukrainian people [2, p. 59]. In my opinion, before considering the advantages and disadvantages of Ukraine's integration into the EU, it is worth analysing the opinion of experts on this issue and public awareness. There are certain obstacles to deepening integration processes between Ukraine and the European Union. First of all, it is a low level of citizens' awareness of the EU, Ukraine has a level of awareness that is generally unsatisfactory, while 36% of respondents state a generally satisfactory level of knowledge of Ukrainian information about the EU. Secondly, there are doubts that European integration will be beneficial for the entire population of Ukraine. According to 26% of experts, Ukraine's integration into the EU is the most beneficial for EU member states that want to increase their geopolitical influence and use the resources of Ukraine in their interests. Thirdly, the problem is the demands of the European Union and the possible termination of relations with Russia and the CIS

countries in general. Fourth, the population has concerns about the competitiveness of Ukrainian goods in the European market and the emigration of labor force. Thus, 24% of experts believe that as a result of deepening cooperation with the EU, Ukraine will risk suffering from a higher competition in the European market of food and industrial goods, which would leave Ukrainian products without a chance, and the outflow of a significant mass of qualified personnel abroad. Fifth, today the cornerstone of Ukraine-EU relations is justice, corruption and organized crime, and these requirements will be difficult for Ukraine to meet [3, p. 37]. Studies show that for 30% of Ukrainians, full membership in the EU is the best model for rapprochement.

Lack of funds and bribery are identified as the main obstacles. The next most popular response to the EU rapprochement model is free trade without restrictions (21%). The third most common answer is "satisfied with the current level of relations" (20%), and 14% believe that rapprochement with the EU should be abandoned. Also, according to the survey, the Ukrainians consider the lack of funds and bribery of local officials to be the main obstacles to European integration in the regions (37% each) [4, p. 37]. Ukraine's cooperation with the EU will contribute to the approximation of Ukraine's social conditions with high European standards, improvement of living standards and welfare of the population. Also, European integration is a way to enhance the exchange between Ukrainian and Western European cultures, while simultaneously establishing Ukraine as an integrated part of the global society and as a nation-state. Membership in the EU guarantees the strengthening of Ukraine's national security, its protection from aggression and territorial claims [5, p. 754]. Today, the main areas of cooperation between Ukraine and the EU are energy, investment and trade. From the point of view of cooperation between Ukraine and the EU, it is worth considering EU assistance to Ukraine. The European Union is Ukraine's largest donor.

The World Bank plays an important role in stimulating reforms and providing advisory support. The IMF often acts as a catalyst for



urgent reforms that contribute to macroeconomic and financial stability. The largest donor countries are the United States, which provided \$450 million in technical assistance in 2017, Canada, Germany, Japan, Sweden and Switzerland. Funding is provided mainly for technical assistance projects. The main areas of technical assistance are nuclear safety, national security and defence, governance and civil society, and regional development [6, p. 7]. Priority reforms include anti-corruption, judicial reform, constitutional and electoral reforms, business climate improvement, and public administration reform.

Thanks to the analysis, it has been found that today there are certain obstacles of various kinds on Ukraine's way to the EU and they are quite significant. Consequently, it is necessary to highlight the internal factors hindering Ukraine's movement towards its EU membership: first, the slow pace of economic reforms, the lack of visible results of internal social and economic transformations; second, the level of corruption and economic crime; third, the lack of consensus on the European choice among the citizens; fourth, the apparent lack of experienced specialists in European integration [8, p. 28].

Since European integration has both advantages and risks, Ukraine should focus on using the positive aspects of European integration.

Types, directions and assistance programs EU – Ukraine:

1. Problems related to military actions in the east of Ukraine;
2. Macro-financial assistance. (Long-term loans with low interest rates);
3. EU budget support programmes are grants aimed at supporting reforms and development: Public Administration Reform Programme, National Decentralisation Programme, Anti-Corruption Programme;
4. Financing from the European Neighbourhood Instrument funds: – "Community-centric local development";

5. Support through international financial institutions such as the European Bank for Reconstruction and Development, the European Investment Bank and the World Bank;

6. Civil society development;

7. Visa free regime;

8. Cooperation in the field of education and culture: e.g.- Erasmus+

The analysis of strengths and weaknesses of Ukraine's integration into the EU allows us to state that Ukraine needs to focus on its strengths and potential opportunities, which will allow the prospect of joining the European political and economic space.

Summing up, we would like to note that European integration is a strategic goal of our country.

strong points	weak points
<p>1. Politically:</p> <ul style="list-style-type: none"> <li>- European collective security;</li> <li>- NATO membership,</li> <li>- a stable, pluralistic and democratic State governed by the rule of law;</li> <li>- development of democratic institutions.</li> </ul>	<p>1. Politically:</p> <ul style="list-style-type: none"> <li>- partial loss of sovereignty;</li> <li>- uncertainty about Ukraine's place in the EU development strategy;</li> <li>- deterioration of relations with the countries of the Customs Union.</li> </ul>
<p>2. Economically:</p> <ul style="list-style-type: none"> <li>- macroeconomic stability;</li> <li>- technological modernization;</li> <li>- ensuring free access to the latest technologies, capital, information;</li> <li>- provision of subsidies to agriculture;</li> <li>- attraction of foreign investments and the latest technologies in the Ukrainian economy;</li> </ul>	<p>2. Economically:</p> <ul style="list-style-type: none"> <li>- low GDP and per capita income;</li> <li>- loss of competitiveness of certain industries of the economy;</li> <li>- insufficient level of filling with domestically produced with domestic market goods;</li> <li>- products are not competitive on the external market;</li> </ul>

<p>3. Socially:</p> <ul style="list-style-type: none"> <li>- effective protection of human rights in EU institutions;</li> <li>- introduction of social standards in the field of protection health, education, culture, social protection and social security;</li> <li>- effective protection of workers' rights;</li> </ul>	<p>3. Socially:</p> <ul style="list-style-type: none"> <li>- complicated visa regime with eastern neighbors</li> </ul>
opportunities	threats
<p>1. Politically:</p> <ul style="list-style-type: none"> <li>- establishing a stable political system;</li> <li>- reducing corruption;</li> <li>- perception of Ukraine as an important political actor of a relationship;</li> </ul>	<p>1. Politically:</p> <ul style="list-style-type: none"> <li>- danger for Ukraine to be drawn into the conflict of civilizations between the West and the Muslim world.</li> </ul>
<p>2. Economically:</p> <ul style="list-style-type: none"> <li>- ensuring the development of small and medium-sized businesses;</li> <li>- introduction of EU standards in production;</li> <li>- unification of energy prices;</li> <li>- transport transportation within the member states;</li> <li>- access to the EU market;</li> </ul>	<p>2. Economically:</p> <ul style="list-style-type: none"> <li>- movement of harmful industries to Ukraine;</li> <li>- use of cheap resource and raw material base of Ukraine;</li> <li>- reduction of traditional Ukrainian exports in EU;</li> <li>- use of cheap labour force in Ukraine;</li> <li>- high European prices.</li> </ul>

**Conclusion.** The analysis of positive and negative consequences has allowed us to assess Ukraine's opportunities with the possible use of positive moments of Euro-integration with the existing threats.

Thus, taking into account the impact of integration factors on the political, economic and social spheres of the state, Ukraine's

accession to the European Union remains rather promising that not. Our country has already made a lot of efforts and will be improving in order to become a member of the EU in the near future.

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**THE NEW «EASTERN POLICY»  
OF GERMANY DURING THE REIGN  
OF GERHARD SCHRÖDER**

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**Olshevska A. V., Musaieva R. Sh. The new «eastern policy» of Germany during the reign of Gerhard Schröder.** The article discusses German foreign policy in the late 20th century – at the beginning of the 21st century, namely the new «Eastern policy» of Gerhard Schröder. This work covers the period of 1998-2005, which took both terms of Gerhard Schröder's reign as German Federal Chancellor.

**Keywords:** new «Eastern policy», European policy, united Germany, European Union, «red-green» coalition, EU transformation.

**Ольшевська А. В., Мусаєва Р. Ш. Нова «східна політика» Німеччини за часів правління Герхарда Шредера.** У статті розглядається зовнішня політика ФРН у кінці ХХ ст. – на початку ХХІ ст., а саме нова «східна політика» Герхарда Шредера. Дана робота охоплює період 1998-2005 рр., на які припали обидва строки перебування при владі федерального канцлера Німеччини Герхарда Шредера.

**Ключові слова:** нова «східна політика», європейська політика, об'єднана Німеччина, Європейський Союз, «червоно-зелена» коаліція, трансформація ЄС.

**Ольшевская А. В., Мусаева Р. Ш. Новая «восточная политика» Германии во времена правления Герхарда Шрёдера.** В статье рассматривается внешняя политика ФРГ в конце ХХ в. – в начале ХХІ в., а именно новая «восточная политика» Герхарда Шрёдера. Данная работа охватывает период 1998-2005 гг., на которые пришлись оба срока пребывания у власти федерального канцлера Германии Герхарда Шрёдера.

**Ключевые слова:** новая «восточная политика», европейская политика, объединенная Германия, Европейский Союз, «красно-зеленая» коалиция, трансформация ЕС.

**Object of the article:** German foreign policy. **Subject of the article:** European politics of united Germany in the time of Gerhard Schröder (1998-2005). **The purpose of the article is to** determine the content and nature of the European policy of the Federal Republic of Germany in 1998-2005; to analyze the

peculiarities of the formation of the new «eastern policy» of Germany during the reign of Gerhard Schröder; to reveal the main directions of European policy of Germany at the beginning of the 21st century; to characterize the European direction of Germany's foreign policy in the context of EU transformation; to evaluate the foreign policy achievements of the board of the «red-green» coalition in Germany in 1998-2005.

The study of German foreign policy is relevant for several reasons. Firstly, the Federal Republic of Germany is one of the most important players in the world political arena. Within a few years after its unification, the German Federal Republic began to take active steps in the foreign policy sphere, paying priority attention to the problems of European integration and European security. Secondly, in the context of the ongoing transformation of the international relations system, Germany's position has great importance in solving most urgent issues of the European Union and international relations in general.

The Federal Republic of Germany is a Central European country, a link between northern, southern, western and eastern Europe. Germany is the «heart» of the European Union and a country that is successfully struggling for world leadership in politics and economics.

In 1990 took place a peaceful unification of the two states, which for a long time acted as independent subjects of international law – the Federal Republic of Germany and the German Democratic Republic. The unification of Germany is one of the biggest political events of today, which has significantly changed both the economic and political position of Germany. As a result, its role in Europe and international relations in general has grown.

Every new German government has always paid particular attention to the eastern direction of European foreign policy. It is traditionally believed that the concept of «Eastern policy» was shaped by Chancellor Willie Brandt, when the ideas and foundations of the attitude of Germany to the GDR and the countries of Eastern Europe were finalized [2, p. 74]. But the first steps towards Brandt's new strategy were made by his predecessors – Conrad Adenauer (1949-

1963), Ludwig Ehrhardt (1963-1966) and Kurt George Kissinger (1966-1969). Chancellors' approaches to understanding the problem varied, but the goals of the «Eastern policy» of any coalition were almost always identical: every German leader in one way or another developed a plan for unification of Germany, which in those years was possible only through rapprochement with Eastern Europe [5, p. 155].

The first attempts to determine the outlines of the future new «Eastern policy» were made at the stage of Gerhard Schröder's election campaign. Gerhard Schröder and his party understood that the main problems of German society in 1998 were the problems of economics, not foreign policy, but it was also impossible to seek power without a clear foreign policy doctrine. It is likely that the future partners of the SDPN on the Greens government coalition have argued about the same. For these reasons, priorities were allocated according to the basic needs of society: both the SDPN and the Greens considered economic issues the most important task of the federal government, and put foreign policy problems at the forefront [2, p. 208].

Eastern policy was not a separate line in the election program, but two basic goals were set for the Eastern European region. Firstly, it was stated that Germany intends to contribute in every possible way to the development of the process of enlargement of the European Union to the East. At the same time, the party emphasized the need for reforms in the field of agrarian and structural policy, in the areas of institutions and finances, which concerned both members and candidates for the European Union. Second, the SDPN had the idea of a «common European home», which was planned to be «built» in close cooperation with the countries of Eastern Europe [3, p. 98].

The 1998 Coalition Agreement [3] disclosed those goals most fully, as it was intended to serve as the basis for the work of the «red-green» government throughout its tenure. A section on European integration, international partnership, security and peace was devoted to European policy, which initially proclaimed the main principle of the new federal government: Germany's foreign policy is world policy. The basic principles of foreign policy affirmed attention to

international law and human rights, readiness for dialogue, renunciation of force and confidence building. The goals of the eastern direction were described more specifically and were defined by two main points. First, Germany pledged to promote the deepening and enlargement of the European Union in every possible way and, secondly, to take responsibility for democracy and stability in the Eastern European region [1, p. 113].

The start of the «red-green» coalition coincided with the presidency of Germany in the EU (from January 1 to July 1, 1999). In order to coordinate the EU's economic, financial and fiscal policies in a better way, the new chancellor supported the idea of creating a Eurozone. Participation in the Eurozone promised Germany a number of major economic benefits: ensuring economic growth and employment, increasing the competitiveness of the internal market, reducing transaction and administrative costs. The introduction of a single European currency – the euro – helped to create a favorable environment for realizing Germany's competitive advantages [3, p. 175].

Institutional reform of the EU was an important focus of the «red-green» coalition. In December 2000, a treaty was signed at the EU summit in Nice, which provided for a number of changes to the EU's institutional set-up necessary for its unprecedented future expansion. The goals of the federal government in Nice were primarily determined by the desire to remove the latest obstacles to EU enlargement and the gradual abandonment of forms of interstate cooperation in favor of nationality [5, p. 124].

During the reign of G. Schröder, Germany sought to increase its influence in the European Union also through the enlargement of the EU. Germany, as an economic and political locomotive of the Union, saw its future in expanding to the East. The new member states could also strengthen Germany's position in the political arena through their support, so the German Federal Republic has sought to attract new members to the EU, with whom relations were being actively established at that time. All this was within the framework of the new «Eastern policy» of the «Red-Green» Coalition.



In 2004, 10 Central and Eastern European states joined the Union at once, 8 of which were post-socialist states, whose presence took the economic development of the integration group to a new stage characterized by the unification of Western and Eastern Europe. This expansion is characterized not only by its mass, but above all by the multilevel economic and political development of the incoming states [6].

The aspiration of the candidate countries to join the EU as soon as possible was driven by a desire to secure a secure position, while avoiding the role of neighboring countries between the West and the East. The danger of being excluded from the Western European integration community also encouraged them to take more decisive action. From an economic point of view, joining the European structure has guaranteed an increase in the level of welfare of the CEE countries. Countries also hoped to receive financial assistance from the EU for the implementation of transformative reforms in order to restructure the planned administrative model into a market mechanism [3, p. 166].

Germany was the leading initiator of the EU's eastern enlargement and has since firmly strengthened the status of a locomotive of European integration processes. What were her motives? The main motivating factors for Germany were ambitions to strengthen the role in the region at the expense of the Eastern Bloc states. The trade and economic relations of these countries were closely related to Germany. Germany's exports to the countries of Central and Eastern Europe increased almost 3 times during the period 1993-2000. Imports from these countries also increased almost 3 times. The inclusion of the above countries in the integration union was directly in line with German interests and increased German economic potential. Germany has also acted as a major investment partner for CEE countries, and this expansion potentially contributed to the intensification of investment activities [1, p. 219].

Thus, during the rule of the red-green coalition, Germany was the largest locomotive of European integration and the enlargement of the European Union to the East. In 2004, the largest enlargement of the EU

took place, during which ten countries joined the Union at once. These include Poland, the Czech Republic, Slovakia, Slovenia, Hungary, Lithuania, Latvia, Estonia, Malta and Cyprus. In promoting this idea, Germany was driven primarily by its political ambitions, seeking to strengthen its regional influence through the support of the new member states of the European Union. The economic issue has come to the fore, which has become a particular problem, since to this mass enlargement all EU members were relatively equal in their development level, and in 2004 many countries with much lower levels joined.

Schröder's reign and his European policy of the united Germany were remembered by many changes introduced. G. Schröder's government has secured the leading role of Germany in the Union's institutions, achieving the maximum number of seats for German deputies in the European Parliament. In doing so, Germany's proposals were aimed at optimizing the internal structure of the Union: establishing the smallest number of the Commission and increasing its functions, introducing a double majority in the Council of Ministers, and giving the European Parliament real levers of control over the activities of the Commission.

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## ENGLISH AS A FACTOR OF MODERN GLOBALISATION PROCESSES

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**Onyshchenko V., Bobro M. English as a factor of modern globalisation processes.** The article deals with the concept of globalisation, determines its features, goals and factors, reveals its consequences, studies the English language as a factor influencing modern globalisation processes. The study gives reasons of using English in the economic processes.

**Keywords:** economic process, factors of globalisation, globalisation, increase, language.

**Онищенко В. А., Бобро М. П. Англійська мова як чинник сучасних глобалізаційних процесів.** У статті представлено поняття глобалізації, визначено її особливості, цілі та чинники, розкрито наслідки. Розглянуто англійську мову як чинник, що впливає на сучасні глобалізаційні процеси. Дослідження пропонує міркування щодо використання англійської мови в економічних процесах.

**Ключові слова:** глобалізація, економічний процес, зростання, мова, фактори глобалізації.

**Онищенко В. А., Бобро М. П. Английский как фактор современных глобализационных процессов.** В статье представлено понятие глобализации, определены ее особенности, цели и факторы, раскрыты последствия. Английский язык рассмотрен как фактор, влияющий на современные глобализационные процессы. Исследование дает обоснование использования английского языка в экономических процессах.

**Ключевые слова:** глобализация, рост, факторы глобализации, экономический процесс, язык.

The o b j e c t of the article is the English language as a part of globalization processes. The s u b j e c t is the role of the English language in the modern globalization processes. The p u r p o s e of the article is to show the reasons of using English as a global language, to analyze the factors of modern globalization, to define the significance of the global language.

Throughout its history, human civilization has experienced the need for auxiliary languages as special symbolic systems of various

genesis for communication in such conditions when the use of ethnic languages is impossible, inexpedient, inadequate, or insufficient. Despite the need for a common language as a universal adaptive mechanism, its appearance is seen as a very distant prospect of the linguistic development of mankind. Hypothetically, there are intralinguistic mechanisms and ethnic, psychological, social, biological, cultural factors that impede or inhibit the emergence of a common language as a universal supranational semiotic code. In our study, we set the task to identify these causes and predict the most likely means of international communication for modern civilized community. The leading process of our time is globalization; the architecture of the new world is being created. A significant part of the world population is involved in a new informational reality that has connected and consolidated individual regions of the planet.

Globalization is a global economic process, political and cultural integration and unification (integration – uniting and integration of political, economic, state and public structures within the region, country, world; unification – leading to uniformity, to a single form).

The main consequence of the above is the global division of labor, the migration of capital and productive resources, the standardization of legislation, economic and technological processes as well as the convergence and fusion of cultures of different countries. This is an objective process that is systemic, covering all areas of society. As a result of globalization, the world becomes more connected and more dependent on all its factors. There is an increase in the number of problems common to a group of states as well as an increase in the number and types of integrating subjects. [2].

Historically, such a system is under the influence of globalization factors:

- electronic means of communication capable of minimizing time and space separating people;
- technological changes that allow the distribution of manufactured products around the world;

- the formation of global ideologies, such as the environmental or human rights movement.

In a global society, there is a need for a language that everyone can understand. English has not become an international language as fast as it seems [1]. It all started back in the XVII century, when England ceased to be a conquered country, and became a conquering country, very successful in this issue. The English fleet was one of the strongest in the world. All sea routes were subject to the British. Most of the land – half the territory of North America, many countries in Africa and Asia, Australia, India – was ruled by the British crown.

English has penetrated all corners of the globe. At that time, the main task for England was to establish trade relations. Naturally, the language of the dominant and more developed country pushed into the background the local languages. Here the golden rule worked – for whom the gold rules, he chooses what language to speak. England gave an impetus to the emergence of the world economy and the development of international relations in the XVIII century, it was English that was used for trade.

Even when the colonized countries gained independence, trade relations with Great Britain continued to develop, and English remained. Firstly, because the languages of the conquered countries lacked the necessary words: there were no terms for trade. Secondly, because English has already taken root in this area and the locals knew it well. Anyone who wanted to earn his own bread had to communicate in English.

Today, English has become an international language, it is the most spoken in the world. It is native to more than 400 million people, it remains a second language for 300 million, and another 500 million speak some English.

In many countries, English plays a very important role as the language of diplomacy, trade and business. 90% of global transactions are in English. World financial funds and exchanges operate in English. Financial giants and large corporations use English no matter what country they are in.

English is the most popular foreign language in schools. The most prestigious universities in the world are English-speaking. In countries where English is the second official language, students prefer to study in English. Knowledge of English provides an opportunity to get a good education and build a successful career.

English has become the language of the 21st century – the century of technological progress and information technology. Today, all instructions and programs for new gadgets are written in English. Scientific reports, articles are published in English. 90% of Internet resources are in English. The vast majority of information in all areas – science, sports, news, entertainment – is published in English.

English has become the language of youth culture. American actors, actresses, musicians have been and remain idols for more than one generation of people. Hollywood today is the undisputed leader in the film industry. Iconic American action movies and blockbusters are watched in English all over the world. It is from America that jazz, blues, rock and roll and many more styles of music came that are still popular.

In addition to all of the above, English is beautiful, melodic and easy to learn. English has one of the richest vocabularies in the world, but it has a simple grammar. Words themselves are attracted to each other, forming concise and clear sentences. The international language should be simple and understandable to everyone. Perhaps we were very lucky that it was such a simple language that united the world [5].

Therefore, we can consider the following factors that contributed to the selection of English as the language of globalization:

- political and military power of countries that speak the given language;
- a strong economy and actions of multinational companies in a global scale;
- scientific and technological revolution and the availability of a high level of scientific and technical research;
- a large number of former English colonies;

- distribution of the media, advertising;
- Internet distribution. [4]

Globalization and English language are said to work as pull factors for one another. English language plays a major role in the progress of globalization. English as an international language in the context of globalization should be used only as a language that serves the purpose of improving interethnic communication that does not affect the characteristics of other languages and cultures. It is very important because globalization should preserve, not suppress, the identity of other people [3].

Considering all the above, we can make a conclusion that globalization is heavily dependent on English being a mediator for trading. Though other languages are capable of relaying message, English does the job much faster and more efficiently, whilst being easy to learnt encompasses other languages making some foreign phrases commonplace. Therefore, English is a driving factor in the development of modern globalization processes.

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## ENVIRONMENTAL IMPACT OF TOURISM

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**Pantak D. O., Litovchenko Y. M. Environmental impacts of tourism.**

The article analyzes the effects of tourism on natural resources, environmental pollution and physical environment. Many of these impacts are linked with the construction of general infrastructure such as roads and airports, and of tourism facilities, including resorts, hotels, restaurants, shops, golf courses and marinas. The article reveals that negative impacts of tourism development can gradually destroy environmental resources. The work also examines how tourism can contribute to environmental conservation.

**Key words:** environmental conservation, environmental impacts, general infrastructure, natural resources, tourism.

**Пантак Д. О., Літовченко Я. М. Екологічні наслідки туризму.** У статті розглядається, як туризм впливає на природні ресурси, на забруднення навколишнього середовища та фізичне середовище. Більшість з цих впливів пов'язані з будівництвом загальної інфраструктури, а саме, такої як: дороги та аеропорти, туристичні об'єкти, включаючи курорти, готелі, ресторани, магазини, поля для гольфу та пристані. Негативні наслідки розвитку туризму можуть поступово знищувати екологічні ресурси. Також розглянуто як саме туризм може сприяти збереженню навколишнього середовища.

**Ключові слова:** екологічний вплив, загальна інфраструктура, збереження навколишнього середовища, природні ресурси, туризм.

**Пантак Д. О., Литовченко Я. Н. Экологические последствия туризма.** В статье рассматривается, как туризм влияет на природные ресурсы, на загрязнение окружающей среды и физической среды. Большинство из этих воздействий связанные со строительством общей инфраструктуры, в частности, такой как: дороги и аэропорты, туристические объекты, включая курорты, отели, рестораны, магазины, поля для гольфа и пристани. Негативные последствия развития туризма могут постепенно уничтожать экологические ресурсы. Также рассмотрено как именно туризм может способствовать сохранению окружающей среды.

**Ключевые слова:** общая инфраструктура, охрана окружающей среды, природные ресурсы, туризм, экологическое воздействие.

The o b j e c t of the article is tourism development, whereas the s u b j e c t is negative impact of tourism on natural resources



and tourism destinations. The aim of the research is to identify consequences of global tourism development on natural resources, environmental pollution and physical environment.

Tourism development can put pressure on natural resources when it increases consumption in areas where resources are already scarce. Water, and especially fresh water, is one of the most critical natural resources. The tourism industry generally overuses water resources for hotels, swimming pools, golf courses and personal use of water by tourists. This can result in water shortages and degradation of water supplies, as well as generating a greater volume of waste water. In dry and hot regions like the Mediterranean, the issue of water scarcity is of particular concern. Because of the hot climate and the tendency of tourists to consume more water when on holiday than they do at home, the amount used can run up to 440 liters a day [3].

Golf course maintenance can also deplete fresh water resources. In recent years golf tourism has increased in popularity and the number of golf courses has grown rapidly. Golf courses require an enormous amount of water every day and as with other causes of excessive extraction of water, this can result in water scarcity. If the water comes from wells, overpumping can cause saline intrusion into groundwater. Golf resorts are more and more often situated in or near protected areas or areas where resources are limited [5].

Tourism can create great pressure on local resources like energy, food, and other raw materials that may already be in short supply. Greater extraction and transport of these resources exacerbates physical impacts associated with their exploitation. Because of the seasonal character of the industry, many destinations have ten times more inhabitants in the high season than in the low season. High demand is placed upon these resources to meet the high expectations tourists often have (proper heating, hot water, etc.) [4].

Important land resources include minerals, fossil fuels, fertile soil, forests, wetland and wildlife. Increased construction of tourism and recreational facilities has increased pressure on these resources and on scenic landscapes. Direct impact on natural resources, both

renewable and non-renewable, in the provision of tourist facilities can be caused by the use of land for accommodation and other infrastructure provision, and the use of building materials. Forests often suffer negative impacts of tourism in the form of deforestation caused by fuel wood collection and land clearing [7].

Tourism can cause the same forms of pollution as any other industry: air emissions, noise, solid waste and littering, releases of sewage, oil and chemicals, even architectural and visual pollution. In areas with high concentrations of tourist activities and appealing natural attractions, waste disposal is a serious problem and improper disposal can be a major despoiler of the natural environment, rivers, scenic areas, and roadsides. For example, cruise ships in the Caribbean are estimated to produce more than 70,000 tons of waste each year. Solid waste and littering can degrade the physical appearance of the water and shoreline and cause the death of marine animals [7].

In mountain areas, trekking tourists generate a great deal of waste. Tourists on expedition leave behind their garbage, oxygen cylinders and even camping equipment. Such practices degrade the environment with all the detritus typical of the developed world, in remote areas that have few garbage collection or disposal facilities.

Construction activities and infrastructure development: The development of tourism facilities such as accommodation, water supplies, restaurants and recreation facilities can involve sand mining, beach and sand erosion, soil erosion and extensive paving. In addition, road and airport construction can lead to land degradation and loss of wildlife habitats and deterioration of scenery [1].

Deforestation and intensified or unsustainable use of land: Construction of ski resort accommodation and facilities frequently requires clearing forested land. Coastal wetlands are often drained and filled due to lack of more suitable sites for construction of tourism facilities and infrastructure. These activities can cause severe disturbance and erosion of the local ecosystem, even destruction in the long term [9].

Marina development: Development of marinas and breakwaters can cause changes in currents and coastlines. Furthermore, extraction

of building materials such as sand affects coral reefs, mangroves, and hinterland forests, leading to erosion and destruction of habitats. In the Philippines and the Maldives, dynamiting and mining of coral for resort building materials has damaged fragile coral reefs and depleted the fisheries.

Overbuilding and extensive paving of shorelines can result in destruction of habitats and disruption of land-sea connections (such as sea-turtle nesting spots). Coral reefs are especially fragile marine ecosystems and are suffering worldwide from reef-based tourism developments. Evidence suggests a variety of impacts to coral result from shoreline development, increased sediments in the water, trampling by tourists and divers, ship groundings, pollution from sewage, over-fishing, and fishing with poisons and explosives that destroy the coral habitat.

The effects on loss of biodiversity:

- a) It threatens our food supplies, opportunities for recreation and tourism, and sources of wood, medicines and energy.
- b) It interferes with essential ecological functions such as species balance, soil formation, and greenhouse gas absorption.
- c) It reduces productivity of ecosystems.
- d) It destabilizes ecosystems and weakens their ability to deal with natural disasters such as floods, droughts, and hurricanes, and with human-caused stresses, such as pollution and climate change [9].

Tourism, especially nature tourism, is closely linked to biodiversity and the attractions created by a rich and varied environment. It can also cause loss of biodiversity when land and resources are strained by excessive use, and when impacts on vegetation, wildlife, mountain, marine and coastal environments and water resources exceed their carrying capacity. This loss of biodiversity in fact means loss of tourism potential. Introduction of exotic species which tourists and suppliers can bring in species (insects, wild and cultivated plants and diseases) that are not native to the local environment can cause enormous disruption and even destruction of ecosystems [8].

Climate scientists now generally agree that the Earth's surface temperatures have risen steadily in recent years because of an increase in the so-called greenhouse gases in the atmosphere, which trap heat from the sun. One of the most significant of these gases is carbon dioxide (CO<sub>2</sub>), which is generated when fossil fuels, such as coal, oil and natural gas are burned (e.g. in industry, electricity generation, and automobiles) and when there are changes in land use, such as deforestation. In the long run, accumulation of CO<sub>2</sub> and other greenhouse gases in the atmosphere can cause global climate change a process that may already be occurring.

Global tourism is closely linked to climate change. Tourism involves the movement of people from their homes to other destinations and accounts for about 50% of traffic movements; rapidly expanding air traffic contributes about 2.5% of the production of CO<sub>2</sub>. Tourism is thus a significant contributor to the increasing concentrations of greenhouse gases in the atmosphere. Air travel itself is a major contributor to the greenhouse effect. Passenger jets are the fastest growing source of greenhouse gas emissions. Tourism can significantly contribute to environmental protection, conservation and restoration of biological diversity and sustainable use of natural resources. Because of their attractiveness, pristine sites and natural areas are identified as valuable and the need to keep the attraction alive can lead to creation of national parks and wildlife parks [8].

In Hawaii, new laws and regulations have been enacted to preserve the Hawaiian rainforest and to protect native species. The coral reefs around the islands and the marine life that depend on them for survival are also protected. Hawaii now has become an international center for research on ecological systems and the promotion and preservation of the islands' tourism industry was the main motivation for these actions [2].

Grupo Punta Cana, a resort in the Dominican Republic, offers an example of how luxury tourism development and conservation can be combined. The high-end resort was established with the goal of catering to luxury-class tourists while respecting the natural

habitat of Punta Cana. The developers have set aside 10,000 hectares (24,700 acres) of land as a nature reserve and native fruit tree garden. The Punta Cana Nature Reserve includes 11 fresh water springs surrounded by a subtropical forest where many species of unusual Caribbean flora and fauna live in their natural state. Guests can explore a "nature path" leading from the beach through mangroves, lagoons of fresh water springs and dozens of species of Caribbean bird and plant life. Other environmentally protective policies have been put into effect at the resort, such as programs to protect the offshore barrier reefs and the recycling of wastewater for use in irrigating the grounds [7].

In conclusion, tourism has had a positive effect on wildlife preservation and protection efforts, notably in Africa but also in South America, Asia, Australia, and the South Pacific. Numerous animal and plant species have already become extinct or may become extinct soon. Many countries have therefore established wildlife reserves and enacted strict laws protecting the animals that draw nature-loving tourists. As a result of these measures, several endangered species have begun to thrive again. Regulatory measures help offset negative impacts; for instance, controls on the number of tourist activities and movement of visitors within protected areas can limit impacts on the ecosystem and help maintain the integrity and vitality of the site. Such limits can also reduce the negative impacts on resources.

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## **SOCIAL NETWORKS AS A MARKETING TOOL TO PROMOTE HOTEL SERVICES**

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**Papakina V. M., Medvid M. M. Social networks as a marketing tool to promote hotel services.** The article discusses the impact of social media on the promotion of hotel services. The analysis of different social platforms is carried out, the introduction of which can increase the demand for hotel services. The influence of advertising hotel business in social networks and its importance have been analyzed. The advantages and disadvantages of marketing activity in social networks have been studied.

**Keywords:** auto-posting, hotel industry, promotion, social networks, marketing activities.

**Папакіна В. М., Медвідь М. М. Соціальні мережі як маркетинговий інструмент просування готельних послуг.** У статті розглянуто питання впливу соціальних мереж на просування готельних послуг, проаналізовано низку соціальних платформ, впровадження яких може збільшити затребуваність готельних послуг, вивчено вплив реклами готельного бізнесу в соціальних мережах та її важливість, проаналізовано переваги та недоліки маркетингової діяльності в соціальних мережах.

**Ключові слова:** автопостінг, готельна індустрія, просування, соціальні мережі, маркетингова діяльність.

**Папакина В. Н., Медведь М. Н. Социальные сети как маркетинговый инструмент продвижения гостиничных услуг.** В статье рассмотрены вопросы влияния социальных сетей на продвижение гостиничных услуг, проанализирован ряд социальных платформ, внедрение которых может увеличить востребованность гостиничных услуг, изучено влияние рекламы гостиничного бизнеса в социальных сетях и ее важность, проанализированы достоинства и недостатки маркетинговой деятельности в социальных сетях.

**Ключевые слова:** автопостинг, гостиничная индустрия, продвижение, социальные сети, маркетинговая деятельность.

The object of the article is the process of interaction between social networks and the hotel industry in the field of their promotion. The subject is tools for the development of the hotel

business through social networks. The purpose of the article is to identify tools for promoting hotel services using social networks and to investigate the effectiveness of the influence of this method to analyze the problems of introducing social networks into the structure of the hotel business development, to determine the advantages and disadvantages of marketing activities in social networks, to identify the most problematic points, to analyze the factors that form the problem, to consider possible solutions to the problem.

Social platforms have a significant impact on the way we communicate with friends and family, how we consume media such as videos, music and news, the way we shop for goods and services, how we search for new opportunities and apply to jobs, they even help us learn new skills and stay current with new technologies or industry trends. Social media affects our lives in many more ways, simple and abstract that for the sake of this blog, we won't need to discuss. However, it is worth noting that no matter who you are, where you live or whether you are active on social media or not, it has some degree of effect on your life.

In May 2019, the world's population was estimated at 7.7 billion people, 3.85 billion (~50% total population) of which use the internet and 2.84 billion (~37% total population) that actively use on social media. That means that about 74% of internet users worldwide actively engage with individuals, groups and businesses on social media, and these numbers only grow with each day [1].

As social media platforms gain traction in usage rates and become ubiquitous in day-to-day life through the proliferation of mobile devices, they are proving to be valuable marketing channels, especially when targeting younger consumers. Although several prominent hotel brands have begun to scratch the surface of utilizing these social media channels for marketing and bookings. Other technology giants around the world have already capitalized on this opportunity with their social-media, mobile-adept user base.

Hoteliers should embrace the new ways people are communicating and be ready for the changes in consumer behavior and expectations that are on the horizon. By being up to date with



social media marketing trends and developing a dynamic online presence, hotel companies can quickly adapt to the disruption and achieve an early adopter advantage when attracting business from tech-savvy millennials [2].

Consumers use social media to read reviews and ask for accommodation recommendations when they are making plans about their travel destinations so hotels need to pay attention to social media. You need to be there for them and have your hotel social media marketing running. Here are the top 5 reasons why.

- Showcase your brand. Social media networks can help you spread the word about your hotel. You can tell your potential customers who you are by what you post. You can create and display photos, videos, and other content that identify your brand.
- Create relationships. You can connect with your target audience by sending out appropriate content. People may see that you are similar to them and may be more inclined to book with your hotel.
- Reach new customers. According to surveys, 82% of consumers trust companies that are on social media. Social media networks have billions of users so you are sure to find people who fit your target audience demographics. There are so many potential leads and you can set up ads that target genders, ages, and locations to get new and loyal customers.
- Get direct bookings. Ten years ago, people mostly relied on travel agencies to find and book accommodations. Today, travelers are completely independent and very well-informed in choosing a hotel. If you interact with potential clients, they are more likely to book directly. You can use social media to inform your followers about any deals and remind them of the benefits of direct bookings.
- Give value. It's critical to think of social media platforms not only as promotional tools for your hotel but also as places to provide customer care. You can do it by responding to comments in real time. If someone mentions your brand with a tag in social media, they expect the response. If there are any negative reviews or concerns, you can take some measures to keep the

conversation from turning negative. Besides, you should focus on highlighting pleasant experiences and guest stories because they can ultimately help drive revenue.

As you see, social media marketing for hotels has a lot of benefits. With the right strategy, all social media platforms have the ability to unlock the booking potential of your hotel by providing users with inspiration to travel. But it's important to remember that every social media network is slightly different and can serve different purposes. When it comes to active users, Facebook, Twitter, and Instagram dominate so hoteliers must have these platforms as part of their social media marketing strategies. Let's look at detailed presented marketing platforms.

**Facebook Marketing.** 42% of Facebook users make more posts about travel than about any other events in their lives. Now Facebook has more than 2 billion monthly active users. That's why it should be an important part of your hotel's online marketing efforts. You should use this platform to communicate directly with your current and future customers and promote your brand more effectively.

**Instagram Marketing.** According to statistics, 76% of travelers post photos of their trips so Instagram has a great potential as a marketing tool for the hotel industry. Instagram is a perfect platform to show what you offer by posting beautiful photos of your hotel rooms, food, services, facilities, nearby attractions, and tourist destinations. This social network relies on visual content so it's important to post beautiful high-quality images that will make travelers excited about staying in your hotel and spending time in the area.

**Twitter Marketing.** Twitter is a great social media channel for customer engagement and a great place for showcasing user-generated content. You can use Twitter to inform guests about things that are happening right now and engage them during their stay. Many hotels use Twitter to conduct customer service by responding to their guests' queries [3].

Social media are effective ways to promote and evaluate the quality of your services (customers can comment, suggestions and reviews) for hotels. However, today a huge part of the hotels does

not use this opportunity. According to the results of the research TravelClick – one of the leading providers of e-commerce services for hotels only 20% of hotel facilities use the Twitter network, 10% – Groupon and other collective discount services, only 8% – the geoservice Foursquare. The most popular network among the hoteliers was Facebook which uses about 65% [4].

Thanks to social media representatives of small hotels do not have to have a huge budget to find potential customers or partners. In addition for hotels that have interesting offers or unusual services social networks will open unlimited opportunities for communication with customers, partners and colleagues [5].

In a social network you can use various contests, publish posts about promotions and discounts at the hotel or any other interesting information and all this allows you to attract the attention of potential customers. In addition you can use special advertising unit which is in every social network. You can create ad types so that they are shown to different groups of users.

Auto-posting services (automatic publications) of materials in social network for various hospitality industry establishments have been created. One has only to download the necessary information on the site after which data are sent to the profiles connected to it on social networks [6].

To summarize, social networks are mandatory tools for any hotel that wants successfully implement its commercial activities. The hotel can present itself in the best way to attract clients with a competent, integrated work on platform data. On social networks as well as in electronic sales channels quality photos and full hotel information can be presented. Social networks are the best place to communicate with customers: they can ask questions, write a message with gratitude or with expression of discontent. You need to communicate with your customers and respond to every feedback, wishes and questions they have left.

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## PLACE OF UKRAINE ON THE FISCAL MAP OF THE WORLD

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**Paramonov Y. S., Zmiyova I. V. Place of Ukraine on the fiscal map of the world.** This article discusses the features of the fiscal policy of Ukraine and the fundamental problems of public spending. Based on the calculations of Western researchers, the optimal size of the tax burden for maximizing tax revenues is described. The author derives and describes the optimal model of the fiscal policy of Ukraine to accelerate economic growth based on the analysis of the findings.

**Keywords:** budget expenditures, economic growth, fiscal policy, population income, tax system.

**Парамонов Є. С., Зміїова І. В. Місце України на фіскальній мапі світу.** У статті розглянуто особливості фіскальної політики України та фундаментальні проблеми державних витрат. Ґрунтуючись на розрахунках західних дослідників, описано оптимальний розмір податкового навантаження для максимізації податкових надходжень. В підсумку, на основі аналізу отриманих висновків, виведена і описана оптимальна модель фіскальної політики України для прискорення економічного зростання.

**Ключові слова:** бюджетні витрати, доходи населення, економічне зростання, податкова система, фіскальна політика.

**Парамонов Е. С., Змиёва И. В. Место Украины на фискальной карте мира.** В данной статье рассмотрены особенности фискальной политики Украины и фундаментальные проблемы государственных расходов. Основываясь на расчетах западных исследователей, описано оптимальный размер налоговой нагрузки для максимизации налоговых поступлений. В итоге, на основе анализа полученных выводов, выведена и описана оптимальная модель фискальной политики Украины для ускорения экономического роста.

**Ключевые слова:** бюджетные расходы, доходы населения, налоговая система, фискальная политика, экономический рост.

The s u b j e c t of the study is modern fiscal policy of Ukraine. The p u r p o s e of the study is to find out the type of taxation system, which can stimulate the economy growth. The a c t u a l v a l u e of the study is stipulated by the fact the present government

of Ukraine set a goal to reach a 40% growth of GDP within five years but it would be impossible without conducting a fiscal reform.

If one could characterize any fiscal system in one word, then perhaps the most complete characteristic of the tax system would be “paradox”. The fact that the state requires a mandatory tax payment, while not answering the question of how this money is spent. Nobel laureate in economics, Milton Friedman in his fundamental work [5] also tried to understand the logic of such system:

*“Legislators vote on spending other people’s money. Voters who elect legislators, in a sense, vote for their money to be spent on themselves <...>. The relationship between the taxes a person pays and the expenses he votes for is extremely weak. Bureaucrats who manage programs also spend other people’s money. So it’s not surprising that program costs are rising rapidly. Bureaucrats spend other people’s money on other people. That’s where the wastefulness and inefficiency of spending come from” [5].*

The conflict of interests in the budget sphere has existed for a long time and in all countries, everyone knows about it, but no one draws any conclusions. In this regard, the libertarian idea clearly defines the problem: it is impossible to find so many fair officials who will be effective in their positions, especially when it comes to the big country. The main difference between the private and public sectors is that the latter does not generate income, it only consumes the money collected from the people, so its budget spending patterns are significantly different from the private sector.

Officials always repeat the political will of a particular ruling party, which in most cases declares populist principles. In particular, political parties often say that the state either must or will create jobs and therefore need to spend money and raise taxes. However, in a detailed study by Ludwig von Mises in his work [1], we can see that it is a terrible illusion:

*“It is illusory to believe that government spending can create jobs for the unemployed, for those who are unable to find a job because of government policy. If*

*government spending is financed by non-inflationary methods, but by taxing citizens or by borrowing from the people, they will eliminate exactly as many jobs in one place as they create in another. If they are financed by inflation, they reduce unemployment only if wages grow more slowly than the prices of goods, meaning when the level of real wages falls. There is only one way to increase the level of real wages: the continuous accumulation of new capital and the improvement of production technology, which is provided by new capital. The real interests of workers coincide with those of businessmen” [1].*

The biggest mistake many ideologists make is that they believe in the fairness of income sharing. In particular, the socialists divide taxpayers into the rich and the poor, and, according to this logic, there should be a progressive tax rate that will collect less from the poor and more from the rich.

The truth is that in the era of globalization, it is impossible to get someone to pay high taxes if they have the option of paying less in another jurisdiction. So, by imposing high taxes based on progressive taxation, the state itself encourages taxpayers to bypass the system or leave the country.

Economic science, in its turn, continues to search for the ideal model of taxation but to no avail. However, if we proceed from the so-called “state interests”, then let’s look at the Laffer curve, which will help us understand at what fiscal burden the state can get the maximum revenue in the budget. Until recently, many people thought that high taxes equals high budget revenues, but in practice, this does not work. Because the harder you put pressure on business taxes, the weaker it becomes, a recent study confirms. There have been long disputes around the point of maximum budget revenue, initially estimated at 70%, and after the work of the Romer couple, who worked as advisers to President Obama (who had socialist ideals), showed more accurate data [8]:

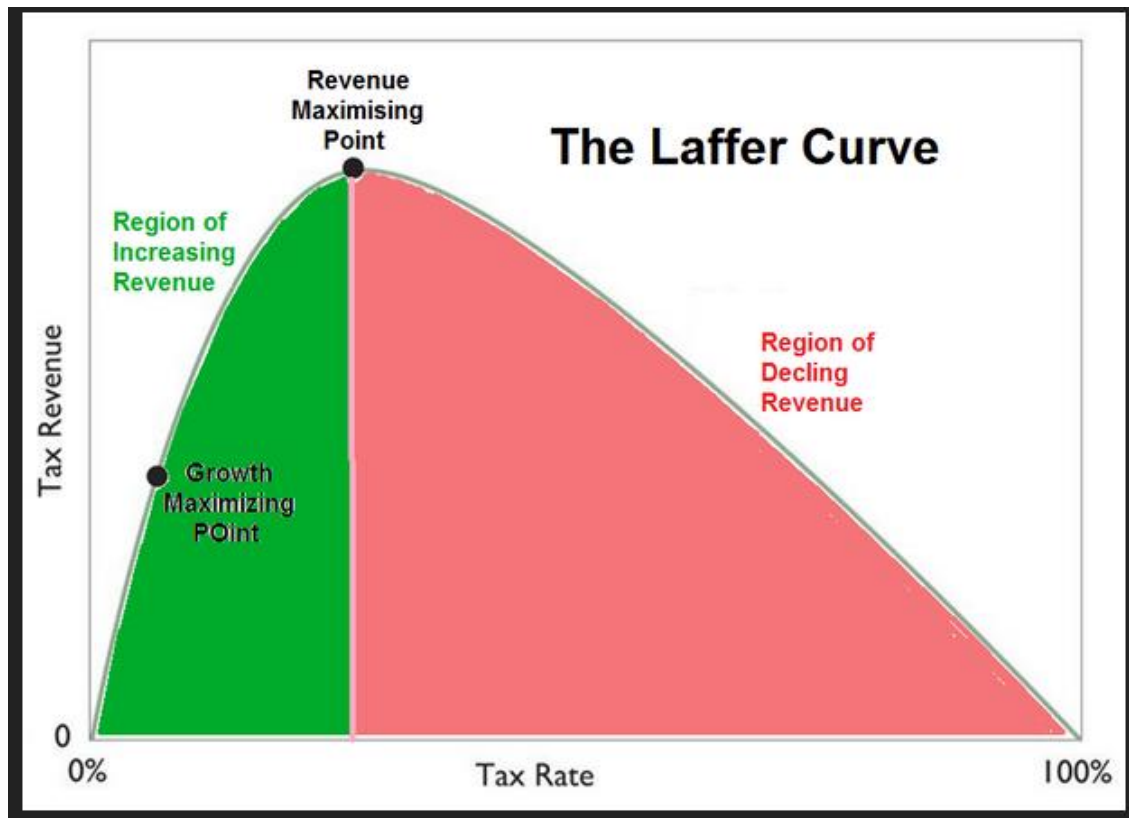


Figure 1. A theoretical relationship between rates of taxation and the resulting levels of government revenue.

Professor Tim Groseclose commented on the couple's work: "Although the Romer-Romer article did not explicitly discuss the Laffer curve, its results mean that the maximum income ratio is much lower, about 33%" [6]. That is, at 33% the state receives the maximum possible income from taxes. And if we pay attention to the fact that the state is spending most of that money ineffectively, then it does not need access to such large resources and therefore the rate can be reduced to 20%, which would be more than sufficient for key functions of the state (court, police and the army). When examining the tax rate, Arthur Laffer found interesting features in the US tax system, with the 7% and the 77% tax rate, the budget received the same income, but if the tax was paid by 7% in 1296 people, the tax in 77% paid only 246, accordingly, the economy lost 1,000 high-income citizens who were spending money in the state [7].



Nowadays there is a competition for capital between countries on the world market. It lies not only in fiscal policy but also in the ease of doing business. When comparing Ukraine to its competitors or major players, we should understand that we, as a new and young player, must have real advantages over other countries.

It is typical for business agents to provide better services and products at a lower price when entering the market, which enables them to increase sales and launch a brand. So, a state needs to convince companies that it will be better for them to pay taxes in our countries. This factor will be decisive for a foreign investor when choosing a place of investment or residence and a deterrent factor for a domestic investor from migration abroad.

Current tax policy and business conditions in Ukraine will never attract foreign capital, but they scare off our own. The state is maximally milking business and its people with taxes and then wonders why there is no foreign investment and the grey economy is growing.

Today Ukrainians pay the following taxes [2]:

- 20% – Value Added Tax (paid at a store);
- 18% – Personal Income Tax
- 1.5% Military Charge;
- 22% – Social Security Contribution;
- Excise taxes on fuel, alcohol, cigarettes;
- Tax on bank deposit income (if any);
- Import duties.

What we get instead:

- 30 years of inefficient budget spending;
- The absence of Ukraine in the rating of the level of medicine The Most Efficient Health Care 2016;
- Total corruption and economic regulation;
- Degradation of education (no university in the top 500);
- Poor Healthcare.
- Ukraine is the poorest country in Europe.

The feature of the socialists is that they perceive the payment of

taxes solely as a duty, not through the lens of a private property culture. Although taxes essence is a “legitimate” robbery by the state. That’s what Murray Rothbard thought about taxes:

*“High income tax rates mean that each of us, for a significant part of the year – several months – works for Uncle Sam, and only then begins to work for himself. In the end, slavery partly lies in the fact that a person is forced to work for someone for free or for a small fee” [3]*

Socialists believe that it is all right when the state takes away the part of the property and spends it inefficiently. At the same time, politicians do not bear any responsibility for how they spend money, it's all explained by the “higher goals of the state”.

To understand how to achieve the growth of savings of Ukrainians, it is worth reading the work of David Ricardo, who noted:

*“There are no taxes that would not hinder accumulation since there is not a single tax that would not interfere with production. Taxes have the same effect as bad soil, poor climate, lack of dexterity or activity, poor job distribution. Any tax even levied on the masses, is ultimately passed on to the entrepreneur, reducing his profit and the possibility of developing production” [4].*

So what can change the status of our state? And here is the intrigue, there is no practice, in the world, as without the following factors, it is possible to change the structure of the economy. However, there is still something to be done (however, these topics require a different level of research):

- tax cuts as a driver of investment in technology and the accumulation of national capital;
- the best conditions and ease of doing business in Europe;
- the maximum simplification of life for venture capital funds;
- the gradual transition to private education and science with the introduction of a grant system (result leads to a budget grant).

Tax cuts will free up a part of the population's income, which can be spent on education (for children) or science (for companies).

To sum up, tax cuts are primarily about eliminating inefficient budget expenditures and increasing household incomes. This is to improve the business climate and eliminate privileges for oligarchs. Tax cuts are a factor that created the present-day United States and is a real driver for economic growth. This is a powerful factor in eliminating the grey economy and a decisive step for the beginning of quality economic growth. Tax cuts are steps designed to change and improve living conditions. No one will be better off spending your own money, we must keep in mind that the state is not a caring mother, it is an official who abuses their position by implementing corruption schemes, and spends the remaining money ineffectively.

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## SWITZERLAND AS A LEADING FINANCIAL CENTER IN THE GLOBAL ECONOMY

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**Pavlenko A. G., Oliynyk N. A. Switzerland As A Leading Financial Center in The Global Economy.** The article considers Switzerland as the main international financial center that forms the modern global economy and studies a sustainable example of the Swiss financial sector, which is UBS Bank. Its indicators such as employment in banking, the tax system and the share of foreign investments in Swiss banks, give an idea of the economic health of the country. The relationships not only between the banking system and Switzerland but also between the banking system and the whole world were also analyzed.

**Key words:** a financial center, banking services, the world's financial leader, global economy, a financial system.

**Павленко А. Г., Олійник Н. А. Швейцарія як провідний фінансовий центр у глобальній економіці.** У статті розглядається Швейцарія як головний міжнародний фінансовий центр, який формує сучасну світову економіку. Дослідження охоплює наявність стійкого прикладу фінансового сектора Швейцарії, яким є UBS банк. Його показники надають уявлення про економічний стан держави: зайнятість в банківському середовищі, податкова система і частка іноземних вкладень у банках. Також порушені питання взаємовідносин банківської сфери як зі Швейцарією, так і з усім світом.

**Ключові слова:** фінансовий центр, банківські послуги, світовий фінансовий лідер, глобальна економіка, фінансова система.

**Павленко А. Г., Олейник Н. А. Швейцария как ведущий финансовый центр в глобальной экономике.** В статье рассматривается Швейцария как главный международный финансовый центр, который формирует современную мировую экономику. Исследование охватывает наличие устойчивого примера финансового сектора Швейцарии, которым является UBS банк. Его показатели дают представление о экономическом состоянии государства: занятость в банковской среде, налоговая система и доля иностранных вложений в банках. Также затронуты вопросы взаимоотношений банковской сферой как со Швейцарией, так и со всем миром.

**Ключевые слова:** финансовый центр, банковские услуги, мировой финансовый центр, глобальная экономика, финансовая система.

Switzerland is a global leader in terms of this new technology and its economic application. The Swiss financial center makes a major contribution to overall economic output and job creation in Switzerland. Despite the fact that Global Financial Centers Index presented a new rating of the largest financial centers in the world and Switzerland was only the sixth largest center, the country stays the most reliable financial area for its sustainability. The purpose of the article is to determine Switzerland's advantages as a leading international financial center. The object of the article is the Swiss financial center. The subject of the study is UBS bank and its statistical data.

The relevance of a sustainable financial and banking sector has not changed over the past decades. A financial system that works effectively is an integral part of a flourishing economy. The financial sector has been one of the most important growth drivers of the Swiss economy over the past 20 years. Switzerland is considered to have the most stable banking system so that is why it is used for many purposes around the world such as:

- a durable place for assets;
- a source of long-term reliability;
- the way to alleviate losses in times of other countries' crisis;
- a means to minimize taxation;
- other purposes.

Since 2009, the Swiss financial center has undergone a profound change. Switzerland has adopted international standards in tax compliance, including article 26 of the OECD model tax convention, several tax agreements and the Foreign Account Tax Compliance Act (FATCA), and it has agreed to adopt the new OECD Common Reporting Standard based on the principle of automatic exchange of information [4].

The average Swiss resident has personal net assets of CHF 185,000, which rises to total assets of CHF 412,000 when net real estate value is taken into consideration. Switzerland is at the top in terms of income as well. The dual educational system has helped keep income distribution in Switzerland relatively equal compared

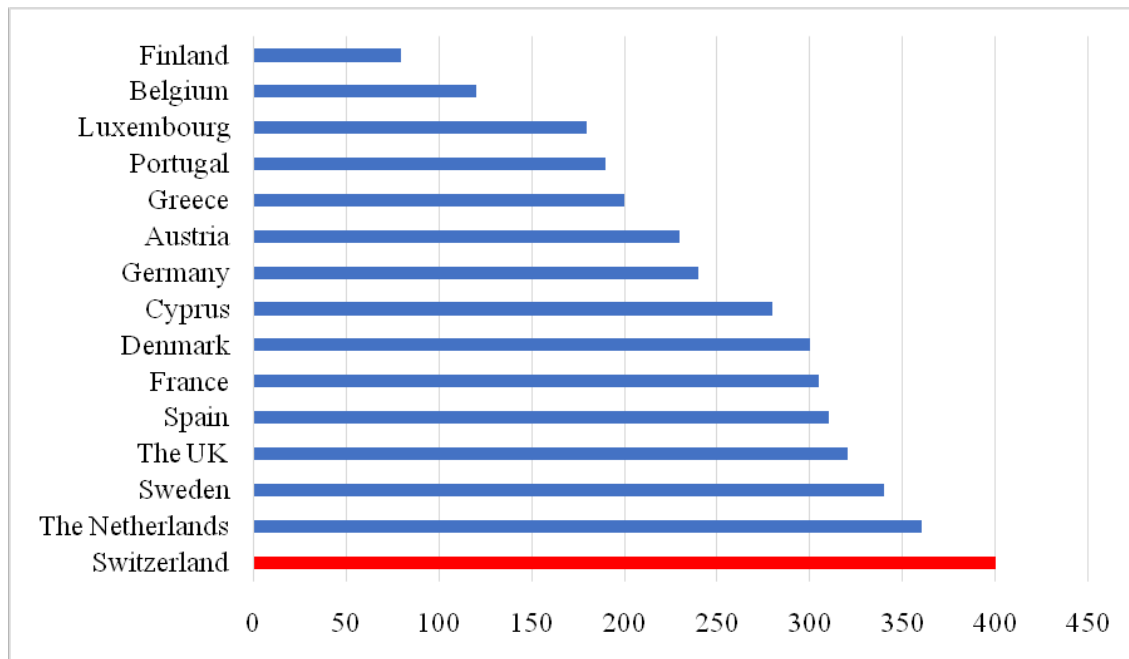
with other OECD countries. In addition, this income makes it possible for people in Switzerland to purchase the most goods and services on an inter national comparison [6].

However, Zurich is the largest city in Switzerland and one of the world's principal financial centers, as well as being renowned as one of the richest and cleanest cities in the world. The city of Zurich is home to a large proportion of banks and financial institutions along with being a leading global city.

The financial sector contributes to Switzerland's ability to innovate by facilitating access to innovation capital. In comparison with other European countries, Switzerland provides the second-largest amount of risk capital in terms of GDP to start-ups. The Swiss Finance Institute, which is supported by the financial sector and Swiss universities, makes an important contribution to top research and teaching in the area of business and finance.

A financial system that works effectively is an integral part of a flourishing economy. Companies in Switzerland benefit from a comprehensive supply of credit at low interest rates. The small and medium-sized enterprises (SME) segment accounts for around 90% of all corporate lending, even though only about one-third of SMEs have taken out a loan. Overall, 37% of secured loans and 29% of unsecured loans are granted by major banks. In addition, the major banks execute the majority of capital market transactions of Swiss companies. Almost 70% of SMEs and almost all large international companies rely on the services provided by the major banks [6].

Banking has played a dominant role in the Swiss economy for two centuries. Banks are key participants in the financial markets and act as intermediaries between capital providers and capital seekers. One important strength of the major Swiss banks is their strong international focus and integration. Switzerland's two major banks are present with branches and subsidiaries in over 50 countries and in all of the world's key financial centers. UBS (UnionediBancheSvizzere) is able to provide every client worldwide with a wide range of services, including payments, currencies, securities, loans and export finance [2].



Source: [5]

Figure 1. Large bank assets in countries in 2018.

Swiss banks are the first biggest in Europe as compared to other countries. Therefore, Switzerland continues being the most reliable country for investors all over the world. The systemic nature of the Swedish financial sector raises expectations for the quality of the financial sector policy framework and financial safety nets.

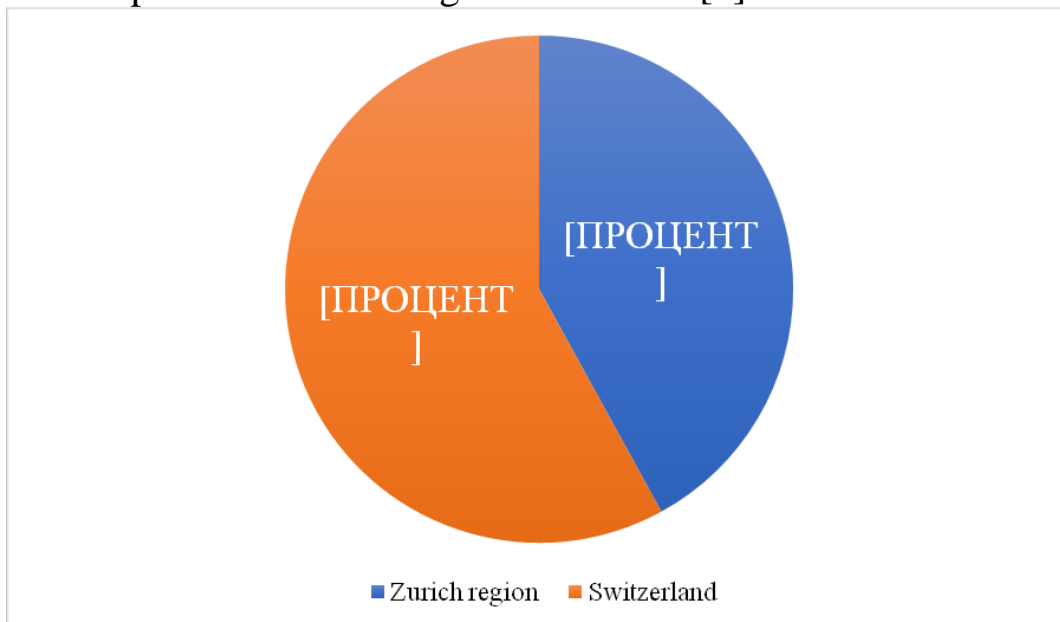
Over the years, a wide range of banking groups have established themselves in the Swiss financial center. The Swiss banking sector is characterized by a variety of institutions with different business models and a broad range of services. This diversity promotes strong competition, which ensures attractive client conditions such as cheap financing costs. The Swiss financial sector, with its banks, insurance companies, pension funds and other financial service providers, is also well diversified by international comparison.

More than 120,000 Swiss companies have a business relationship with UBS; these include over 90% of the country's 250 biggest firms. UBS provides each client group with the appropriate solutions for payments, foreign currencies, securities, loans and

export financing, coupled with specialist advice on succession planning, restructuring and takeovers as well as innovative broker platforms such as UBS Atrium for mortgages. In addition, UBS numbers among its clients around 70% of the approximately 260 banks domiciled in Switzerland and 75% of the 100 largest pension funds, offering them a wide range of services [1].

UBS employs more than a third of its roughly 60,000 employees in Switzerland and is the third largest private employer in the country. With some 1,800 training positions, UBS offers opportunities for those entering the workforce. Each year, approximately 75% of apprentices stay with UBS after finishing [7].

UBS attaches great importance to training and education. Employees in Switzerland completed a total of more than 176,600 training units in 2016. Moreover, UBS is confirming its commitment to Switzerland as a business and employment location with its new UBS Business Solutions Centers in Schaffhausen (2017) and Biel (end of 2018). Further evidence of this commitment is the fact that, of the around 21,000 employees in this country, just about half work in Group functions for the global business [7].

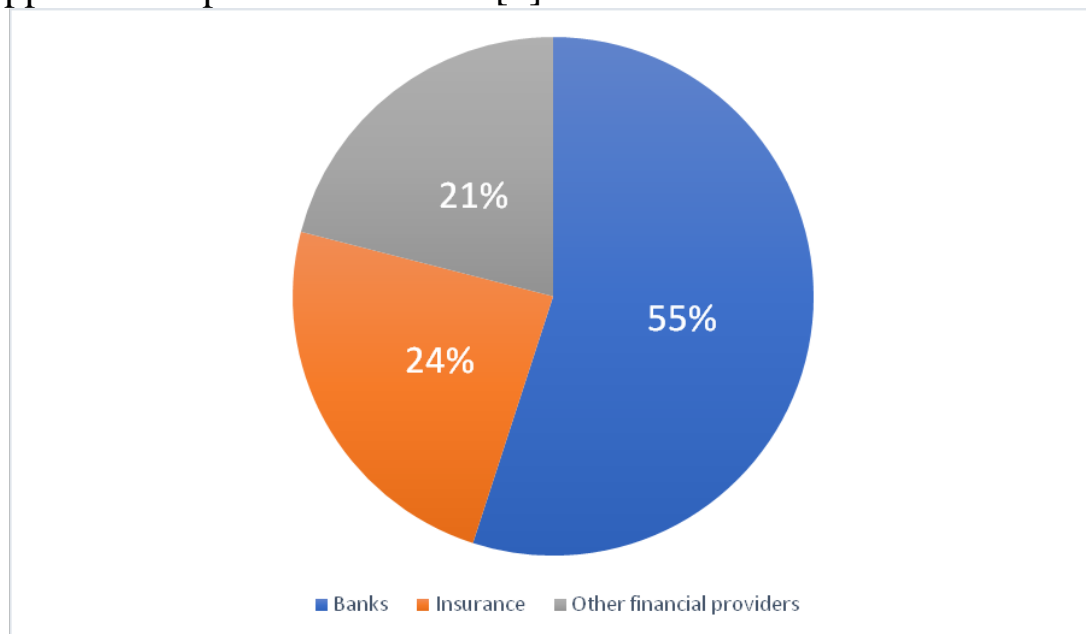


Source: [6]

Figure 2. Employment in the banking sector in Switzerland in 2018



What is more, the Swiss financial sector employs more than 255,000 people directly and generates around 250,000 jobs indirectly. Combined, these 505,000 jobs account for around 14% of all employees in Switzerland. At the same time, banks are also looking to develop young talent and are currently training some 3,500 young people, which corresponds to 12% of all commercial apprenticeships in Switzerland [6].



Source: [6]

Figure 3. Employment in the financial sector in Switzerland in 2018

The figure 3 presents that banking is the biggest financial area of Switzerland. The second biggest financial provider is insurance that boils down to sustainable country's economic development.

Although Switzerland does not always get appropriate attention as a global FinTech hub, that doesn't change the fact that the country has one of the most advanced economies, startup ecosystems and forward-thinking and effective governments in the world to support innovation. In fact, the Global Innovation Index 2018 puts Switzerland at the first place, holding the top position for the sixth consecutive year. Likewise, the country is also at the top position in the Global Competitiveness Index 2017–2018 [3].

Financial institutions in Switzerland are also contributing to its leading position on the global FinTech map. In March, two largest Swiss banks UBS and Credit Suisse, Switzerland's leading ICT provider Swisscom, the provider of comprehensive retirement provisions and financial solutions Swiss Life and the global consultancy firm EY announced their joint venture aimed to put Switzerland on the map as one of the world's leading locations for establishing a FinTech startup [2].

Therefore, along with being one of the most efficiently regulated and supervised financial centers in the world, Switzerland is trying to emerge as a fin tech hub.

**C o n c l u s i o n .** Switzerland is a leading financial center in the modern world economy. Bank clients all over the world continue to rely on Swiss banking and this explains why, in a time of great uncertainty and multiple risks, the Swiss financial sector has maintained its world-leading position in wealth management. UBS has been an integral part of Switzerland for over 150 years. Furthermore, Switzerland's stability has helped UBS become the world's largest wealth manager. Nowadays it is working on forming a world fintech hub. Not only does UBS benefit from this stability, but the bank also helps to create a stable country.

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## REGIONAL ECONOMIC ORGANIZATIONS IN THE UNITED NATIONS

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**Pavlenko V. S., Zmiyova I. V. Regional Economic Organizations in the United Nations.** This article examines the process of regionalization in international relations, which is reflected in the completion of the structure of regional bodies of the United Nations, commissions for the development of regions. International organizations undertake many coordination tasks, spanning wide range of interests, problems of states, social groups, as well as individual citizens. Using the experience of international organizations allows countries to see the prospects of their social and economic development, to assess their security in various fields: energy, economic and others.

**Keywords:** areas of activity, cooperation, international relations, organization, regional commissions, security.

**Павленко В. С., Змійова І. В. Регіональні економічні організації системи ООН.** В даній статті розглянуто процес регіоналізації міжнародних відносин, який знайшов відбиток в завершенні побудови структури регіональних органів ООН, комісій з розвитку регіонів. Міжнародні організації беруть на себе багато координаційних завдань, охоплюють широкий спектр інтересів, проблем держав, суспільних груп, а також окремих громадян. Використання досвіду міжнародних організацій дає змогу країнам побачити перспективи свого соціального і економічного розвитку, надати оцінку своїй безпеці в різних сферах: енергетичній, економічній та інших.

**Ключові слова:** безпека, міжнародні відносини, організація, регіональні спрямування, сфера діяльності, співпраця.

**Павленко В. С., Змиёва И. В. Региональные экономические организации системы ООН.** В данной статье раскрыт процесс регионализации международных отношений, который нашел свое место при завершении построения структуры региональных органов ООН, комиссий по развитию регионов. Международные организации принимают на себя много координационных задач, охватывающих широкий спектр интересов, проблем государств, общественных групп, а также отдельных граждан. Использование опыта международных организаций позволяет странам увидеть перспективы своего социального и экономического развития, дать оценку своей безопасности в различных сферах: энергетической, экономической и других.

**Ключевые слова:** безопасность, международные отношения, организация, региональные направления, сотрудничество, сфера деятельности.

The actual value of the study lies in the fact that the UN Economic Commissions, as the main global economic organizations in the UN structural and functional system has great impact on the world economy. The subject of the study is the activity of these international organizations in the frame of world economy.

The purpose is a detailed study of international organizations, the impact of global organizations on the global economy.

Under the jurisdiction of the UN Economic and Social Council (ECOSOC), there are five regional commissions:

1. Economic Commission for Europe (ECE) established on 28 March 1947 is composed of 56 Member States;

2. Economic and Social Commission for Asia and the Pacific (ESCAP) established on 28 March 1947 is composed of 53 Member States;

3. Economic Commission for Africa (ECA) established in 1958 is composed of 54 Member States;

4. Economic Commission for Latin America and the Caribbean (ECLAC) established on 25 February 1948 includes 46 Member States and 13 associate members which are various non-independent territories;

5. Economic and Social Commission for West Asia (ESCWA) established on 9 August 1973 is composed of 18 Member States, all from the North Africa and Middle East regions.

Since each commission has its own objectives and projects, it is necessary to consider each of them more closely.

The main objectives of ECE include:

1. The strategic participation of all members in external cooperation; the development of international legal documents on trade practices and measure for their implementation; the removal of trade barriers; application of standards for electronic data exchange in trade, scientific and industrial cooperation;

2. Cooperation in the field of transportation system, which includes coordination of rail, road and water transport through the activities of the Transport Committee. The Committee and the working groups have developed 50 agreements of various types (the road signs and signals, the carriage of especially dangerous goods, the Customs Convention on International Carriage, etc.);

3. Implementation of investment projects;

4. Regulation of environmental protection [3].

ESCAP's mandate was broadened in 1977 by the General Assembly. The regional commissions have since then been the main UN economic and social development centres within the five different regions. Strengthened by 50 years of experience as a regional think-tank, ESCAP's activities are more and more concentrated on spreading the growth momentum from its more dynamic member countries to the rest of the region. Being the biggest regional commission in the UN, ESCAP covers the territory with 3.8 billion people – it is around 60% of the total population. As the result, the ultimate challenge lies in bringing the region's 680 million poor into the economic mainstream, enabling everybody to achieve a better standard of life as envisaged in the Charter of the United Nations. ESCAP members (with the right to vote) are 53 countries, including the Russian Federation and 7 SIC countries (Azerbaijan, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan). Four countries, such as the United Kingdom, the Netherlands, the United States and France are non-regional members. The nine countries and territories of the Pacific Rim that have not reached the level of political autonomy are members of the Commission as associate members with advisory powers [4].

ECA's mandate is to promote the economic and social development of its member States, foster intra-regional integration, and promote international cooperation for Africa's development. Made up of 54 member States, and playing a dual role as a regional arm of the UN and as a key component of the African institutional landscape, ECA is well positioned to make unique contributions to address the Continent's development challenges.

ECLAC was established in 1948 as the UN Economic Commission for Latin America, or UNECLA. In 1984, a resolution was passed to include the countries of the Caribbean in the name. ECLAC cooperates with international, national and regional organizations to provide the agriculture development; economic and social planning; introduction of modern technology in the field of industry; international trade and integration of local enterprises; investments and redirection of cash flows to the growth of local production; social development and equality; protection of the environment and settlements; demography statistics and population policy [2].

The Commission was first established by the Economic and Social Council on 9 August 1973 as the United Nations Economic Commission for Western Asia (ECWA). The Commission was the successor to the United Nations Economic and Social Office in Beirut (UNESOB), which was absorbed into the framework of ECWA. Its main mandate was to "initiate and participate in measures for facilitating concerted action for the economic reconstruction and development of Western Asia." On 26 July 1985, in recognition of the social component of its work, the Commission was renamed to the United Nations Economic and Social Commission for Western Asia (ESCWA) by the Economic and Social Council. ESCWA's mission and objective:

1. Promoting the economic development, cooperation and integration of Western Asian countries;
2. Building peace and prosperity throughout this region in cooperation with the neighboring countries;
3. Providing expert and advisory assistance to member States in order to ensure sustainable economic and social development.

The main activities of ESCWA:

1. Developing the cooperation programs in the following fields of economy: agricultural markets, environmental protection, industrial development, international trade, expansion of natural resources, science and technology, improvement of transport and communication;

2. Promoting economic and social development programs: resolution of social and political problems, integration of regional economies into the global changes, control of demographic issues, public administration methods, social protection and safety, standards of living;

3. Implementation of projects and acts to ensure and control cooperation among Member States;

4. Collection, evaluation and dissemination of economic and statistical information;

5. Cooperation with relevant regional, national and international organizations in order to assist in the performance of functions in relation to the resolution of economic problems, including the provision of technical assistance [1] .

Having considered each organization separately by its main goals and spheres of activity, regard the economic aspect of cooperation.

*Table 1*

**Macroeconomic indicators  
of the UN commissions for 2018**

	Population	GDP (PPP), million US dollar	Balance of trade, million US dollar	Foreign Trade Turnover, million US dollar
The United Nations Economic Commission for Europe (ECE)	1,268,044,223	51,462,281.00	410,020,035.00	29,511,791.00
The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)	4,533,036,000	29,606,838.10	694,043.90	17,209,771.00
The United Nations Economic Commission for Africa (ECA)	1,128,372,109	2,204,918.00	26,408,316.00	-

The United Nations Economic Commission for Latin America and the Caribbean (ECLAC)	645,891,000	5,610,829.40	2,276,711.10	-26,552.90
The United Nations Economic and Social Commission for West Asia (ESCWA)	337,292,555	6,170,206.00	296,502.00	1,971,224.00

*The table is compiled by the author*

According to the results obtained, it is clear that The United Nations is the foundation of international relations, where each member contributes to global economic development. Regarding the total GDP per region, the regions can be divided into the more and less developed. It may also be noted that the Latin American Economic Commission has a negative foreign trade turnover, and the African Economic Commission has a negative trade balance.

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## UKRAINIAN IT SERVICES MARKET AS A BASIS FOR ECONOMIC GROWTH

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**Pavliuk D. F., Kosov I. A., Oliynyk N. A. Ukrainian IT services market as a basis for economic growth.** The article focuses on analyzing the market of IT services of Ukraine as a basis for its economic growth. There are certain factors affecting the development of the domestic market of IT services and making it the most promising sector of the economy in terms of the economic development of the country.

**Keywords:** export of technologies, information industry, IT industry, IT products, IT specialists, IT services.

**Павлюк Д. Ф., Косов І. О., Олійник Н. А. Ринок ІТ-послуг України як основа економічного росту країни.** Стаття присвячена аналізу ринку ІТ-послуг України як основи його економічного зростання. Існують певні чинники, що впливають на розвиток внутрішнього ринку ІТ-послуг і роблять його найбільш перспективним сектором економіки з точки зору економічного розвитку країни.

**Ключові слова:** експорт технологій, інформаційна індустрія, ІТ-галузь, ІТ послуги, ІТ-продукт, ІТ-фахівці.

**Павлюк Д. Ф., Косов І. А., Олейник Н. А. Рынок ИТ-услуг Украины как основа экономического роста страны.** Статья посвящена анализу рынка ИТ-услуг Украины как основы его экономического роста. Существуют определенные факторы, которые влияют на развитие внутреннего рынка ИТ-услуг и делают его наиболее перспективным сектором экономики с точки зрения экономического развития страны.

**Ключевые слова:** информационная индустрия, ИТ-отрасль, ИТ-продукт, ИТ-специалисты, ИТ услуги, экспорт технологий.

Nowadays, the policy of Ukraine is aimed at stabilizing and increasing the rate of economic growth of the country in order to restore the country's trade balance, improve the quality of products provided, and increase sales in foreign markets. This and the fact that IT services market is rapidly developing justify the r e l e v a n c e of the article and its p u r p o s e which is to research and analyze the

market of IT services as the basis for economic growth, indicate the possible participation of the state in the IT sector and identify all factors that will help to reach a new level of the IT industry in the Ukrainian economy. The subject of this study is the Ukrainian market for IT services and the object is technology, services and specialists in the IT market of Ukraine.

One of the fastest growing areas in the economy of Ukraine worldwide is the IT services market. This industry has all the necessary characteristics that can help achieve the country's goals. Products manufactured in this market have a high margin, basically all services are provided to the foreign market, which contributes to the influx of foreign capital. Also, the level of IT education in our country make it possible for our specialists to create competitive products.

The expediency of developing the IT sector in Ukraine is also justified by the fact that the financial investments spent on setting up companies in mining, aerospace, metallurgy and other sectors of the economy, cannot be compared with the investments needed for the IT sector. Also, it is possible to provide a large number of people with workplaces (programmers, system administrators, general workers). These steps will lead to an increase in contributions to the state budget and, as a consequence, the development of the entire economy as a whole. The main market for IT services is located abroad and due to the relatively low level of remuneration in Ukraine, the demand for this product is only growing. Moreover, IT is one of the few industries affected neither by the economic crisis nor the devaluation of the Ukrainian currency.

Now, studying the current state of the economy of the country, we cannot fail to note the influence of the IT sector on the total market share. Every year this niche is growing rapidly. Therefore, right now it is necessary to devote a lot of attention for developing the IT market in Ukraine [1; 2]. According to the international classification IT services include the following [10]: support services (hardware and software support services); professional services (consulting, development and integration services; information

technology management services; business process management services).

Referring to the statistics on the IT services market, it can be concluded that since 1996 the demand for these products has been growing. Even the global crisis of 2008 and the next few years had only slightly slowed down the growth of this industry which means that the IT market is young and can show incredible results.

So far in IT outsourcing, Ukraine is only second to India with \$ 2.5 billion annually but next year, further development of the export of IT services and innovations is expected. According to industry forecasts, by 2020 there will be about 240 thousand IT specialists in Ukraine. Such rapid growth can be explained by the promising, prestigious and dynamic character of the IT sector in Ukraine. There are also certain advantages in terms of the working environment – from access to advanced technologies to flexible working hours in most offices.

The merging of the functions of IT service providers, consulting companies and equipment developers is a current trend in the development of the IT services market. One of the best examples here is Silicon Valley, which consists basically of units developing clusters and which is used as a model for the entire system of the global economy. The latter is dependent on the market in question, as evidenced by this integration method of growth.

Today, Ukraine has all the possible means for the successful growth and development of the information technology industry: an independent sector of the national economy has been created, which consists of local clusters, which includes outsourcing, independent production and research centers [2].

If we consider the macroeconomic level, the potential of our country is very large. We have political will for decisive and progressive changes, a high level of qualification of IT specialists, as well as support in the form of investments from leading economies of the world. [2]. Moreover, there are opportunities to overcome the problems of progressive companies and investors entering our domestic market, namely our tax system, high level of corruption and

piracy in IT activities. It should be noted that one of the main issues of paramount importance is the creation of research centers for the development of IT infrastructure and the improvement of the education system of IT specialists [8; 7].

To sum up, the IT services market is one of the most promising and fast developing segments of the global economy which requires less time and money in comparison with the traditional markets of the economy of most countries which is the key factor for the development and influx of money. Most companies in this sector have low production costs, but high added value. In addition, the growth rate of profits in the international IT services market is much higher than the world GDP, so this market is suggested to be an accelerator of the country's economy by bringing enough profit to invest in the traditional sectors of the economy of Ukraine such as manufacturing.

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## ROLE OF DIPLOMACY WITHIN GLOBALIZATION

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**Piun M. N., Davydenko I. V. Role of diplomacy within globalization.**

The article deals with the peculiarities of the formation of diplomatic activity in the modern world. The main focus is on the increased role and importance of diplomacy in solving global problems. The article studies contemporary problems of international relations.

**Keywords:** conflict resolution, diplomacy, diplomatic activity, diplomacy functions, globalization.

**Пиун М. М., Давиденко І. В. Роль дипломатії в умовах глобалізації.**

У статті розглянуто особливості становлення дипломатичної діяльності в сучасному світі в умовах глобалізації. Основна увага приділяється підвищенню ролі та значення дипломатії у вирішенні глобальних проблем. Велика увага приділяється також сучасним проблемам міжнародних відносин.

**Ключові слова:** врегулювання конфліктів, глобалізація, дипломатія, дипломатична діяльність, функції дипломатії.

**Пиун М. Н., Давыденко И. В. Роль дипломатии в условиях глобализации.** В статье рассмотрены особенности становления дипломатической деятельности в современности мире в условиях глобализации. Основное внимание уделяется повышению роли и значения дипломатии в решении мировых проблем. Большое внимание обращено также современным проблемам международных отношений.

**Ключевые слова:** глобализация, дипломатия, дипломатическая деятельность, функции дипломатии, урегулирование конфликтов.

The o b j e c t of the article is the diplomacy. The s u b j e c t of the article is the role of diplomacy within the globalization. The p u r p o s e of the article is to disclose the features of diplomatic activities and the role of diplomacy in order to understand key challenges of the modern world.

The influence of revolutionary changes in the political, economic and communicative environment has transformed diplomacy itself: the leisurely approach was replaced with a more

active, focused, dynamic style. In general, modern life sets a higher pace, and state diplomacy has to keep up with the rapidly changing realities and technologies.

Despite the change in diplomacy, some of its basic functions will remain in the present century. Such functions of diplomacy are the following: explaining state policy in the host country, drawing up reports and assessments, supporting trade, multilateral diplomacy, coordinating the interests of various organizations, supporting bilateral friendly relations, representative functions, and managing in a rapidly changing environment. situations, assistance in maintaining international norms and systems, etc.

In the XXI century the main tasks of foreign bodies of foreign relations will be the same – the political insight and the correct assessment of the views of others, protection of the interests of their own country. The main factor of the XXI century which has already had an ever-increasing influence on diplomacy, is globalization [3].

Today, globalization is confidently becoming the mainstream of planetary development, and we are all direct participants of a kind of a civilized explosion, covering, in fact, all spheres of human life and activity. The process of globalization has given rise to completely new problems that will have to be resolved by the efforts of external relations bodies, including foreign ones.

On the one hand, previously unthinkable opportunities have appeared for rapid progress on the road to building a new world order based on equal security, joint responsibility and cooperation of all states. It would seem that the decades of nuclear confrontation and global confrontation [1] are being replaced by the era of real disarmament, strategic stability and constructive partnership.

On the other hand, mankind often does not keep pace with the course of events, does not have any worked out mechanisms to counter modern challenges, which carry the destructive force of international stability. Among these threats there are inter-ethnic and religious conflicts [1], international terrorism and violent separatism, as well as illegal trafficking of weapons and drugs. The means of control, coordination, and management that have been created at the

national level for centuries are clearly losing their effectiveness in the globalizing world. In a certain sense, globalization has focused all the contradictions and conflicts of our time [4]. Recently, a whole range of technologies has been developed that contribute to the peaceful resolution of conflicts and related to their prevention (conflict prevention), as well as post-conflict construction [2].

Intergovernmental and international organizations, in particular, the OSCE, the Council of Europe, the OIC, NATO and others began to pay more attention to these issues. However, conflicts do not fade away, but take on new forms. The most important role in conflict resolution has always been played by an external factor. Countries at the regional level felt this to a large extent and often formed foreign policy priorities under the influence of this particular factor. According to many researchers [4], diplomacy in the current century will face a number of global challenges. The first is to correctly understand the essence of the problems that have arisen (globalization, a rapid change in the situation, the blurring of the border between internal and external problems) and to develop the correct approach to solving them. The second is mastering orientation skills in a changing information environment. Foreign ministries need to learn how to manage and use information flows. Embassies must learn to perform new functions: are they simply information transfer points, listening posts, or integrators of various interests. The third is the need for public diplomacy: ministries of foreign affairs and embassies need to maintain contact with the public, give them explanations, and seek public support and consensus in their own country and abroad [4].

The negotiation process is of particular importance within the framework of multilateral diplomacy. The Consensus Building Institute (a not-for-profit private organization in Massachusetts, USA) developed the notorious theory of "parallel international negotiations." The negotiations parallel to the official ones were attended by both heads of government delegations and leaders of relevant non-governmental organizations. They got the opportunity to meet in an informal setting, allowing carrying out what is usually



very difficult to do at the meetings of the forum, that is, to conduct a free discussion and conduct a “brainstorm”. A survey of negotiators showed that everyone was very satisfied with the outcome of the meetings, which greatly facilitated the achievement of agreements in the official rounds. It follows that the path to universal sustainable development, the resolution of confessional and ethnic conflicts lies through a global dialogue, based on the adoption of the principles of justice and human rights, tolerance and a culture of peace [2–4].

At all times, diplomacy, regardless of its historical model, was called upon to serve as the most effective tool for such a dialogue. First of all, in this role, the diplomatic service will retain its lasting importance.

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**INFORMATION POLICY:  
GLOBAL ISSUES AND OPPORTUNITIES  
FOR ENGAGEMENT**

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**Plisak K. S., Davydenko I. V. Information policy: Global issues and opportunities for engagement.** The article provides the review of contemporary scholarly research and analysis of significant information policy. The main focus is on interpretation of the term information policy with the understanding that its meaning and parameters may evolve in a rapidly changing society.

**Key words:** globalization, information, information technologies, interdisciplinarity, media, policy, society.

**Плісак К. С., Давиденко І. В. Інформаційна політика: глобальні проблеми та можливості взаємодії.** У статті здійснюється огляд сучасних наукових досліджень та аналіз інформаційної політики а її значущості. Найбільша увага приділена тлумаченню терміна інформаційна політика з розумінням того, що її значення та параметри можуть розвиватися (еволюціонувати) у суспільстві, що швидко змінюється.

**Ключові слова:** глобалізація, ЗМІ, інформаційні технології, інформація, міждисциплінарність, політика, суспільство.

**Плісак Е. С., Дивыденко И. В. Информационная политика: глобальные проблемы и возможности взаимодействия.** В статье осуществляется обзор современных научных исследований и анализ информационной политики и её значимости. Наибольшее внимание уделено толкованию термина информационная политика с пониманием того, что её значение и параметры могут развиваться (эволюционировать) в обществе, что быстро меняется.

**Ключевые слова:** глобализация, информационные технологии, информация, междисциплинарность, общество, политика, СМИ.

The object of the article is the information policy. The subject of the article is the consideration and analysis of issues and methods of information policy influence. The purpose of the article is to study the definition, scope, and relevance of the concept of information policy, to identify the most problematic points, analyze the factors that form the problem, consider possible solutions.

Information policy is a term used to describe a set of interrelated principles, laws, guidelines, rules and regulations, directives, procedures, judgments, interpretations, and practices that guide the creation, management, access, and use of information. Information policy can be set at a national level, by the government; by state and local governments; and by other agencies and institutions. No single authority or corpus of statutory or administrative law describes and coordinates information policy. Only recently information policy has been recognized for its importance in shaping the evolution of societies.

Information policy emerged as a result of the unprecedented access to information that the Internet afforded. It encompasses the laws, regulations, doctrinal positions, and other societal decisions related to the creation, processing, flows, access, and use of information. It can include many issues, such as ICTs; information access, retrieval, and use; data protection; privacy; secrecy, security, veracity, and transparency of government records; freedom of information legislation; information management; copyright; intellectual property; and e-government. It evolved from issues encountered by many different sectors, it is complex and multi-dimensional, involving the fields of technology, communications, law, government, medicine, education, business, and economics. Information policies can facilitate access to and use of information or they can restrict it [1].

In spite of a forceful undertow of erudite scepticism, there has been a growing appreciation of the importance of information policy as both a field of scholarly interest and a public policy preoccupation. It is not difficult to see why this should be the case.

Information policy is an important public policy area for a number of reasons. It:

- has a profound impact on the creation, production, collection, management, distribution, retrieval, and access to both government and other information;
- affects the very manner in which an individual and society at large make political, economic, and social choices;
- governs or regulates how such institutions as libraries manage, organize, retrieve, and use information;

- can create advantages and disadvantages for different types of individuals or commercial organizations in different settings;
- affects the deployment, use, and application of information technologies.

An information policy instrument is a written law, guideline, regulation, or other official statement that describes how information will be collected, managed, protected, accessed, and used.

Before moving on, however, some more information must be said about media and communication studies. A curious feature of most academic works published so far under the information policy rubric are the paucity of references to the mass media.

Collaborative work has occasionally contemplated rapprochement. For example, Schement and Curtis define information policy as ‘all policies relating to the allocation of resources for purposes of institutionalizing information and for providing access to channels of communication’. They register the affinity between information and communication policy, although they decide in favour of the former [3].

But, if so, is an immediate conflation of the information policy and media policy a feasible step? Moreover, to converge at the theoretical level could simply play into the hands of the private sector interests that stand to gain most from further blurring the lines between information and entertainment. Information policy should work hard to maintain its niche in ‘hard’ information in contradistinction to ‘soft’ media flows.

Perhaps the most important characteristic of information policy for the future will be open-endedness, an ability to evolve in its own way without being restricted by any of the traditional disciplines upon which it calls.

Access to information is not ubiquitous and access alone does not ensure that people can effectively find and use information. The concepts of “digital divide” and “information poverty” persist. Policies, laws, and regulation related to information vary considerably from one nation to other, and even within nations. Policies may be inconsistent; over-regulated; or completely lacking. Policies generally

develop as needed, or as problems arise, rather than in a coordinated, cohesive manner with all major stakeholders participating in the decision-making [2].

There are advantages and disadvantages to information policy as a means to address global challenges. These are some of the positive aspects of information policy:

- Information policy can provide a consistent, coordinated, long-term strategic approach to issues of technological access by all; creation and support for freely available information resources; and training in how to effectively find, use, and communicate information [4],
- Information policy can be developed through a consensus process by involving all stakeholders, which will increase the likelihood of implementation and sustainability,
- Established goals for information policy can include realistic financial strategies,
- Information policy can include processes for accountability to ensure that goals are met.

These are some of the negative aspects of information policy:

- Information policy is not usually an end in itself but supports other initiatives,
- Government assistance can motivate success, but can hamper private investment or healthy competitiveness. Lending and subsidies can create dependencies on government funding and expectations of continued funding,
- There is the potential for corruption. Official corruption is more difficult when there is little or no engagement between the government and industry. There are conflicts of interest when governments are closely connected with IT companies,
- Some governments do not favor unrestricted global information access and dissemination,
- Governments can use information policy for political ends, such as hindering communication and discussion of administrative actions, protecting private interests, and increasing public fear,
- Partisanship can influence public opinion and acceptance of information policy,

- Changes in high-ranking government personnel can dramatically change information policies.

**C o n c l u s i o n .** Policies, laws, standards, and regulations related to information vary considerably from one nation to another. Inconsistency in policies, over-regulation, and lack of policy exist because they are being developed independently. Inevitably, the question of how to define information itself arises. A review of the hundreds of definitions of information that have been put forward states that they fall into six types: information as a resource, commodity, perception of pattern, basin of possibility, agent, and constitutive force within any society. Each of them represents a different way of thinking of such matters as the relations between information and knowledge.

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## THE INDICATORS OF THE FINANCIAL STATE IN A VALUE DRIVER TREE OF AN ENTERPRISE

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**Pochueva A. V., Kasianova V. G. The indicators of the financial state in a value driver tree of an enterprise.** In the article there are described current ways of using value driver tree as a way to influence the indicators of the financial state of a company. There is identified how the tree of value drivers is useful to increase the efficiency of a company by combining decomposed value drivers into key performance indicators.

**Keyword:** value driver tree, financial state, to increase the efficiency of a company, key performance indicators.

**Почуєва А. В., Касьянова В. Г. Індикатори фінансового стану у дереві факторів підприємства.** У статті розглянуто способи використання дерева факторів як елементу впливу на показники фінансового стану компанії. Визначено можливості використання дерева факторів для збільшення ефективності роботи компанії шляхом поєднання драйверів цінності, що надано у ключових показниках ефективності.

**Ключові слова:** дерево факторів, фінансовий стан, збільшення ефективності роботи компанії, ключові показники ефективності.

**Почуева А. В., Касьянова В. Г. Индикаторы фінансового состояния на дереве факторов предприятия.** В статье рассмотрены способы использования дерева факторов как элемента влияния на показатели финансового состояния компании. Определены возможности использования дерева факторов для повышения эффективности работы компании путем объединения драйверов ценности, которые декомпозируются в ключевых показателях эффективности.

**Ключевые слова:** дерево факторов, финансовое состояние, повышение эффективности работы компании, ключевые показатели эффективности.

Nowadays the problem of increasing efficiency of a company performance is correlated with the urgent needs to find adequate key indicators to assess financial status of a company with definite

methods and models and afterwards to find other methods to improve that status. The value driver model is a way of visualizing and analyzing the flow of value from one part of a particular organization to another, regardless of an industry. Based on the purpose of the study, we have set the following objectives: to explore the diversity of models; to identify the advantages, disadvantages and possibilities of applying value tree drivers to an enterprise assessment, that is to assess its financial status. Such status of an enterprise is one of the important elements in the management system and the adoption of various business decisions. It is of interest to investors, lenders, suppliers of logistics, government agencies and production managers [1] of solving this problem.

Among the scholars who considered the theoretical and practical aspects analysis and the search for effective financial solutions using the tree of factor estimation are C. Tian, A. Rappaport, M. Meier, W. Sinzig, P. Mertens, R. Brandenburg, Akkiraju and R. Zhou, I. Herman, G. Melancheon, and M. S. Marshall. Also it is important to emphasize the impact of those scientists as A. Kerren, H. C. Purchase, and M. O. Ward. They consider that one of the important financial tasks at an enterprise is to make the system of evaluation, analysis and decision making simpler, more convenient and technologically efficient. The decision tree is a good example for that purpose. According to A. Rappaport [1], who was the first to highlight this topic in literature in 1986, business value depends on the seven value drivers: sales growth rate, operating profit margin, income tax rate, working capital investment, fixed capital investment, cost of capital, and forecast duration. While these drivers are critical in determining the value of any business, they are too broad. To be useful for many operating decision is needed establish for each business the micro value drivers that influence the seven financial or macro value drivers [2]. Accordingly, relying on [3], we can generalize the main key points which characterize and give further explanation of value drivers as a value-based phenomenon.



But this significant issue for the Ukrainian economy was not sufficiently studied. In corporate finance, value driver trees (VDTs) are used as an instrument in value-based management. Value-based management is a concept which enables to enhance the techniques through which corporate value is improved. An important part of VBM is a deep understanding of the performance variables that will actually create the value of the business, that is the key value drivers. Such an understanding is essential because an organization can not effect value directly. It is hard to deal with things that can influence: profitability, customer satisfactions, costs, capital expenditures, etc. Moreover, these are those drivers of value through which senior management understands the rest of the organization's performance [2]. Judging from the above mentioned we can enumerate the value drivers which are:

- those attributes that distinguish successful companies and set them apart;
- that reduce risks perceived in owning a business;
- that increase the prospect and likelihood of future growth;
- that create and drive sustainable value;
- that make a company more valuable than another;
- that enhance value and provide justification for a premium price [3].

Figure 1 demonstrates the tree of micro and macro value drivers which was elaborated by A. Rappaport and extended by the author regarding to the realities of Ukrainian enterprises and the aims that they set to their performance.

An assessment of these micro value drivers at the business unit level allows management to focus on those activities that maximize value and to eliminate costly investment of resources in activities that provide marginal or no potential for creating value [1]. Isolating these key micro value drivers enables management to target business unit operations that have the most significant value impact and those most easily controlled by management. A business unit value driver analysis is accomplished in three steps [1]:

- The first step is to develop a value driver "map" (value driver tree) of the business. This involves identifying the micro value drivers that impact sales growth, operating profit margins, and investment requirements.

- Armed with a better understanding of micro value driver relationships, the next step is to identify the drivers that have the greatest impact on value.
- The third step in the assessment of the value drivers is to isolate drivers that management can influence [2].

So, value driver trees (VDTs) are used to model (parts of) a business and visualize the calculation of a business's value drivers, i.e., key performance indicators measuring the value added by a company's business activities.

Originally, this type of representation was used in DuPont analysis (orig. DuPont-System of Financial Control) to evaluate a company's return on equity (ROE), its profitability on investment and growth. From this, the VDT has been extended to incorporate a whole range of analysis models to support decision making and understand the relationships and components that make up a business's revenue and profitability. As a result, these trees now make up an essential tool to allow the comprehension of a business as a system model.

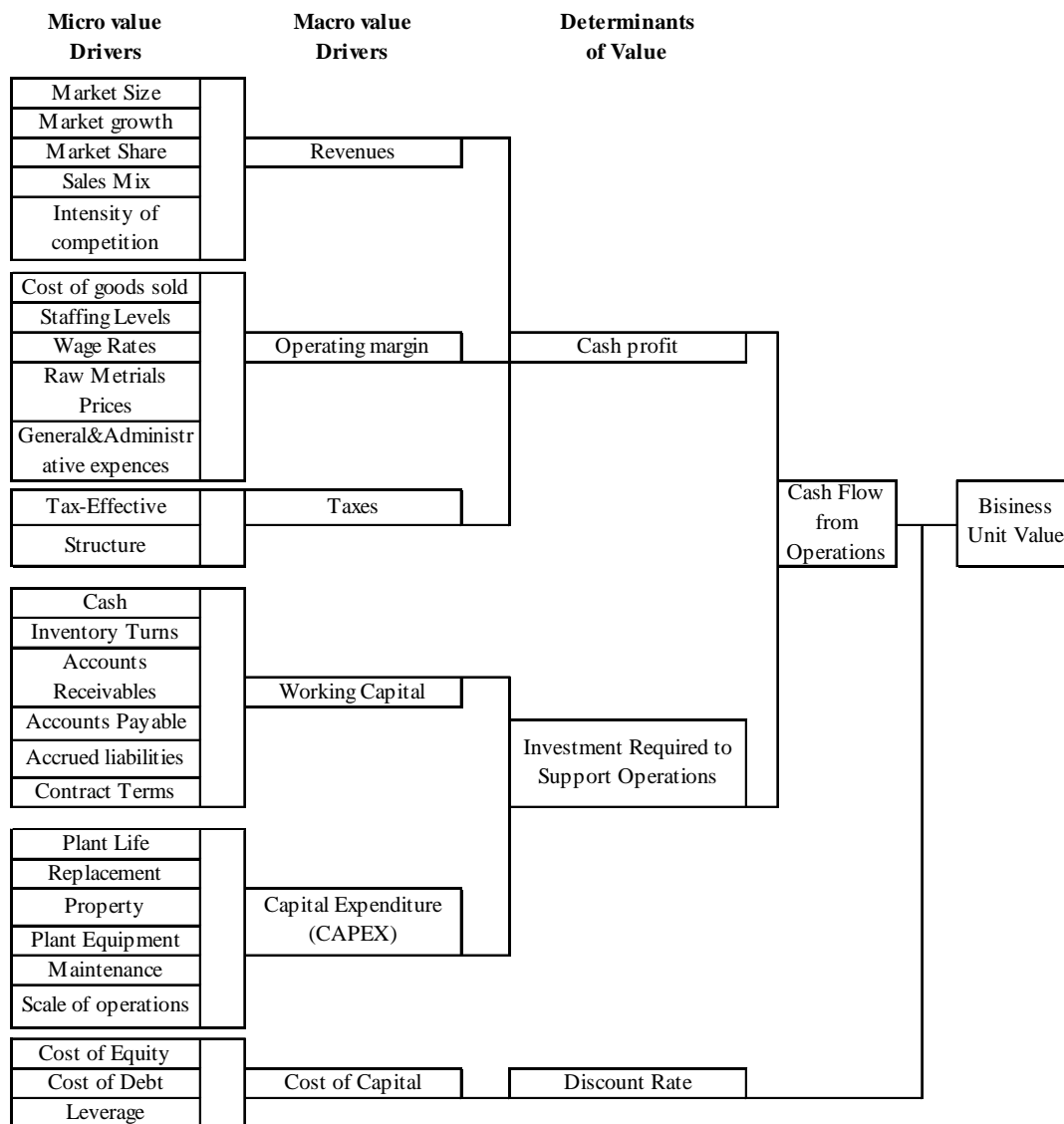


Figure 1. The tree of micro and macro value drivers

Based on the researches [4] we can resume the purposes of the VTD application:

- to identify where the biggest constraints are in an organisation ability to create value.
- in conjunction with sensitivity analysis to show which areas are at greatest risk for failing to deliver value.
- to value a range of different investment options to find the optimal combination for creating value.

- to provide transparency at the individual employee level to see how they contribute to the creation of value.
- To allow you to benchmark operations that were too different to compare through traditional benchmarking methodologies.

**C o n c l u s i o n .** To sum up, isolating these key micro value drivers enables management to target business unit operations that have the most significant value impact and those that are the most easily controlled by management. Building a VDT allows to focus on key management points of a company. The offered method of analysis includes the division of drivers according to the levels of influence on the value of an enterprise. An assessment of these micro and macro value drivers at business unit level allows management to focus on those activities that maximize value and eliminate costly investments of resources in activities that provide marginal or no potential value. Value driver analysis is a critical step in the search for strategic initiatives with the highest value-creation leverage. Value drivers of individual activities is a powerful means of understanding the true impact of decisions made on costs, production, and ultimately on value. It exposes the business logic and, even more importantly, integrates all individual disciplines, activities and variables across the full value chain so that the impact on value can be determined.

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## THE EFFECT OF TERRORISM ON TOURISM INDUSTRY

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**Podvoiska M. M., Litovchenko Y. M. The effect of terrorism on tourism industry.** The article highlights terrorism as an enigmatic and compelling phenomenon, and it shows that its relationship with tourism is complex and multifaceted. This article aims to clarify this relationship and examines the relationship between selected factors and tourists' decision-making process for destination choice. Tourists' risk perception associated with terrorism served as a basis for the analysis.

**Key words:** effects, fear, impacts, travel, tourism, terrorism.

**Подвойська М. М., Літовченко Я. М. Вплив тероризму на туризм та туристичну галузь.** Тероризм – загадкове та переконливе явище, а його зв'язок із туризмом є складним та багатограним. Ця стаття має на меті з'ясувати цей взаємозв'язок та вивчити взаємозв'язок між вибраними факторами та процесом прийняття рішень для туристів для вибору місця призначення. Основою для аналізу послужило сприйняття туристичних ризиків, пов'язане з тероризмом.

**Ключові слова:** вплив, наслідки, страх, подорожі, туризм, тероризм.

**Подвойская М.М., Литовченко Я.Н. Влияние терроризма на туризм и туристическую отрасль.** Терроризм – загадочное и убедительное явление, а его связь с туризмом является сложным и многогранным. Эта статья ставит целью выяснить эту взаимосвязь и изучить взаимосвязь между выбранными факторами и процессом принятия решений для туристов для выбора места назначения. Основой для анализа послужило восприятия туристических рисков, связанное с терроризмом.

**Ключевые слова:** влияние, путешествия, последствия, страх, туризм, тероризм.

The object of the article is tourism industry, whereas the subject is an impact of the terrorism on international tourism and image of the country. The aim of the research is to analyse and provide examples of the effects of terrorism on the travel and tourism industry.

International travel and tourism is a significant contributor to economic growth and development, with worldwide growth in international tourist arrivals outpacing national income growth one out of every two years over the past 30 years. The growth continues, one billion tourists have travelled the world in 2012, marking a new record for the international tourism sector that accounts for one in every 12 jobs and 30% of the world's services exports (WTO, 2013). Receipts from international tourism in destinations around the world grew by 4% in 2012 reaching US\$ 1,075 billion. This growth is equal to a 4% increase in international tourist arrivals over the previous year which reached 1,035 million in 2012. An additional US\$ 219 billion was recorded in receipts from international passenger transport, bringing total exports generated by international tourism in 2012 to US\$ 1.3 trillion (WTO, 2013).

For many developing countries, travel and tourism serves as the primary export industry. However, in terms of overall trade dollars, it is industrialized countries that are some of the largest beneficiaries of inbound international travel. The major threats to the industry are socio-economic problems which in most cases lead to an increase in the crime rates but, the threat of terrorism remains on an even higher alert [5, p. 22].

Anecdotal evidence suggests that tourists and visitors are at great risk of being victims of violent, property crimes and terrorism in the cities they visit. Today, many scholars in the tourism industry advocate that being safe on vacation is an expected requirement for any visitor in a tourist destination or city. Thus, it has been observed that destinations that develop an unsafe reputation can be substituted by alternative destinations or cities that are perceived as safer for tourists. Crimes and acts of terrorism committed against the travel and tourism industry effect tourism by damaging the destination or city image and instilling fear in potential tourists [7, p. 42].

Travel and tourism's demonstrated economic success does not shield it from the sinister power of terrorism. While numerous natural and human-caused disasters can significantly impact the flow of tourists, the threat of danger that accompanies terrorism tends to

intimidate potential tourists more severely. However, the fear of random terrorist violence is not anything new, but the heightened attention it has commanded from scholars can be traced back to the 11th September 2001 terrorists attacks in the USA [1].

The terrorism and tourism literature has several foci: terrorists' motives for targeting tourists or the industry; impacts of terrorism on tourism demand; and possible solutions for tourists to help minimize their risks. As a form of political expression, terrorism dates back to at least 6AD when Jewish patriots opposed to Roman rule in Palestine, organized under the name of Zealots and launched a terrorist campaign to drive the Romans out of Palestine (Poland, 1988; Schlagheck, 1988). Terrorism recurred from 116-117 A.D. and again from 132-135 A.D. until the Jewish population was driven out of Rome [10, p.198]. The term did not officially enter political vocabulary until the 18th century, when Edmund Burke criticized the 'reign of terror' following the 1792-94 French Revolution, when the French government used systematic terror to intimidate and eliminate its enemies (Murphy 1989; Poland 1988; Schlagheck 1988) [4, p. 669]. On and off, the use of terrorism can be traced to the present day. International terrorism increased rapidly during the late 1960s and early 1970s; after a brief lull in activity, the 1980s began and ended with terrorist violence. By the end of the decade, terrorism had become commonplace (D'Amore and Anuza 1986; Richter and Waugh 1986). Comparatively fewer terrorist incidents have been recorded for the first half of the 90s; however, their nature and magnitude are not easily comparable to those of past years' events as indicated by the US Department of State, the overall threat of terrorism remains very serious, 'the threat of terrorist use of materials of mass destruction is an issue of growing concern . . . ' [6, p. 363].

There are many external influences on the tourism industry and on the flow of tourists; many of them have a significant impact, such as natural and human-caused disasters. However, the possibility of potential threat that accompanies terrorism causes a more severe reaction. For some countries, however, persistent terrorism tarnishes the destination's positive image and even jeopardizes its entire tourism

business. Tourism suffers in particular when prolonged terrorist attacks affect tourist perceptions and when terrorist organizations specifically target the travel and tourism industry [2, p. 300].

International terrorism and tourism are paradoxically connected via their mutual characteristics such as both crossing national borders, both involve citizens of different countries, and they both utilize travel and communications technologies. The relationship between tourism and terrorism first gained international notoriety in 1972 during the Munich Olympic Games. The Palestinian attack on Israeli athletes left eleven people dead and introduced a global television audience of nearly 800 million viewers to terrorism (Sonmez and Graefe 1998a). Since then, international tourists have been acutely aware of this relationship. Despite a series of terrorist incidents, since 9/11 the total number of people worldwide that have been killed by terrorists is about the same as the number of those who have drowned in bathtubs in the U.S (Bobbitt, 2008). This suggests that tourist's fear of terrorism is not parallel to the low level of risk [3, p. 91].

The mid-80s demonstrated tourist reactions to terrorism with a sharp decline for tourism in London due to the Irish Republican Army (IRA) bombing campaign in England. Even though the threat of terrorism is very much real, due to the incredibly low chance of one being affected by a terrorist incident, the 'fear' of this threat is a reality for today tourists. Though the risk is low, the threat for tourists from terrorism is very much real as tourists are very appealing to terrorists because they are soft targets and easily identifiable symbols of the enemy, whilst tourist destinations are perfect strategic targets to carry out attacks. Some may argue that we live in a secular post-modern age where we are bombarded with information and lack the ability to place terrorist events into their historical context. On the other hand, Foucault argues we live in a postmodern age of chaos where life defies rational thought. As a result we cannot judge the real risk associated with tourism. This initiates a new form of experience for travelers in which there is a positive element to risk where tourists have the excitement of 'danger' from terrorism [12].



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## IMPACT OF THE ENGLISH LANGUAGE ON TOURISM IN ICELAND

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**Prokopiuk K. A., Litovchenko Y. M. English in Iceland.** The article analyses the impact of English on tourism development in Iceland. The work reveals the importance of good command of English. The article provides statistics about the English language distribution in Iceland. .

**Key words:** development of tourism, English, statistics.

**Прокопюк К. А., Літовченко Я. М. Англійська мова в Ісландії.** У статті розглядається вплив англійської мови на розвиток туризму в Ісландії. Робота розкриває важливість знання англійської мови. У статті наведено інформація про статистичні данні розповсюдження англійської мови в Ісландії.

**Ключові слова:** англійська мова, розвиток туризму, статистичні данні.

**Прокопюк К. А., Литовченко Я. Н. Английский язык в Исландии.** В статье рассматривается влияние английского языка на развитие туризма в Исландии. Работа раскрывает важность знания английского языка. В статье приведены информация о статистических данных распространения английского языка в Исландии.

**Ключевые слова:** английский язык, развитие туризма, статистические данные.

The o b j e c t of the article is the English language usage whereas the s u b j e c t is an importance of English as a chosen language of travel. No matter where you go, and who you meet, you will most often have to use your English at some point while travelling. Sometimes it's because you don't speak the native language, sometimes it's because you meet people from all over the world and for an even playing field you result to group discussions in English so everyone understands. It's a language that is taught as a second language in schools around the world and at least here in Europe it has become unusual to find young people that don't have at least a basic command of the English language. Whether this is a

good thing or bad thing is a whole different discussion but I think we can mostly agree that this is the way it is. Because of this it's understandable that people want to know before they travel somewhere whether the locals speak this international language of travel. And people that travel to Iceland are no different [6].

There are an estimated 350,000 Icelandic speakers in the world, largely comprised by the 323,000-odd people that live in the country of Iceland. Around as many people live in Iceland as live in Belfast, the capital city of Northern Ireland. As far as world languages go, it's safe to say that Iceland's native language is a small player. However, the history of Icelandic is one that would definitely ignite the interest of linguists anywhere [2].

In recent years, the amount of English exposure in Iceland has steadily increased for several different reasons. According to information from the Ministry of Education in Iceland, English is currently the first foreign language taught in Icelandic schools (Menntamálaráðuneytið, 1999) which, at least in part, is due to the global spread of English as a lingua franca (Graddol, 1997). According to statistics from Statistics Iceland (2008-2016) the number of foreign visitors in Iceland has risen dramatically in recent years which has led to a 39% increase in the number of Icelanders working in sectors related, directly and indirectly, to tourism (Statistics Iceland, 2008-2016). Since broadcasting began in Iceland, the number of television stations has grown steadily making English encountered via television more frequent in today's environment (Statistics Iceland, 2008-2016). Lastly, the internet has become a common source for entertainment, commonly provided in English, and accessed by Icelanders through various online services (Statistics Iceland, 2014) [5].

Although, the national curriculum in Iceland has now been altered to place English as the first foreign language in an effort to adapt to the current status of English, it has not always held that status. In fact, Icelanders used to begin their foreign language education by studying Danish and the shift from Danish to English only took place in 1999 (Menntamálaráðuneytið, 1999). As a result, I

and other members of my generation began their foreign language studies at the age of 10, when they were introduced to Danish, followed by English two years later. At present time, the roles of these languages have been reversed in Iceland. This in turn, has resulted in the younger generation being introduced to English much earlier than the rest of the population. According to the National Curriculum in Iceland, the reason behind this shift is the growing importance of English in the global community. It also states that English is crucial for education, global communication and commerce, accessing multimedia and leisurely activities (Menntamálaráðuneytið, 1999). Similarly, the curriculum maintains that access to education and employment is the main objective of teaching Danish in Iceland. However there is currently an obvious emphasis on the increased importance of English globally (Graddol, 1997) and in Iceland (Menntamálaráðuneytið, 1999). It is apparent, that Icelanders feel an increased need for English, along with the rest of the world, in every aspect of their life. It is common knowledge that the inhabitants, of this remote island, are well aware of their inability to survive within the global community without a solid command of a language other than their mother tongue. Now that English has become the global lingua franca, it is not surprising that the people of Iceland have opted to place their emphasis on the language now used for global business ventures and international communication (Menntamálaráðuneytið, 1999). Another factor, it the growing number of tourists, and tourist related businesses, in Iceland in recent years (Statistics Iceland, 2008-2016) [6].

According to the Icelandic Tourist Board, tourism in Iceland has more than tripled since the year 2000 and the average growth rate is 9,3% per year (Ferðamálastofa, 2015). Consequently, there has been a dramatic increase in jobs related to tourism. For example, in 2007 there were a total of 8400 jobs, related to tourism in Iceland, which means the number of jobs had increased by 190 from the year before. In the year of 2013, these numbers had risen to 9500 jobs, directly supported by travel and tourism in Iceland. At the time, tourism accounted 5,5% of total employment but if we factor in the jobs that are indirectly supported by

tourism this number rises to 21,9% or 38.000 jobs in total. As a result, the tourist industry currently surpasses the fishing industry, and aluminum production, in Iceland by providing 27,9% of the total foreign exchange income (Ferðamálastofa, 2015). These numbers show, a solid command of English is more important to the people of Iceland than ever before [9].

English is taught as a second language in Icelandic schools, meaning that children begin learning to speak the language at a young age. Also, because so much of the world's entertainment (TV shows, movies and books) are in English, Icelanders enjoy them as much as we do, and to do so they must speak and understand English [7].

Another point to raise is that Icelandic and English are both Germanic languages, meaning that if you go back far enough, these languages share the same roots. This can make it much easier for Icelanders to quickly learn English because, in many ways, there are a lot of similarities between the two languages – even though it may not always sound like it. While the languages may have similar roots, the pronunciation of each languages alphabet is actually very different. This is why it is so difficult for native English speakers to learn Icelandic as a second language. Icelanders are very good at learning different languages in general, and many locals speak many other languages – not just Icelandic and English [4].

The main question is “Does everyone in Iceland speak English?”. Everyone in Iceland speaks English fairly well. In the service industry I would go as far as saying that probably 98% speak English well enough to make themselves understandable. So not finding anyone to speak English to a foreign visitor in Iceland is not something that should be worried about. In fact, many Icelanders speak more than one and often more than two foreign languages [2].

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## STATE BRANDING AS A TOOL FOR STATE POLITICAL IMAGE CREATION

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**Psota T. V., Davydenko I. V. State branding as a tool for state political image creation.** The article discusses the notion of a state political image as a crucial lever of influence on the international arena. The article emphasizes the political functions of mass media in the process of state branding and the means of political image shaping.

**Keywords:** communication technologies, international politics, mass media, political image, state branding.

**Псота Т. В., Давиденко І. В. Державний брендинг як засіб створення політичного іміджу країни.** У статті розглядається поняття політичного іміджу держави як важеля впливу на міжнародній арені. Стаття виокремлює політичні функції засобів масової інформації у процесі державного брендингу та засоби формування політичного іміджу країни.

**Ключові слова:** державний брендинг, комунікативні технології, мас-медіа, політичний імідж, світова політика.

**Псёта Т. В., Давыденко И. В. Государственный брендинг как способ создания политического имиджа страны.** В статье рассматривается понятие политического имиджа государства как рычага влияния на международной арене. Статья выделяет политические функции средств массовой информации в процессе государственного брендинга и методы формирования политического имиджа страны.

**Ключевые слова:** государственный брендинг, коммуникативные технологии, масс-медиа, мировая политика, политический имидж.

The object of the article is the relation between a state political image and a performance of a state within the international relations. The subject of the article is the role of mass communication technologies in the state political image creation. The purpose of the article is to clarify the phenomenon of a state political image; to define the components of a political image of a state and the means of its creation; to study the influence of the mass media within state branding in the international relations.

Taking into account the overall process of globalization and new turns in the world politics, it is highly important for states to



have an established political image which serves as so-called “reputation” on the international arena. While ignoring this notion may prevent a state from influencing regional and world politics, a process of state branding proves to be useful in achieving and perpetuating a desired image.

The concept of image and its purpose are subject to a number of studies, mainly in sociology field, more precisely – in PR studies and related research in international politics. It is widely agreed upon that image-making itself helps human beings process events and understand phenomena they face in a relatively easy manner [3, p. 11]. We rely on image schemes when interpreting new reality and a political sphere is not an exception to this rule.

The political image of a state is a complex dynamic construct, which is formed in a communicative space of a state and its citizens (internal image) as well as the rest of the states and other parties on the international scale (external image) [2, p. 68]. That is, the external image is often a derivative from an internal one. It can be argued that a state political image is a special indicator of its economic strength, rights and freedoms protection and the level of socio-cultural development overall.

The very structure of a state political image is based on following units:

1. Information about a state and its institutions concerning their politics and related actions.
2. Generalized information about political elites of a state, its leaders and institutions as social entities.
3. Factual information about actions of both state and local authorities [4, p. 3].

Additionally, the political image of a state as a construct can be divided into the democratic image of a country, the image of its government and economic state, image on the international arena and the state politics regarding communication policies [1, pp.111-113].

It is necessary to distinguish the factors which influence a state political image. Those can be classified into following groups: conventionally static determinants and conventionally dynamic ones.

As can be derived from the very names of the mentioned groups, the first one deals with relatively permanent characteristics (geographical location, historical events, cultural heritage, basics of a state political system etc.), while the second group includes variable social and institutional factors, such as per capita income levels, GDP dynamics, investment climate, compliance of the national law with the international standards, moral value aspects of citizens, etc [1, pp. 111-113].

The political image of a country is often an outcome of state branding processes in the political sphere. It should be noted that, if not taken seriously, a political image can be formed spontaneously in a quite undesirable way. With this information acquired, it is reasonable to look into the notion of state branding.

State branding, or nation branding, is a process of measuring, building and managing the perceptions of countries (their geopolitical, economic, cultural characteristics etc.) by individuals, nations and states in order to enhance the political influence of a country in international relations.

The key subjects of state branding are often such main political elements of a state as the president (prime-minister), their administration, legislative, executive and judicial branches as well as political parties and local authorities. In its turn, the objects of state branding processes are nation states, global and regional organizations, multinational corporations, state leaders, world business elites and global community.

In order to create a desired political image of a state, one should know specific steps of influencing a state image. The positive outcome should appear after successful performance of actions on the following levels:

- creation of a desired image of a political object for target public;
- development of certain thoughts regarding political object among target public;
- drawing of attention to the political object on the base of a desired image [6, p. 116].

The aforementioned steps are a vital part of the communication technologies employed by experts in the PR area. Being the instrument of image politics, these types of technologies help define unique state characteristics, laying the emphasis on positive aspects while concealing negative ones. With the help of media diplomacy a state can conduct its international politics via means of mass communication in order to influence target public in foreign countries [5, pp. 207-214].

The means of mass communication, namely mass media, have grown into an important entity throughout years and have acquired some functions in the frame of international politics and state branding. First and foremost, mass media have created a global public which enabled them to establish an agenda concerning world issues and problems. Additionally, international mass media are technically capable of instant information transmitting, thus rendering the opportunity for any state government to inform other countries of its course of political actions. Moreover, the national mass media can be used by authorities of other foreign states in order to influence internal and external policies of the chosen country.

Knowing the crucial power international mass media exercise over a global public, it is possible to conclude that the political images of states are widely created through the means of mass information and communication. The means employed within the state branding framework are heavily relied upon mass media functions in international politics, thus showing a direct link between a state political image and a performance of a state in international relations.

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## FOREIGN TRADE POLICY OF THE EUROPEAN UNION: PROBLEMS AND PROSPECTS

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**Pyvovar D. O., Kalyuzhna A. B. Foreign trade policy of the European Union: Problems and Prospects.** The article analyzes the peculiarities of functioning of the EU foreign trade system in the current conditions of development, elucidates the main directions of modern changes in the regulation of trade relations of the EU countries, highlights the main aspects of the structure of EU foreign trade. Also, the article deals with the main problems of the EU foreign trade policy and prospective ways of its development.

**Keywords:** development, EU, foreign trade, politics, regulation, relations.

**Пивовар Д. О., Калюжна А. Б. Зовнішньоекономічна політика Європейського Союзу: проблеми та перспективи.** У статті проаналізовані особливості функціонування системи зовнішньої торгівлі ЄС в сучасних умовах розвитку, з'ясовані основні напрями сучасних змін в регулюванні торговельних відносин країн ЄС, висвітлені основні аспекти структури зовнішньої торгівлі ЄС, описані основні проблеми зовнішньоторговельної політики ЄС та перспективні шляхи її розвитку.

**Ключові слова:** відносини, ЄС, зовнішня торгівля, політика, регулювання, розвиток.

**Пивовар Д. О., Калюжная А. Б. Внешнеторговая политика Европейского Союза: проблемы и перспективы.** В статье проанализированы особенности функционирования системы внешней торговли ЕС в современных условиях развития, выяснены основные направления современных изменений в регулировании торговых отношений стран ЕС, освещены основные аспекты структуры внешней торговли ЕС, рассмотрены основные проблемы внешнеторговой политики ЕС и перспективные пути ее развития.

**Ключевые слова:** внешняя торговля, ЕС, отношения, политика, регулирование, развитие.

International trade occupies a leading position in the system of world economic relations. International trade exchange is both a prerequisite and a consequence of the international division of labor;

it is an important factor in the formation and functioning of the world economy. In its historical evolution, it has gone from single foreign trade transactions to long-term large-scale trade and economic cooperation. Foreign trade is of great importance for the development of any country. Thanks to the implementation of foreign trade operations, it becomes possible to purchase goods and services that are not produced in the state, including innovative products, and at the same time sell goods that are in excess to other countries for additional financial resources. Interstate associations allow joint efforts to solve the internal problems of the participating states, as well as pool their resources to carry out external tasks.

Therefore, the importance of the activities of international unions and affiliations, the purpose of which is to develop integration and strengthen trade relations, is commonly recognized.

The relevance of the article is explained by the fact that at the moment the EU is the only integration association that possesses a unique qualitative status, embodied in a combination of the features of the integration association on the territorial basis and the presence of legal documents, characteristics of the content and purpose-setting for international organizations. The o b j e c t of the research is the European Union itself, as an international integration association. The s u b j e c t of the research is the current state of the EU foreign trade system, as well as the main difficulties and prospects of its development. The p u r p o s e of this article is to focus on the main objectives of the EU in terms of foreign trade policy, as well as to define the difficulties and perspectives of this organization in this field.

The European Union is by far the most active in trade on the world market among integration associations. EU Member States unite 28 countries whose common idea is to properly manage advanced technologies and resources to secure their future. The idea that a united Europe should act on the world stage as a whole has become an incentive for the EU co-operation in developing a consistent approach to foreign policy. Over the past two decades, the European Union has stepped up its efforts to ensure that its role in

resolving international politics is more in line with its economic status [3].

The European Union consists of various institutions that co-form the policy of the European Union. When analyzing the structure of the European Union, its peculiarity should be taken into account: The European Union is not a federation like the United States, nor is it an organization created to co-operate between national governments like the United Nations. It is a unique grouping of European democracies that have delegated their decision-making powers to the joint institutes they have created, so that decisions on issues of common interest can be made democratically at the pan-European level.

Basic requirements for an EU candidate state are [3]:

- the state should be “European”, which means that the country belongs to European civilization, regardless of geographical location;
- the state must respect the principles of freedom, democracy, respect for human rights and fundamental freedoms and the rule of law;
- a competitive market economy must also be present in the country, and the EU's general rules and standards must be recognized, including commitment to the goals of a political, economic and monetary union.

A state that meets the above requirements can apply for EU membership, thereby taking the first step towards EU membership – this is the so-called consultative stage.

The EU demonstrates how countries can integrate their political and economic resources into a common interest. In all countries of the Union, there is a standardized system of laws through which a common market was created, which guarantees the free movement of goods, services, capital, people, including the abolition of passport control within the Schengen Area, including both Member States and other countries. The EU faces many challenges, but one of the main ones is the expansion of the territory of peace, security and prosperity beyond the borders of the EU, as well as the expansion of opportunities and the improvement of foreign trade [3].

The leading articles on EU exports are the engineering and chemical industries. These industries account for 20-23% of world exports of these product groups. The EU is a major importer of a range of agricultural products: corn, soybeans (from the US). Along with food, mineral products, non-metallic semi-finished products, machinery and equipment play an important role in imports. The main partners of the EU are: EU countries, USA, Japan, Russia, Belarus, developing countries [2].

Largest trading partners: European Free Trade Association – 25%, i.e. more than the US and Japan. Important is the fact that half of the EU's external trade is by sea [2]. Among EU countries, Portugal, Cyprus and Greece play a major role in sea trade.

The peculiarity of EU foreign trade is that most developing countries have huge privileges (often complete abolition of duties) for foreign trade with EU countries because the EU concluded the Lomé Conventions (the first convention was signed in 1975) [2]. EU countries pursue a single economic policy. These are coherent EU foreign trade policies. Foreign trade policy is regulated by the European Commission [2].

For the EU the regulation of foreign trade has always been a matter of not only economic, but also political importance, so the EU's trade policy is a tool for realizing geopolitical interests for specific countries and regions. The main directions of modern changes in the regulation of trade relations of the European Union countries should be highlighted, such as certain changes in the choice of applying foreign trade regulation methods from tariff to non-tariff, supporting free trade principles, protecting the interests of EU members as a whole and contributing to their economic integration, changes in the purpose of state regulation of competition in relation to interstate mergers of companies [5, p. 147–149].

One of the important reasons for such changes in the regulation of foreign trade in the EU countries was the pursuit of a policy of unifying the tax systems of the associated countries in order to create a common market. It is impossible to ignore the fact that the EU has a great influence on the world economy, being the largest donor



together with its member states; the EU helps poor countries economically and contributes to business development in member countries [4].

The common foreign trade policy of the member states, the absence of restrictions within the EU, the particular use of tools, foreign trade policy measures and preferences across the groups of countries, the constant spread of the groups, has both positive and negative consequences for the main partners and competitors of the EU – all this can be attributed to modern features of the European Union's trade policy. It should be noted that in the external trade of the EU countries there is a tendency to increase in distance trading [4]. Also, the peculiarities of the EU's foreign trade include the fact that most developing countries have huge benefits in foreign trade with EU countries because the EU has signed the Lomé Conventions.

Achieving economic unity and equal development of all EU member states is becoming increasingly problematic, since many applicant countries with a relatively low level of economic development and a weak technical infrastructure do not meet the EU regulations for accepting new members [4, p. 37].

The following aspects in the fields of foreign trade and investment policy are planned to be looked into and improved by the end of 2020 [1]:

- reduction of barriers in foreign trade with the main foreign trade partners;
- improvement of international regulatory cooperation while maintaining high European standards, making efforts to eliminate non-tariff barriers, ensure effective management of customs, especially the movement of goods through international supply chains at the bilateral and international levels;
- encouragement of innovation and technological exchange;
- simplification of free movement of labor between countries.

**Conclusion.** The European Union's new strategy regarding free trade is treated as the most important lever of economic recovery and stabilization of post-crisis development. According to the forecasts of the European Commission, in the coming years, most of

the global demand will be concentrated outside the European Union. In this regard, the key priority of EU trade policy is the opening of foreign markets for European businesses. Foreign economic policy is aimed at strengthening the EU's trade position, expanding economic ties with the countries of the world, creating new opportunities for economic development and cooperation.

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**PROBLEME UND PERSPEKTIVEN  
DER TEILNAHME DER UKRAINE  
AM WELTWEITEN E-COMMERCE-SYSTEM**

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**Pyvovar D. O., Pirog I. I. Probleme und Perspektiven der Teilnahme der Ukraine am weltweiten E-Commerce-System.** Der Artikel zeigt die Bedeutung des E-Commerce im heutigen Handel. Es wird auf die Tendenz zur Entwicklung von Informationstechnologien und neue Ansätze zur Durchführung von Geschäftsprozessen in der Ukraine hingewiesen. Die Probleme und Perspektiven der Bildung und Funktionsweise des elektronischen Handels und die Möglichkeiten seiner Nutzung in der Ukraine werden betrachtet.

**Schlüsselwörter:** Wirtschaft, E-Commerce, Internet, die Ukraine, Handel, Informationstechnologie, Internationales Geschäft.

**Пивовар Д. О., Пірог І. І. Проблеми та перспективи участі України в системі світової електронної комерції.** У статті висвітлено важливість електронної комерції в сучасній торгівлі. Звертається увага на тенденції розвитку інформаційних технологій та нових підходів до бізнес-процесів в Україні. Розглядаються проблеми та перспективи становлення та функціонування електронної комерції, можливості її використання в Україні.

**Ключові слова:** економіка, електронна комерція, інтернет, Україна, торгівля, інформаційні технології, міжнародний бізнес.

**Пивовар Д. О., Пірог І. І. Проблемы и перспективы участия Украины в системе мировой электронной коммерции.** В статье раскрыта важность электронной коммерции в современной торговле. Обращается внимание на тенденции развития информационных технологий и новых подходов к бизнес-процессам в Украине. Рассматриваются проблемы и перспективы становления и функционирования электронной коммерции, возможности ее использования в Украине.

**Ключевые слова:** Экономика, электронная коммерция, интернет, Украина, торговля, информационные технологии, международный бизнес.

G e g e n s t a n d des Artikels ist die Entwicklung des E-Commerce in der Ukraine. D e r Z w e c k ist die Perspektiven für die Entstehung und Funktionsweise von E-Commerce und dessen

mögliche Nutzung in der Ukraine zu analysieren und zu bewerten, um Entwicklungsprobleme und Lösungswege zu identifizieren.

Die Sphäre des Handels und der Dienstleistungen erweitert sich ständig auf der ganzen Welt. In letzter Zeit erfreut sich die Weiterentwicklung durch moderne Technologien und Kommunikation zunehmender Beliebtheit. Der Wunsch vieler Staaten, eine "Informationsgemeinschaft" oder "Informationsökonomie" zu bilden, hat zur Entstehung des Konzepts des elektronischen Handels geführt [1].

Das Wachstum des elektronischen Handels wird durch die Wettbewerbsvorteile der Unternehmen bestimmt, die das Internet als Instrument zur Senkung der Geschäftskosten nutzen, neue Dienstleistungsbereiche für die Märkte entwickeln, die Teilnahme kleiner und mittlerer Unternehmen am internationalen Handel ausweiten, die Produktion und die Beschäftigung steigern können [3, S. 37].

Während dieses Geschäft in den USA und in Europa rasant gewachsen ist, befindet es sich in der Ukraine erst im Versuchsstadium. Dies zeigt, dass die Ukraine hinter den wirtschaftlich entwickelten Ländern zurückbleibt. Daher ist das Problem der unzureichenden Nutzung der Informationstechnologien in der Ukraine heute dringend und erfordert eine Lösung, die den Beitrittsprozess unseres Landes zur Europäischen Union beschleunigen wird [2].

Die Identifizierung der aktuellen globalen Trends in der Entwicklung des elektronischen Geschäftsverkehrs und die Analyse der Chancen und Perspektiven der Teilnahme der Ukraine am weltweiten elektronischen Geschäftsverkehr ist möglich durch:

- Identifizierung der globalen Trends in der Internettechnologie und Nutzung der Erfahrung der USA als Weltmarktführer im Bereich E-Commerce;
- Erkundung der Möglichkeiten des europäischen Marktes für Informationstechnologie und seiner Entwicklung in den kommenden Jahren;

- Berücksichtigung des aktuellen Zustands des ukrainischen Internetsegments und der Aussichten für die Entwicklung des elektronischen Handels;
- Ermittlung der notwendigen Voraussetzungen für eine schnellere Integration der Ukraine in das internationale E-Commerce-System [4].

Die Hauptvorteile der Entwicklung des elektronischen Handels in der Ukraine sind:

- umgehender Erhalt von Informationen, insbesondere im internationalen Geschäfts;
- Reduzierung der Nichtproduktionskosten (Handelskosten, Werbekosten, Kosten für Dienstleistungen, Unterstützung der Verbraucherinformation);
- Verkürzung des Produktions- und Verkaufszyklus, da keine erneute Bestätigung der Informationen erforderlich ist und die Wahrscheinlichkeit von Fehlern bei der Eingabe der Informationen verringert wird;
- die mit dem Informationsaustausch verbundenen Kosten durch die Nutzung billigerer Telekommunikationsmittel erheblich gesenkt werden;
- größere Offenheit der Unternehmen gegenüber den Verbrauchern.

Für die aktive Beteiligung der Ukraine am internationalen E-Business müssen folgende Probleme gelöst werden:

- aktive Implementierung von Grundausstattung, Telekommunikation und Computern, auch in ländlichen Gebieten, um die Computerkenntnisse der Bevölkerung und den angemessenen Stand der Infrastrukturentwicklung zu verbessern;
- Förderung einer raschen Entwicklung der Netzinfrastruktur: Entwicklung von Online-Shops, Netzgeschäftsstrukturen, Netzbetreibern und Einrichtung mehrerer großer Internet-Inlandsportale;
- Vermittlung von beruflichen und allgemeinen Internetkenntnissen auf allen Ebenen des Bildungssystems, einschließlich der Beamten;

- Entwicklung des Binnenmarktes für Verbraucher, Steigerung der Kaufkraft durch Erzielung eines stabilen Wirtschaftswachstums.

Es gibt drei Voraussetzungen für eine erfolgreiche Entwicklung des elektronischen Handels mit Waren und Dienstleistungen. Erstens gibt es ein potenzielles Verbraucherpublikum – eine kritische Masse von Internetnutzern (zwischen 10 und 12% der Bevölkerung des Landes). Zweitens die Präsenz von elektronischem Geld in der Bevölkerung – Geld auf Bankkonten (Karten, die über die weltweit beliebtesten Zahlungssysteme verwaltet werden). Drittens günstige Liefersysteme für Käufer [5].

In der Ukraine betragen Internetnutzer nur wenige Prozent der Bevölkerung. Der bargeldlose Umsatz der Bevölkerung ist unbedeutend. Die Anzahl der Kreditkarteninhaber ist sogar noch geringer als die Anzahl der aktiven Internetnutzer. Materialliefersysteme sind entweder sehr teuer oder unzuverlässig.

Die Lösung dieses Problems muss umfassend angegangen werden. Es macht keinen Sinn, aktiv in die Entwicklung dieses Sektors zu investieren, bis die Wirtschaft der Ukraine insgesamt erstarbt [5].

Eine der Möglichkeiten zur Lösung dieses Problems besteht in der Intensivierung der Investitionstätigkeit, um das Wachstum der ausländischen Direktinvestitionen in den E-Commerce-Sektor zu fördern.

Um dieses Problem zu lösen, muss ein angemessenes Verbraucherschutzniveau durch die Entwicklung eines Plans zur staatlichen Marktüberwachung und zum Verbraucherschutz auf der Grundlage der besten internationalen Erfahrungen sichergestellt werden [6].

Schlussfolgerungen. Zusammenfassend lässt sich also sagen, dass die Entwicklung des elektronischen Geschäftsverkehrs in der Ukraine in hohem Maße von der staatlichen Politik in diesem Tätigkeitsbereich abhängt, und zwar in erster Linie von der Gewinnung von Investitionen in diesem Sektor, der Erhöhung des Niveaus der Verkehrsinfrastruktur, der Investition in technische Umrüstungen und der Schaffung von Regulierungsvorschriften.

Fragen im Zusammenhang mit der Regulierung von Internetdiensten sollten die Grundlage für das Management der bestehenden und potenziellen Risiken sein, einschließlich Steuerhinterziehung, Betrug, Verletzung geistigen Eigentums und dergleichen. Die Verankerung der Grundlagen des elektronischen Geschäftsverkehrs im Bürgerlichen Gesetzbuch der Ukraine und die Weiterentwicklung der gesetzlichen Regelung des des Internetdienstebereichs sollten die Grundlage für die Entwicklung des elektronischen Geschäftsverkehrs in unserem Land bilden.

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## SPECIFICITY OF INTEGRATION PROCESSES IN SOUTHEAST ASIA AS EXEMPLIFIED BY ASEAN

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**Redko N. S., Lavrinenko I. M. Specificity Of Integration Processes In Southeast Asia As Exemplified By ASEAN.** The article is devoted to the features of integration processes in Southeast Asia. The article describes the reasons for the spread of integration processes, as well as the goals that the integration groups set for themselves. The article considers how integration processes are developing within ASEAN. The positive and negative effects of integration for the participating countries have been identified. Further prospects for deepening of international economic integration have been examined.

**Key words:** ASEAN, effects of integration, international economic integration, integration groups, integration processes.

**Редько Н. С., Лавріненко І. М. Специфіка інтеграційних процесів у Південно-Східній Азії на прикладі АСЕАН.** Стаття присвячена особливостям інтеграційних процесів у Південно-Східній Азії. У статті описані причини поширення інтеграційних процесів, а також цілі, які інтеграційні угруповання ставлять перед собою. У статті йдеться про те, як розвиваються інтеграційні процеси всередині АСЕАН. Виявлено позитивні та негативні наслідки інтеграції для країн-учасниць. Досліджено подальші перспективи поглиблення міжнародної економічної інтеграції.

**Ключові слова:** АСЕАН, інтеграційні угруповання, інтеграційні процеси, міжнародна економічна інтеграція, наслідки інтеграції

**Редько Н. С., Лавриненко И. Н. Специфика интеграционных процессов в Юго-Восточной Азии на примере АСЕАН.** Статья посвящена особенностям интеграционных процессов в Юго-Восточной Азии. В статье описаны причины распространения интеграционных процессов, а также цели, которые интеграционные группировки ставят перед собой. В статье говорится о том, как развиваются интеграционные процессы внутри АСЕАН. Выявлены положительные и отрицательные последствия интеграции для стран-участниц. Исследованы дальнейшие перспективы углубления международной экономической интеграции.

**Ключевые слова:** АСЕАН, интеграционные группировки, интеграционные процессы, международная экономическая интеграция, последствия интеграции.

The object of the article is the processes of international economic integration taking place in Southeast Asia. The subject of



the article is the ASEAN integration grouping and the indicators that characterize the degree of integration of member states. The purpose of the article is to explore the features of integration processes in ASEAN countries and to identify prospects for further deepening of integration processes. The relevance of the study is due to the fact that integration associations have in recent years become an integral element of relations between many countries in the world. In this case, integration processes emerge differently, depending on the socio-economic conditions of development of certain groups of countries. This problem is particularly relevant nowadays, when most countries in the world are united in different economic, political and other alliances for mutual support and development.

In modern conditions, the growing internationalization and openness of national economies, the international division of labor, the dynamic change in the market conditions, the movement of labor beyond national borders, modern systems of transport, communication and information, and other factors contribute to the rapid development of integration processes and their transition to new quality level.

The sharp intensification of intercompany and interstate competition, new areas of competition and fierce rivalry in traditional markets are no longer within the power of an individual state or corporation. This necessitates the co-operation of both the financial and production efforts of the neighboring countries, enabling them to strengthen our position in the globalized economy, use the potential of a large economic space, and finally to act as one force against global competitors in the global market [4]. As a result, there is not only a certain linking of national interests, but also their elevation to the level of regional interests. Thus, the processes of globalization in the world economy are accompanied by regionalization – economic convergence of countries on a regional basis, which take the form of international economic integration [1].

International economic integration is a complex of economic relations of cooperation of countries in different spheres of activity, characterized by deep interpenetration of economies and leading to long-term technical, technological and economic interdependence and interconnection [3].

The transition of developing countries to regional integration policies was based on the idea of joining forces to overcome economic backwardness, as well as dependence on developed countries. The economies of Asia are becoming more and more important economically for each other as well as for the whole world. Asia is now facing the challenge of fostering and expanding regional cooperation. At the same time, Asia must play a significant and constructive role in the global economic partnership and play a decisive role in the development of the global economy. In Asia, the economy is growing and getting more and more complicated, and, accordingly, the degree of economic integration between the countries is also increasing [2].

In Southeast Asia, regional integration is most clearly represented by the ASEAN integration group. The Association of Southeast Asian Nations (ASEAN) was established on August 8, 1967 in Bangkok. It included Indonesia, Malaysia, Singapore, Thailand, the Philippines, and later Brunei (1984), Vietnam (1995), Laos and Myanmar (1997) and Cambodia (1999) joined [5].

The main goals of the ASEAN Bangkok Declaration were:

- promoting the development of socio-economic and cultural cooperation in the member countries;
- strengthening peace and stability in Southeast Asia.

The task of transforming ASEAN into one of the world's political and economic centres of the multipolar world has encouraged this regional group to actively solve a number of extremely important tasks. These include: the formation of a free trade area and investment zone, the creation of a comprehensive economic infrastructure, the formation of a special management structure[2].

When analyzing integration processes in Southeast Asia, it should be noted that the development of economic integration in ASEAN is influenced by two groups of factors. The first one is the internal factors related to the level of development of the participating countries, the peculiarities of their internal economic policies and the prospects for the future of regional integration. At this stage, these factors have a major brake effect. The second group of factors is related to the influence of the environment: the tendencies of development of the world economy,

economic processes in East Asia. These factors stimulate integration and define its new directions [2].

Let's look closely at the key indicators of ASEAN development.

One of such indicators is the Human Development Index (HDI). HDI in ASEAN countries is increasing steadily with every year. Singapore, with the rate of 0.93 is one of the world leaders in the HDI. Therefore, it can be said that the participation of countries in ASEAN has a positive impact on the development of the social sphere [6].

ASEAN's total GDP for 2017 was 2.7 trillion US dollars. Moreover, even during the crisis 2008-2009, this figure did not fall, so the region did not have strong negative effects from the crisis. At the same time, Singapore and Indonesia make 55% of GDP. Therefore, it can be noticed that these two countries are the driving force of development of the economies of ASEAN countries, while Vietnam, Laos, Myanmar and Cambodia are far behind as for the economic development.

Since 2000 ASEAN exports have exceeded imports and therefore the trade balance is positive. In 2017 ASEAN countries exported goods costing 1322 billion US dollars and imported goods costing 1252 billion US dollars. Within ASEAN, some countries represent large markets for others. For example, Myanmar imports goods mostly from Singapore while exports more to the USA and Japan. Cambodia and Laos, by contrast, are more dependent on ASEAN markets, especially on Thailand. The ASEAN market is heavily dependent on imports of machinery and materials from industrialized countries outside ASEAN [6].

The factor that may stimulate the ASEAN internal trade is the development of diversification. The structure of ASEAN countries is almost the same and exchange opportunities are limited. Thus, the volume of domestic trade is still small. All countries except Laos trade mainly with non-ASEAN countries. The share of ASEAN mutual trade in their total foreign trade turnover is about 30%. Nowadays, trade relations with non-ASEAN countries are very important for the economies. The biggest trading partners of ASEAN are China, Japan, the EU, the USA, South Korea and Australia [2].

In 2018 135 billion USA dollars was invested in the ASEAN region. Only 19.9% of investment was domestic, with the rest coming from abroad. The key investors are the EU, Japan and China [6].

ASEAN average external customs tariffs currently range from 0.1% in Singapore to 43.2% in Thailand. The introduction of unified external tariffs will lead to a significant diversion of existing trade flows and associated costs, as well as a reduction in customs duties in countries with protectionist policies. For now it is optimal for ASEAN countries to individually reduce external customs tariffs, along with tariffs for intra-regional trade [2].

**C o n c l u s i o n s .** Thus, the adoption of new member states with low level of economic development increased significantly the heterogeneity of the grouping and led to a slowdown in integration, in particular, the delay in the final establishment of the ASEAN Free Trade Area. In addition, this step resulted in a reduction in the effectiveness of the decision-making mechanism due to the difficulty of reaching consensus within ASEAN.

Internal factors, and most importantly, the huge difference in the level of economic development of the participating countries determine the complexity of consensus within the group, the very slow progress on the path of integration and set the boundaries for the development of integration itself. So, the creation of the customs union, the possibility of which is not denied by the ASEAN Secretary General, is hardly likely in the nearest future.

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## DER AKTUELLE STAND DES AUßENHANDELS IN DEUTSCHLAND

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**Redko N. S., Pirog I. I. Der aktuelle Stand des Außenhandels in Deutschland.** Der Artikel widmet sich der Analyse des aktuellen Standes des deutschen Außenhandels. Das Volumen des Exports und Imports in Dynamik wird analysiert. Die geografische und Warenstruktur des Außenhandels wird untersucht. Die wichtigsten Handelspartner Deutschlands sowie der Anteil des deutschen Außenhandels an der Welt wurden ermittelt. Die Studie stützte sich auf Außenhandelsstatistiken aus Quellen wie der WTO, der Weltbank, dem Statistischen Bundesamt und Eurostat.

**Die Stichwörter:** Außenhandel, Export, Import, Handelsbilanz, geografische Handelsstruktur, Warenstruktur des Handels.

**Редько Н. С., Пірог І. І. Сучасний стан зовнішньої торгівлі Німеччини.** Стаття присвячена аналізу сучасного стану зовнішньої торгівлі Німеччини. Проаналізовано обсяги експорту та імпорту в динаміці. Розглядається географічна і товарна структура зовнішньої торгівлі. Були визначені найважливіші торгові партнери Німеччини і частка німецької зовнішньої торгівлі в світі. Дослідження спиралося на статистику зовнішньої торгівлі з таких джерел, як: СОТ, Всесвітній банк, Федеральне статистичне управління і Євростат.

**Ключові слова:** географічна структура торгівлі, експорт, зовнішня торгівля, імпорт, сальдо торгового балансу, товарна структура торгівлі.

**Редько Н. С., Пірог І. І. Современное состояние внешней торговли Германии.** Стаття посвящена аналізу современного состояния внешней торговли Германии. Проанализированы объемы экспорта и импорта в динамике. Рассматривается географическая и товарная структура внешней торговли. Были определены важнейшие торговые партнеры Германии и доля немецкой внешней торговли в мире. Исследование опиралось на статистику внешней торговли из таких источников, как: ВТО, Всемирный банк, Федеральное статистическое управление и Евростат.

**Ключевые слова:** внешняя торговля, географическая структура торговли, импорт, сальдо торгового баланса, товарная структура торговли, экспорт.

Der O b j e k t des Artikels ist der Außenhandel Deutschlands. Der G e g e n s t a n d des Artikels sind Indikatoren, die den Außenhandel des Landes, und nämlich: Export, Import, Warenumlauf

und geografische Handelsstruktur. Der Zweck des Artikels ist es, den Zustand des deutschen Außenhandels zu analysieren, die für den Handel des Landes charakteristischen Schlüsselindikatoren zu bewerten und zu analysieren.

Die Aktualität dieses Themas ist, dass Deutschland derzeit der weltweit größte Produzent und Exporteur ist. Die Ökonomie dieses Landes ist eine der stärksten der Welt, und daher wirken sich Veränderungen in der deutschen Wirtschaft auch auf andere Staaten aus.

Deutschland ist einer der führenden Akteure der Weltwirtschaft und das größte wirtschaftlich bedeutende Land in Europa. Es ist schwer zu überschätzen, welche Rolle Deutschland im Welthandel spielt. Es gibt eine Reihe von Faktoren, die sich günstig auf die Stärkung der Position Deutschlands im Welthandel auswirken. Erstens ist die wirtschaftliche und geografische Lage Deutschlands äußerst günstig für die Entwicklung des Außenhandels. Das Land befindet sich im Zentrum der am wirtschaftlichsten entwickelten Region Europas, in der die größten Handels- und Transportadern von weltweiter Bedeutung zusammenlaufen.

Durch Deutschland verlaufen alle wichtigen Handelsrouten, die West- und Osteuropa verbinden. Das Land hat Zugang zur Nord- und Ostsee, was auch zur Stärkung der Handels- und Wirtschaftsbeziehungen beiträgt. Wie Sie wissen, ist Deutschland ein hoch entwickeltes Industrieland. Gleichzeitig ist der Staat nicht zu reich an Bodenschätzen (nur Kohle und Braunkohle, Kaliumsalze sind zu verzeichnen). Es war jedoch die Verknappung der natürlichen Ressourcen, die die berühmte deutsche Sparsamkeit auslöste und die Spezialisierung des Landes auf die industrielle Produktion und die Entwicklung der High-Tech-Industrie bestimmte.

Die Industrieproduktion des Landes hat ein sehr hohes Entwicklungsniveau erreicht, Deutschland gehört zu den technologisch führenden Ländern der Welt. Es ist ein bedeutender Hersteller von Maschinenbauprodukten und einer der führenden Exporteure von Maschinen und Ausrüstungen in den EU-Ländern. Deutschland kann als unangefochtener Marktführer der globalen

Automobilindustrie bezeichnet werden. In Bezug auf die außenwirtschaftliche Tätigkeit Deutschlands ist anzumerken, dass das Land einer der Initiatoren der Gründung der Europäischen Wirtschaftsgemeinschaft (jetzt Europäische Union) im Jahr 1957 war und derzeit für eine Vertiefung und Ausweitung der internationalen Wirtschaftsintegration auf dem europäischen Kontinent steht. Heute ist die EU die am weitesten entwickelte Integrationsgruppe der Welt, die alle vier Phasen der internationalen Integration durchlaufen hat. Der Außenhandel ist einer der dynamischsten Wirtschaftszweige Deutschlands und stimuliert das Wirtschaftswachstum.

Es ist ratsam, die Analyse des Außenhandels mit der geografischen Struktur der Exporte und Importe zu beginnen. Auf diese Weise können wichtige Handelspartner identifiziert werden.

Nach Angaben des Statistischen Bundesamtes exportiert Deutschland hauptsächlich in EU-Länder und andere europäische Länder außerhalb der EU. Die größten Importeure deutscher Produkte sind die USA und China. [3].

Im Jahr 2018 blieb Europa mit 68,5% der deutschen Exporte und 68,5% der deutschen Importe die wichtigste Handelsregion in Deutschland im Bereich des Warenhandels. Der Anteil des Handels mit der EU-28 hat sich gegenüber 2017 leicht erhöht: 2018 betrug der Anteil 59,1% und 2017 betrug der Anteil 58,6%. Die Einfuhren stiegen leicht von 57,1% auf 57,2%. In der Eurozone betrug der Exportanteil im Jahr 2018 37,5% und der Importanteil 37,2%. Auf asiatisch Der Markt lieferte 17% der Exporte, wovon 6,4% nach China gingen. 12% entfallen auf den amerikanischen Markt, wo die USA der größte deutsche Importeur sind Waren, nimmt einen Anteil von 8,9%. Afrika hat den geringsten Exportanteil – 2%, Australien und Ozeanien – 0,8%. [3].

Darüber hinaus sollten Indikatoren wie Export und Import von Waren und Dienstleistungen in Betracht gezogen werden.

Im Jahr 2018 exportierte Deutschland Waren und Dienstleistungen in Höhe von 1,6 Billionen Euro und importierte sie in Höhe von 1,4 Billionen Euro. Somit ist die Handelsbilanz Deutschlands

im Jahr 2018 seit 2015 weiterhin positiv. Der Handelsüberschuss insgesamt wirkt sich positiv auf die Wirtschaft aus, da es möglich ist: die Investitionen in in- und ausländisches Kapital zu erhöhen; Innovation, Aufrechterhaltung der staatlichen Infrastruktur und des Lebensstandards; öffentliche Schuldendeckung; Erhöhung der Gold- und Devisenreserven des Landes [2].

Um die Bedeutung Deutschlands als größter Exporteur und Importeur einzuschätzen, haben wir den Anteil des Welthandels mit Waren im Vergleich zu anderen wichtigen Ländern verglichen.

Deutschland behauptete 2018 seinen Platz als weltweit drittgrößter Warenexporteur (hinter China, USA) und -importeure (hinter USA, China). Der Anteil Deutschlands am Welthandel (Warenexporte und -importe in USD) sank gegenüber dem Vorjahr leicht auf 7,2 % (2017: 7,3 %). Mit einem Welthandelsanteil von 11,8 % konnte China seinen Vorsprung auf Platz 1 gegenüber den USA (10,9 %) weiter ausbauen [4, 5].

Schließlich schlagen wir vor, die Warenstruktur der deutschen Exporte und Importe zu berücksichtigen. Deutschland ist der größte Hersteller von Maschinenbauprodukten und einer der führenden Exporteure von Maschinen und Ausrüstungen in der EU. In Deutschland ist die Automobilindustrie der wichtigste Wirtschaftszweig: Der Exportanteil beträgt ungefähr 40%. Deutschland ist neben Japan und den USA der größte Automobilhersteller der Welt. Hier sind solche riesigen Unternehmen wie: Volkswagen, BMW, Audi, Porsche und andere. Jedes Jahr geben diese Unternehmen aus im Ausland werden rund 6 Millionen Autos und rund 4 Millionen mehr produziert. Volkswagen ist übrigens mit 11,5% am Weltautomarkt beteiligt. Darüber hinaus gehört Deutschland zu den führenden Unternehmen der Elektroindustrie. International anerkannte internationale Marken haben sich in Berlin niedergelassen: Bosch, Siemens, Hager, AEG-Electrolux. Deutschland ist der größte Exporteur von elektronischen und elektrischen Geräten.

Der Anteil Deutschlands am Welthandel mit Hightech-Gütern liegt bei rund 20% und ist vergleichbar mit dem Niveau der USA und Japans; im Grunde ist es umweltfreundliche Technologien (Filter, Reinigung Abwasser, Messung und Kontrolle des Technologiemanagements usw.).



Die vier wichtigsten Warengruppen machten 2018 rund 50 % der deutschen Ausfuhr aus: Kraftwagen/-teile (17,5 %), Maschinen (14,8 %), chemische Erzeugnisse (9,0%) und DV-Geräte/elektr. Erzeugnisse (8,8%) [1].

In der Warenstruktur der Einfuhren war im Berichtszeitraum unter den zehn Hauptgütern ein deutlicher Anstieg des Liefervolumens zu verzeichnen. Der Anteil der zehn größten Importe Deutschlands betrug mehr als 60,0 %.

Hauptimportgüter waren Kraftwagen/ -teile und DV-Geräte/elektr. Erzeugnisse (je 10,8 %) sowie chemische Erzeugnisse (8,1%) und Maschinen (8,0 %) [1].

**Schlusfolgerungen.** Nach Auswertung der Statistiken können wir den Schluss ziehen, dass Deutschland heute ein Land mit einer der stärksten Volkswirtschaften ist. Das Land ist seit mehreren Jahren stabil und gehört zu den Top 3 der weltgrößten Exporteure / Importeure, an zweiter Stelle nach China und den Vereinigten Staaten. Hauptabnehmer deutscher Produkte sind seit langem die EU-Länder, mit denen Deutschland enge Handelsbeziehungen aufgebaut hat. Und die Spezialisierung Deutschlands auf den Export von Maschinen und Geräten lässt darauf schließen, dass es sich um ein Land mit einer hoch entwickelten Industrie handelt. Es ist auch festzuhalten, dass die Außenbeziehungen eine Schlüsselrolle bei der Wirtschaftsleben Deutschlands. Sie setzte sich von Anfang an für enge branchenübergreifende Beziehungen in der Weltwirtschaft ein und befolgte das Prinzip der internationalen Arbeitsteilung. Dementsprechend wird auch die Außenhandelspolitik Deutschlands aufgebaut. Bundesrepublik befürwortet weitere Liberalisierung Welthandel mit stärkeren ökologischen und sozialen Erwägungen im Geiste der nachhaltigen Entwicklung.

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## YOUTH TOURISM AS A SCIENTIFIC RESEARCH OBJECT

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**Romanets K. A., Saprun I. R. Youth Tourism as a Scientific Research Object.** The article analyzes youth tourism as a scientific research object. The definition of youth tourism has been provided. The basic prospects of youth tourism have been considered. Youth tourism market and its current state have been examined. A characteristic of this kind of tourism is given on the basis of factual material obtained as a result of research conducted by the World Tourism Organization.

**Key words:** scientific research object, tourism, tourism market, travel, WTO, youth tourism.

**Романець К. А., Сапрун І. Р. Молодіжний туризм як об'єкт наукового дослідження.** У статті надається аналіз молодіжного туризму як об'єкту наукових досліджень. Дано визначення молодіжного туризму. Розглянуто основні перспективи молодіжного туризму. Вивчені ринок молодіжного туризму та його поточний стан. Надано характеристику цього виду туризму на основі фактичних матеріалів, отриманих в результаті досліджень, проведених Всесвітньою туристською організацією.

**Ключові слова:** WTO, молодіжний туризм, об'єкт наукового дослідження, подорожі, туризм, туристичний ринок.

**Романец Е. А., Сапрун И. Р. Молодежный туризм как объект научного исследования.** В статье анализируется молодежный туризм как объект научных исследований. Дано определение молодежного туризма. Рассмотрены основные перспективы молодежного туризма. Изучены рынок молодежного туризма и его текущее состояние. Дана характеристика этого вида туризма на основе фактических материалов, полученных в результате исследований, проведенных Всемирной туристской организацией.

**Ключевые слова:** WTO, молодежный туризм, объект научного исследования, путешествия, туризм, туристический рынок .

The o b j e c t of this article is youth tourism. The s u b j e c t is features of the organization of youth tourism. The p u r p o s e of the article is study of the youth tourism market, its current state, assess its development prospects. The r e l e v a n c e of article is formation of favored conditions for creation of modern, competitive

and high-performance tourist product available to all young people. Youth segment is one of the most promising sphere in any national tourist market that makes it relevant to investigate. This is primarily due to the high degree of mobility of young population due to the small number of social restrictions, as well as sufficient free time in connection with long vacations.

At present, there are various definitions of youth tourism. It is viewed as:

1. a journey of people between the ages of 16 and 30;
2. a travel for training purposes;
3. a travel for international exchange.

Youth tourism has long been not just a specialized type of tourism, because it is based on various aspects of youth lifestyle. Youth tourism can be viewed as:

1. one of the forms of training;
2. a way to find new acquaintances;
3. the opportunity to come into contact with other cultures;
4. a source of career development;
5. some means of self- development;

The World Youth Student and Educational (WYSE) Travel Confederation considers that youth tourism includes all independent trips (less than a year) of people aged 16 to 29 years who are motivated, in part or in full, by the desire to learn the world, gain life experience and/or benefit from formal or informal learning outside the usual environment a habitat [10]. Birjakov M.B. defines it as “A special kind of travel, individual or collective in form, when young people prefer to rest in large companies united by the common goal of learning the world and spending leisure time” [4]. Glossary of terms on tourism defines it as: “A specific type of tourist activity for young people and adolescents, realized both within national borders, and at the regional and world levels” [11]. Thus, it can be concluded that youth tourism unites young people who have common interest and desire to gain experience while travelling.

Youth travel is becoming increasingly more important within global tourism. In the 1990's it represented 15% of the tourism market,

with it increasing to 20% in the last decade, and expected to reach 25% in the near future. Rapidly rising middle class (from current US\$2 billion to US\$5 billion in 2030) and an increased access to more disposable income, means more purchasing power, the number of youth travelers is on the rise: in 2012 nearly 30% of young people described themselves as “tourists” compared to about 15% in 2002. Recently, diversification in destinations and source markets has seen  $\phi$  growth at the expense of developed countries across all youth travel sectors, incl. student and educational travel market [1].

Brazil, India, China or other emerging countries have been the markets of interest for many governments, destinations, investment capital or international brands wanting to develop and expand. They are recovering and rising faster than developed countries -gaining an increasingly more global market share. Internet is used more for reference, social content (reviews, rankings, sharing, and recommendations) and travel planning (destination research) than for actual online shopping and booking [5].

This slower growth of online booking in youth travel as opposed to global tourism underlines the importance of tour operators and travel agencies to the youth market. Tour operators and travel agencies represent an important distribution, booking and promotional channel in youth travel, accounting for up to 80% of all bookings, with increasing trend of their usage by end customers. There are more than 16,000 student tour operators and travel agencies estimated in this market. Youth tourism is one of the most important sectors of the tourism industry [2]. The studies carried out by the United Nations World Tourism Organization (UNWTO) reveal that:

1. young people travel more often than other tourists;
2. Young people rarely refrain from traveling because of political unrest, diseases and natural disasters and natural disasters ;
3. Young people are pioneers who open new interesting territories;
4. Young travelers not only receive cultural benefits from travel, but also contribute to the development of places they visit.

The International Student Travel Confederation (ISTC) and the Association for Tourism Leisure and Education (ATLAS) conducted a study, which allows to shed the light on many aspects of such a complex phenomenon as youth tourism. The purpose of the study was to collect comprehensive information on young travelers. The survey involved 2,300 young people from Canada, the Czech Republic, Mexico, Slovenia, South Africa, Sweden and the United Kingdom. The research is unique as it covered all stages of travel: from planning to booking [7]. The majority of respondents are students, that is 70%. Among the students, 89% are under the age of 26. Among specialists, 61% is also less than 26 years old. 70% of unemployed respondents under the age of 26 years. Educated respondents have a relatively high level of education, 34% of them have already received higher education, and the other 25% are still studying [6].

As a result of this survey, the following conclusion could be made: youth tourism has been successfully developing and taking a leading position on the world market in the recent decades. One more thing was confirmed by half of the respondents surveyed: the stereotype that young travelers are poor. Nevertheless, relatively large travel budgets show that most of them are able to save on a main trip or can supplement their income by working abroad. Earnings also increase with age, since most of those who earn little, are under the age of 26 years. In recent years, there has been a tendency to increase young “backpackers”, people who travel by hitchhiking or on bicycles or use only public transport and do not need and seek for the help of tourist companies. Referring to one of the types of backpackers, a traveler or a tourist, many people rejected the term “backpacker”, even if they travel with a backpack and live in hostels. More than half identify themselves as “travelers”, compared to almost a third of young people, who call themselves “tourists” [7].

Concerning the main motivation, it is mainly the study of other cultures, followed by the search for new sensations, raising the level of knowledge. All this demonstrates the desire to gain a familiarity

with other people and territories. Those who consider themselves to be backpackers, are looking for contact with their fellow travelers. Speaking about “tourists”, it should be pointed out that they are dominated by the desire to visit friends and relatives during the trip as well they also try to relax and relax as much as possible during the trip. Younger tourists (up to 26 years old) pay much attention to social contacts and impressions. Long trips are perceived by young people as “the only chance in life”, and they invest a lot of energy, energy and money in these trips.

The main sources of information among young travelers before and during their trips and travelling are the Internet and their friends or relatives' advice. The guides are older (after 26 years old), more experienced travelers and those who call themselves backpackers. Less experienced travelers use information provided by the travel agency.

How do they get to their destination? 70% use air transport, 30% – rail; backpackers often use rail and bus services [11].

What do young people do on their trips? 77% visit historical places and monuments, 76% walk, 72% choose a quiet time, for example, go to a cafe, 72% go shopping; 28% are engaged in scientific research or language studies. Walking and cultural events are more often chosen by girls, men are focused on sports events and are in search of thrills [10]. All those surveyed admitted that the more they travel the more they understand culture and the bigger their desire to travel becomes. According to UNWTO, the year 2014 was a record for international tourism. The data show that 1.1 billion tourists traveled in 2014. In the sphere of youth tourism there were 220 million travelers.

Young people are a socio-demographic group that is experiencing a period of social maturity, adaptation to the adult world and future changes. Specific socio-historical conditions of society and cultural traditions determine the age framework of youth and youth. Since in different countries the process of socialization also proceeds unequally, there are different ideas about the borders of the youth age.

At present, linking age to the notion of “youth” is becoming increasingly difficult, as young people postpone their entry to work, marrying and creating a family, and older people are diligently trying

to stay young as long as possible. This emphasizes the fact that youth tourism is not only a matter of demography, but also a question of the style of travel [9]. For example, youth accommodation facilities are now used by travelers of all ages who are trying to maintain the travel style characteristic of their younger counterparts.

Youth tourism has a number of socio-cultural advantages, such as increasing youth awareness in matters of culture, acquiring personal qualities, improving language skills. As a result of their trips young people become more tolerant to each other, friendlier, more confident. For some young people tourist trips become a turning point in their life. For many youngsters such tours become the first independent travel without parents thus leading to the development of a sense of independence. Youth tourism helps many people learn to solve problems and cope with stress. But in addition to sociocultural benefits, there are a number of advantages associated with the development of tourism and marketing, which distinguishes youth tourism from other types of tourism:

1. the seasonality effect decreases;
2. tourism extends to new territories;
3. the tourist market becomes more stable;
4. innovation is stimulated.

To c o n c l u d e , young people travel in search of adventure, new sensations, to learn new cultures. They obtain travel experience and they try to make repeated trips. In addition, their travels are complex, carefully planned and affect further personal and professional life. Obviously, they strive to make a range of trips, which increases the potential of the youth tourism market. This indicates the need to develop new products to meet the needs of the target audience of this market. However, young people cannot be considered to be as a homogeneous target group, because they differ in their preferred style of travel. There is still a necessity to develop products aimed at those who prefer a special style of travel.



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## **CURRENT ASSETS FINANCING IN THE PROCESS OF ENTERPRISE MANAGEMENT**

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**Romaniv V. V., Kasianova V. G. Current assets financing in the process of enterprise management.** The article is devoted to different aspects of management of company's current assets financing. It is investigated the basic principles, methods and means of determining needs to finance current assets of a company and develop ways to improve enterprise current assets financing management.

**Key words:** current assets, efficiency of current assets financing management, policy and strategy of current assets financing.

**Романів В. В., Касьянова В. Г. Фінансування оборотних активів у процесі управління підприємством.** Статтю присвячено різноманітним аспектам управління фінансуванням оборотних активів підприємства. Досліджено основні засади, методи та засоби визначення потреби фінансування оборотних активів підприємства та розробки шляхів покращення управління фінансуванням оборотних активів.

**Ключові слова:** ефективність управління фінансуванням оборотних активів, оборотні активи, політика та стратегія фінансування оборотних активів.

**Романив В. В., Касьянова В. Г. Финансирование оборотных активов в процессе управления предприятием.** Статья посвящена различным аспектам управления финансированием оборотных активов предприятия. Исследованы основные принципы, методы и средства определения потребности финансирования оборотных активов предприятия и разработки путей улучшения управления финансированием оборотных активов.

**Ключевые слова:** оборотные активы, политика и стратегия финансирования оборотных активов, эффективность управления финансированием оборотных активов.

Nowadays when the Ukrainian economy has switched to market functioning methods, it is important to note that elaboration of an efficient production process is impossible without a rational organization of asset management of an enterprise, including current assets. Planning and financing of current assets is urgently needed which ensures the rational use of available resources and serves as a

prerequisite for ensuring efficient and stable financial performance, determining reserves to increase its profitability and solvency. Each enterprise independently decides what products should be released and at what prices to implement them. At the same time, the effectiveness of a company becomes a prerequisite for survival in the competitive environment of market economy. This is achieved, first of all, by the successful management of an enterprise on a whole, and its production process, in particular.

In general, much attention is paid to the issue of the effectiveness of the formation, use, planning and financing of current assets in the operating or investment process in the overall management system. In this case, financing of current assets is a relatively new area of functional management of an enterprise. It is a system integrating the methodological principles of financial management, innovation management, accounting, control, logistics and other special fields of knowledge.

The study of problems in the organization of accounting and analysis, in particular, planning and financing of current assets, were studied in scientific works of such national scientists and economists as Blank I. A., Lakhtionova L. A., Pavlovskaya O. V., Prytulyak N. M., Nevmerzhitskaya N. Y., Korobova M. Y., Izmaylova etc. In the foreign sources this issue was considered in the scientific works of such economists as A. Smith, J. Stuart Mill, K. Marx, M. Matthew, P. Perer, etc.

The aim of the article is to summarize methodological grounds regarding the current assets financing of an enterprise for improving the efficiency of current assets financing management.

The above mentioned scientists revealed the essence and structure of current assets of an enterprise and considered the approaches to their classification; investigated the policy and strategy of current assets financing; characterized the system of indicators of efficiency to manage current assets of an enterprise; analyzed availability of current assets in different, mostly trade companies; characterized the current assets financing sources in companies; estimated their current assets efficiency financing; explained the

appropriate current assets financing policy; calculated the planned needs in current assets in the perspective period; substantiated the sources of current assets financing taking into account the planned needs; developed general recommendations for increasing efficiency of current assets financing management in companies.

But still there is the problem of the formation of the mechanism of current assets financing at the enterprise.

The given study relies on legislation and regulations in the field of financial and economic activity of the enterprise management in Ukraine, official materials of the State Statistics Committee of Ukraine, textbooks, manuals, monographs, scientific articles, materials of scientific conferences, accounting and reporting data of some trade companies.

The basis of the study is a systematic approach. In conditions of integrating Ukrainian enterprises into the international economic space, there emerges a necessity for a unified interpretation and methodology of the study of such a diverse economic category as "current assets", which is relatively new to Ukrainian economic theory and practice. In general, the term "current assets" is treated differently, depending on the stages of economic development. Thus, in political economy generalizations of the concept of current and fixed capital were introduced by Adam Smith [3]. Adam Smith divided current capital into: money in circulation; edible supplies that are in the hands of both producers and merchants which are for sale with benefits; materials for accommodation, clothes, pets, jewelry, more or less finished or in the hands of workers for their final production and circulation; finished and usable goods in warehouses and merchants stores that are stored for the purpose of selling them with profit or which are on ships or in carts that carry them to the account of buyers or consumers.

John Stuart Mill clearly pointed out the multiple participation of fixed capital in the production process. The researcher noted that a significant part of capital, embodied in tools of production, characterized by a more or less long existence, is not excluded from it, but remains in it, and the function of this part of capital is not limited to a single use [2].

The division of assets on the current ones and fixed ones was also studied by Korol S.A. [1]. The author noted that the division of assets into fixed ones and current ones is borrowed from the practice of accounting in the economy through the judicial sphere at the end of the nineteenth, the beginning of the twentieth century. It was believed that one of the main benefits from the division of assets into the fixed and current is the ability to evaluate, based on this, the liquidity of the entity.

In terms of the administrative system in Ukraine the concept of "current funds" was more common. The main function is considered as settlement and payment services of funds circulation, financing of the current costs of an enterprise. The current funds include the amounts needed to purchase materials, raw materials, wages for production and administrative personnel, for paying taxes and other expenses paid by an enterprise in the current period. In particular, to simplify, current assets began to be identified with current funds.

International Accounting Standard №1 [5] «Presentation of Financial Statements» states that "Current assets are cash and cash equivalents that are not restricted in use, as well as other assets intended to be realized or consumed during the operational cycle or during twelve months from the balance sheet date".

The conducted research confirms the absence of a unified methodological approach to the notion of current assets (Fig. 1.1).

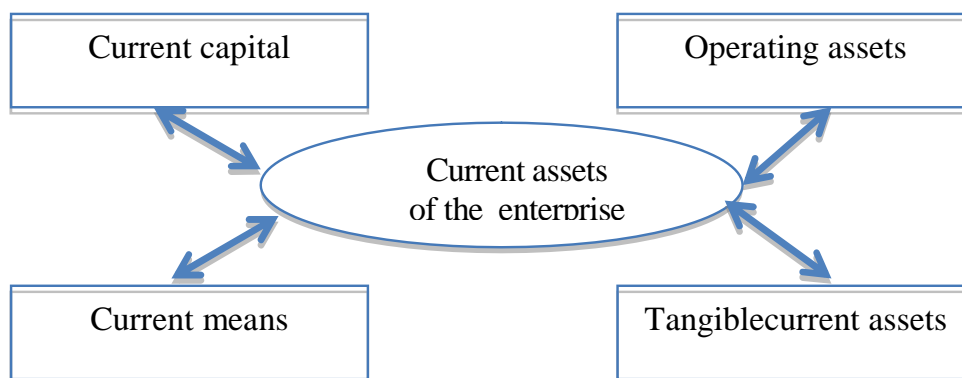


Figure 1.1. Generalization of scientific approaches to the notion of the concept of "current assets"

In recent years, in the industrial sector of Ukraine's economy, the share of revolving funds in the amount of current assets averaged to 70-72%, and the share of funds of circulation was 28-30% [4].

As a rule, current assets include revolving funds and funds of circulation (Fig. 1.2) [27].

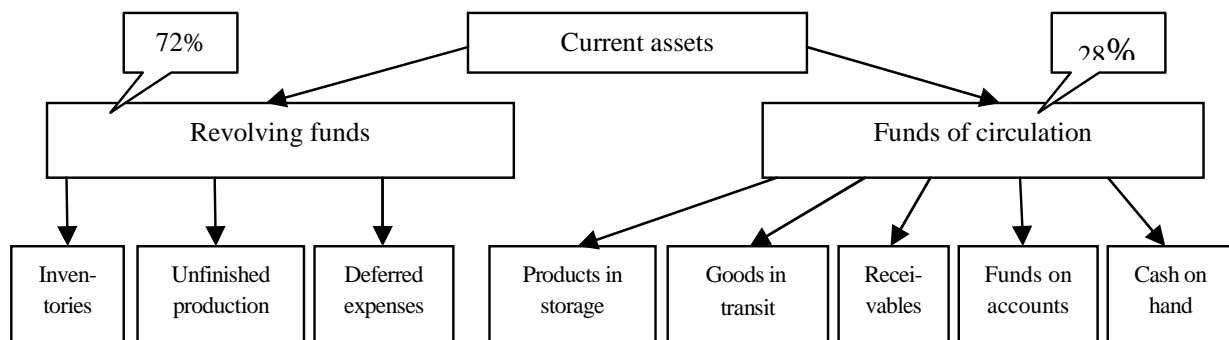


Figure 1.2. Elemental composition and structure of current assets of an enterprise

**Conclusions.** Current assets financing is an inherent process in management of every company. Management process regards current assets as a set of property values of an enterprise dealing with the current economic process and are fully / partially consumed during one operating (production and commercial) cycle.

In the practice of managing economic activities managers should pay attention to revolving funds: inventories, that is stocks of raw materials, basic and support materials, finished materials, purchased semi-finished products, fuel, spare parts, containers and other tangible values intended for production; unfinished production, which are objects of work, processing of which is not completed by an enterprise; a set of revolving funds and funds of circulation; current means of enterprises, which are reflected in the asset part of their balance sheet; cash and cash equivalents and other assets used in one operating cycle; a set of tangible values that serve the current economic activity of an enterprise and are fully consumed during one

operating cycle; means of an enterprise which completely transfer their value to the cost of manufactured products.

Managers should keep in mind that revolving funds are a part of the production assets of an enterprise which are fully consumed in each technological cycle of manufacturing products and completely transfer its value to the value of these products. Revolving funds of an enterprise have tangible and cost form. Therefore, there exist different aspects of management of company's current assets financing which leave much to be studied in the future.

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## REPRESENTATION OF VALUE DRIVERS OF AN ENTERPRISE

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**Romanova G. V., Kasianova V. G. Representation of value drivers of an enterprise.** In the article there are described the use of value drivers in order to plan future operating cash flows. It is grounded the necessity of using these drivers to create operational key figures for planning the process of estimating financial state of majority of the enterprises. The models of value drivers facilitate estimation of the key indicators for the process of measuring financial stability after changing the input data.

**Key word:** value drivers, operating cash flows, operational key figures, financial stability.

**Романова Г. В., Касьянова В. Г. Репрезентація факторів вартості підприємства.** У статті розглянуто способи використання факторів вартості з метою планування майбутніх операційних витрат. Обґрунтовано необхідність використання таких факторів для операційних підрахунків для планування процесу оцінювання фінансового стану підприємств. Створення моделей факторів вартості полегшує оцінювання ключових показників у процесі визначення фінансового стану після зміни вхідних даних.

**Ключові слова:** фактори вартості, операційні витрати, операційні підрахунки, фінансовий стан.

**Романова А. В., Касьянова В. Г. Репрезентація факторов стоимости предприятия.** В статье рассмотрены способы использования факторов стоимости с целью планирования будущих операционных затрат. Обосновано необходимость использования таких факторов в операционных подсчетах для планирования процесса оценивания финансовой стабильности предприятий. Создание моделей факторов стоимости облегчает оценивание ключевых показателей в процес се определения финансового положения компании после изменения первоначальных данных.

**Ключевые слова:** факторы стоимости, операционные затраты, операционные подсчеты, финансовое положение.

In Ukraine today each enterprise needs to verify its financial state by way of time consuming models on the one hand and by way of using international audit experience on the other hand. One of the



basic elements of corporate value is the operating cash flow. We can use it to visualize ability of the value models to be an element of influence on the indicators of an enterprise. Planning future operating cash flows demands the use of value drivers. Different scientists use different methods, both theoretical and practical methods of analysis and search for effective financial solutions. They are Sinzig W., Mertens P., Brandenburg R., Zhou R., Herman I., Melancheon G., and Marshall M.S. Also it is important to emphasize the impact of those scientists as Kerren A., Purchase H.C., and Ward M.O. On the whole these scientists consider the following value drivers:

$$\begin{aligned} \text{Cash Flow} &= \text{Cash inflows} - \text{Cash outflows} = \\ &= [(\text{Previous year`s sales}) * (1 + \text{Growth rate of sales}) \times \text{Operational} \\ &\quad \text{profit margin}. \end{aligned}$$

These drivers are not dependent on the industry and type of business and therefore are classified as generic value drivers [1]. They can be augmented by business-specific value drivers that are specific in any a firm. Using them both we can create operational key figures for planning the process of estimating financial state of majority of the enterprises. The tree diagram (figure 1) helps visualizing the relationships between value drivers and key financial indicators.

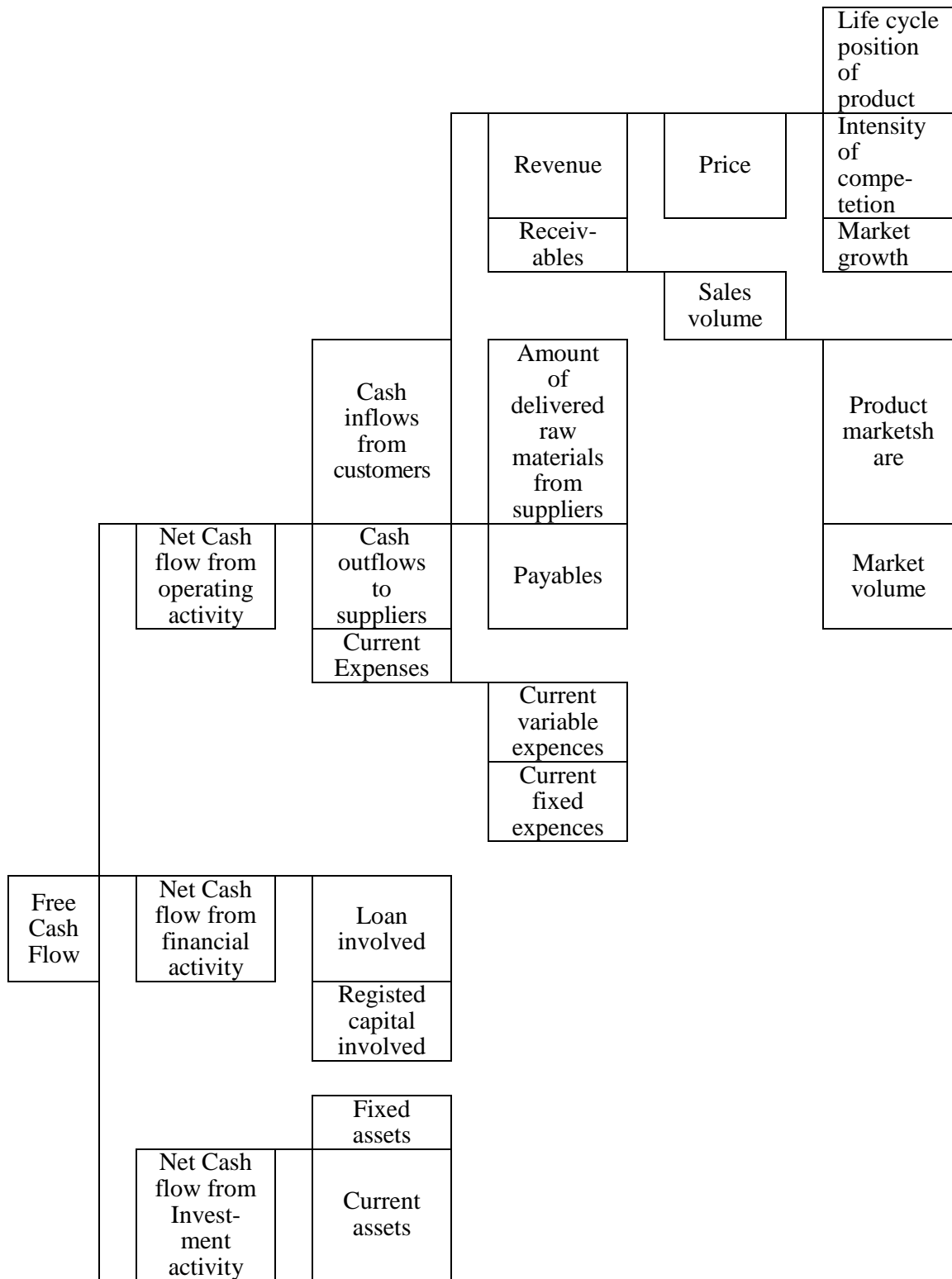


Figure 1. Free Cash Flow Value Drivers

The figures (value drivers) that merit the most consideration are those over which the company has a large degree of control (influence) and which greatly influence the corporate value (effect) [2]. So, using the above value drivers, we can select micro key drivers and it will help analyze a narrower branch of financial performance through its major indicators. The indicator of liquidity is important not only for financial management of the enterprise, but also corresponds to the interests of various external users of analytical information. For example, suppliers of an enterprise are interested in whether the company can deal with them in the near future, the lending bank or lenders will be interested in the value of critical liquidity. Investors are more likely to assess the financial sustainability of the company in the long run, and therefore they have an important factor in current liquidity [3].

According to the analysis, which must be carried out at an enterprise in order to calculate the financial indicators of a company, we have developed a model of liquidity (figure 2) and cash cycle (figure 3). It also helps define the extent of managerial influencing.

Dealing with the cash cycle of a company scholars of economics use an interesting method to evaluate the efficiency of a company's operations. It measures how fast a company converts its products into cash. The shorter this metric, the better it is for a company.

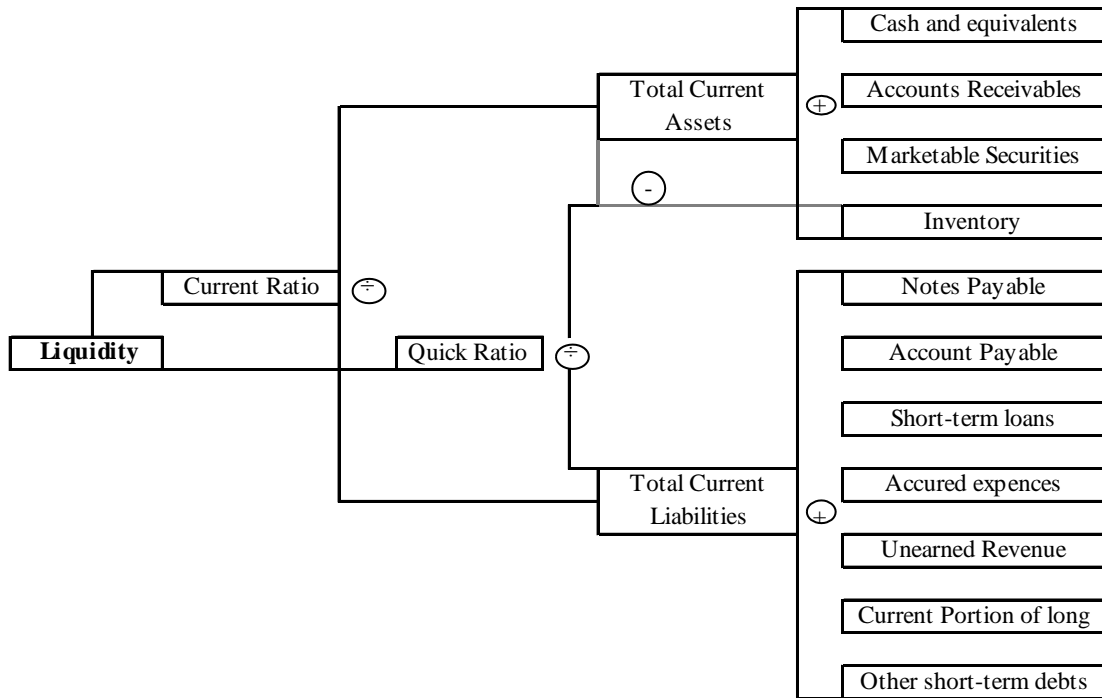


Figure 2. Liquidity Drivers

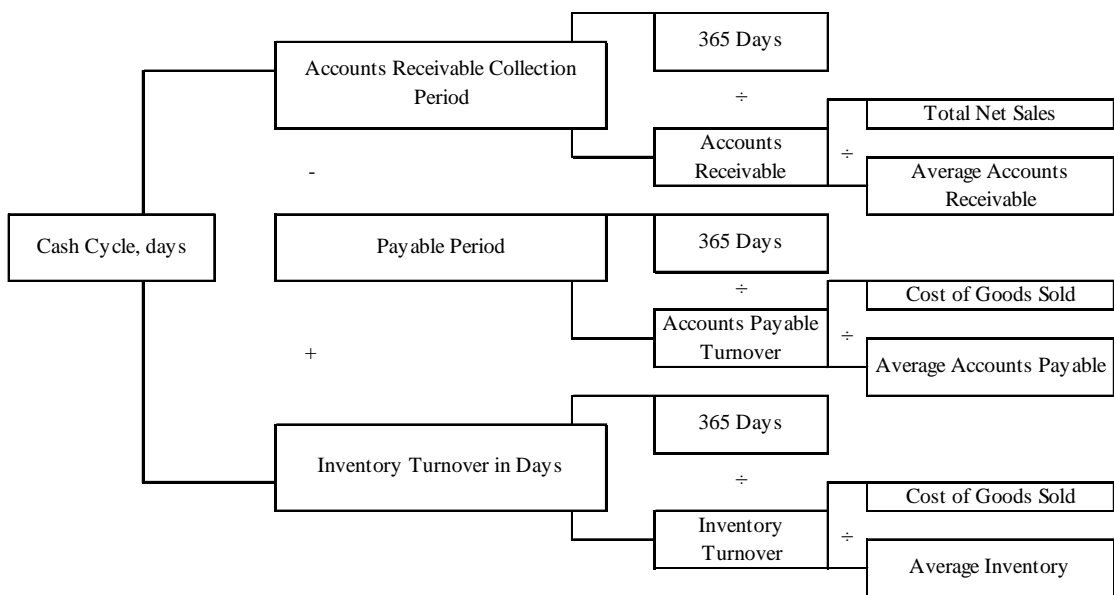


Figure 3. Cash Cycle Drivers

Micro and macro value drivers were studied by the reserchers long ago [4]. Based on these researches we can resume the purposes of the value drivers application: identifying where there are the biggest constraints in an organisation's ability to create value; showing which areas are at greatest risk to fail to deliver value; providing transparency at the individual employee level to see how they contribute to the creation of value; benchmarking operations that were too different to compare through traditional benchmarking methodologies.

**C o n c l u s i o n s .** In conclusion, the models of value drivers facilitate estimation of the key indicators for the process of measuring financial stability after changing the input data, shows the interrelationships between transactions, business changes, benefits and investment objectives. Using these key micro value drivers enables management to target business unit operations that have the most significant value impact and are easily controlled by management. Representation of these micro and macro value drivers at enterprises by way of time consuming models allows management to focus on value driver analysis during short time periods.

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## INTERNATIONAL RELATIONS OF UKRAINE

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**Romanovskij Y. Y., Karpusenko M. V., International relations of Ukraine.** The article talks about the interdependence of Ukraine and other countries, describes the relationship of Ukraine with the main political and economic partners in the international arena, reveals the foreign policy of Ukraine and its main standards. The article also identifies key methods for improving relations between Ukraine and countries around the world.

**Keywords:** foreign policy, inter-parliamentary cooperation, strategic partnership, market economy, national security strategy, territorial integrity.

**Романовський Я. Є., Карпусенко М. В., Міжнародні відносини України.** Стаття розповідає про взаємозалежність України та інших країн, описує взаємовідносини України з головними політичними і економічними партнерами на міжнародній арені, розкриває зовнішню політику України і її головні стандарти. Також в статті вказані ключові методи поліпшення взаємин України з країнами всього світу.

**Ключові слова:** зовнішня політика, міжпарламентська співпраця, ринкова економіка, стратегічне партнерство, стратегія національної безпеки, територіальна цілісність.

**Романовский Я. Е., Карпусенко М. В., Международные отношения Украины.** Статья рассказывает о взаимозависимости Украины и других стран, описывает взаимоотношения Украины с главными политическими и экономическими партнерами на международной арене, раскрывает внешнюю политику Украины и её главные стандарты. Также в статье указаны ключевые методы улучшения взаимоотношений Украины со странами всего мира.

**Ключевые слова:** внешняя политика, межпарламентское сотрудничество, рыночная экономика, стратегическое партнерство, стратегия национальной безопасности, территориальная целостность.

The o b j e c t of the article is the relations between Ukraine and other countries of the world. The s u b j e c t is the results of these relations in the conditions of cooperation, mutual assistance, mutual integration. The p u r p o s e of the article is to discuss the

economic, cultural, political component of Ukraine's international relations. Also, consider possible ways to improve the position of Ukraine in the international arena, expanding existing relationships.

Ukraine has formal relations with many nations and in recent decades has been establishing diplomatic relations with an expanding circle of nations. The foreign relations of Ukraine are guided by a number of key priorities outlined in the foreign policy of Ukraine [1].

### **Western relations**

Ukraine considers Euro-Atlantic integration its primary foreign policy objective, but in practice balances its relationship with Europe and the United States with strong ties to Russia. The European Union's Partnership and Cooperation Agreement (PCA) with Ukraine went into force on March 1, 1998. The European Union (EU) has encouraged Ukraine to implement the PCA fully before discussions begin on an association agreement. The EU Common Strategy toward Ukraine, issued at the EU Summit in December 1999 in Helsinki, recognizes Ukraine's long-term aspirations but does not discuss association.

On January 31, 1992, Ukraine joined the then-Conference on Security and Cooperation in Europe (now the Organization for Security and Cooperation in Europe—OSCE), and on March 10, 1992, it became a member of the North Atlantic Cooperation Council[2]. Ukraine also has a close relationship with NATO and has declared interest in eventual membership. It is the most active member of the Partnership for Peace (PfP).

Former President Viktor Yushchenko indicated that he supports Ukraine joining the EU in the future. Plans for Ukrainian membership to NATO were shelved by Ukraine following the 2010 Ukrainian presidential election in which Viktor Yanukovich was elected President. Yanukovich opted to keep Ukraine a non-aligned state. This materialized on June 3, 2010 when the Ukrainian parliament (Verkhovna Rada) excluded, with 226 votes, the goal of "integration into Euro-Atlantic security and NATO membership" from the country's national security strategy giving the country a non-aligned status. "European integration" has remained part of

Ukraine's national security strategy and co-operation with NATO was not excluded. Ukraine then considered relations with NATO as a partnership. Ukraine and NATO continued to hold joint seminars and joint tactical and strategical exercises.

After February 2014's Yanukovich ouster and following the Russian military intervention in Ukraine, Ukraine renewed its drive for NATO membership. On 23 December 2014 the Verkhovna Rada abolished, with 303 votes, Ukraine's non-aligned status [3].

### **Relations between China and Ukraine**

Bilateral relations between Ukraine and the People's Republic of China represent the strategic partnership, while reflecting longstanding traditions of friendship and cooperation between the two countries.

China invariably supports Ukraine's sovereignty and territorial integrity. Ukraine remains firmly committed to "one China" policy. Given ongoing transformation and reforms in Ukraine in recent years, the two sides are currently undertaking measures aimed at launching a new phase of development of bilateral relations with the view to bringing them up at a new level.

There is an inter-parliamentary cooperation between the Verkhovna Rada (Parliament) of Ukraine and the National People's Congress of the People's Republic of China. Ukraine – China inter-parliamentary contact group headed by a member of parliament, Mr. Andriy Pavelko, functions in the Verkhovna Rada of Ukraine of current convocation. The group of friendship with Ukraine led by Ms. Fu Yin, the Head of the Committee of Foreign Affairs, does exist in the Chinese National People's Congress.

President of China Wang Qishan also confirmed full support for Ukraine's independence, sovereignty and territorial integrity within its internationally recognized borders[4].

### **Relations between Germany and Ukraine**

Germany is very keen to see a stable, democratic and economically flourishing Ukraine. The German Government is assisting Ukraine's transition to a market economy and its efforts to move closer to European structures. In the wake of Russia's



annexation of the Crimean Peninsula in contravention of international law and in light of the military conflict in eastern Ukraine that has claimed large numbers of victims, Germany is seeking to reach a peaceful settlement of the crisis in close cooperation with its European and international partners, especially within the framework of what is known as the Normandy format (Germany, France, Ukraine and Russia). Germany supports Ukraine's territorial integrity and does not recognize Russia's annexation of Crimea.

Germany's federal states, cities and municipalities, as well as universities and schools, private associations and individuals also feature prominently in the good bilateral relations. Under the German Bundestag's International Parliamentary Scholarship (IPS) programme and the High Level Experts Programme of the Federal Foreign Office and the German Embassy in Kyiv, young Ukrainian professionals visit Berlin each year to complete an internship at the German Bundestag, Federal Foreign Office or other institutions.

Germany is one of Ukraine's most important trading and investment partners. It is not only the second largest supplier of Ukrainian imports and a key market for Ukrainian exports, but also one of the biggest sources of foreign investment in Ukraine.

The principal German exports to Ukraine are machinery, motor vehicles, chemical and pharmaceutical products, electrical goods, foodstuffs and animal feed. Ukraine's main exports to Germany are textiles and garments, metals, chemical products, motor vehicles and agricultural produce.

It is estimated that more than 1000 German companies are currently doing business in Ukraine. In addition to the services provided by the German Embassy, their interests are looked after by the German Chamber of Commerce Abroad established in Kyiv in October 2016, the official representative of the Association of German Chambers of Commerce and Industry.

A German-Ukrainian Agreement on Cultural Cooperation was concluded in 1993. In the same year, the Goethe-Institute opened a branch in Kyiv, whose network now includes German Reading

Rooms, language-learning and teaching-material centres and libraries offering inter-library loan services in all regions of the country. The Goethe-Institute also oversees three German-Ukrainian cultural associations in Odessa, Kharkiv and Chernivtsi. As part of the Schools: Partners for the Future initiative, more than 40 Ukrainian schools and the German school in Kyiv have received assistance in establishing and developing their German language teaching. The Central Agency for Schools Abroad and the Goethe-Institute cooperate closely to this end.

The German Academic Exchange Service opened an office in Kyiv in 1998, and an agreement on academic cooperation was also concluded in the same year. A large number of German “programme teachers” (teachers working under special central government and federal state programmes), lecturers and language assistants are working at schools and universities in Ukraine. Demand for German language teaching – both in and outside schools – remains strong, as does the interest in DAAD scholarships. The number of German learners is constant or on the increase and there are currently 42 schools in the *Schools: Partners for the Future* initiative. In 2018, a memorandum of understanding on the initiative was signed with the Education Ministry. More than 9000 Ukrainians are currently studying at German universities, and around 1500 Ukrainian students are awarded DAAD grants and scholarships each year. There are more than 160 university partnerships between the two countries. In addition, there are numerous school partnerships and town twinning arrangements. German-speaking Ukrainian and Ukrainian-born writers in particular are a prominent and integral part of the bilateral cultural landscape[5].

### **Ways to improve foreign relations for Ukraine**

Ukraine's relations with other countries are only improving every year. Mutual cooperation with European countries has increased almost twice in the last 20 years, and with China at least three times.

However, it should be noted that due to the conflict with Russia, Ukraine finds itself in a certain unstable situation. This is

important to keep in mind, because a key factor that worries foreign investors is stability.

1) Therefore, the first step to strengthen the mutual relations of Ukraine with the rest of the world is to establish stability in the economic and political sphere of life of the country.

2) Another step to improve relations with other countries may be to try to avoid conflicts at the international level. Being in the heart of Europe on the world map, it should be understood that any conflict that may occur with Ukraine will also affect the countries that are Ukraine's neighbors. Thus, the emergence of an international conflict with the participation of Ukraine in no way can go without a trace.

3) The third step should be to reform the banking system in order to reduce the lending rate to the approximate level of European banks. Due to the high credit rate, foreign companies do not want to operate in Ukraine, because this implies low profitability, and the risk of becoming bankrupt, while only a national monopoly company is able to repay the loan.

4) The fourth way to improve mutual relations with other countries is strong mutual integration with other countries in cultural, scientific, technical, IT and other spheres of life.

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## THE ROLE OF THE REPUBLIC OF KAZAKHSTAN IN MODERN INTERNATIONAL RELATIONS

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**Rozhko A. J., Ponikaryova A. Yu. The role of the Republic of Kazakhstan in modern international relations.** The article discusses the current position of the Republic of Kazakhstan in the system of modern international relations, its place on the world stage, as well as current problems that the country has to face on the way to economic, political and social development.

**Keywords:** actor of international politics, economic growth, international relations, political development, social development, world integration.

**Рожко А. Ю., Поікарьова А. Ю. Роль республіки Казахстан у сучасних міжнародних відносинах.** У статті розглядається нинішній стан Республіки Казахстан в системі сучасних міжнародних відносин, її місце на світовій арені, а також актуальні проблеми, з якими країні доводиться стикатися на шляху до економічного, політичного і соціального розвитку.

**Ключові слова:** актор міжнародної політики, економічне зростання, міжнародні відносини, політичний розвиток, світова інтеграція, соціальний розвиток.

**Рожко А. Ю., Поникарева А. Ю. Роль республики Казахстан в современных международных отношениях.** В статье рассматривается нынешнее положение Республики Казахстан в системе современных международных отношений, её место на мировой арене, а также актуальные проблемы, с которыми стране приходится сталкиваться на пути к экономическому, политическому и социальному развитию.

**Ключевые слова:** актер международной политики, международные отношения, мировая интеграция, экономический рост, политическое развитие, социальное развитие,.

The object of the article is the character of modern international system. The subject of the article is economic and political positions of Kazakhstan nowadays. The purpose of the study is to try to explain the nature and reasons for the rapid economic and political growth of this country, which is the only one among all 15 post-Soviet republics that has achieved such

meaningful success and influence in the modern international arena. The relevance of the research is determined by the general increase of the role of the Republic of Kazakhstan in the the system of modern international relations and by the need to study the contemporary role of Kazakhstan in the system of international relations and the need to identify what political, economic and social events at different stages of its formation have led to today's positive economic and political results and innovations of the country that has acquired the status of a state-leader among the leading countries in the international community.

Today, Kazakhstan is an important state – actor of the international politics among other countries in modern geopolitical arena. Due to its favorable geographical position on the border of two continents of Europe and Asia, Kazakhstan takes a profitable place between the Russian Federation, the European Union and China.

That is why in the early 90's of the last century, on the eve of the beginning of fateful reforms that brought the state its independence on December 16, 1991, the government of the country chose a European integrated course of multi-vector development of the Republic of Kazakhstan, which has been invariably followed for 28 years and provided stable and efficient economics, political growth and multi-sectoral cooperation with many countries of the world. Kazakhstan is recognized as a sovereign, independent and democratic Republic [3].

This positive tendency for multilateral development and partnership has provided Kazakhstan with undoubtedly objective positions of the leading state alongside the world's leading superpowers – countries of the European Union and the United States.

The peculiarity of the Republic of Kazakhstan is that in the beginning of the 1990s, it had recognizable features of a developed country (general literacy of the population, a wide network of higher educational establishments, research and design institutions, etc.), as well as of a developing country (raw material orientation of the

economy, environmental pollution of many regions, a need for foreign investment and import of new technologies, the lag in both production and social infrastructures) [3, p. 21].

Despite its hyperterritoriality (Kazakhstan ranks 9th in the world) and its continental location, it is very far from the world's transport routes, and the rail and pipeline modes of transport are underdeveloped in the Republic. Therefore, the republic should look for any opportunity to enter the world economic space. Only by becoming a sovereign and independent state Kazakhstan did manage to embark on its own path of economic and political transformation by choosing a strategy of market relations as a determining direction in the economy and politics [3, p. 5].

The choice of this vector of geopolitical and geo-economical development objectively provided for a transitional period during which Kazakhstan had to minimize and eliminate most of the post-Soviet consequences of domestic and foreign policy obtained during the republic's stay in the USSR and the part of them that had a positive influence – adaptation to the present real conditions of market relations.

Assessing the current state of the Kazakh economy [1, p. 1], the World Bank has included Kazakhstan in the group of countries with income above the world average. Dynamic development of the economy of the republic on the basis of successful political partnership with many countries of the world has allowed to increase GDP per capita 3.5 times in the last decade, from 1,446 thousand dollars. Up to \$ 5,045 in 2016, and in 2017, this figure reached \$ 7000. Such figures by world economic graduation correspond to the high average level of development of the economic potential of the state, which primarily determines the importance of Kazakhstan as an actor of international relations in the modern geopolitical space, since these positive statistics indicate a continuous increase in purchasing power of the population of the republic.

The positive dynamics of socio-economic development have been achieved thanks to the timely defined Strategy for long-term development of «Kazakhstan2030». In his Letter to the People, the

former President of the Republic of Kazakhstan, Nursultan Nazarbayev, outlined a personal vision of the country's development by 2030, which envisages the establishment and implementation of new principles of the country's entry to higher levels of international cooperation and influence in all sectors of economy and politics, and outlined the main directions and measures to achieve them. Thanks to this national planning, positive changes have been made in the center and in the field, which will allow the republic not only to become one of the economic and political leaders of the post-Soviet space, but also of the whole international community of the modern geopolitical space [5, p. 41].

The successful development of Kazakhstan has largely been made possible by the abundance of natural resources. With considerable reserves of minerals, the republic was a traditional supplier of various energy products and raw materials to the Commonwealth countries as early as the post-market period. The interior of the country contains practically the whole complex of minerals, among which the main and most profitable from the point of export to other countries are: fuel-energy, metallurgical and mining chemicals.

Of the 11 billion tonnes of minerals extracted in the world, the country has more than 250 million tonnes, which give it the 11th place in international statistics. For 37 types of these products the country ranks from 1 to 19 places, among which the most positive are the most favorable [2, p. 55]:

- 1) the first place in the world – in reserves of silver and chromite;
- 2) the fourth – copper, zinc and manganese;
- 3) sixth – lead and iron;
- 4) the seventh – cobalt;
- 5) eighth – gold, etc.

Also, at the moment the country is the largest in the world for the extraction of metals (iron, chromium, ferroalloys, steel, aluminum). All these objective data together with all the previous positive economic indicators prove that for 28 years of independent

existence, the Republic of Kazakhstan not only stabilized its post-Soviet and political and economic positions, but quickly reached a whole new level of international relations leadership in the modern geopolitical space.

An important role in these processes was played by the strategy of economic liberalization and the long-awaited opening of access to other countries of the world to the domestic market of the republic, to which since the early 2000's foreign companies of the leading countries of the world (European Union and the USA) interested in extraction and transport have flooded oil and gas resources. The arrival of foreign companies and the attraction of foreign investments have allowed Kazakhstan to become an absolute leader among the CIS countries in terms of private capital. Today, almost all large multinational companies operate in Kazakhstan [3, p. 12].

Kazakhstan's foreign policy initiatives are known worldwide. The authority of the state as an important actor of influential international organizations is constantly growing. It was this republic that initiated the convening of the Asia-Confederation Interaction and Confidence Measures Conference (NDAA) and the convening of leaders of world and traditional religions, as well as an active supporter of the East-West dialogue. Kazakhstan's leadership policy is aimed at increasing the flow of foreign investment into the country.

Recently, the main investor is the United States, which has invested over \$ 5 billion in Kazakhstan's economy and is now investing about \$ 200 million in Kazakhstan's oil industry since 2010. This demonstrates the undeniable political confidence in Kazakhstan by the United States and other leading countries in the world that invest in the country's economy and energy production [1, p. 17].

The intensification of the economic influence of Western European countries on Kazakhstan, in particular Turkey, may lead to the emergence of a new «southern axis» in the region, which in the future will be able to cut off Russia from promising markets. Kazakhstan is the leading country in all industries in Central Asia.



The present state security of Kazakhstan depends to a large extent on relations with such neighboring states as Russia and China. At the moment, the Republic continues to keep pace with the development of strategic political and economic partnership with the United States and to strengthen cooperation with the European Union.

Thus, in the present geopolitical space, Kazakhstan has, in addition to the previously mentioned leading positions of the leader of the CIS exporting countries, the role of the main guarantor of economic stability, sustainable development and national security for the whole region of Central Asia.

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## THE IMPORTANCE OF KNOWING FOREIGN LANGUAGES IN INTERNATIONAL ECONOMY

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**Ryzhykov Y. A., Oliynyk N. A. The importance of knowing foreign languages in international economy.** The article considers the problems of using foreign languages in the world economy and the ways of their solving at the enterprise and country level; at the enterprise level, we examine the experience of the elevator company KONE in implementing a universal corporate language and issues that emerged between top management and staff in the process of communication. At the national level, Switzerland is given as an example of a country which benefits from its language diversity the most in comparison with other countries.

**Key words:** international economy, foreign languages, language advantages, international relationship, international companies, multilingualism.

**Рижиков Є.А., Олійник Н.А. Важливість знання іноземних мов в міжнародній економіці.** У статті розглядаються проблеми, які стосуються використання іноземних мов у світовій економіці та шляхи їх вирішення на рівні підприємств і країн. На рівні підприємства досліджується досвід ліфтової компанії KONE у впровадженні єдиної корпоративної мови і проблеми, які виникли в ході комунікацій між вищим керівництвом і підлеглими. На рівні країни наводиться приклад Швейцарії, як країни, яка отримує найбільші переваги від своєї багатомовності у порівнянні з іншими країнами.

**Ключові слова:** міжнародна економіка, іноземні мови, мовні переваги, міжнародні відносини, міжнародні компанії, багатомовність

**Рыжиков Е.А., Олейник Н.А. Важность знания иностранных языков в международной экономике.** В статье рассматриваются проблемы касающиеся использования иностранных языков в мировой экономике и пути их решения на уровне предприятий и стран. На уровне предприятия исследуется опыт лифтовой компании KONE во внедрении единого корпоративного языка и проблемы, которые возникли в ходе коммуникаций между высшим руководством и подчиненными. На уровне страны приводится пример Швейцарии, как страны, получающей наибольшие преимущества от своей многоязычности в сравнении с другими странами.

**Ключевые слова:** международная экономика, иностранные языки, языковые преимущества, международные отношения, международные компании, многоязычность.

Nowadays, when globalization has touched each part of our everyday life, the importance of being competent in languages has begun to be taken for granted. In the first half of the XX century the international trade was not as developed as it is today – there were no international organizations that would set certain rules for trade and the majority of countries were selling their goods and services to the closest neighbours. The need to have knowledge of language mattered only for top management but not for a labour force as they did not communicate with external partners. However, after the end of World War II and decolonization, countries have started to promote relationships with foreign companies.

Despite having large markets to work with, entrepreneurs faced a number of barriers which they had to overcome to enter the international market. One of the key issues was the necessity to understand other cultures: language barriers can either be a trading obstacle or a competitive advantage.

The subject of the study is the phenomenon of foreign language in the contemporary economic world. The purpose of the study is to analyse the impact of foreign languages on companies and countries. The relevance of the study is determined by the trend of developed countries to spend more money on language education in order to benefit from it in international trade by interacting with foreign companies in their mother tongue.

Thus, knowing a language in the global market is a sort of license that provides its users with the following advantages:

- it increases the value of human capital. Those who know a language find it easy to get a job and overall their productivity is higher than of their colleagues without language skills. Moreover, these skills remain with a person for the entire life unlike physical capital e.g. a car.[1, p. 3]

- it encourages and facilitates building connections. A conversation in a language of counterparty is considered by him as showing respect

and courtesy. It is especially important in the fight for clients and, also, on rapidly growing markets such as China or Arabian countries where the ability to maintain relationship determines the success and.[2]

- it decreases transaction costs. The absence of language skills logically leads to the point where companies hire a translator. Obviously, a part of a message will be missed as translator interprets under the influence of his worldview hence there is never enough confidence that a counterparty will get the initial message in the right way.

- it increases the inflow of foreign investments. Travis Selmier, an honorary assistant of Indiana University, has run a study which states that main languages that are used in the world, affect the choice of a donor country for investments much stronger than they do for international trade. On the other hand, countries can manipulate language policy and teach labour force the language of a recipient country. For instance, after Singapore got independent in 1965, the authorities started lobbying investors in New York and London. The inflow of investments increased the number of contacts with foreigners and today English is the native language for more than 40% of Singapore population. [3 p. 735, 4 p. 6]

If a company wants to use the stated benefits it should spend money and time on staff training. Rebecca Marchan, the professor of Helsinki School of Economy, in her research of 1997 argued that a language has a direct effect on the ability of foreign companies to run its network of subsidiaries.

Finnish elevator company KONE which in 1970 made English its corporate language, faced a list of issues in the process of implementing the new language and for many of them it took a lot of time to be revealed. For example, managers in a Spanish subsidiary who did not speak English, reduced the number of interactions with the headquarters. They relied mostly on mediators who helped them with the translation. A part of employees skipped all the tasks in English and mediators were overloaded with translation in that extent that they could not perform well for the lack of time.

Besides neglecting English, the Spanish subsidiary improved relationship with and Italian subsidiary. It can be explained that Spaniards perceive learning Italian to be easier than learning English. In this case, the language barrier between Italian and

Spanish actually acted as a facilitator of communication because it was perceived as less high than the barrier between Spanish and English. [5]

In the international arena only few can boast about the number of official languages as Switzerland does. Having as much as four languages – German, French, Italian and Romansch -it can yield unique business benefits. In 2008 François Grin, the professor of Geneva School of Economics and Management, conducted the first study which demonstrated the level of language impact on the Switzerland economy in digital indicators. The results showed that 10% GDP (\$38,15 billion) Switzerland receive namely because of being multilingual. Grin states ‘it is an extremely heterogeneous picture. Some companies are aware and active and trying to do their utmost but others seem to neglect the issue completely’.[6]

When deciding who gets to learn a language, only a small number of companies expect all employees to have second language skills as a core competency. Moreover, employees who remain motivated and achieve their target level of proficiency see real changes in the workplace – improved customer feedback, more confidence, and higher engagement at work. Company culture is affected by language-learning programs as well. A key impact for companies providing language training is improved employee engagement. This is especially true in the Asia-Pacific region. Engagement is a very important KPI for manufacturing businesses, more so than in all other industries, and language is helping them achieve their goals. In fact, there is only a quarter of companies which overall put language learning into individual development plans and also track KPIs. About 40% include this training in development plans but do not measure employees’ performance. [7]

In its latest report The American Council on the Teaching of Foreign Languages examined 1200 American companies and found out that there is a growing demand for knowledge of language. 56% of employers agreed that foreign language demand will increase in the next five years. The statistics also witnesses that 1 out of 4 entrepreneurs lose its business for poor knowledge of foreign

languages. To benefit from it a company should focus on the following:

1. Make foreign languages a strategic focus throughout the recruitment process. Set hiring targets for employees with foreign language skills based on your organizational goals. Prominently communicate interest in employees with multilingual and cross-cultural competencies in all recruiting resources and corporate communications.

2. Conduct a Language Needs Analysis. Identify linguistic strengths and weaknesses in your organization, and define current and future language needs. This helps create clear goals and measurable outcomes for attaining the necessary language capacity.

3. Train talented candidates and employees who lack the required level of language proficiency. Immersive training, private coaching, online programs and blended learning methods are viable options. It is also necessary to consider personalized training and remember that not all roles require full proficiency.

4. Conduct outside language testing and assessment. Professionally test employees as a first step to identifying your workforce's linguistic strengths and weaknesses. [8]

**C o n c l u s i o n .** Knowledge of foreign languages is a significant component of stable relationship with external counterparties that can help achieve success and win the competition. With entering overseas market, a company should take care of employees' language competence to ensure sustainable economic functioning. Not all clearly realise how they can benefit from this underestimated field of knowledge. With such investment the arrival of new loyal customers without granting trade preferences will not take long. Therefore, companies should pick up the pace of implementing language education in their structure. As a result, it is a chance to obtain a long-term competitive advantage consequently having the opportunity for growth and development.

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## TOURISM COMPETITIVENESS OF UKRAINE. TRAVEL AND TOURISM COMPETITIVENESS INDEX

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**Salabay A. A., Saprun I. R. Tourism competitiveness of Ukraine. Travel and Tourism competitiveness index.** The article speculates on one of the most important issues of the research in the sphere of economics and business studies, the issue of the competitiveness of industry and firms. The challenges in measuring competitiveness in tourism have been singled out. The factors affecting the competitiveness of the tourism business have been analyzed. The tourism competitiveness of Ukraine has been determined. The basic concepts and directions of competitiveness of tourism business in Ukraine have been pointed out.

**Keywords:** competitiveness, economics, business studies, factors, tourism business, tourism policy, travel and tourism competitiveness index.

**Салабай А. А., Сапрун І. Р. Туристична конкурентоспроможність України. Індекс конкурентоспроможності подорожей і туризму** У статті розглянуто одне з найважливіших питань дослідження у сфері економіки та бізнес-досліджень, питання конкурентоспроможності галузі та фірм. Виокремлено проблеми вимірювання конкурентоспроможності в туризмі. Проаналізовано фактори, що впливають на конкурентоспроможність туристичного бізнесу. Визначено туристичну конкурентоспроможність України. Викреслено основні поняття та напрями конкурентоспроможності туристичного бізнесу в Україні.

**Ключові слова:** бізнес-дослідження, економіка, індекс конкурентоспроможності сфери подорожей та туризму, конкурентоспроможність, туристичний бізнес, туристична політика, фактори.

**Салабай А. А., Сапрун И. Р. Туристическая конкурентоспособность Украины. Индекс конкурентоспособности путешествий и туризма** В статье рассматриваются одни из важнейших вопросов исследования в области экономики и бизнес-исследований, вопросы конкурентоспособности отрасли и фирм. Выделены проблемы измерения конкурентоспособности в туризме. Проанализированы факторы, влияющие на конкурентоспособность туристического бизнеса. Определена туристическая конкурентоспособность Украины. Указаны основные понятия и направления конкурентоспособности туристического бизнеса в Украине.

**Ключевые слова:** бизнес-исследования, индекс конкурентоспособности сферы путешествий и туризма конкурентоспособность, туристический бизнес, туристическая политика, факторы, экономика.



Nowadays the issue of the competitiveness of industry and firms has become one of the most important issues of the research in the sphere of economics and business studies. The o b j e c t of the article is the competitiveness of Ukraine as a tourism destination. The s u b j e c t is the tourism competitiveness of Ukraine and the definition of Travel and Tourism Competitiveness Index. The p u r p o s e of the article is to highlight the basic concepts, challenges, to analyze the factors affecting the competitiveness and single out the directions in tourism business. The t o p i c a l i t y of the study is the sphere of tourism business in Ukraine that is currently developing is undergoing constant changes.

The travel and tourism industry plays a vital role in the global economy and community. In 2018 the industry helped to generate 10.4% of world GDP and a similar share of employment and has shown enormous stamina over the last decade. The global trends towards an expanded market access developing destinations to increase efforts to improve the level of their competitiveness in all areas of economic activity. The tourism industry is widely recognized as one of the key engines of the growth in developing countries, representing a significant source of foreign exchange earnings and employment[2].

Tourism destination competitiveness can be defined as “the ability of a destination to maintain its market position relative to its competitors and to improve upon them through time”. There are many definitions and measures of tourism destination competitiveness. For example, while economists are interested in the price competitiveness of the destination economy, sociologists focus on social and cultural characteristics underlying the notion of competitiveness. Each group suggests different indicators to explain competitiveness and factors influencing it [5].

Competitiveness is currently receiving the increased attention in the tourism literature and this is mainly due to three reasons: an increasing importance from the tourism sector in global, national and regional economies, an increase in the competition and pressure among destinations and the benefits from tourism in the short term.

There is a set of indicators that can be used to measure the competitiveness of any given destination. These indicators, comprising both objective and subjective measures, were identified from the major elements comprising the generic destination competitiveness model. The development of a model of destination competitiveness and an associated set of indicators allows identification of the relative strengths and weaknesses of different tourism destinations, and can be used by industry and governments to increase tourism numbers and expenditure, and enhance socioeconomic prosperity.

Not only does the competitiveness of a destination directly affect tourism receipts in terms of visitor numbers and expenditures, but also it indirectly influences the tourism-related businesses, such as the hotel and retail industries in that destination, to a certain extent [3].

Tourism destinations compete with each other by differentiating their amenities and services. Most tourism destinations claim to have superb five-star resorts and hotels, excellent attractions, unique culture and heritage; many describe themselves as having the friendliest people and the most customer-focused tourism industry. Nowadays, destinations attempt to compete on the basis of the quality of their environment, good management practices, branding, pricing, better marketing strategies and effective tourism policy.

The factors of destination competitiveness are clustered into five main groups:

- 1) Supporting factors and resources (infrastructure, accessibility, facilities, enterprise, hospitality);
- 2) Core resources and attractors (geography and climate, culture and history, market ties, activities, special events, entertainment);
- 3) Destination management (resource stewardship, marketing, organization, research, service, finances, visitor management, crisis management);
- 4) Destination policy, planning and development (e.g. philosophy, branding, vision, positioning, monitoring);
- 5) Qualifying and amplifying factors (e.g., location safety, security, cost, carrying capacity) [5].

For over a decade the World Economic Forum engaged the leaders in travel and tourism to carry out an in-depth analysis of the travel and tourism competitiveness. Published biennially, Travel and Tourism Competitiveness Report and Index benchmarks the tourism competitiveness of 140 economies and measures the set of factors and policies that enable the sustainable development of the Travel and Tourism sector, which in turn, contributes to the development and competitiveness of a country.

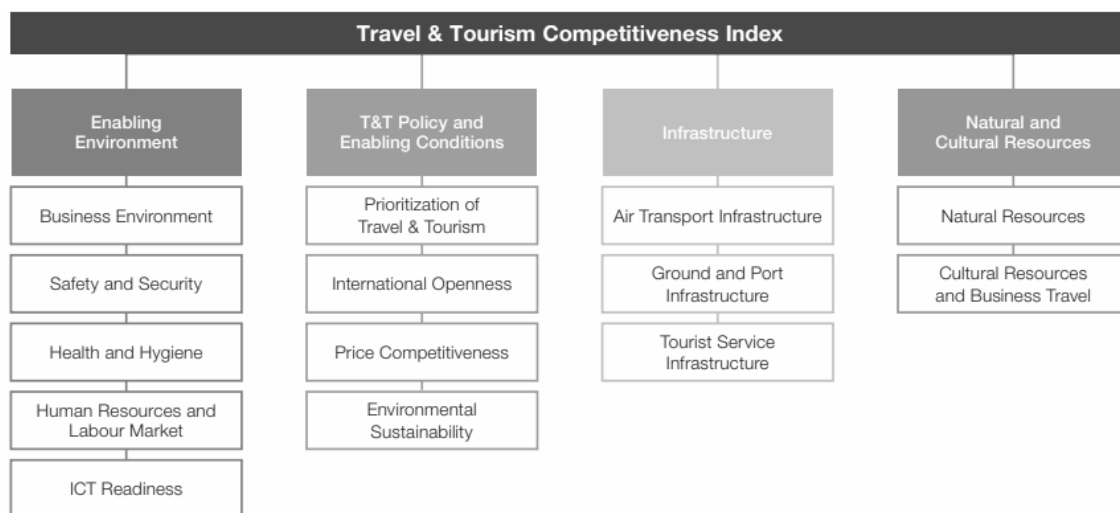


Figure 1. The T&T Competitiveness Index 2019 framework [1]

The top 10 countries remain the same. Spain is the top performer for the third consecutive report, while the United Kingdom's slight decline in competitiveness has led to it being overtaken by the United States. The top 10 are, from highest to lowest score: Spain, France, Germany, Japan, the United States, the United Kingdom, Australia, Italy, Canada and Switzerland [1].

Ukraine has risen 10 places in the World Economic Forum's the Travel and Tourism Competitiveness Index in the past two years, reaching 78th position in the 2019 edition. "In particular, as the country stabilized and recovered economically, Ukraine drastically improved its business environment (124th to 103rd), safety and security (127th to 107th), international openness (78th to 55th) and overall infrastructure (79th to 73rd)," the report states [4].

According to the report, Ukraine scored 3.7 points out of 7 in the Travel and Tourism Competitiveness Index. The closest countries to Ukraine in the index are Jamaica, Sri Lanka, Armenia, Kazakhstan, and Namibia.

First of all, Ukraine has a competitive geopolitical advantage as our country is at the European crossroads, being at the same time the part of Central-Eastern and Eastern Europe, which is particularly favorable for business tourism. The natural, recreational and cultural-historical resources of Ukraine with a level of provision of historical, natural, cultural resources, ethnographic heritage and architectural monuments may interest foreign tourists and be attractive for them [6].

Today, the development of the tourism sector in Ukraine is much inferior to the closest neighboring countries of the European Union: Poland, Hungary and the Czech Republic. At present Ukraine can be considered as the country with a low level of tourism product development which does not sufficiently utilize the favorable conditions for the proper development of inbound tourism. However, Ukraine will be able to increase its share in the world tourist services market by:

1. improving and modifying its own tourism product, re-positioning it in the market;
2. the revival of traditional tourist routes;
3. the dissemination of information on national traditions, crafts, museums and exhibitions;
4. a search and presentation of new tourism products (types of tourism);
5. an application of a set of marketing strategies.

It is necessary to expand the directions of sales of the tourist product, attracting foreign tourists to know new, to get new impressions. In order to generate sustainable effective demand for national tourist services and customer loyalty, it is necessary to study the needs and requirements of a tourist as much as possible. It is important to take into account both the demand of the "mature" segment of the tourist market and the youngest tourists born at the turn of the 21st century [6].

Summing up, in order to be competitive as a tourist destination Ukraine has to offer the tourists an experience which is superior

compared to that one offered in other tourist destinations. It can be concluded that the quality of tourist experience is a key factor in achieving competitive advantage and for making tourists choose a destination. Increasing the competitiveness of the tourism sector is a key task of the economy of modern-day Ukraine. Achieving a high level of tourism and service infrastructure development is possible only if sufficient investments are made in the most attractive tourist destinations of the country. It is important to focus on the developing a positive image of Ukraine as a country able to provide tourists with security, comfortable and varied accommodation, reasonable pricing, high standards of hospitality.

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## THE IMPACT OF E-COMMERCE ON INTERNATIONAL BUSINESS

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**Saparov O. M., Maksymenko O. V. The impact of e-commerce on international business.** The article discusses the phenomenon of e-commerce in international business, its impact on international trade, the problem of trust between seller and buyer, consumer electronic safety. The effects of e-commerce on international employment are researched. The main directions of the development of e-commerce platforms are considered.

**Keywords:** consumer's trust, e-commerce, e-commerce platform, electronic security, employment.

**Сапаров О. М., Максименко О. В. Вплив електронної комерції на міжнародний бізнес.** У статті розглядається явище електронної комерції в міжнародному бізнесі, його вплив на міжнародну торгівлю, проблеми довіри між продавцем і покупцем, електронна безпека споживача. Відзначено вплив електронної комерції на міжнародне працевлаштування. Розглянуті основні напрямки розвитку платформ електронної комерції.

**Ключові слова:** довіра споживача, електронна безпека, електронна комерція, платформа електронної комерції, працевлаштування.

**Сапаров А. Н., Максименко Е. В. Влияние электронной коммерции на международный бизнес.** В статье рассматривается явление электронной коммерции в международном бизнесе, его влияние на международную торговлю, проблема доверия между продавцом и покупателем, электронная безопасность потребителя. Отмечено влияние электронной коммерции на международное трудоустройство. Рассмотрены основные направления развития платформ электронной коммерции.

**Ключевые слова:** доверие потребителя, платформа электронной коммерции, трудоустройство, электронная безопасность, электронная коммерция.

The o b j e c t of the article is the process of buying and selling or exchanging of products, services and information via computer networks including the Internet, which has become the dominant type of doing business. The s u b j e c t is electronic commerce as the progressive method of cooperation between customer and seller and e-commerce platforms as the tool of international trade. The p u r p o s e of the article is to pay attention to the communication

issues between buyer and seller, the impact the e-commerce causes to multiple international employment crisis, the importance of developing rights and obligations in the area of electronic commerce, the necessity to increase average level of electronic safety of the consumers. The relevance of this article is based on the rapid development of this area of international trade.

### **1. Introduction**

The history of e-commerce dates back to the 60s of the twentieth century and is characterized by the introduction of airline reservation systems. Further, its development is facilitated by the creation of inventory management systems, the appearance of computer networks and data transfer systems, payment cards and other electronic payment systems, and also the commercialization of the Internet. A feature of the concept of "electronic commerce" is its application to all economic activity, associated with the use of information technology.

Electronic commerce, or e-commerce, is buying and selling goods and services on the Internet. Other than buying and selling, many people use Internet as a source of information to compare prices or look at the latest products on offer before making a purchase online or at a traditional store. E-business is sometimes used as another term for the same process. More often, though, it is used to define a broader process of how the Internet is changing the way companies do business, of the way they relate to their customers and suppliers, and of the way they think about such functions as marketing and logistics. For the purpose of this study e-commerce is taken to mean doing business electronically [1].

Key impact on E-commerce development had two factors. Firstly, the use of global electronic networks for the transmission and exchange of data at conducting business operations. Secondly, in the conditions of a single global economic space, new, increased expectations have been formed towards the goods offered by suppliers. Each individual consumer is only interested in such products that are: adapted and configured in such a way as to satisfy the specific needs of the given consumer (individualization of needs);

it is delivered in the way most suitable for the consumer (individualization of the service); it is delivered only when the consumer wants to receive it (individualization of the time for satisfying the need).

In addition to the undoubted advantages, the implementation of electronic commerce has a number of disadvantages, both for individual consumer and for society as a whole. These include: imperfection of the legislative framework in the field of e-commerce features; attractive environment for fraud; the need to ensure sufficient security level; decrease in competitiveness of commercial enterprises that do not have a representative being in electronic space; the possibility of tax evasion to the state budget [7].

Considering e-commerce, there are five main channels (tools) of its implementation: Internet (including email); telephone and fax (gradually replaced with IP telephony technology); interactive television; systems of electronic payments and money transfers; electronic data interchange (EDI, Electronic Data Interchange).

E-commerce is currently generally classified into a number of areas. The main ones are usually business-to-business (B2B) and business-to-consumer or business-to-client (B2C).

## **2. The impact of e-commerce on international trade and employment**

Today USA contains the most developed e-commerce market. By 2011, American market volume amounted to 142 billion dollars, an increase of 18.1% compared with 2008, and the volume of services provided was 131 billion dollars, respectively increasing by 18.9%. The total volume of operations that were carried out in e-commerce in 2010 reached \$3333 billion [5]. The development of e-commerce in the USA stimulates the observed increase in the number of visitors to online stores, and, as a result, online buyers.

The value of e-commerce for buyers is that it significantly saves the buyer's time searching for and buying the goods he or she needs. The advantages of electronic communications for sellers can be expressed in the following: more efficient distribution of the advertising budget; reducing the cost of operating traditional retail



space; reduction in staff costs, savings in the recruitment of employees, in training employees when using electronic presentations; improving the quality of the presentation of goods, an electronic demonstration of goods allows you to see the purchase in real time, showing a larger number of options; the possibility of increasing territorial coverage; receiving marketing information.

The technological development of e-commerce in the coming years will be associated with the development of cloud computing, increased Internet penetration and the introduction of fourth-generation mobile communication technologies according to the LTE standard. The emergence of new forms of sales in electronic commerce is likely to be due to the new technological capabilities of Internet communications (i.e., the speed and availability of connections). Among the innovative forms of electronic commerce being introduced today, one can note web kiosks and interactive television.

Web kiosks are a form of Internet commerce based on the use of interactive screens located in crowded places. The purchase is made by scanning the QR code with the smartphone under the image of the product. Then the goods are delivered by courier to the address specified by the buyer. This technology is already used today by the British retailer Tesco to sell goods at airports and at bus stops.

Interactive television is a type of pay television service based on a user access control system. Its essence lies in the fact that the user has the opportunity to interact with a local service provider, including ordering goods and services home delivery. The difference from regular online commerce is the local use of the network. For example, customers leave pre-orders for delivery of goods from the nearest store.

As e-commerce continues expanding, its impact on employment and wages will be the result of a complex set of interactive forces. Electronic commerce is expected to directly and indirectly create new jobs as well as cause job losses. New jobs will be gained in information-related goods and services, entertainment, software and digital products, for instance. Indirect creation of jobs

will occur via increased demand and productivity. Jobs will be lost when e-commerce substitutes for the traditional way of doing business. The jobs most likely affected, as preliminary evidence suggests, are those in the retail sector, postal offices and travel agencies. Overall, low wage, low-skill production did not enjoy the wage increases that IT-intensive, high productivity growth industries experienced. Thus, the real wage growth took place in IT-intensive industries, where wages were already relatively high, and it did not change in IT-poor industries that faced workforce reductions and were already employing low-wage workers [4].

### **3. Privacy, Trust and Security issues**

Privacy is a serious issue in electronic commerce, no matter what source one examines. Relatively few consumers believe that they have very much control over how personal information, revealed online, is used or sold by businesses. The combination of current business practices, consumer fears, and media pressure has combined to make privacy a potent problem for electronic commerce. Some people consider privacy to be a fundamental right; others consider it to be a tradable commodity.

Besides "privacy", a number of terms such as, digital persona, notice, identification, choice, authentication, pseudonymity, anonymity, and trust are also major concerns in e-commerce to be addressed. E-commerce sites could potentially collect an immense amount of data about personal preferences, shopping patterns, patterns of information search and use, and the like about consumers, especially if aggregated across sites. Not only it is easier than ever to collect the data, but also much easier to search these data [3].

Organizations wishing to gain the trust of customers are required to develop integrated approaches to ensuring information security, covering both human and technical aspects of this complex problem, as well as conduct independent certification of the methods and means used to ensure it. Customers must be sure that the information disclosed by them to suppliers will be used by the latter only for agreed purposes. Organizations are required to guarantee a level of information security that is consistent with the risks

associated with transactions. Currently, there are a large number of bodies offering their services for certification of information security systems for compliance with ISO / IEC 17799. Although the implementation of the requirements of this standard in the global markets is rather slow, nevertheless, the application of the information security schemes established by it helps organizations gain international recognition and related status, which over time will translate into increased consumer confidence in them.

Confidence between interested parties is the main principle of any business transaction. To do this, the organization must develop a business model that inspires consumer confidence. Trust is an important issue in e-commerce, because unlike real world transactions, the retailer is not present in person during the transaction and the consumer is not dealing with a real person. It is just dealing with an interface. It is much easier for an entity to set up a website and an electronic payment processing system than a real world storefront. It is cheaper, faster and more transparent [3].

One of the main obstacles to creating a trusting relationship is the consumer's concern that companies doing business through the Internet do not respect the privacy of personal or sensitive information that is required to conduct business operations.

#### **4. Global e-commerce trends**

The vast majority of the Top 50 largest e-retailers are multi-channel retailers with real warehouses and stores, and not just existing in the virtual space. Top 50 rankings are based in the United States and Europe (19 companies) and only 5 enterprises are located in emerging markets – 4 in China and 1 in Brazil. On average, electronic sales of these Top 50 retailers grew by 26.6% in 2017 compared to 2013 [2].

Global Internet penetration continues to grow, especially in Africa, the Middle East, Southeast and Central Asia. The number of owners of mobile devices, such as smartphones and tablets, is growing every year; accordingly, the number of Internet users is growing in parallel with this process. Possession of these

technologies has a significant impact on the use and development of marketing and e-commerce.

Despite the rather strong rootedness of global e-merchants in the online space, it is still difficult for them to compete with national players in local markets. Obtaining recognition by foreign virtual consumers is no different from recognizing ordinary foreign retailers in the local market as real consumers, they also need to adapt their offer to the particular country. Therefore, the involvement of third-party electronic markets is especially popular. This trend is especially evident in emerging markets, where buyers are transferred directly to trading floors, many of which have become recognized and reliable brands. Their choice and convenience are very valuable to consumers, as well as their scale and the presence of an extensive base of potential customers. Many real trading TNCs are developing a virtual space to increase their income.

### **5. Conclusion**

As the number of companies involved in electronic commerce increases, global access to its processes and operations is accompanied by the establishment of new relationships with consumers, more complex requirements for managing supply and distribution channels, and the need for greater awareness of the peculiarities of current legislation in different countries.

E-commerce has a significant impact on all types of economic activity. When using the Internet, costs are saved by reducing the volume of intermediary operations and advertising. E-commerce also helps to introduce enterprises, electronic markets, virtual retail chains, the number of employees who work remotely in these electronic segments to this growing segment of the economy. It is the network forms of interaction between the subjects of economic activity that dominate in the information society, and software (e.g., software agents) becomes the intermediary and representative of a traditional enterprise in digital format in a global network.

Promoting globalization, blurring national borders, accelerating information exchange, e-commerce is one of the main global trends in economic development. The economic effect of the use of e-

commerce technologies has positive growth, and undoubtedly, now this area of activity has become an integral part of society.

The global business community has questions to answer. To what extent will consumers trust suppliers of goods and services that have passed independent certification in terms of the main components of the quality of electronic commerce – security and confidentiality of information and quality of service? How will the recognition of suppliers' reliability, confirmed by the mark of compliance, affect the acceleration of consumer confidence in the new economy?

To summarize, it can be stated that in order to realize all the potential advantages of electronic commerce, it is necessary to increase the confidence of organizations in conducting business operations via the Internet, especially in such important aspects as information security, maintaining its confidentiality and quality of service.

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**TRANSNATIONAL BANKS  
AS THE MAIN DRIVING SYSTEM  
OF THE GLOBALIZATION PROCESS  
IN THE FINANCIAL SEGMENT  
OF THE WORLD ECONOMY**

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**Sapota Y. O., Kalyuzhna A. B. Transnational banks as the main driving system of the globalization process in the financial segment of the world economy.** The article deals with the activities of the transnational banks, their impact on economic processes both at international and national levels. The process of increasing assets of transnational banks is described and an analysis of the TOP banks on the financial services market in terms of capitalization is provided. The influence of transnational banks on the global economy in the context of globalization is revealed.

**Keywords:** assets, capitalization, globalization, market in financial services, transnational banks.

**Сапота Є. О., Калюжна А. Б. Транснаціональні банки як головна рухова система процесу глобалізації у фінансовому сегменті світової економіки.** У статті розглянуто діяльність транснаціональних банків, їхній вплив на економічні процеси як на міжнародному, так і на національних рівнях. Коротко описаний процес нарощування активів транснаціональними банками і наведено аналіз ТОП банків на ринку фінансових послуг за рівнем капіталізації. Розкрито вплив транснаціональних банків в умовах глобалізації на світову систему господарювання.

**Ключові слова:** активи, глобалізація, капіталізація, ринок фінансових послуг, транснаціональні банки.

**Сапота Е. А., Калюжная А. Б. Транснациональные банки как главная движущая система процесса глобализации в финансовом сегменте мировой экономики.** В статье рассмотрена деятельность транснациональных банков, их влияние на экономические процессы как на международном, так и на национальных уровнях. Кратко описан процесс наращивания активов транснациональными банками и приведен анализ ТОП банков на рынке финансовых услуг по уровню капитализации. Раскрыто влияние транснациональных банков в условиях глобализации на мировую систему хозяйствования.

**Ключевые слова:** активы, глобализация, капитализация, рынок финансовых услуг, транснациональные банки.

The object of the article is the process of globalization in the financial segment of the world economy. The subject is the transnational bank as a major conqueror of new financial markets. The purpose of the article is to study the theoretical foundations of the activities of transnational banks, the most important tendencies in their development and expansion to foreign markets in the conditions of globalization.

The end of the XX – the beginning of the XXI century was marked by a qualitatively new process called globalization. It is characterized by the emergence of a single worldwide market, further enhancing linkages between the actors of the world economy and the free capital movement, which is reflected in the system of transnational banks. The topic of problems of transnational banks in the context of globalization is popular among many researchers, including A.N. Borisova [1], K.S. Krzhevitskaya, V.V. Pobirchenko [2], E.A. Lukashenko [4], V.V. Kruglov [3].

The harmonious development of the banking system in the context of transnationalism is becoming a dominant factor affecting the competitiveness of the national economy. The financial market is becoming a major source of mobilization of investment resources, while financial instruments cease to be national.

As a result, national banks are also involved in transnational activities, stimulating the production of new financial products through the global nature of activities. That is why it seems so relevant to study the performance of the transnational banks in the conditions of modern modifications.

The current configuration of the global financial market is shaped by the processes of globalization. Banks become direct participants in production, co-owners of commercial and industrial corporations. The emergence of transnational banks and the activation of their activities is explained by changes in the world economy. In the context of a progressive process of globalization, transnational banks, as subjects of the world economy, use increased opportunities, expanding international activities in order to develop new markets of financial and banking services, as well as help to



strengthen the internationalization of economic relations and financial-banking activities, integration of national economies into the global one.

In general, financial globalization involves the interpenetration of national financial systems and, as a consequence, the creation of a single global system. The carriers of the process of financial globalization are transnational banks, through which there is a tremendous capital movement.

The Transnational Banking System is formed as an independent element of the world economy, which provides the international transfer of financial resources. The largest banks have occupied their own, separate niche; they can be distinguished by high market capitalization, total assets, professional staff, high level of customer service and continuous foreign expansion [2]. Transnational banks cooperate with transnational corporations, which include intensive transnationalism of banking capital and the intertwining of leading country banking institutions. This tendency is carried out through mutually beneficial investments of banking organizations in assets and stocks.

The activities of national banks and transnational banks make a significant difference in the nature of their operations: transnational banks have a much wider range of operations because of the international scope of their operations.

Due to owning its own extensive international banking network, transnational bank is able to respond promptly and on time to the counterparties' requests in the face of clusters, meeting their needs in conducting international business; transnational bank transfers not only its operations but also its share of capital abroad.

The main feature of transnational banks performance is the mobilization of funds in the most convenient places for their transfer to where this operation will bring the greatest benefits, they accumulate and redistribute voluminous financial flows between states, which is accompanied by the diversification of the bank's operating strategy, which is manifested in the expansion of the borrowers number, the increase in the types of credit operations, the

increase in the number and types of branches of the bank involved in credit operations.

Countries with developed market economies provide significant support to their own multinational companies and banks, which create the conditions for the receipt of tax funds from international activities, as well as the expansion of their economic and then political influence, helping to establish control over the economies of some foreign countries. The processes of globalization in the financial and banking sector can't help affecting the strategy of expansion of foreign capital in countries with emerging markets. As can be seen from Table 1 [5], transnational banks continue to increase their assets as the world economy expands. The globalization of the banking industry appears in the changing in world production and trade. The internationalization of production leads to an expansion of international credit and an increase in the international relations of banks. That is, due to the increase in the number of industrial companies, there is an inevitable increase in the international activity of banks.

*Table 1*

**Transnational statistics on developing countries  
for the period 2003-2016**

Indicator	Eastern Europe	Latin America	Middle East	Africa	Asia
Average increase in the number of transnational banks (%)	739,5	133,38	34,75	31,16	140,26
Average market share of transnational banks loans (%)	2,11	8,02	1,6	2,96	2,79
Average market share of transnational banks deposits (%)	2,41	9,26	2,81	3,4	7,52
Average growth of International Bank loans (%)	10,65	7,44	17,17	16,74	2,15

Average ratio of transnational banks loans to international bank loans (%)	9,15	21,6	6,5	12,14	17,65
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As at October 1, 2017, assets controlled by the 10 largest transnational banks in the world amounted to more than 24.7 trillion USD (Table 2) [7].

. Table 2

**The 25 largest transnational banks  
in the world in 2018 by market capitalization**

Bank Name	Country	Sales, Billion USD	Profit, Billion USD	Assets, Trillion USD	Market Capital, Billion USD
1. Industrial and Commercial Bank of China (ICBC)	China	151	42	3,4	229
2. China Construction Bank	China	134	34	3	200
3. JPMorgan Chase & Co.	USA	102	24	2,5	306
4. Wells Fargo & Co.	USA	97	21	1,9	274
5. Agricultural Bank of China Ltd.	China	115	28	2,8	149
6. Bank Of America Corp.	USA	92	16	2,1	231
7. Bank of China Ltd.	China	113	25	2,6	141
8. Citigroup	USA	84	14	1,8	164
9. BNP Paribas	France	74	8,4	2,1	80,4
10. Mitsubishi UFJ Financial Group	China	49	8,1	2,5	83

By accumulating and redistributing huge amounts of money between countries, transnational banks influence the increase of capital volume and directions of interstate movement, dynamics of exchange rates and other financial assets [2].

Most of the problems in studying the nature and trends of transnational banks development are that they seek to be based in two or three countries, and are mainly concentrated in the United States, Japan or other highly developed countries, such as China [6]. Meanwhile, the peculiarity of the activities of transnational banks is that they balance, combining the benefits and smoothing or boosting the disadvantages of the economies of different countries. The significant transformation of the industrial structure, linked to rapid economic growth and financial liberalization in the world, explains the emergence of new transnational banks in developing countries. Thus, transnational banks are a peculiar form of monetary policy, the purpose of which is to convey to the participants of foreign economic activity the opportunities of taking the advantages of globalization to achieve higher levels of development.

That is why the changes that take place in the territorial location of the transnational banks are quite interesting. Over the last 10 years, the pattern of distribution of the TOP-50 transnational banks by geographical constituencies has changed dramatically. The distribution of the assets of 50 largest world banks on a local basis at the beginning of 2008, 2015 and 2016 has a fairly significant level of differences. The major share of TOP-50 transnational banks is made up of Chinese banks: in 10 years this country has managed to increase the number of its participants in the rating 3.5 times: from 4 to 14 banks (from 8 to 28% in the total number of TOP-50). Despite the marked decline, the share of European banks remains significant: the UK, Spain and France hold positions for almost all 10 years, without sacrificing their positions in the rating. Banks in countries such as Australia, Canada and Japan have strengthened their ratings [8].

**C o n c l u s i o n s :** In view of the effects of the financial globalization of the global economy as a whole and the financial sector in particular, an increasing number of foreign financial market

participants are contributing to the efficiency of transnational banks in their territory, as they are the largest source of mobilization of high-reliability investment resources. Transnational banks play a major role in the mechanism of functioning of the economy. With their help, there is a redistribution of capital in the most profitable sectors of the economy and regions. In this way, a transnational bank is a key player in the financial market, dictating its rules that determine the forms and channels of world funds movement.

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## PROBLEMS OF DEVELOPMENT AND PLACEMENT OF THE WORLD MARITIME TRANSPORT

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**Semenikhina A. S., Zmiyova I. V. Problems of development and placement of the world maritime transport.** The article deals with the main problems that may hinder the development of world maritime transportation, such as the global economic crisis, cyber-attacks and data thefts, geopolitical tensions, aging fleets, catastrophes, maritime piracy, environmental problems, an aging workforce. However, the role of maritime transport as an element of transport infrastructure is steadily increasing, and the need for improvement is also increasing. The article describes the ways of possible solution of above problems and considers the prospects for further development of the world maritime transport.

**Keywords:** cyber-attacks, cybersystems, environmental problem, geopolitical tensions, global economic crisis, maritime piracy, world maritime transportation.

**Семеніхіна А. С., Зміїова І. В. Проблеми розвитку і розміщення світового морського транспорту.** У статті розглядаються основні проблеми, які можуть стати на заваді розвитку світових морських перевезень, такі як глобальна економічна криза, кібер-атаки та крадіжки даних, геополітичне напруження, старіння флоту, катастрофи, морське піратство, екологічна проблема, старіюча робоча сила. Однак, роль морського транспорту як елемента транспортної інфраструктури невпинно зростає, то ж необхідність у вдосконаленні також зростає. В статті наведено шляхи можливого вирішення вищезазначених проблем та розглянуто перспективи щодо подальшого розвитку світового морського транспорту.

**Ключові слова:** глобальна економічна криза, геополітичне напруження, екологічна проблема, кібер-атаки, кіберсистеми, морське піратство, світові морські перевезення.

**Семенихина А.С., Змиева И. В. Проблемы развития и размещения мирового морского транспорта.** В статье рассматриваются основные проблемы, которые могут помешать развитию мировых морских перевозок, такие как глобальный экономический кризис, кибер-атаки и кражи данных, геополитическое напряжение, старение флота, катастрофы, морское пиратство, экологическая проблема, стареющая рабочая сила. Однако, роль морского

транспорта как элемента транспортной инфраструктуры постоянно растет, поэтому необходимость в совершенствовании также возрастает. В статье приведены пути возможного решения вышеуказанных проблем и рассмотрены перспективы дальнейшего развития мирового морского транспорта.

**Ключевые слова:** глобальный экономический кризис, геополитическое напряжение, экологическая проблема, кибер-атаки, киберсиситемы, мировые морские перевозки, морское пиратство.

The o b j e c t of the article is the world maritime transport and the s u b j e c t is the problems and prospects of this transport. The p u r p o s e is to assess the gravity of the problems and identify the prospects for the global maritime transport service. The a c t u a l v a l u e of the study lies in the fact that the majority of the world international trade is served by sea. Sea freight is great for all types of goods and allows for high cost-effectiveness. Today's transport arrangements make it possible to transport both large consignments and single loads with maximum efficiency. The growth of the world merchant fleet, the increase in tonnage and the speed of ships have led to a significant increase in the intensity of shipping.

Maritime transport has undergone significant changes over the last century, but its role as an element of transport infrastructure has been preserved and has been increasing recently.

The issue that is thought to have the greatest potential impact on maritime trade over the next ten years is the "global economic crisis". The lack of readiness to withstand the global economic crisis may be linked to the complex market conditions that the industry has faced in recent years, making it difficult to create financial resilience to withstand the impact of a crisis. In this respect, the maritime industry differs from many other large industries, many of which have used a sustainable business environment in recent years [1].

For the maritime sector, geopolitical tensions are likely to be the reason that the "global economic crisis" has the greatest potential impact on sea trade over the next ten years, while concerns about trading patterns are being broken, new protectionist measures may also be an important factor. However, it has been noted that although the "global economic crisis" will have the greatest impact, the likelihood of this occurrence is considered relatively low [9].

Cyber security issues are becoming a daily battle for business. Research shows that most companies use insecure data and use weak cybersecurity practices, making them vulnerable to data loss. Cybercriminals use advanced methods, tools and software to profit from their illegal activities [7; 8]. These are highly skilled criminal groups that attempt a wide range of actions using sophisticated techniques. The motivation is to profit and their focus is mainly on fraud and theft [5]. Cybercriminals have created business as a service so could potentially be involved in spying as a service [7; 8].

No international cybersecurity rules for the maritime industry have been adopted to date. However, IMO's marine cybersecurity risk management guidelines provide high-level guidance on safeguarding international shipping against current and emerging cybersecurity threats and help reduce their associated vulnerabilities.

Blockchain can potentially be used to secure from cybercrime in the maritime industry – a distributed ledger technology that enables peer-to-peer transactions to be recorded, as in the ledger, in multiple locations at the same time, across organizations and individuals, without the need headquarters or intermediaries. One of the potential problems identified in the field of digital innovation in the maritime industry is the insufficient standardization of electronic data exchange and the need to create a common data format for information sharing [6].

The problem of the tanker fleet, like the fleet in general, is its aging. Many tankers are nearing the age of 20. Although 99.9% of oil and petroleum products were delivered to their destination without proper incident at the proper operation of the tankers, since 1994 the USA has not allowed tankers without double hull and without a certificate of financial security to enter their ports. This caused a sharp dissatisfaction with the majority of the members of the international maritime organization "Intertanco", which includes 270 independent tanker companies of the world [1].

The loss of ships in the world's maritime circles is alarming. Every year 10 ships suffer catastrophe, over 100 sailors die.



Maritime international organizations, identifying the causes of disasters, point to the following:

- 1) the aging of ships (the vast majority of them are over 15 years old);
- 2) design complexity and imperfection of loading methods;
- 3) the lack of sufficient funding to conduct studies of the behavior of bulkhead structures at loads, etc. [3, p. 25–38].

The problem of combating crime at sea has recently become very urgent. Maritime piracy has long been a serious problem for the entire world community.

According to the International Maritime Organization (IMO), the main activity areas of pirates remain: the Malacca Strait and Singapore and the South China Sea. At the same time, statistics show a decrease in criminal activity off the coast of East Africa and the Gulf [2].

Existing international law on offenses at sea is not sufficiently precise, understandable and, more often than not, does not provide a proper legal basis for the organization and counteraction.

In the future, an effective international legal framework should be created to prevent attacks by pirates, which would cover the following issues [5]:

- 1) establishment of regional coastguards in areas of increased piracy (e.g., the Horn of Africa);
- 2) the operation of an effective maritime safety information system, such as in the Malak Strait;
- 3) the conclusion of a new international treaty containing effective international standards for the prevention and termination of acts of piracy against merchant shipping;
- 4) extending the jurisdiction of the International Criminal Court to piracy as one of the most dangerous international crimes.

In addition to legal regulation, cybersecurity and maritime digitization include autonomous surface ships that could potentially be used in a wide range of operations, including in the fight against piracy. Drones already exist and commercial units are ready for use, but they need to be refined for maritime applications. Since the

achievements of drones have allowed images to be obtained over a distance of more than 30 km, it became much easier for commercial shipping companies to solve the problem of hazard prevention [10]. The EU's anti-piracy naval mission has already deployed drones to monitor the Somali coast and search for piracy activity [4].

There is another major international problem for shipping. Water transport is recognized as one of the most environmentally-friendly modes of transport. But we need to further improve its environmental footprint. A fully effective approach to reducing greenhouse gas emissions for the global industry, such as shipping, can only be global. But if such a level agreement is not possible in the short and medium term, we consider it necessary to engage in discussions with partner countries and regions around the world to make effective progress in reducing carbon emissions, as well as to continue shipping technical, environmental and economic development [3].

People working in the sector are at the heart of any action taken to ensure safety and protect the marine environment. However, European officers are an aging workforce. The expected shortage of qualified European seafarers is a threat to the entire maritime cluster. Therefore, there is a need to increase crew competencies for safe navigation at sea, as well as to adapt training to new skills needed today and tomorrow. International standards for the living and working conditions of seafarers, which determine the attractiveness of the profession and affect productivity and therefore safety at sea, must also be observed [6].

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## THE US-CHINA TRADE RELATIONSHIP

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**Shandra V. P., Skrypnyk T. I. The US-China trade relationship.**

The interaction between the United States and China in the last decade has been intensified by the accelerated growth of China and its emergence as one of the leaders in the global economy. In this regard, it is of particular interest to study the growth of the interdependence of trade between the two countries as a factor of long-term impact on US economic development.

**Keywords:** the United States, China, global economy, the interdependence of trade, economic development.

**Шандра В. П., Скрипник Т.І. Торговые отношения между США и Китаем.** Усиление взаимодействия между Соединенными Штатами и Китаем в последнее десятилетие происходило в условиях ускоренного роста Китая и его становления в качестве одного из лидеров мировой экономики. В связи с этим особый интерес представляет изучение роста взаимозависимости торговли двух стран как фактора долгосрочного воздействия на экономическое развитие США.

**Ключевые слова:** США, Китай, мировая экономика, взаимозависимость торговли, экономическое развитие.

**Шандра В. П., Скрипник Т. И. Торговельні відносини США і Китаю.**

Посилення взаємодії між Сполученими Штатами і Китаєм в останнє десятиліття відбувалося в умовах прискореного зростання Китаю і його становлення як одного з лідерів світової економіки. У зв'язку з цим особливий інтерес представляє вивчення зростання взаємозалежності торгівлі двох країн як фактора довгострокового впливу на економічний розвиток США.

**Ключові слова:** США, Китай, глобальна економіка, взаємозалежність торгівлі, економічний розвиток.

The purpose of the article is determined by the growing role of US-Chinese trade and economic relations not only in the development of bilateral relations, but also in the global economy as a whole. They have a significant impact on economic growth, as well as trade and investment flows between countries. The object of the study is the totality of US-Chinese relations related to trade in

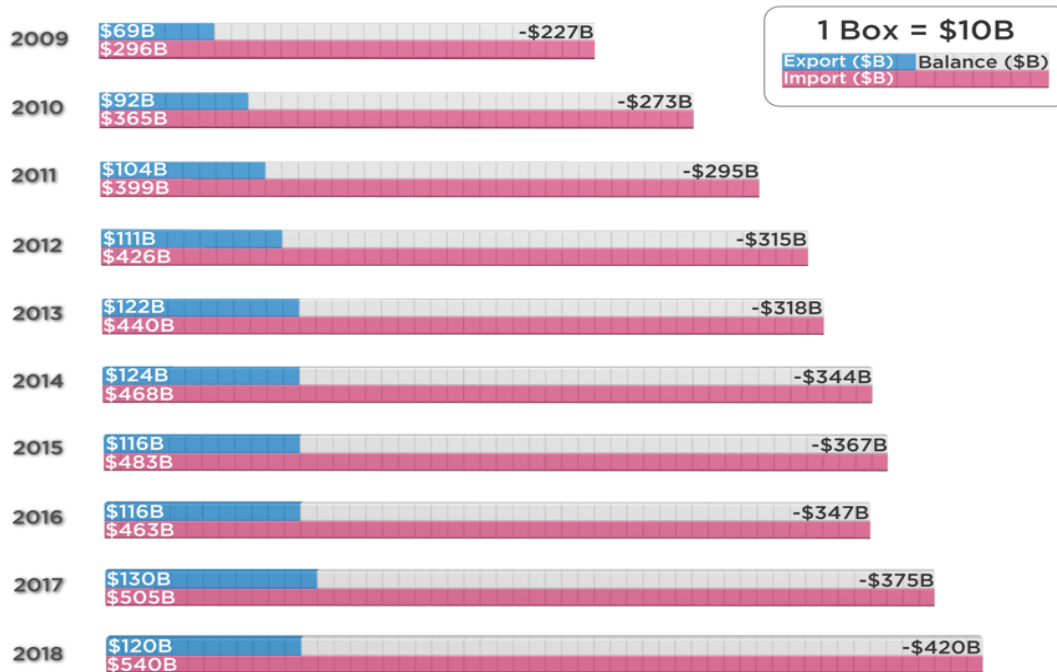
goods and services, in the context of the growing interdependence of the two countries. The subject of the study is the features and prospects for the development of trade and economic cooperation between the United States and China, the state of bilateral imbalances against the background of increasing financial and economic power of China.

The history of the relationship can be traced back to when the United States first gained independence. The relationship between the two countries has been, until the recent years, quite strong, complex and even somewhat positive in various aspects. Both countries used to have an extremely extensive economic partnership, and the great amount of trade between the two countries necessitated for constructive political relations, yet significant issues do exist [5]. Therefore, each nation has adopted a wary attitude regarding the other as a potential adversary; whilst maintaining an extremely strong economic partnership at the same time. It has been described by world leaders and academics as the world's most important bilateral relationship of the 21st century.

Since World War II the United States sat atop the global throne of trade and industry. By every measure they dominated the world economy. China leveraged its massive population for economic growth. They've exploded onto the global stage as one of the largest economic powers. For years the U.S. and China traded freely. Both economies grew in both size and influence.

The U.S.-China economic relationship delivers more benefits to the U.S. than is commonly understood. For example, recent data shows that U.S. exports to China support around 1.8 million jobs in sectors such as services, agriculture, and capital goods. However, trade with China has also led to job destruction in some U.S. industries – particularly low wage manufacturing. Despite these costs, the frequent focus by the administration on the bilateral deficit is not a meaningful yardstick for assessing U.S.-China trade or its impact on employment. The U.S. trade deficit is less a product of restrictions on U.S. imports than it is a reflection of a low U.S. domestic savings rate, which requires overseas capital to fund U.S. domestic investment needs and

the growth in U.S. government debt. In addition, the trade deficit does not account for the activities of affiliates of U.S. and Chinese companies in each respective market, a calculus that shows the U.S. selling more to China than vice versa [1].



Dr. The US trade deficit with China 2009-2018 [3]

The U.S. trade deficit with China was \$420 billion in 2018. The trade deficit exists because U.S. exports to China were only \$120 billion while imports from China were \$540 billion. The biggest categories of U.S. imports from China were computers and accessories, cell phones, and apparel and footwear. A lot of these imports are from U.S. manufacturers that send raw materials to China for low-cost assembly. Once shipped back to the United States, they are considered imports. China's biggest imports from America are commercial aircraft, soybeans, and autos [4]. In 2018, China canceled its soybean imports after President Trump started a trade war. He imposed tariffs on Chinese steel exports and other goods. Also, China is a major U.S. trading partner in services. In 2018, China was the 4th-largest services trading partner at \$75

billion, the 3rd-largest services export market at \$57.6 billion, and the 8th- largest source of services imports at \$17.4 billion [3].

Many analysts contend that the sharp increase in U.S. imports from China (and hence the growing bilateral trade imbalance) is largely the result of movement in production facilities from other (primarily Asian) countries to China. That is, various products that used to be made in such places as Japan, Taiwan, Hong Kong, etc., and then exported to the United States, are now made in China (in many cases, by foreign firms). To illustrate, in 1990, the share of U.S. manufactured imports from Pacific Rim countries (including China) was 47.1%, and in 2018, that share remained relatively constant at 47.1%. What changed was the country source of those imports. In 1990, China accounted for 7.6% of the share of U.S. manufactured imports from the Pacific Rim, but by 2018, that share increased to 55.4%. In other words, between 1990 and 2018, the role of China as a supplier of U.S. manufactured products among Pacific Rim countries increased sharply, while the relative importance of the rest of the Pacific Rim (excluding China) for these products sharply decreased. This was partly due to many multinational firms shifting their export-oriented manufacturing facilities from other countries to China [2].

But this obscures the fact that US exporters have been increasing what they sell to China, proving it to be a strong market for a wide range of sectors such as agriculture, chemicals, and transport equipment. China has become the third-largest purchaser of US-made products and services (after Mexico and Canada, closest neighbors with which the US has a free trade agreement). These sales will increase as China's economy matures and Chinese wages continue to rise. By 2026, it is expected the United States to be exporting \$369 billion in goods and services to China and by 2030 this figure will reach \$525 billion, or 10 percent of total US exports, reflecting the enormous size of China's market.

Nevertheless, the economic costs of the bilateral economic relationship are very real. China's economic practices now risk harming the U.S. service and knowledge economy. Intellectual property (IP) theft and forced technology transfer and other Chinese

unfair trade practices threaten high-wage jobs and high-value-added manufacturing in the U.S. The role of the state in effectuating these policies with larger aims of supplanting U.S. leadership in high-tech industries makes these Chinese policies all the more concerning. According to one estimate, trade in counterfeit goods, pirated software, and trade secrets in China costs the U.S. between \$225–\$600 billion annually—with the large range reflecting significant uncertainty as to the cost of trade secret theft for the U.S. economy [1].

Despite growing commercial ties, the bilateral economic relationship has become increasingly complex and often fraught with tension. From the U.S. perspective, many trade tensions stem from China's incomplete transition to a free market economy. While China has significantly liberalized its economic and trade regimes over the past three decades, it continues to maintain (or has recently imposed) a number of state-directed policies that appear to distort trade and investment flows. Major areas of concern expressed by U.S. policymakers and stakeholders include China's alleged widespread cyber economic espionage against U.S. firms; relatively ineffective record of enforcing intellectual property rights (IPR); discriminatory innovation policies; mixed record on implementing its World Trade Organization (WTO) obligations; extensive use of industrial policies (such as subsidies and trade and investment barriers) to promote and protect industries favored by the government; and interventionist policies to influence the value of its currency [2]. Many U.S. policymakers argue that such policies adversely impact U.S. economic interests and have contributed to U.S. job losses in some sectors.

**C o n c l u s i o n .** US-China trade relations are of global importance today. We can talk about the key role of the United States and China for the global economy, given the size of the economies, the volume of trade and investment flows that these countries generate, and their technological potential. The stability of the development of world economic relations depends on the effectiveness of their bilateral interaction and the solution of current economic contradictions.



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## CRISIS OF EXTERNAL DEBT IN UKRAINE

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**Shapoval V. S., Karpusenko M. V. The external debt crisis in Ukraine.** The article deals with the problem of Ukraine's external debt, the impact of debt on economic development, analyzes macroeconomic indicators and calculations to determine the eligibility of debt according to the World Bank methodology. The currency structure of aggregate debt is determined, the negative effects of external debt are considered. The directions of overcoming the debt of Ukraine are considered.

**Keywords:** external debt, monetary structure of debt, sustainable development, directions of debt overcoming.

**Шаповал В. С., Карпусенко М. В. Криза зовнішнього боргу в Україні.** В статті розглянуто проблематику зовнішньої заборгованості України, вплив заборгованості на економічний розвиток, проаналізовані макроекономічні показники та зроблені розрахунки для визначення допустимості боргу за методологією Світового банку. Визначено валютну структуру сукупного боргу, розглянуто негативні наслідки зовнішнього боргу. Розглядаються напрямки подолання заборгованості України.

**Ключові слова:** зовнішня заборгованість, валютна структура боргу, сталий розвиток, напрямки подолання боргу.

**Шаповал В. С., Карпусенко М. В. Кризис внешнего долга в Украине.** В статье рассмотрена проблематика внешней задолженности Украины, влияние задолженности на экономическое развитие, проанализированы макроэкономические показатели и сделаны расчеты для определения допустимости долга по методологии Всемирного банка. Определено валютную структуру совокупного долга, рассмотрены негативные последствия внешнего долга. Рассматриваются направления преодоления задолженности Украины.

**Ключевые слова:** внешняя задолженность, валютная структура долга, устойчивое развитие, направления преодоления долга.

The o b j e c t of the article is directly global external debt. The s u b j e c t of the article is the external debt of Ukraine and the country's solvency. The p u r p o s e is to analyze external debt of Ukraine. Comparison of the capabilities of the economy with debt, the ability of countries to be solvent. The urgency of paying off external debt by Ukraine is an important issue for Ukraine's financial

situation. The financial situation in Ukraine is characterized by restructuring, burdensome negotiations with creditors, lack of prospects for full servicing of external public debt in the near future. The problem of debt has to be solved, which can influence the country's potential, stabilization of its financial status and the general economic situation in Ukraine, creation of conditions for the economy to enter the path of sustainable economic growth.

In this period when Ukraine is gaining more economic independence, there is an acute shortage of its own financial resources for reforming the national economy. Insufficient development of the government borrowing market and the weakness of its resource base necessitated recourse to external borrowing and mobilization of internal financial sources. These funds were used to finance budget deficits, stabilize the monetary system, replenish central bank foreign exchange reserves, support and balance of payments. Borrowing money, on the one hand, is a source of financing for structural reforms of the Ukrainian economy, on the other, is a prerequisite for the emergence of public debt, which is part of the gross external debt.

*Table 1*

**Macroeconomic indicators of Ukraine,  
billion US dollars**

Year	2010	2011	2012	2013	2014	2015	2016	2017
GDP at current prices	136,013	163,159	175,781	183,310	133,503	91,030	93,355	112,154
Aggregate external debt	25,097	26,811	28,496	30,992	32,782	32,157	32,812	33,918
Export of goods and services	65,626	83,652	86,516	81,719	65,436	47,862	46,008	53,868
Total Stocks (Including Gold)	34,571	31,788	24,552	20,413	7,538	13,300	15,537	18,810
Import of goods and services	69,608	93,797	100,862	97,353	70,042	50,224	52,461	62,512
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Source: Composed by the authors, using materials: [1,2]

The economic crisis in Ukraine had its first display back in 2013, in particular because of Russia's trade war and the government's short-sighted economic policy. Reduction of domestic exports, increase of imports, reduction of international reserves were meant to support the Ukrainian hryvnia at the level of 8 UAH / USD: all these factors influenced the acceleration of the crisis. In 2013, real GDP grew by 0.0%, and in 2014 it dropped by 6.0%. As of 2014, the share of investments in the GDP structure was only 18-19%, which is not enough for rapid economic recovery. Inflation (Consumer Price Index) reached 24.9% in 2014, and as much as 43.3% in 2015 [1].

*Table 2*

**Basic calculations of Ukraine's external debt  
(according to the World Bank methodology)**

Years	2010	2011	2012	2013	2014	2015	2016	2017
The ratio of official reserves to imports of goods and services,%	49,67	33,89	24,34	20,97	10,76	26,48	29,62	30,09
The ratio of official reserves to the total amount of external debt,%	137,75	118,56	86,16	65,87	23,00	41,36	47,35	55,46
Gross external debt to gross domestic product, %	18,45	16,43	16,21	16,91	24,56	35,33	35,15	30,24
External debt to exports of goods and services,%	38,24	32,05	32,94	37,93	50,10	67,19	71,32	62,97

Source: Composed by the authors, using materials: [1, 2]

To calculate the solvency of the country, calculations were made on the recommendations of the World Bank. As a result, we can see a tendency for an increase in external debt in relation to GDP, we also see a tendency for an increase in external debt in relation to exports, which shows that the country receives a decrease in foreign currency and the country is unable to pay its debts. According to domestic and foreign studies, the economically safe level of public and government guaranteed debt for Ukraine is about 35% of GDP [3].

*Table 3*

**Monetary structure of Ukraine's gross external debt as of September 30, 2019**

	Currency	%	\$ million USA
USD	The US dollar	72,2	82843,7
EUR	Euro	13,4	15375,4
XDR	SDR	10,6	12162,7
RUB	Russian Ruble	1,9	2180,1
UAH	Ukrainian hryvnia	1,0	1147,4
	Others	0,9	1032,7
	Together	100	114742,0

Source: Composed by the authors, using materials: [2].

Most of all, Ukraine is to blame for US dollars, in the second place of the Euro, in the third place for special drawing rights, a payment facility provided by the International Monetary Fund (IMF). Only available in non-cash form as bank account entries. External government borrowing has a dual impact on the national economy. On the one hand, there are negative forms of influence of external public debt on the economy of the country:

1. An increase in the national debt due to an increase in the external state credit gives rise to the dependence of the national economy on the creditor countries as well as on the non-residents purchasing government securities. Due to the inability

to predict the behavior of non-residents, there is a risk of destabilization of the country's financial system;

2. Increasing public debt by increasing external government credit increases the dependence of the borrowing countries' financial system on international organizations (IMF, World Bank, European Bank for Reconstruction and Development) which compel the country to keep a certain level of budget deficits, which requires a reduction in social programs [ 6, p. 107].

Debt restructuring of Ukraine is a set of measures undertaken by the Government of Ukraine and the Committee of Creditors of Ukraine aimed at reducing the debt pressure on the Ukrainian economy and the risks of default [4]. As a result of the negotiations with the Club of Creditors of Ukraine, which took place in March 2015 and ended on August 27, 2015, the Government of Ukraine reached an agreement to restructure Ukraine's debt.

The agreement provides for a write-off of 20% of the debt and a four-year extension of the maturity of Ukrainian Eurobonds. The prepared agreement was unanimously supported by the Cabinet of Ministers of Ukraine. At the time of the Agreement, the main creditors of Ukraine were: Franklin Advisors Inc., BTG Pactual Europe LLP, TCW Investment Management Co. and T. Rowe Price Associates Inc., which owned \$ 9 billion USA worth of Ukrainian bonds. Another \$ 3 billion were financial commitments to Russia that arose from the financing of the last Yanukovich regime in December 2013 (Yanukovich Debt) [5].

In recent years, Ukraine has shown a negative trend, which in percentage terms is not much different from the trends of the leading industrial countries. Such aspects are caused by a straightforward weak economy, the absence of specially formulated effective methods of implementing a program to overcome this economic gap. The government is trying to find at least a few positive ways to implement reforms that will restructure the high level of external debt in the shortest possible time, but experts are still illuminating the disappointing forecasts for Ukraine.

Conclusion. The priority of Ukraine's debt strategy should be to use government borrowing to invest in order to develop the domestic economy. Priority in investment should be given to the development of natural resource potential, the development of industrial infrastructure, as well as high-tech and labor-intensive projects that will provide high value-added growth, and as a consequence of accelerating economic growth. However, strict control and regular reporting on the use of public funds should be an important condition for achieving this goal.

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## FOREIGN POLICY OF PRC IN SOUTH-EAST ASIA

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**Sharko K. T., Musaieva R. Sh. Foreign policy of PRC in South-East Asia.** Today, China is worthy of competition, in the political and economic spheres, the main actor of international relations – the United States. Besides, China is perceived as a non-democratic subject of international law, through the monopoly of the Communist Party of China (CCP) in the political, economic and cultural spheres of life in the country. Beijing is affecting relations not only within East Asia but throughout Europe, Asia and other parts of the world. Therefore, it is necessary to explore foreign policy in the system of international relations

**Keywords:** ASEAN, Indian Foreign Ministry, international relations, issues, PRC, Sino-Indian relations, sphere of influence.

**Шарко К. Т., Мусаєва Р. Ш. Зовнішня політика КНР у Південно-Східній Азії.** Сьогодні, Китай складає гідну конкуренцію, у політичній та економічній сферах, основному актору міжнародних відносин – США. Крім того, Китай сприймається як недемократичний суб'єкт міжнародного права, через монополію Компартії Китаю (КПК) у політичній, економічній і культурній сферах життя в країні. Пекін впливає на відносини не тільки у межах Східної Азії, а на всю Європу, Азію та на інші частини світу. Тому необхідно дослідити зовнішню політику у системі міжнародних відносин

**Ключові слова:** АСЕАН, китайсько-індійські відносини, КНР, міжнародні відносини, Міністерство закордонних справ Індії, питання, сфера впливу.

**Шарко К. Т., Мусаєва Р. Ш. Внешняя политика КНР в Юго-Восточной Азии.** Сегодня, Китай составляет достойную конкуренцию в политической и экономической сферах, основном актеру международных отношений – США. Кроме того, Китай воспринимается как недемократический субъект международного права, из-за монополии Компартии Китая (КПК) в политической, экономической и культурной сферах жизни страны. Пекин влияет на отношения не только в пределах Восточной Азии, а на всю Европу, Азию и на другие части света. Поэтому необходимо исследовать внешнюю политику в системе международных отношений.

**Ключевые слова:** АСЕАН, китайско-индийские отношения, КНР, международные отношения, МИД Индии, проблемы, сфера влияния.

The o b j e c t of study is international relations and world politics of the People's Republic of China during the implementation



of the "four modernization" strategy. The s u b j e c t of the study is the analysis of the Four Modernization Strategy and its impact on China's foreign policy. The p u r p o s e of the study includes the study of China's foreign policy in the second half of the twentieth century. The t a s k of the paper is to study the state of China's foreign policy and the geographical vectors of modern Chinese foreign policy.

After the Second World War, integration processes began in different continents – in Europe, America, and Asia. In East Asia, there have also been efforts to unite efforts to overcome global crises, address common issues and problems that have hampered stable international relations. ASEAN is no exception.

The integration process in East Asia will be considered in the ASEAN China, as the member countries of the organization are historically and economically linked to the PRC.

It is important to note the current composition of ASEAN: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam [1].

The government of the newly-formed People's Republic of China was faced with the problem of regaining its former power, the lands it had lost in the 19th century. with the arrival of Europeans in Southeast Asia.

Beginning in 1949, Beijing began to extend its influence to Indochina. The first means to achieve their goal were to print maps on which most PSA countries were included in the PRC. The Chinese authorities did not respond to the PSA protest notes. As a result, the Chinese authorities got the anti-Chinese sentiment, deteriorating relations with India.

Already in the early 1950s, the USSR assisted the PRC in rebuilding agriculture and industry. Consequently, China needs to find partners for trade and economic relations. North Vietnam became the first PRC partner.

On the issue of Vietnam's unity, China has ambiguous policies. Beijing did not want to see a united Vietnam [3]. At the same time, in the summer of 1955, the PRC conducted dialogues between the

southern and northern parts of Vietnam on the peaceful existence between them.

The PRC, like any country, protects its national borders and organizes national security. Cooperation with Laos is no exception. The main objective of the People's Republic of China in Laos was to prevent the appearance of forces from other countries (USSR and US) near the country's southern borders. Therefore, the People's Republic of China supported the Lao Revolutionary Forces: supplying weapons, building roads for rapid movement of forces, various financial aid [4].

There were fragile relations between China and the PSA countries at the beginning of ASEAN in 1967, and China's ASEAN creation was classified as an "anti-Chinese alliance created by order of the American imperialists."

Already in the second half of the 70's-the early '80s of the twentieth century. China's policy is to support virtually all ASEAN initiatives in the international field. However, ASEAN member states have distrusted the PRC government since a period of internal instability began after Mao Zedong's death and strained relations with Indonesia [5].

From the 1980s to the 1990s, the ASEAN – PRC tended to grow. ASEAN was to form the basis of reforms for the PRC and ensure that the PRC would reach the level of the main actors in international relations. In the 1990s, trade volumes almost doubled in 3 years.

As a result, in 1993 – 2004 the turnover increased by 13 times. Already in 2001, they planned to implement the Free Trade Area of the PRC – ASEAN.

In 2010, China officially opened the ASEAN Free Trade Area, one of the largest FTAs in the world, after the European Union and the FTA in North America.

In 2012, Xi Jinping has announced a "Chinese Dream of the Grand Revival of the Chinese Nation", with clear parameters: to create a "middle-class society" by 2021, and to a "strong, democratic, culturally developed, harmonious and modern society by 2049" a socialist state. "

Today, China is the largest trading partner of ASEAN countries with a total trade volume of over \$ 400 billion. More than \$ 100 billion worth of mutual investment USA [2].

Therefore, for China, Indochina is a traditional sphere of influence, it would be unprofitable for the country to lose it again. In this way, China is consolidating its geopolitical position in the East Asian region and the world at large. And the PRC for ASEAN is not only an example of economic development but also alternative ways of co-development [2].

The conditions for the gradual normalization of relations with India were in one way or another related to China's accession in the late 1970s to a period of reform policy and external openness, which required the Chinese leadership to review the former foreign policy concept pursued by Mao Zedong, for the benefit of developing relations both with the great powers and with neighboring countries in the interest of creating favorable external conditions for carrying out the "four modernizations" in terms of developing economic and scientific and technical relations and providing spare security.

The normalization of Sino-Indian relations has "come out of sight" during the first 34-year visit of Indian Prime Minister R.G. Andi to China in December 1988, during which a joint desire to "restore, improve and develop good-neighborly and friendly Sino-Indian relations" was expressed in the spirit of the five principles of peaceful existence. Among others, an agreement was reached to set up a joint working group to resolve the territorial dispute and establish peace at the border.

In April 2005, during his visit to Delhi, Wen Jiabao, Prime Minister of the People's Republic of China, concluded an agreement aimed at "fair mutually acceptable settlement of disputed border issues" as quickly as possible, taking into account the interests of both countries, containing "policy options and principles" border issue. In essence, it was a "roadmap" for a step-by-step settlement, viewed by experts as a "breakthrough" in the development of Sino-Indian relations, who believed that the "bundled" principle of finding

ways to compromise facilitated its stay based on "exchange" of disputed territories. [6] .

The problem was compounded by frequent border violations by Chinese military patrols, who committed "up to one hundred and a half" "invasions" into Indian territory in Sikkim in 2007 alone. China has also protested the visit of Indian leaders to the state of Arunachal Pradesh (in the Chinese formulation "Southern Tibet"), which is being considered in Beijing for the quality of "Chinese territory". And in 2009, China blocked the Asian Bank from developing an Indian loan because it was intended for a project in that state. According to the Indian Foreign Ministry, this meant that "China has for the first time brought a bilateral border problem to the level of an international organization" [6].

During the 2010 visit of Wen Jiabao, Prime Minister of the People's Republic of China, to India, the intentions of the two sides were further confirmed to further expand economic and scientific and technical cooperation. Against this background, it was stated that it was "through negotiations and consultations to seek fair, reasonable and acceptable ways for the parties to solve border issues while maintaining peace and tranquility in the border areas". In 2012, the two sides established the Consultative-Negotiating Mechanism on Border Issues, and in 2013, the mechanism of the Border Cooperation Agreement [7].

Despite continuing regular consultations on border management, in 2013-2014, "border invasions" continued through the line of de facto control. Annually, according to Indian military experts, more than a hundred such cases have occurred by Chinese border patrols. In the spring of 2013, in the eastern part of Kashmir, an invasion of 19 km into the Indian territory of thirty Chinese border guards, which camped in Indian territory for two weeks, became the largest incident of its kind from 1986-1987.

Therefore, for China, Indochina is a traditional sphere of influence, it would be unprofitable for the country to lose it again. In this way, China is consolidating its geopolitical position in the East Asian region and the world at large. And the PRC for ASEAN is not

only an example of economic development but also alternative ways of co-development.

Concerning Indo-Chinese relations, since the mid-1970s, there has been little improvement in bilateral relations between the parties, but the situation has not changed due to the conflict in Kashmir.

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## HYBRID WARFARE

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**Shcherbakov M., Bobro M. Hybrid warfare.** The article discusses the phenomenon of hybrid wars as well as their causes and consequences and gives specific examples of hybrid wars.

**Keywords:** hybrid warfare, military force, information war, disinformation, non-linear warfare.

**Щербаков М. В., Бобро М. П. Гібридна війна.** У статті розглянуто концепцію гібридної війни. Описано феномен гібридних війн, їх причини та наслідки, а також наведено конкретні приклади гібридних війн.

**Ключові слова:** гібридна війна, військова сила, інформаційна війна, дезінформація, нелінійна війна.

**Щербаков М. В., Бобро М. П. Гибридная война.** В статье рассматривается концепция гибридной войны. Описан феномен гибридных войн, их причины и последствия, приведены конкретные примеры гибридных.

**Ключевые слова:** гибридная война, военная сила, информационная война, дезинформация, нелинейная война.

The o b j e c t of the article is the concept of hybrid warfare. The a i m of the research is to identify hybrid threats, explore the complexity of the hybrid conflict.

Hybrid war is a new concept in international studies of wars and conflicts and the term refers to the use of unconventional methods such as cyber war as part of a multi-domain approach to combat aimed at disrupting and blocking the enemy's action without engaging in open warfare. The term hybrid war originally referred to irregular non-state actors wielding military power. The Israeli-Lebanese war is an example. Hezbollah's armed Lebanese organization used informational agitation and guerrilla warfare. Although the concept is fairly new and has only been recognized since 2007 in military literature, its implications and results are often in the headlines. Russia's actions in Ukraine and the Crimea, interference into election in the United Kingdom and the United States, and influence on social media news services are all examples of such a new form of war.

Linear conflicts are characterized by consistency. Nonlinear conflict, on the contrary, is characterized by the inconsistent and simultaneous deployment of military tactics of war.

This blurring separates influential stakeholders and powerful political organizations with identity and commitment policies. In addition, nonlinear warfare tactics prevent a stronger ally of the besieged state.

As an example of the Ukrainian conflict, Russian tactics in the annexation of the Crimea and the subsequent civil war in eastern Ukraine pushed aside the West (especially the United States and Britain) and did not guarantee the sovereignty of Ukraine.

Hybrid warfare can be used as a condition of combat and peace, which provides significant room for manoeuvre on in relation to the state that is the object of this war. In this case, there are no traditional means of warfare available in the object state value, because protection against hybrid threats is extremely difficult. In addition, using hybrid warfare as a source of threat can induce the object state to act in the interests of the state which is the initiator of the "hybrid war".

Given the dynamics of global and regional conflicts, the issue of hybrid warfare becomes more and more relevant. Above all, it is a question of the way and form of preparation of the state for counteraction to the means of conducting a "hybrid war" against it.

In the early stages, the purpose of hybrid offensive is often propagated as a challenge to the country's internal security. Complex offensives are often aimed at eliminating the government and bringing a hybrid offensive to the final stage, which will be backed up by the use or threat of the use of conventional forces. The main feature of the hybrid offensive is the creation of uncertainty about what is happening and regarding the force behind this attack. An important contribution to the system of counteracting hybrid aggression is the adjustment of the attacked party's own strategy for working with the public to shape public opinions through the state and media-oriented political forces, which also proves the country's position internationally. It is important to create a proper system of coordination and interaction at the state level for all the subjects of

the information space on the issues of developing measures to counter the attempts of foreign states to damage the national interests of Ukraine. A single state system of informational and psychological counteraction to foreign influences is also necessary, whose work, besides special service units, must also involve civilian government agencies, organizations, analytic centres as well as PR companies and media of different forms of ownership must .

Superiority in hybrid warfare is achieved as not so much by the size of the armed forces by their ability to carry out quick and effective operations at any theatre of war, including unconventional conditions. A fundamentally important characteristic of hybrid wars is that , unlike with the previous types of war, application of complex political, economic, informational and other non-military activities are becoming none the less important than purely military methods.

Ukraine has become a target of hybrid aggression from outside. Russian Federation resists the hybrid war on the part of the Ukrainian authorities directed at creating and implementing a multilevel and well-structured system border security; the implementation of "decision support systems" through coordinated activities of Ukrainian security structures to support activities within Ukraine; the development of prevention strategies aimed at using non-military factors together with the existing defense systems and methods.

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## THE REASONS OF THE ORIGIN AND FORMATION OF ECOHOTELS

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**Shkiria D. M., Saprun I. R. The reasons of the origin and formation of ecohotels.** The article considers the causes of origin of ecohotels in the world in the era of globalization processes. The European standards of functioning of such types of accommodation establishments have been noted. Being based on tourist-statistical research, the article points out that the introduction of the conception of “ecological hotel” is especially currently central in the period of world ecological and economic crisis.

**Keywords:** certification systems, concept of ecology, eco-friendly hotel, eco-hotel criteria, ecological sustainability, eco-tourism hotel, environmental friendliness, hotel industry.

**Шкіря Д. М., Сапрун І. Р. Причини виникнення і становлення екологічних готелів.** У статті розглядаються причини виникнення екологічних готелів у світі в епоху глобалізаційних процесів. Зазначено європейські стандарти функціонування таких видів закладів розміщення. Ґрунтуючись на туристично-статистичних дослідженнях, в статті демонструється, що впровадження концепції “екологічного готелю” особливо актуально в період світової еколого-економічної кризи.

**Ключові слова:** готельна індустрія, екологічний готель, екологічний стійкий розвиток, екологічний туризм, екологічність, концепція екологізації, критерії еко-готелів, система сертифікації.

**Шкиря Д. М., Сапрун И. Р. Причины возникновения и становления экологических отелей.** В статье рассматриваются причины возникновения экологических отелей в мире в эпоху глобализационных процессов. Указаны европейские стандарты функционирования таких видов средств размещения. Основываясь на туристско-статистических исследованиях, в статье показано, что внедрение концепции “экологического отеля” особенно актуально в период мирового эколого-экономического кризиса.

**Ключевые слова:** гостиничная индустрия, концепция экологизации, критерии экоотеля, система сертификации, экологический отель, экологическое устойчивое развитие, экологичность, эко-туризм.

Hotel industry is a constituent part of service business that develops rapidly at present. Hundreds of brand-new hotels are built

in the world annually, powerful hotel networks are combined into larger units. The annual number of tourists is more than one billion people and it tends to increase. There is a great variety of different accommodation types worldwide. Ecohotels make up one of them. The o b j e c t of the article is the reasons of the origin and formation of ecohotels. The s u b j e c t is eco-hotels as accommodation type. The p u r p o s e of the article is to investigate the reasons of the origin of ecological hotels and indicate European standards of its operation. The t o p i c a l i t y of the research theme is determined by the fact that the introduction of the concept of “ecological hotel” is especially necessary in the period of world ecological and economic crisis. To achieve this result the following scientific methods have been used: analysis and synthesis, induction and deduction, classification and description.

There is a tough competition on the hotel market which offers a great number of accommodation types to choose from. In the struggle for the consumer the management of hotels is forced to develop some strategies of their activities to offer the consumer a product that will most fully satisfy his needs, demands and expectations. Today hotels are beginning to use a new method of attracting consumers by means of implementing the concept of “ecological hotel” which is especially relevant during the global crises [3, p. 211].

The globalization has led to significant changes in all spheres of life at the global level. Foreign trade in goods and services, capital, technology and labor all move more freely across borders. There have also been significant benefits in the areas of culture and governance. At the same time, globalization is known to create new threats as global economic processes do have polluting side-effects, creates disruption and marginalization, such as environmental pollution effects (air, water, sites, noise), the destruction of flora and fauna (disappearance of several species plants and animals), loss of natural landscape, degradation of landscape and of historic sites and monuments (aesthetic degradation), effects of congestion (traffic, time and space of tourists on holidays), population growth and

migration, the infectious diseases emergence. The destructive globalization consequences in ecology have made mankind finally realize the enormous damage inflicts to nature with the waste of its life. Thinking about catastrophic consequences of the activity, people are disturbed by nature conservancy. All these causes were fundamental in the origin of sustainable tourism.

According to the World Tourism Organization (WTO) sustainable tourism development meets the needs of present-day tourists and hosts regions while protecting and enhancing an opportunity for the future. Sustainable tourism development can thus be envisaged as the leading one to managing all the resources to fulfill economic, social and aesthetic needs while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems. Sustainable tourism operates in harmony with the local environment, community and culture, so it can create permanent benefits and minimize the negative effects of scientific and technological development.

Eco-hotels, an important component of the sustainable tourism concept, have received substantial interest. Ecological hotels have an objective to keep the health of guests, to use natural resources rationally and bear some responsibility for the influence of the functioning of enterprises on natural environment. The ecologization of hotel services in modern terms acquires a large value in connection with the necessity of environmental preservation, by the increase of demand for environmentally sound services and commodities. In many countries eco-hotels providing specific services to customers are starting to function, namely. They are distinguished by lack of electricity and water supply, heating with only natural wood, untouched forest around, buildings made only of natural wood and other materials. [2, p. 306]

The following table demonstrates European Ecolabel Criteria for Tourist Accommodation [6, p. 109]:

<b>Main mandatory ecological criteria:</b>	
<u>Energy saving</u> <ul style="list-style-type: none"> <li>✓ appropriate window insulation</li> <li>✓ 22% of electricity from renewable energy</li> <li>✓ no coal as energy source</li> <li>✓ no oil with S content &gt; 0.2%</li> <li>✓ boiler efficiency &gt; 90%</li> <li>✓ air conditioning efficiency &gt;= class B</li> <li>✓ timer control in sauna</li> </ul>	<u>Water saving</u> <ul style="list-style-type: none"> <li>✓ water flow from tap or shower &lt; 12 l/min</li> <li>✓ no more than 5 urinals simultaneous flushing</li> <li>✓ towels, sheet change at request / 1-2 times a week</li> <li>✓ wastewater treatment</li> <li>✓ compliance with local wastewater plan or water protection plan</li> <li>✓ limited use of disinfectants</li> </ul>
<u>Waste reduction</u> <ul style="list-style-type: none"> <li>✓ facilitated waste separation</li> <li>✓ hazardous waste sorting</li> <li>✓ sorting, separation and transportation of waste to an appropriate site</li> <li>✓ no use of disposable products (1-use cups, 1-portion soap, shampoo)</li> </ul>	<u>Management</u> <ul style="list-style-type: none"> <li>✓ no smoking in common areas</li> <li>✓ good maintenance and servicing of equipment</li> <li>✓ environmental policy statement, action plan</li> <li>✓ active information to guests on environmental policy, objectives and actions</li> <li>✓ staff training</li> <li>✓ data collection on resource consumption</li> </ul>
<u>Information to guests</u> <ul style="list-style-type: none"> <li>➤ request to switch off air conditioning / heating when window open</li> <li>➤ request to switch off lights when leaving the room</li> <li>➤ instructions on water saving in bathrooms and toilets</li> <li>➤ instructions on use of waste bins for solid waste in toilets</li> <li>➤ information on local public transport</li> <li>➤ request to inform the staff on leaks</li> </ul>	

According to the Cambridge Institute for Sustainability Leadership, tourism contributes about 5% to global greenhouse gas emissions – a figure is expected to grow by 130% by 2035. Meanwhile, the International Tourism Partnership found out that to align with the Paris Climate Agreement for the hotel industry will need to reduce its greenhouse gas emissions per room per year by 90% by 2050 (compared to a baseline from 2010).

Eco-friendly travel has been around for decades, but as consumer's interest in sustainability has grown so has green tourism. Today's tourists prefer destinations that take initiatives to protect and preserve the environment. According to Booking.com, 68% percent

of tourists prefer to book an eco-friendly accommodation. A Washington Post article reported a study by market research firm Mandala Research found out that 60% of U.S. travelers have taken a “sustainable” trip in the last three years and that these travelers spend on average \$600 per trip, and stay three days longer than the average guest [1]. Another survey by the Singapore-based online travel agency Agoda.com found that nearly 40% of travelers are willing to spend an extra \$10 a night to sleep in a sustainable resort. According to a report from GlobalData, the higher the household income, the greater the likelihood to book an eco-tourism holiday. Specifically, 16% of Americans with a household income between \$20,000 and \$34,000 per annum were likely to book an eco-tourism trip, the figure increased to 25 percent earning \$60,000-\$99,000, and leaped to 57 percent in those whose income exceeds \$150,000 [5].

Green travel might have once been a niche market but no more. The U. N. World Tourism Organization predicts there will be some 1.6 billion eco-inspired trips taken by 2020. The benefits of green travel for hotels are significant ranging from cost savings to gaining competitive advantages and risk management. By analyzing the factors that inspire sustainable travel, we can derive a hierarchy of the percentage of global travelers who found this inspiring:

1. The factors that inspire sustainable travel	% global travelers who found this inspiring
2. Being impressed by natural sights during their own travels (e.g. coral reefs, rain forest)	60%
3. Noticing a visible impact of tourism at the destinations they have visited	54%
4. Seeing the positive effect that sustainable tourism can have on the local people	47%
5. Seeing the unsustainable effects of tourism in their home country	42%
6. Feeling guilty about the impact their vacation has had on the environment	32%

While perceived extra cost remains the top barrier for travelers wanting to travel more sustainably, two thirds (67%) of travelers would be willing to spend at least 5% more on their travel to ensure it was as low impact on the environment as possible. Indian travelers claim to be the most willing, with nearly a third (32%) declaring that they would pay 15% or more, followed by Brazilians (21%) and Chinese (18%) [7, p. 37].

The research also indicates that a lack of information and a lack of credible certification poses a significant obstacle to sustainable travel (32%), particularly in India, China and Japan where travelers cited this as even more of a barrier than extra cost.

<b>Top global obstacles to traveling more sustainably</b>	<b>%</b>
1. Costs – not being able to afford the extra expenditure	42%
2. Information / lack of certification – not knowing how to make travelling more sustainable	32%
3. Time – traveling sustainably would be too time-consuming	22%
4. Destination – traveling sustainably would limit travel to less appealing destinations	22%
5. Luxury / comfort – sustainable travel does not meet the level of luxury / comfort he has accustomed to	20%

As sustainable travel intentions grow, travelers are still looking for ways to more easily fulfill these ambitions. 40% said that online booking sites offering a sustainable or eco-friendly filter option would help, while 32% continue to call for an international standard for identifying eco-friendly accommodations [11].

However, Sustainable Travel Report by Booking.com also reveals that there are still those who are unfamiliar with sustainable tourism and eco-friendly hotels. Among those who have not planned to stay in a hotel like this for the next 12 months, 39% said that the reason is that they did not even know about the existence of this type

of accommodation. Also some have a wrong idea of what it means to sleep in a sustainable accommodation: some people of those interviewed stated why they choose not to book an eco-friendly hotel that they consider this type of accommodation less luxurious compared to the others. It is still a too widespread the idea that sustainable accommodation is somewhat Spartan and uncomfortable. However, instead they are wonderful hotels investing in clean energy, offering local and organic food, using the latest construction techniques [9, p. 73].

The improvement and promotion of sustainable tourism should continue, however there are still many conscious travelers, eager to respect the environment while on vacation. 62% of people under survey have confirmed their intention to stay at eco-friendly hotels and 50% have considered to visit a destination only for its environmental sustainability.

To sum up, ecotourism helps in community development by providing the alternative source of livelihood to a local community which is more sustainable. Its aim is to conserve resources, especially biological diversity, and maintain sustainable use of resources, which bring ecological experience to travelers, conserve the ecological environment and gain economic benefits. However, achieving the aims in ecotourism depends on whether they are environmentally and ecologically sustainable and economically applicable. Ecotourism helps to involve local community for the conservation of the ecology and biodiversity of the area that biodiversity in return provides the economic incentives to the local community. Eco-tourism contributes to the conservation of biodiversity, sustains the well-being of local people, involves responsible action on the part of tourist and the tourism industry, promotes small and medium tourism enterprises. It requires the lowest possible consumption of natural resources, focuses on local participation, ownership, and business opportunities, particularly for rural people, and above all, includes the learning experiences.

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## ROLE OF TRANSNATIONAL CORPORATIONS IN THE GLOBAL ECONOMY

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**Shklyar B. V., Korshunova I. M. Role of transnational corporations in the global economy.** The article presents an analysis of transnational corporations (TNCs) activity within the setting of globalization. The reasons of expanding of TNCs into the creating countries are stated, among which are low wages of workers and the costs of raw materials, low taxes and favorable legislation. The positive impacts of this prepare incorporate work creation and countries specialization in fabricating of competitive products. Also negative impacts such as incorporate environmental harm, human rights infringement and others are noted .

**Key words:** globalization, government policy, harm to the environment, low wages, specialization, TNC, taxes.

**Шкляр Б. В., Коршунова І. М. Роль транснаціональних корпорацій у світовій економіці.** В статті запропонований аналіз діяльності транснаціональних корпорацій (ТНК) в умовах глобалізації. Вказані причини виходу ТНК в країни, що розвиваються, серед яких низькі заробітні плати працівників і ціни на сировинні матеріали, низькі податки і сприятливе законодавство. До позитивних наслідків цього процесу належить створення нових робочих місць і спеціалізація країн на виготовленні конкурентоздатної продукції, а до негативних – шкода навколишньому середовищу, порушення прав людини та інші.

**Ключові слова:** глобалізація, низькі заробітні плати, податки, політика уряду, спеціалізація, ТНК, шкода навколишньому середовищу.

**Шкляр Б. В., Коршунова И. Н. Роль транснациональных корпораций в мировой экономике.** В статье предложен анализ деятельности транснациональных корпораций в условиях глобализации. Указаны причины выхода ТНК в развивающиеся страны, среди которых низкие зарплаты работников и цены на сырьевые материалы, низкие налоги и благоприятное законодательство. К положительным последствиям этого процесса относится создание новых рабочих мест и специализация стран на выпуске конкурентоспособной продукции, к отрицательным – вред окружающей среде, нарушение прав людей и другие.

**Ключевые слова:** вред окружающей среде, глобализация, налоги, низкие зарплаты, политика правительства, специализация, ТНК.

A chosen subject may be a vital one since of constantly increasing part of transnational organizations (TNCs) within the handle of world financial development. TNCs come forward as a arbitrator of universal fabricating and conveyance of the merchandise. Tall level and quick process of internalization of generation within the largest TNCs have driven to the foundation of their dominating positions within the world showcase. The method of globalization has come about in numerous businesses setting up operations in other nations. Companies that work in a few nations are called multinational enterprises (MNCs), transnational organizations (TNCs) or multinational undertaking (MNE). MNC oversees generation or conveys administrations to a number of nations. A multinational organization contrasts marginally from a transnational enterprise, since whereas MNCs are customarily national companies with outside backups, a TNC does not distinguish itself with one national domestic.

In any case, these terms are regularly utilized traded. Multinational enterprises can have an effective impact on the nearby economies, and indeed the world economy [6 ]. Setting out on universal trade wanders isn't a modern marvel. A few analysts propose that cases of early transnational enterprises can already be found within the history of colonial extension of the old Phoenicians and Romans, and other old civilizations. Others hunt for forerunners of modern transnational enterprises within the Center Ages and the Renaissance period, connecting the colonial successes to the improvement of celebrated British and Dutch exchanging companies. It was not, be that as it may, until the Mechanical Insurgency of the late 18th and early 19th century that unused openings in terms of the organization of generation forms risen and changes within the existing designs of generation took put, which driven to the development of financial organizations resembling present day undertakings within the final three decades of the 19th century. The dynamic grow of worldwide generation, in any case, falls overwhelmingly within the 20th century, at the starting of which, particularly within the Joined together States, a corporate economy

show risen, based on expansive undertakings now not overseen by their proprietors but by enlisted qualified experts. At that time, essential lawful and proprietorship shapes (open restricted companies) were set up and moved forward as well as organizational arrangements were proposed (divisional structures), which arranged organizations from exceedingly created nations for the worldwide victory [3]. Variables drawing in MNCs or TNCs to a remote nation may incorporate: – cheap crude materials; – cheap work supply; – great transport; – get to to markets where the merchandise are sold; – inviting government approaches [1].

The part of TNCs or MNCs is to form the riches, modern work openings and modern assess incomes that emerge from multinational corporations' produced wage. By expanding the productivity of capital streams, multinational enterprises will contribute into decreasing the levels of world destitution in creating nations, progressing their foundations, fortifying their human capital and empowering nations to participate and look for quiet arrangements for clashes. TNCs or MNCs have obligations towards managers, clients, governments, providers and communities as well as towards shareholders. Corporate social obligations (CSR) take portion in securing TNCs' commerce ensuring that enterprises do trade truly, legitimately and with judgment, are not corruptive and continuously comply the laws of have nations. Bianchi, Carnoy, and Castells did a investigate in People's Republic of China, saying that the importation of unused innovation incorporates both equipment and computer program as well as quality control to form negligible innovation exchange and lesser efficiency linkages to other firms. Other than that, a structure of the request for abilities changes due to the development of high-technology generation as economies grow. These will most likely advantage to remote firms by making more openings in their generation and capital hardware [2]. N. Kumar and N.S. Siddharthan expressed a comparative thought that presentation of modern progress and modern innovation to a nation is exceptionally critical since it is related to the advancement of this nation. Innovation makes the plausibility of creating modern

merchandise and administrations, application and dispersal of valuable data which can turn into the increment in efficiency, the extension of generation level and work [5]. Ernst, who did a ponder on work impacts within the Asian creating nations, made a conclusion that the unused specialized alter will as it were make an awfully little commitment to the decrease of the mass unemployment within the third world social orders. Since the modern micro-technology is getting to be robotized in creating nations, it'll cause an increment in unemployment rates within the microelectronics based industry. When microelectronics takes put in fabricating industry, most of the occupations are centered on modern specialists, ladies take a bigger support in generation level as they are frequently more taught than men in investigate and improvement, administration and deals [2].

Whereas businesses contribute in creating nation, they continuously point at the most reduced work fetched to play down their commerce costs and maximize their benefit, at the same time they are able to meet the desires of the specific company. In any case, when MNCs move their generation operations into creating nations, work openings in have country will ended up greater through the method of globalization by which a huge sum of work constrain is required to keep the generation handle running. A great case of occupations creation would be Coca-Cola Company that chosen to contribute in Malaysia with a modern bottling plant. It was a \$301 million speculation. Agency France-Press expressed that this venture made up to 800 modern occupations at the working plant with 8,000 occupations. In a worldwide advertise, the request for the talented laborer is much higher than the untalented laborers. Hence, this will broaden the hole between both classes of laborers. Gifted laborers will be effectively advertised occupations whereas those untalented specialists will confront the troubles in getting a work. As a result, incompetent laborers are continuously categorized as the moo wage lesson. The government of creating nations has been working exceptionally difficult to draw in outside coordinate venture (FDI) of multinational organizations and begun to compete with each

other by deregulating their countries' arrangement. Thus, with lower compensation and charges rates, it empowers the speculators to dodge the chance of losing their capital contributed in creating nation. But they too increment least wage and work security benchmarks in arrange to secure neighborhood workers' rights and this might cause MNCs to migrate their operation to other creating nations, who are willing to acknowledge moo compensation, need of union agent and legitimate securities such as child work that are manhandled by worldwide companies. For illustration, the Niger Delta, Africa's biggest oil and gas industry, was created by huge TNCs. The Nigerian government makes billion yearly from its assets, but the unemployment rate is around 90%. The gas flaring has caused both corrosive rain and respiratory issues which have been in impact 24 hours a day over the Delta, with a few flares burning persistently for 30 years.

In conclusion, we can see that appearance of TNCs has led to logging, mining, and cultivating which habitually devastate arrive and uproot the neighborhood populace by constrain and terrorizing. When a nation goes worldwide, it is playing a noteworthy part of improving financial riches by advertising increasingly openings to creating nations. TNCs made worldwide markets which are characterized by the lessening in exchange boundaries and a free stream of merchandise, moment obligations, administrations and work from one nation to another. The end of exchange boundaries has led to the advancement of specialization in creating nations as they are able to concentrate on the generation of commodities which can be delivered at the slightest taken a toll. Creating nations completely utilize the advantage of globalization to extend their pay through exchanging merchandise which they can deliver most viably. It is continuously an compelling way of upgrading development to deliver superior quality products and expanding competition as the stream of merchandise and administrations between nations has gets to be less demanding. To whole up, there are both positive and negative impacts on have nations caused by TNCs or MNCs. A few nations ended up as well subordinate on TNCs whereas others on the

other hand create specialization and win great salary. Be that as it may there are still a parcel of commerce procedures that have to be learned some time recently we will truly handle the worldwide markets' exercises [4].

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## TERRORISM AS A GLOBAL PROBLEM OF MODERN SOCIETY

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**Shleyko M. B., Davydenko I. V. Terrorism as a global problem of modern society.** The article deals with the problem of terrorism and methods of how to struggle against it. The problem of combating terrorism is one of the most important issues due to the fact that the state must respect and protect the rights and freedoms of their citizen. However, the contradictions of social, economic and legal issues arising from this diversity, as well as trying to find a way out of them, are one of the urgent problems of modern world and domestic policy.

**Keywords:** crime, international cooperation, international organizations, politics, terrorism, terrorist threat.

**Шлейко М. Б., Давиденко І. В. Тероризм як глобальні проблеми сучасного суспільства.** Проблема боротьби з тероризмом є однією з найважливіших через те, що повага та захист прав і свобод людини є обов'язком держави. Однак суперечності соціальних, економічних та правових питань, що виникають із цього різноманіття, а також намагання знайти вихід із них є однією з нагальних проблем сучасної світової та внутрішньої політики. Стаття розповідає про тероризм та методи боротьби з тероризмом.

**Ключові слова:** злочинність, міжнародне співробітництво, міжнародні організації, політика, терористична загроза, тероризм.

**Шлейко М. Б., Давыденко И. В. Терроризм как глобальная проблема современного общества.** Проблема борьбы с терроризмом является одной из наиболее важных в связи с тем, что уважение и защита прав и свобод человека и гражданина является обязанностью государства. Однако противоречия социальных, экономических и правовых вопросов, возникающие из этого разнообразия, а также попытки найти выход из них, являются одной из актуальных проблем современного мира и внутренней политики. В статье рассказывается о терроризме и методах борьбы с терроризмом.

**Ключевые слова:** международное сотрудничество, международные организации, терроризм, преступность, политика, террористическая угроза.

The o b j e c t of the article is terrorism as a global problem of modern society and ways to solve it. The s u b j e c t of the article is the concept of terrorism, terrorist acts as phenomena of the society. The p u r p o s e of the article is to define terrorism as a global problem and study counter-terrorism measures. The r e l e v a n c e of the article is determined by the new wave of terrorism, the emergence of a large number of new terrorist organizations and methods of promoting the ideas of terrorism against the peace and security of mankind.

International terrorism is one of the global problems of today. In recent years it has increased and spread in Eastern and Western Europe. Terrorism is violence for political purposes that goes beyond the legal rules. Consequently, governments have difficulty treating captured terrorists as prisoners of war or criminals, this problem affects different governments in various ways. Terrorism confined to particular states has been an intermittent feature of history for a very long time. At times, terror took an international dimension that included only two states [7]. The global international form of terrorism developed later. It involves efforts to change the entire world or transform regions involving more than two states. These activities generate cooperation between foreign terrorists and populations in a variety of states. Also, international terrorism is a reaction of certain social, confessionnal and ethnic groups to the globalization processes. Thus, as a result of the contact of civilizations and modernization of traditional societies, for some reasons, these groups feel the infringement of their rights. Having no opportunity to legally struggle for their interests, they resort to terrorism as a strategy of struggle of the weak against the strong. It should be noted that violence is not so important for terrorism as a feeling of horror and helplessness that appears in society after another terrorist attack. And in this context, terrorism may be considered as blackmail aimed at the governments of democratic countries [2]. Further, the media, which became widely spread as a result of the information revolution, gave terrorists a great way to influence the societies of the developed countries. After all, exactly



the coverage of a terrorist attack in the media really influences the society, as an unknown terrorist act becomes meaningless. It should be noted that with the development of high technologies, the emergence of new energy sources and means of communication, humanity gradually becomes more vulnerable even to the targeted terrorist attacks. Thus, the destruction or damage of any key facility causes the disastrous consequences for large regions or throughout the planet. This situation makes even the mere threat of a terrorist act more significant. Therefore, it is possible to say today that terrorists are focused on the intimidation of society in order to satisfy their destructive instincts rather than on the elimination of specific facilities [4].

The history of global terrorism consists of five main stages. The peculiarities of each of them should be determined, highlighting the features specific to each stage of the development of global terrorism. The first stage represents the period of early terrorism. It is the period of the rise of terrorism before 1840s, when the foundation for modern terrorism was laid and the first organizations appeared. The second stage is the period from the second half of the 19th century to the first two decades of the 20th century – and it is the era of classic terrorism. It was the time when the main forms and methods of terrorist activities were developed, and the classic patterns of terrorists' strategy and tactics were formed. The third stage is considered as a transitional one. It lasted from the beginning of 1920s to the end of 1950s, and had two stages. At the first stage, it was possible to trace how terrorism transformed from individual and collective into a permanent factor of political life in many countries. At the second stage, terrorism was temporarily localized in the outlying areas of the world, and the transition to collective forms of terrorist activity was observed. Moreover, during this period, the new counterterrorism forms and methods appeared. The fourth stage, titled urban guerrilla, took place in 1960s-1980s. During this period, large organized terrorist groups appeared, while the sophistication of tactics and brutality intensified. The methods of influence on society and states were also distinctive, as well as the cooperation and

internationalization of links of terrorists and their illegal organizations. As a result, at this stage, terrorism has become a global factor of international politics. The fifth stage represents the era of modern terrorism, which is characterized by its large scale and the extreme social danger of terrorist attacks. Thus, gradually, terrorism has become one of the global problems of modern times, while its solution has become a political, economic and geostrategic battle for world domination [1].

**Causes motivating terrorism.** Specific political or social causes have included:

- Independence or separatist movements;
- Irredentist movements;
- Adoption of a particular political philosophy, such as socialism (left-wing terrorism), anarchism, or fascism (possibly through a coup or as an ideology of an independence or separatist movement);
- Environmental protection (ecoterrorism);
- Supremacism of a particular group;
- Preventing a rival group from sharing or occupying a particular territory (such as by discouraging immigration or encouraging flight);
- Subjugation of a particular population (such as lynching of African Americans);
- Spread or dominance of a particular religion – religious terrorism;
- Ending perceived government oppression;
- Responding to a violent act (for example, tit-for-tat attacks in the Israeli–Palestinian conflict, in The Troubles in Northern Ireland).

Causes for right-wing terrorism have included white nationalism, ethnonationalism, fascism, anti-socialism, the anti-abortion movement, and tax resistance. Sometimes terrorists on the same side fight for different reasons. For example, in the Chechen–Russian conflict secular Chechens using terrorist tactics fighting for national independence are allied with radical Islamist terrorists who arrived from other countries [3].

But any terrorist organization, despite its ideology or abilities, has its weak spots. Among them are the common ones, which may be found in all similar organizations. That is why the attention aimed at the search and identification of these weak spots will act as an effective method of struggle against international terrorism: 1. The activity of terrorists. The point is that terrorists are rarely able to act independently. This means that they are constantly in contact with fellow-fighters and like-minded persons. Therefore, the monitoring of these contacts with the help of special equipment makes it possible to define their action schemes, to find out the plans of terrorists, to detect and neutralize them. It is important to monitor all movements and actions of the members of terrorist groups. Close attention to the collection and analysis of the information on terrorists makes it possible to achieve a significant effect in the struggle against them. For example, German authorities managed to neutralize the Baader-Meinhof Group (Red Army Faction) with the help of a computer database developed to collect and analyze the facts that are relevant to the terrorists. 2. The ability to arrest or kill the leaders of terrorist groups. It is well known that the leaders of terrorist groups have a significant influence on the activities of their organizations. It is possible to reduce their role in case when the terrorists are guided by other goals, for example, some worldview, or when they are backed by one or another special service of the other state. But more frequently, the activities of terrorist organizations directly rely on the actions of their leaders.

Any act of terrorism requires planning and careful preparation. Therefore, the capture and annihilation of a leader favors the destruction of terrorists' plans. Many terrorist attacks were prevented with the help of this tactics [6].

All states, even those that compete in the international arena, should combine their efforts in the struggle against terrorism. Committing their attacks around the world, terrorists make different countries their enemies. And the understanding of the importance of joint struggle against them becomes a stronger motivation for consolidation than the existing controversy between the countries.

**C o n c l u s i o n .** As acknowledged by all researchers, terrorism is indeed a very complicated social object to study. But we also have to study terrorism like all other complex social objects, by exploring the underlying processes ranging from individual to social and societal issues, all being deeply interconnected. In this case, some evidence tends to show that some individuals are more inclined to go into violence because of psychological traits or of a particular history while other studies show that on a social level, identity and political decisions can also built the ground for terrorist act. It is possible to achieve the effectiveness of the struggle against international terrorism by making this struggle more systematic. For this purpose, it is necessary to skillfully combine political, economic, social, legal, educational and organizational measures, which will include operational investigations, special, military and other activities.

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**FOREIGN DIRECT INVESTMENT:  
WORLD'S BEST EXPERIENCE  
AND CONDITIONS IN UKRAINE**

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**Shloma L. S., Korshunova I. M. Foreign Direct Investment: World's best experience and conditions in Ukraine.** The article discusses the most successful investment directions around the world, analyses conditions for perfect investment climate. The situation with FDI attractiveness of Ukraine. The state's perspectives to improve this process, particular areas of investors' main interests are overlooked.

**Keywords:** FDI, investment, investment attractiveness, economic, business, Ukraine.

**Шлома Л. С., Коршунова І. М. Прямі іноземні інвестиції: найкращий світовий досвід, та умови в Україні.** У статті розглядається перелік найуспішніших інвестиційних напрямків світу, аналізуються умови для створення ідеального інвестиційного клімату. Розглядається ситуація із привабленням ПІІ до України, та перспективи держави покращити цей процес, конкретні галузі, що представляють головний інтерес для інвесторів.

**Ключові слова:** ПІІ, інвестиції, інвестиційна привабливість, економіка, бізнес, Україна.

**Шлома Л. С., Коршунова И. Н. Прямые иностранные инвестиции: лучший мировой опыт, и условия в Украине.** В статье рассматривается перечень наиболее успешных инвестиционных направлений мира, анализируются условия для создания идеального инвестиционного климата. Рассматривается ситуация с привлечением ПИИ в Украину, и перспективы государства улучшить этот процесс, определенные отрасли, представляющие главный интерес для инвесторов.

**Ключевые слова:** ПИИ, инвестиции, инвестиционная привлекательность, экономика, бизнес, Украина.

The o b j e c t of the article is economic cooperation on a supranational level. The s u b j e c t is foreign direct investment (further FDI), particularly investment attractiveness of Ukraine. The p u r p o s e of the article is to analyze investment climate of the most

successful centers around the world, compare it to Ukrainian experience and prepare a platform for more complex research that will allow making a prediction regarding prospective of Ukraine in investment attractiveness. To identify the most problematic points as well as the most promising areas, consider possible solutions to the problem and specify directions of development that require the most attention.

At these days r e l e v a n c e of the issue researched is quite high: first of all, due to necessity of overseas contacts, especially of economic nature. This is to make sure that the country is not isolated and is a full participant of natural process of globalization. Secondly, the level of investors' trust is a reliable way to shape positive international image, which is essential for Ukraine at this point. And the last, but not least, FDI is a strong supportive power for development not only of national economics, but also of science, industrial progress and technologies. In simple terms: money can come and go, knowledge and experience will stay.

Foreign Direct Investment, or FDI are long-term investments of capital and resources by nonresidential companies into particular country's economy (for instance, to organize or build an enterprise). FDI is counted in bln US dollars.

FDI is the most desired form of investment of resources for developing economics due to the fact that it allows to release large projects, besides new technologies, practices of corporate management and etc. enter the country.

Analysis experts from an American edition «*Howmuch*» have compared current size of FDI in different countries. Experts have clustered the countries into a world map where the size of a state is determined by the amount of FDI attracted. Thus some of countries that have big territories have “disappeared” from an alternative map at all. For example, our country, Ukraine, which has the biggest territory in Europe, doesn't exist in “the world of investment at all” [4].

The most amount of FDI attracted today belongs to China. Number two in the list is Hong Kong, which is basically also People's Republic of China. In 2015 PRC and Hong Kong together attracted 2,5 times more FDI that USA.

#### Top-5 countries with the biggest average FDI amount

1. China – \$128.5 bln
2. Hong Kong– \$103.3bln
3. USA– \$92.4bln
4. UK – \$72.2bln
5. Singapore– \$67.6 bln

One of the key indicators to success in attracting FDI is Index of Economic Freedom, which shows a level of ease for making business around the world according to the Heritage Foundation annual ranking. And in this terms that is exactly what differentiates China and Hong

#### Top-5 countries with the highest Index of Economic Freedom

1. Hong Kong – 88.6 pt (out of maximum possible 100 pt)
2. Singapore – 87.8 pt
3. New Zeland – 81.6pt
4. Switzerland – 81.0 pt
5. Australia – 80.3 pt

Economic freedom is not identical to economic possibilities. If it was so, China then would have gone much lower in the ranking, about the level of India, which is close to PRC both in Index of Economic Freedom ranking and due to the amount of population, but have attracted only \$34,4bln. in 2015.

Foreign investors agree to work in harsh business conditions only if they see that investments pay off well.

#### 5 countries with the lowest average FDI amount

172. Bhutan (\$5,8mln)
173. Surinam (\$4,2mln)
174. Central African Republic (\$3,5mln)
175. Kiribati (\$1,2mln)
176. Micronesia (\$0,8mln)

#### 5 countries with the lowest Index of Economic Freedom

174. Turkmenistan (41,9 pt out of 100)
175. Zimbabwe (38,2 pt)
176. Venezuela (33.7 pt)
177. Cuba (29,8 pt)
178. North Korea (2,3 pt)

On the lowest positions of the ranking the difference between economic freedom level and FDI attraction level can be seen more clear.

For instance, both Republic of Congo and Democratic Republic of Congo, rich for mineral resources, are losing positions in comparison to small Malta, and relatively free African economies, such as Morocco (\$3,6 bln), get less investment then the same category countries, for example, Hungary (\$ 4 bln.).

Economic freedom is just one of the factors for determination of a country's attractiveness for FDI. And what is the most interesting, "free" markets significantly concede in comparison with "non-free" ones [4].

It is way more efficient for the state's economy to attract FDI than to take loans. However there are factors, usual for Ukraine, scare the investors off. For instance, corruption, unstable currency, deceleration of reforms. In 2017 FDI inflow decreased more than two times in comparison with previous year, 2016. In 2018 the situation got a little better. Ukraine even has raised its position in world investment attractiveness ranking. Besides, Verkhovna Rada of Ukraine has approved the bill that eases the process of FDI attraction [3].

Within last 8 years the peak of FDI inflow in Ukraine happened in 2011, when FDI amount was more than \$ 6 bln. During last 5 years the size of FDI hasn't got any close to this point.

Decrease of FDI was expected in 2014, when the war in Donbass broke out and political situation within the country was extremely unstable. Back at that time the size of FDI attracted to Ukraine was only \$ 2,5bln, which is 55% less than in 2013. However, the next year the state became more trusted in, and the amount of investment twice more than a year before. FDI increased a little in 2016, but in 2017 a serious decrease happened. In 2018 FDI inflow in Ukraine was a bit more than \$ 1,3bln, and as we can see now, by the end of 2019, Ukraine is gaining more popularity as in investment direction again. Particularly here, in Kharkiv there is already a list of municipal objects which are a point of interest for overseas investors, especially from China [5, 6].



Within three last years investors have supported mostly financial and insurance activities, as well as auto transport repairing, wholesale and retail. In 2018 the investment finally started fulfilling scientific and technical spheres.

Even though it is odd, the biggest of investment in 2018 belonged to Russia – 34,6% of the whole amount. Also the most FDI come from Cyprus, Netherlands, Austria, Poland, UK, France, Germany, Italy and Hungary. Not that long ago PRC has joined this list with big interest in scientific and technical development cooperation [2].

Office for Attracting Investment (UkraineInvest) is one of the tools for Ukraine to accumulate its FDI attractiveness. It is a permanent advisory body to the Cabinet of Ministers of Ukraine that was established in October, 2016 with the Government's order. Its aim is to involve FDI to Ukraine and improvement of the state's image as an attractive investment direction [1].

Office for Attracting Investment supports Ukrainian Government by designing efficient economic policy and leadership; it also promotes strengthening of strategic cooperation between countries as well as private and governmental [8].

The target of the Office for Attracting Investment's work is to provide investors with current information and suggestions regarding features of making business in Ukraine as well as regarding activity in basic economic areas: agricultural business, energy production, infrastructure development, innovative technologies sphere. UkraineInvest promotes coordination of executive body's activity in regulation of issues that appear during investment process into Ukrainian economy. Experts of the Office prepare suggestions regarding shaping, improving and releasing investment potential of Ukraine, development of key investment projects, stimulating investment environment in Ukraine and protecting the investors' rights. The Office actively works on designing a regulatory framework for making business in Ukraine, Carries out expert analysis of business climate, analyzes the main problems of its development in Ukraine [7].

Among the results of the Office's activity the following can be highlighted:

- Establishment partnership with the government and local administrations;
- Change of business regulation in Ukraine;
- Improving dialog with businesses;
- Improving of legal framework and investors' protection mechanism;
- Promotion the increase of FDI inflow to Ukraine.

The p e r s p e c t i v e s of the analysis are following: more deep research with bigger volume of data available could allow analyzing conditions of FDI attractiveness of different countries more widely. Thus, compare and apply more various experiences to current Ukrainian condition, which will open more ways to attract FDI to the country, make it more economically stable and well-off and the last, but not least, create a positive international image for Ukraine. Also familiarization with all required indicators of FDI attractiveness shall determine direction for working the problem out. So far the country is on the right path, even though it is still unstable in terms of economic and political climate. There is a lot of work to be done to reach the desired level.

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## COMPETITIVENESS OF UKRAINE IN THE IT MARKET

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**Shukel I. V., Zmiyova I. V. Competitiveness of Ukraine in the IT market.**

The article considers the main indicators of competitiveness of Ukraine in the IT market, the place of Ukraine in the world ratings of innovative development of the country, identifies the strengths and weaknesses of the IT segment of Ukraine, explores the interests of some international companies in the field of IT Ukraine, and provides forecasts of its further development in the market and globalization.

**Keywords:** competitiveness, innovative development, IT, world ratings.

**Шукель І. В., Зміїова І. В. Конкуреніоспроможність України на ринку ІТ.** У статті розглянуто основні показники конкурентоздатності України на ринку ІТ, місце України в світових рейтингах інноваційного розвитку країни, визначено сильні та слабкі сторони сегменту ІТ України, досліджено інтереси деяких міжнародних компаній в сфері ІТ України, а також приведені прогнози подальшого його розвитку в умовах ринку та глобалізації.

**Ключові слова:** інноваційний розвиток, ІТ, конкурентоспроможність, світові рейтинги.

**Шукель И. В., Змиева И. В. Конкуреніоспособность Украины на рынке ИТ.** В статье рассмотрены основные показатели конкурентоспособности Украины на рынке ИТ, место Украины в мировых рейтингах инновационного развития страны, определены сильные и слабые стороны сегмента ИТ Украины, исследованы интересы некоторых международных компаний в сфере ИТ Украины, а также приведены прогнозы дальнейшего его развития в условиях рынка и глобализации.

**Ключевые слова:** инновационное развитие, ИТ, конкурентоспособность, мировые рейтинги.

The o b j e c t of the study is the current situation in the IT market of Ukraine and the s u b j e c t is the competitiveness of IT segment of Ukraine's economy. The p u r p o s e of the study is to identify the strengths and weaknesses of the IT segment of Ukraine, determine the competitiveness of Ukrainian companies in the global IT market, the number of international companies interested in the achievements of the domestic IT sector, and provide forecasts for

further development of IT in a market and globalization. The actual value of the study lies in the fact that the IT segment is one of the fastest growing segments of not only the Ukrainian economy but also the economies of most countries in the world. And since Ukraine has great potential in the IT sphere, which consists of highly qualified personnel and high technology of IT, the research is quite relevant.

Information technology is an integral part of modern life. The best reflector of IT state is social reality. For example, if 15 years ago people were just dancing at concerts, now they take videos, photos, share them on social networks online, and it becomes the property of a huge audience. Thanks to the development of IT, there is a dynamic globalization associated with changes in the social and economic spheres. Information technology is now actively influencing, in particular, the institutions of society and the state power.

The strengths of Ukraine in the IT sphere include the following factors: human capital (high adult literacy and higher education coverage), low cost of mobile communications and the Internet. But in this country, the domestic market is not developed, insufficient financing of the IT sector, the legal system and the weak susceptibility of companies and government agencies to the implementation of information technologies are all that prevent the government from rising in the rating. Therefore, it can be said that in the international arena, Ukraine currently wins mainly due to human capital. Analyzing the key elements necessary for the growth of the IT industry, it is important to accept the fact that human capital is the only one fifth of this system.

Other important elements are [1]:

- creation of domestic demand for IT services and goods (volume of business purchases and government procurements);
- infrastructure (basic and high-tech);
- financial capital (venture capital, loans);
- business conditions (tax system, regulation of labor relations).

The British research company Economist Intelligence Unit, with the support of the BSA (Business Software Alliance), has published another comparative analysis of the competitiveness of the IT industry in different countries according to the data in 2009. For the third year in a row, specialists has researched and compared the development of the information technology industry in 66 countries to determine their competitiveness.

The competitiveness index of the information technology industry is organized in the form of six different categories of qualitative and quantitative indicators, with a total of 25 indicators. Each of the six categories was evaluated at a maximum of 100 points and had its own weight to form a position in the overall ranking: the general economic situation in the country (10%), IT infrastructure (20%), human resources (20%), legal situation (10%), the level of R&D (25%) and support for the development of the IT industry (15%). The data used in the ranking were gained from the Economist Intelligence Unit, the United Nations, the World Bank, the World Industrial Property Organization, research companies IDC, Pyramid Research and other organizations, as it is said in the official release of the Economist Intelligence.

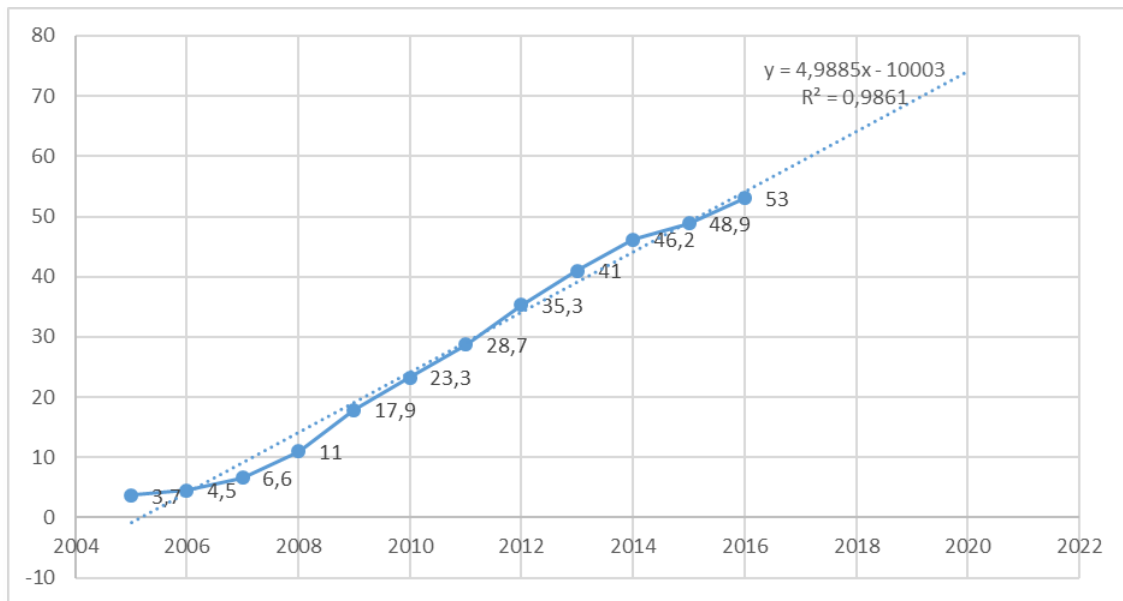
Ukraine took the 50th place in the ranking of the world IT industries, having risen by 7 lines since last year. Researchers note that this happened due to the improvement of indicators characterizing the personnel potential in the country. According to the experts of the Economist Intelligence Unit, one of the main advantages of Ukraine (as well as other emerging markets such as China and India) remains a large number of highly qualified personnel, however, the increase in competitiveness hinders the instability of development in various fields, in particular, the slow spread of broadband Internet access [3].

The main achievement of 2017 is that the Ukrainian IT industry has finally returned to pre-crisis growth rates. If in the past three years they were closer to 10%, this year the market has grown by about 18%. If there are no cardinal changes in the state, then in four years the market will double its size altogether. Considering that IT

companies brought about 6.5 billion to the budget only in taxes for 10 months of 2017, the stable development of the industry will positively affect the country's economy. Not least, this development is due to the fact that foreign clients value Ukrainian specialists. In the annual ranking of the best IT service providers done by The Global Outsourcing 100 for 2017, 13 companies with offices in Ukraine were included at once, an increase of three. The Global Sourcing Association (GSA UK), one of the largest markets for our companies, the UK, called Ukraine the Outsourcing destination of the year.

Among the traditional priorities there are: changes in the education system in order to improve the quality of technical specialists; an increase in the number of IT specialists in the country not only due to the reform of technical education, but also to attracting engineers from other countries to the market. For this, for example, it is necessary to apply certain changes in migration policy and so on. We expect that the joint work of IT companies and the state in these areas in 2018 will be even more effective. This will provide an opportunity to make a breakthrough and bring the Ukrainian IT industry to a new level of development [4].

Statistical information, such as the number of Internet users in the country, can also become the confirmation of the growth of the IT sector in Ukraine, which reflects the level of informatization of the society and determines how well it is ready to introduce new IT technologies.



Source: [2]

Figure 1. Internet users in Ukraine  
in percent of the population, 2016

According to the chart, the growth rate of the number of Internet users is increasing every year, even in spite of the difficult socio-economic and political situation, and the indicator of approximation confirms the further growth to 70 – 80% of the population.

Thus we can draw the following c o n c l u s i o n :

- Ukraine has a huge potential for the development of the IT sector, in particular due to highly qualified personnel;
- the labor force which is quite low-paid increases the interest of international partners;
- low cost of mobile communication and Internet;
- Ukrainian companies increasingly occupy leading positions among IT companies that foreign companies choose as partners.

Weaknesses include a poorly developed domestic market with insufficient financing, an inefficient legal system and a weak susceptibility of companies and government agencies to the introduction of information technology. In general, the IT sector in Ukraine has stable growth, but requires some adjustments.



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## **CHERNOBYL AND THE DANGEROUS GROUND OF «DARK TOURISM»**

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**Shulha N. V., Osinska K. A., Litovchenko Y. M. Chernobyl and the dangerous ground of «dark tourism».** The article outlines effects of the nuclear disaster in Chernobyl. The article shows how interest in death, suffering and disasters affect the developing of «dark tourism». It compares the World's experience of «dark tourism» with the Ukrainian one.

**Key words:** Chernobyl, dark tourism, mass tourism, tour guides.

**Шульга Н. В., Осінська К. А., Літовченко Я. М. Чорнобиль та небезпечна земля «темного туризму».** У статті мова йде про ядерну катастрофу у Чорнобилі. У статті розглядається як зацікавленість у смерті, стражданнях та катастрофах впливає на розвиток «темного туризму». У роботі порівнюється світовий та український досвід «темного туризму».

**Ключові слова:** масовий туризм, темний туризм, туристичні гіді, Чорнобиль.

**Шульга Н. В., Осинская К. А., Литовченко Я. Н. Чернобыль и опасная земля «темного туризма».** В статье речь идет об ядерной катастрофе в Чернобыле. В статье рассматривается как заинтересованность в смерти, страданиях и катастрофах влияет на развитие «темного туризма». В работе сравнивается мировой и украинский опыт «темного туризма».

**Ключевые слова:** массовый туризм, темный туризм, туристические гиды, Чернобыль.

The object of the article is «dark tourism» whereas the subject is impact of person's interests on the developing of «dark tourism». The aim of the research is to analyze why «dark tourism» causes a tourist boom.

Chernobyl is one of the most popular examples of the phenomenon known as dark tourism a term for visiting sites associated with death and suffering, such as Nazi concentration camps in Europe or the 9/11 Memorial and Museum in New York. It is also a tourism hotspot, a place where visitors seemingly strip off

for selfies in front of abandoned buildings and snap artistically macabre shots of ruined relics [1].

Chernobyl, which in 1986 became the scene of the world's worst nuclear disaster when a reactor explosion pumped out radioactive contamination over a huge area, causing widespread human suffering and prompting an entire region to be evacuated [2]. Today, groups of tourists throng through the abandoned city of Pripyat, next to Chernobyl, to experience deserted nurseries, funfairs, stores and other grim spectacles of the site their bleeping radiation monitors adding an eerie soundtrack.

Chernobyl and Pripyat have been on the dark tourism map since the radioactive Exclusion Zone surrounding them opened up to visitors in 2011, but prompted in part by the launch of popular HBO miniseries "Chernobyl" travel interest in the Ukrainian site has grown considerably in recent months, according to tour operators [3]. After the show, people started to watch a lot of documentaries to find out more about what happened in Chernobyl, and they found out there are tours and you can come over. Interest in Chernobyl and the surrounding ghost town of Pripyat, located near Ukraine's northern border with Belarus, had already increased since the cable network began airing its popular miniseries. The show's first episode depicts the horror and incompetent decisions made within the control room. While the show earned criticism from the Russian government, it has also triggered a tourism boom, with operators at Chernobyl reporting attendance increases between 30 and 40 percent since the show started airing [5]. Tour operators forecast the number of tourists visiting Chernobyl may double this year, reaching 150,000 visitors.

On official Chernobyl tours, guides armed with Geiger counters lead visitors through parts of the exclusion zone deemed safe for humans to briefly visit [3]. They pass homes and buildings people fled in the disaster's aftermath. They pass a decrepit amusement park, featuring a graveyard of rusty bumper cars and an eerily still ferris wheel. They also see decaying Soviet-era propaganda posters, a sign of a city frozen in time.

Ukrainian President Volodymyr Zelensky said he no longer wants the Chernobyl Nuclear Power Plant to be a dark-tourism destination. He said he wants it to become a legitimate tourist attraction: «Chernobyl has been a negative part of Ukraine's brand. The time has come to change this», according to the BBC and Lonely Planet [4].

Zelensky said his government plans to implement an electronic ticketing system and checkpoints for visitors in an effort to regulate access [4]. He also said the government would relax restrictions on filming inside the exclusion zone (the HBO miniseries was shot in the former Soviet republic of Lithuania), boost mobile phone reception in the area and build walking trails for the influx of tourists.

That boost in tourism has been made safer by the completion of the New Safe Confinement dome [6]. The structure, which took nearly a decade to build, replaced a leaky steel-and-concrete sarcophagus rushed into place after Reactor 4 exploded just before 1:30 a.m. on April 26, 1986.

The initial disaster killed at least 28 people – including plant workers and first responders – but it sickened thousands more through radiation-related conditions such as cancer, compromised immune systems and birth defects in the ensuing three decades [7, p. 32].

In the 33 years since humans were evacuated, plants and wildlife have reclaimed the town once home to 50,000 humans [5]. Chernobyl is a unique place on the planet where nature has been reborn after a huge man-made disaster and we have to show this place to the world: to scientists, ecologists, historians and tourists. However, just because wildlife is returning in Chernobyl's exclusion zone decades after the nuclear disaster does not mean it is thriving. It is a very rare event for any of the tourists to see any wildlife during their visit other than the occasional tame fox or hare.

Chernobyl is not the only site of suffering that is topping "must-visit" lists. Some 2.15 million people visited Auschwitz-Birkenau camp in Poland in 2018, roughly 50,000 more than the

previous year [3]. That is a relatively small increase in numbers, but seems to reflect a global trend.

From a pragmatic perspective, tourism of some sort seems inevitable and, as such, the best approach is to provide guidelines and best practices that reduce potential harm to the general public as well as minimize the impacts of tourists to the exclusion zone. We have dark tourism, which has always been around in different guises. Then you have the issue of overtourism, where popular sites are becoming even more popular. Finally, you have the mass movement of people so it is almost kind of a perfect storm.

Therefore, while it is impossible to quantify whether dark tourism specifically is growing, because it is too tricky to define the phenomenon, there is growing interest in the concept both academically and in the media.

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## THE INFLUENCE OF SOCIAL NETWORKS ON THE INFORMATIONAL COMPONENT OF INTERNATIONAL RELATIONS

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**Shvaba N. S. , Broslavska Ye. M. The influence of social networks on the informational component of international relations.** The article studies social networks like Twitter and Facebook as a new element of information and communication technologies in the globalization process. The main focus is on the issues of social media usage during the presidential campaign in the USA. The article analyzes the importance of social networks as a tool of influencing global political processes and also as an instrument of democratization of the world community.

**Key words:** democracy, global actor, information society, information technology, politicians, social networks.

**Шваба Н. С., Брославська Є. М. Вплив соціальних мереж на інформаційну складову міжнародних відносин.** Стаття присвячена дослідженню соціальних мереж Twitter і Facebook як нового елемента інформаційно-комунікаційних технологій в процесі глобалізації. Особливу увагу приділено питанням використання соціальних мереж в президентській кампанії США. Значення соціальних мереж аналізується як інструмент впливу на глобальні політичні процеси і як засіб демократизації світової спільноти. На закінчення автор припускає появу нового фактора світової політики.

**Ключові слова:** демократія, глобальний суб'єкт, інформаційне суспільство, інформаційні технології, політики, соціальні мережі.

**Шваба Н. С., Брославская Е. М. Влияние социальных сетей на информационную составляющую международных отношений.** Статья посвящена исследованию социальных сетей Twitter и Facebook как нового элемента информационно-коммуникационных технологий в процессе глобализации. Особое внимание уделено вопросам использования социальных сетей в президентской кампании США. Значение социальных сетей анализируется как инструмент воздействия на глобальные политические процессы и как средство демократизации мирового сообщества.

**Ключевые слова:** демократия, глобальный субъект, информационное общество, информационные технологии, политики, социальные сети.

The o b j e c t of this article is the informational component of international relations. The subject is the influence that social networks have on the informational structure of international relations. The purpose of this article is to analyze the importance and impact of social networks on the informational component of international relations.

The trend towards new media outreach within the U.S. government began in the early 1990s, when the Internet quickly became an everyday tool in businesses and homes. In the past few years, online social media have also become accessible worldwide. Facebook, for instance, was until recently merely a social-networking site for high school and college students, launching its debut in 2004. It was a tool for teenagers to connect beyond the reach of parental supervision [2]. Now, however, Facebook has become a means of easy mass communication around the globe, used by teens and adults, government, ordinary citizens, and businesses alike.

The phenomenon of social networking includes sites such as Facebook, Twitter, MySpace and other interactive media tools to communicate with ever-expanding networks of family, friends and colleagues. There are several popular social-networking sites used by the U.S. government, which essentially operate in the same way. Facebook is a site on which members create a personal profile, adding contacts to a “friend” list as well as joining interest groups, say, with information about home gardening, or in support of a particular political candidate. Anyone can post a personal profile or create a group, which is precisely what government organizations from U.S. embassies to the FBI have done. In April, the U.S. General Services Administration came to an agreement with Facebook (as well as several other sites such as Flickr and YouTube) that cleared the way for federal agencies to use social-networking Web sites based on special terms-of-service agreements for federal agencies. The agreements cover standard terms and conditions governing liability limits, endorsements, freedom of information, and legal jurisdiction. Since then, government agencies have been free to use Facebook as they see fit. The top five government Facebook pages

frequented by the public are (1) The White House, (2) the U.S. Marine Corps, (3) the U.S. Army, (4) the U. S. Centers for Disease Control, and (5) the State Department [7].

Twitter posts, Facebook pages, and other Web postings are a mix of more or less official sites loosely coordinated, often administered only at the discretion of the users within the agency. Occasionally, as in the case of the Department of Defense, lower-level agencies within the department have conflicting policies. Though soldiers on Army networks are allowed to use Twitter and Facebook to post updates and photos to friends and family back home, the Marine Corps has banned the same sites from its networks, citing the difficulty of properly vetting this type of media [1].

The FBI provides an excellent example of the danger that sites such as Facebook represent for government agencies. Precisely because anyone can create a group, a search for “FBI” within Facebook’s groups lists not only the FBI’s career group, but several official-looking groups, with a seal similar or identical to the FBI’s, which are completely unaffiliated. Agencies run the risk of people creating fake pages which may distort their image or message. To combat this from a liability standpoint, the government should publish an accessible, official list of social-networking pages in use by U.S. government agencies [4].

The challenges the U.S. government faces in harnessing social media are numerous. While it is essential that government have a coordinated message, the “grassroots” nature of social media makes it both difficult and somewhat undesirable to control them. The appeal of social media is precisely its feeling of intimacy and informality, and the government runs the risk of diminishing, even destroying, this appeal of social media through regulation. The content on social-networking sites should be both interesting and pertinent to individuals – people, not formal information, are the essence of social interaction [5].

On the other hand, lack of regulation incurs serious risk for agencies involved in sensitive areas, such as defense and diplomacy. For regulation within the government to be effective, the government



must establish policy guidelines (possibly similar to those applied by The Heritage Foundation to its blogs – all Heritage blogs must be approved by the foundation’s department directors and blog editors) without destroying the intimate feel of social networking [6]. This media’s strength lies in its freshness and unregulated feel, allowing people to become personally involved.

The same problem can be seen in Ukraine, too. We can say that people on the Internet can have a negative reaction to every new information piece either about political sphere or about law enforcement sphere that pops up in the news. The reason is high level of propaganda in the news and populist speeches from the politicians. It is common and trendy nowadays on the Internet to express your own opinion. The problem is that many of those opinions misrepresent the main idea of a particular news article. Considering all of this, we can assume that counter propaganda is needed to prevent the disinformation situation in the society. The correct presentation of information in the news is important too. These particular actions may help to improve the informational image of the political and law enforcement sphere.

Social media and the Internet have changed the way the information is disseminated to the public. Once, information was only accessible through the institutions of the State and the flow of information between governments and citizens was tightly controlled. Since the emergence of the Internet we have seen this model changed completely, as the costs of recording and distributing information dropped dramatically and a steady rise of citizen journalists, bloggers and online activists began. As the growing use of digital devices and social media platforms spilled over from the private to the public sector, the use of social media in aiding governments in achieving their policy goals both at home and abroad became a widely adopted strategy [3].

The Internet revolutionized the way we communicate with one another. Seeing and speaking to a friend on the other side of the world from the comfort of your own home is not in the realms of science fiction anymore, it is reality. Over the last decade, we have

seen social media help create radical change and shift countries towards equality and democracy, such as the role of Twitter in the 2011 and Arab Spring. Researchers also credit social media for bringing many causes to the attention of mass audience. Syria's refugee crisis, the Ice Bucket Challenge for motor neuron disease (also known as Lou Gehrig's disease) and the air quality in Beijing are all examples of issues, which have benefited from social media's ability to rapidly disseminate images and information to the public [11]. The idea of e-diplomacy, or digital diplomacy, as a force for social good was a subject much discussed by theorists, public servants and academics [10].

**Conclusion.** The culture of politics is changing, and so are the means of international thinking and action, as they become progressively shaped by digitization and the Internet. In the age of globalization and contemporary media, "top-down" communications have changed and become more lateral between people around the world. Monopolies of power have shifted from governments to companies, smaller organizations and individuals. "Likes", Tweets and hashtags no longer merely influence private communications. In addition, decentralized ways of working have increased the efficiency and reach of communications, as well as knowledge-sharing and how information is used. In global communications, a nation's government is now just one of many stakeholders. The increasingly uncontrollable flow of information has altered the existing power and social structures of society [9].

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## THE ROLE AND CHALLENGES OF NEW TECHNOLOGIES FOR INTERNATIONAL RELATIONS

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**Sidielova O. V., Broslavska Ye. M. The role and challenges of new technologies for international relations.** The Internet revolution has affected all aspects of life, including international relations. Diplomacy as a tool of foreign policy has also been transformed by this revolution. The article examines the concept of digital diplomacy, focusing on the use of digital media and social networks in the field of diplomacy. It studies the opportunities and challenges these media offer for diplomatic activities, and argues that new problems that have arisen on the basis of digital diplomacy should be further resolved. Digital diplomacy and Internet activities as a whole can greatly assist in projecting a state's foreign policy positions to domestic and foreign audiences.

**Key words:** digital diplomacy, diplomacy, foreign policy, international relations, media, social networks.

**Сідельова О. В., Брославська Є. М. Роль та проблеми нових технологій в міжнародних відносинах.** Інтернет-революція вплинула на всі аспекти життя, включаючи міжнародні відносини. Дипломатія як інструмент зовнішньої політики також трансформувалась цією революцією. У статті розглядається концепція цифрової дипломатії, акцентуючи увагу на використанні цифрових ЗМІ та соціальних мереж у галузі дипломатії. Вона вивчає можливості та проблеми, які пропонують ці ЗМІ для дипломатичної діяльності, та стверджує, що нові проблеми, які виникли на основі цифрової дипломатії, слід надалі вирішувати. Цифрова дипломатія та інтернет-діяльність в цілому можуть значно допомогти в поданні зовнішньополітичних позицій держави для вітчизняної і зарубіжної аудиторії

**Ключові слова:** дипломатія, ЗМІ, зовнішня політика, міжнародні відносини, соціальні мережі, цифрова дипломатія.

**Сиделёва О. В., Брославская Е. М. Роль и проблемы новых технологий в международных отношениях.** Интернет-революция затронула все стороны жизни, включая международные отношения. Дипломатия как инструмент внешней политики также трансформировалась этой революцией. В статье рассматривается концепция цифровой дипломатии, основное внимание уделяется использованию цифровых СМИ и социальных сетей в области дипломатии. Она изучает возможности и проблемы, которые эти СМИ ставят перед дипломатической деятельностью,

и утверждает, что новые проблемы, возникшие на основе цифровой дипломатии, должны быть в дальнейшем решены. Цифровая дипломатия и Интернет-деятельность в целом могут оказать существенную помощь в представлении внешнеполитических позиций государства для отечественной и зарубежной аудитории.

**Ключевые слова:** внешняя политика, дипломатия, международные отношения, СМИ, социальные сети, цифровая дипломатия.

The o b j e c t of the article is the new form of international relations. The s u b j e c t of the article is the contemporary impact of the digital diplomacy. The p u r p o s e of the article is to determine the role of new technologies in the implementation of international relations.

One of the elements of foreign policy is the means of achieving a country's foreign policy objectives, and one of the major instruments of foreign policy is diplomacy. International relations have always been profoundly affected by technology. The Internet is having just such a profound impact. Over the space of about thirty years it has displaced other venues as the principal medium for global information exchange and interaction. Such changes have also affected diplomacy which led to the formation of new trends in the implementation of international relations. All of the above defines the r e l e v a n c e of the article.

One major factor that has affected diplomacy in this modern age is the revolution in information and communication technologies. Information and communication technologies have revolutionized the way people communicate and exchange information, changing political, social and economic backgrounds across the globe. The Internet, especially, which has been defined as "a means of communication that enables the publication, exchange and storage of information" has become central to public and private communication while contemporary tools, including social media, have brought millions into open conversation spaces [8]. With more than 2 billion people using Facebook, Twitter, Snapchat and other social media platforms daily, digital connectivity has made the world smaller and, in the process, changed the daily lives of billions of people. Now unmediated dialogue

and information exchange between people from around the world is occurring 24 hours a day, all through the year.

The social media provide enormous opportunities and challenges for states and international organizations as they seek to engage with new policy spaces developing around the Internet. This technology has also brought about a tremendous amount of change in the areas of foreign policy and diplomacy. As Hillary Clinton once said during her tenure as Secretary of State: “Just as the internet has changed virtually every aspect of how people worldwide live, learn, consume and communicate, connection technologies are changing the strategic context for diplomacy in the 21st century” [7].

Essentially, this revolution in information and communication technologies has also resulted in fundamental changes in the conduct of diplomacy globally. Although the traditional mode of conducting diplomacy, that is, interactions between representatives of sovereign states remains crucial, in today’s interconnected world, individuals and organizations – not just countries – play a larger role in international affairs. This has given rise to what is called as digital diplomacy.

Digital diplomacy is the type of diplomacy which uses the Internet and new Information Communications Technologies to help carry out diplomatic objectives. Digital diplomacy evolved from public diplomacy, a form of the diplomatic practice, which is the instrument used by states to understand cultures, attitudes, and behavior; build and manage relationships; and influence thoughts and mobilize actions to advance their interests and values. The advent of social media and the rapid increase in mobile penetration permit people to communicate with the government. This direct link from citizens to government allows diplomats to convene and connect with nontraditional audiences, and in turn allows citizens to influence their governments in ways that were not possible ten years ago [6].

World leaders and diplomats use social media to speak and engage directly to the audience they seek to influence. Also, diplomatic activities are increasingly supported by Internet tools. The Internet can be considered by governments as a unique diplomatic instrument; through its proper use they can “advertise” not only their

positions on different issues, but also promote their ideas worldwide. Such a function, if used in the right way, helps the embassy, and as a result, the state that it represents, to create a positive image in the host state [2]. Diplomats rely on the Internet to find information, communicate with colleagues via email, and negotiate draft texts in electronic format; diplomats are also increasingly using new social networking platforms such as blogs and Facebook. Social media have added an important real-time dimension to diplomacy, making communication ultra-fast and, by necessity, often less precise.

Today, with the huge influences of the Internet, it is important to present the most pressing challenges that stem from the relationship between advancing technologies and foreign affairs. The impact of breakthrough technologies on foreign affairs can be seen through accelerating transformation in such significant areas like security, institutions and dialogue [4].

In the Information Age, it is certain that the ever-increasing amount of global data and online storage of valuable information will bring incommensurable and occasionally conflicting value systems into ever closer contact. The proximity of country and entity online systems is increasingly dangerous. In this era of fast information transfer, along with the rapid development of new-generation technologies, foreign affairs among states are conflicting more so than a decade ago. However, states are much weaker and less capable of mitigating arising challenges in controlling security, popular discontent and cultural fragmentation.

International organizations and alliances benefit hugely from data-driven technologies enabling them to deliver better service and exchange large volumes of information in real time. There is a growing concern that international organizations founded after the Second World War, such as the United Nations, International Monetary Fund, and NATO are out-of-date, stagnant and with ineffective decision-making processes to handle arising challenges. One cannot deal with today's war-mongering people with passive and verbose institutions, only "considering sanctions" as a means of mitigation. As a result, many international organizations are increasingly losing their ability to govern

and implement necessary measures to oversee the unregulated realms that technology has created [3].

The next challenge is the influence of social media. Many countries around the world are seizing the moment and actively pursuing their foreign policy objectives and possibilities for positive outlook through the creation of websites, blogs and the use of social media platforms such as Facebook, Twitter, Instagram, YouTube, Weibo, Flickr and so on. A large number of embassies now have interactive websites, Facebook accounts and a growing number of ambassadors have an active Twitter presence; though, some social media accounts are doing better than others. A number of embassies have piloted small exercises. For example, Australia's High Commission in PNG attempted live topical Q&A sessions. Hashtags like #NewColomboPlan and #innovationXchange are used by the generic @dfat Twitter account to promote initiatives and link stakeholders. Recently, a blog was launched authored by Australia's Ambassador in Germany (in German). Leveraging off the success of "The Embassy" TV show, online forums were hosted on the Smartraveller Facebook page [5].

One of the well-used platforms by politicians is Twitter. A Twiplomacy study, which is an annual global survey of the presence and activity of heads of state and government, foreign ministers and their institutions on Twitter, in April 2015 analyzed 669 government accounts in 166 countries and revealed that 86% of all 193 United Nations governments have a presence on Twitter, while only 27 countries, mainly in Africa and Asia-Pacific, do not have any Twitter presence. According to the report the social media is an essential communication tool for governments and that Twitter has become the channel of choice for digital diplomacy. In fact, even real world differences are playing out on Twitter and sometimes end up in hashtag wars between embassies and foreign ministries [1].

Not only hashtag wars are dangerous on the Internet. This platform also empowers individuals but can breed clusters of extremism, abuse, xenophobia and violence expressed on a number of online media and channels. One recent example is the enormous



number of fake and distorted images of refugees with mocking images that have circulated online as a kind of response to the widely proclaimed action of welcoming refugees.

**C o n c l u s i o n .** The Internet, especially the social media, no doubt has transformed the international community today. It has become an unquestionable channel for diplomatic communication and has altered the practice of diplomacy. Nowadays, foreign ministries and embassies are part of online social networks in which information is disseminated, gathered and analyzed. The use of social media by diplomats has opened communication between policymakers and citizens. Essentially, digital diplomacy has brought about a transformation of the conduct of traditional diplomacy. Information and communication technology revolution resulted in the control of the way information flows everywhere, making the dissemination of information fast and wide, enabling people to make their own judgments, express their concerns and feelings, and even influence policymakers.

Thus, digital diplomacy brings with it both opportunities and challenges. On the one hand, the social media, especially, are providing countries with more information to solve social problems. On the other hand, however, a number of risks are associated with the use and reliance on the social media as a tool of diplomacy. What we need today are professionals who not only understand the complexities of technology, but who also use this technology to promote a global culture of human encounter that meets the legitimate needs of all peoples. Digital diplomacy and Internet activities as a whole can greatly assist in projecting a state's foreign policy positions to domestic and foreign audiences.

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## CHINA ACTIVITIES IN SHANGHAI COOPERATION ORGANIZATION

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**Skoryk I. Y., Saprun I. A. China activities in Shanghai Cooperation Organization.** The article considers the role of China in the creation and development of the Shanghai Cooperation Organization (SCO). The impact China has on the SCO has been analyzed. The importance of China as a host country and its prospects as a global player have been highlighted. The main events in the history of the SCO, its participants, principles and tasks have been described. Such concepts as the «Shanghai Five», «Shanghai spirit», «one belt, one road» have been defined. The prospects and role of China in the modern international arena have been analyzed. The common interests of China and the SCO have been decomposed. The Qingdao Summit and its consequences have been investigated.

**Keywords:** Asian region, China, global arena, international relations, «Shanghai five», summit, Shanghai Cooperation Organization, world power.

**Скорик І. Ю., Сапрун І. А. Діяльність Китаю у ШОС.** У статті розглянуто роль Китаю у створенні і розвитку Шанхайської організації співпраці (ШОС). Проаналізовано вплив Китаю на ШОС. Підкреслено значення Китаю як приймаючої країни, її перспективи в якості глобального гравця. Описані основні події в історії ШОС, її учасники, принципи та задачі. Визначено такі поняття, як «Шанхайська п'ятірка», «шанхайський дух», «один пояс, одна дорога». Проаналізовано перспективи і роль Китаю на сучасній міжнародній арені. Розглянуто спільні інтереси Китаю і ШОС. Визначені наслідки саміту в Циндао.

**Ключові слова:** азіатський регіон, глобальна arena, міжнародний гравець, міжнародні відносини, саміт, Китай, Шанхайська організація співпраці, «Шанхайська п'ятірка»

**Скорик И. Ю., Сапрун И. А. Деятельность Китая в ШОС.** В статье рассматривается роль Китая в создании и развитии Шанхайской организации сотрудничества (ШОС). Проанализировано влияние Китая на ШОС. Подчеркнута важность Китая как принимающей страны и его перспективы как глобального игрока. Описаны основные события в истории ШОС, ее участники, принципы и задачи этой организации. Определены такие понятия, как «Шанхайская пятерка», «шанхайский дух», «один пояс, одна дорога». Проанализированы перспективы и роль Китая на современной международной арене. Разложены общие интересы Китая и ШОС. Определены последствия саммита в Циндао.

**Ключевые слова:** азиатский регион, глобальная арена, Китай, международный игрок, международные отношения, саммит, Шанхайская организация сотрудничества, «Шанхайская пятерка».

The object of the article is the process of interaction between China and the Shanghai Cooperation Organization (SCO) in the modern world space. The subject is the research into international standards in the context of the SCO development in modern society. The purpose of the article is to consider to the features of the SCO, identify the interaction between China and SCO and analyze the impact China has on the SCO.

Concerning about the role of China in the SCO, it should be emphasized that China is one of the initiators of the creation and co-founder of the SCO. The organization is named after the Chinese city, Shanghai, which is the cradle of the SCO, where in 1996 the mechanism of annual meetings of the leaders of the People's Republic of China (PRC), Russia, Kazakhstan, Kyrgyzstan, and Tajikistan was initiated and went down into the history as the «Shanghai Five». This mechanism laid down a new style for multilateral dialogue, the main result of which was the formation of a common vision for joint development and ensuring peace and stability in the region. In 2001, the Republic of Uzbekistan announced its intention to develop cooperation with the five countries and the establishment of the Shanghai Cooperation Organization was announced in Shanghai on June 15, 2001.

The SCO secretariat is located in the capital of China, in the city of Beijing. The basic principles of cooperation in the SCO come from the so-called «Shanghai spirit», embodying mutual trust, mutual benefit, equality, mutual consultation, and respect for cultural diversity and the desire for joint development. The term «Shanghai spirit» today is known throughout the world and enriched the theory of international relations. The consensus decision-making model within the SCO on the basis of equal dialogue, mutual respect and consideration of interests confirms its particular relevance and relevance in the context of the irreversibility of the processes of formation of a multipolar world order from year to year. The

cooperation in the SCO is built on the basis of taking into account the interests of all countries, regardless of the political weight or economic potential, size of territory or population. Moreover, each Member State contributes to the development of the SCO and in this regard, China plays a constructive role in the organization.

Throughout the existence of the SCO, China has consistently come up with important initiatives in the areas of security, politics, economics and the humanitarian dimension. Important proposals are regularly made at the level of the Chinese top leadership, in particular, on the outcome of the PRC chairmanship in the Organization, during the historic SCO Summit in Qingdao in June 2018, President Xi Jinping announced about impressive measures to support the development of the SCO. What is meant is the readiness of the Chinese side in the next 3 years to launch a targeted loan program in the amount of 30 billion yuan within the SCO Interbank Association and to provide 3,000 grants in the sphere of human resources development to member states within 3 years. All this testifies to the desire of China to increase the overall potential of the SCO and to promote the socio-economic development of the SCO member states.

Last year's SCO summit was held in Qingdao, China. This is another time for China to hold such a large-scale international conference. This conference promoted the overall development of the region's economy with the concept of mutual respect, fairness, justice and win-win cooperation. China has vigorously promoted it. The «One Belt, One Road» construction, the Shanghai Cooperation Organization plays an active role and creates more opportunities for cooperation. The Chinese side continues to promote capacity cooperation with relevant member states and hopes that more countries will participate. There is a further increase in opening up to the outside world, achieve trade exchanges, and achieve win-win cooperation. China's role in the world stage is also growing.

The initiative of the Chairman of China Xi Jinping on the construction of «One Belt is One Road» was approved and supported by most of the SCO member countries, as it is based on centuries-old

traditions of friendship, mutual respect, mutually beneficial cooperation and is aimed at developing countries and peoples that share these traditions and values. «Belt and Way» opens up real prospects for cooperation in the field of transport, which is one of the important directions of the SCO. It is well known that the effective functioning of the transport system directly affects not only the development of trade and economic cooperation but also provides an inextricable link between peoples. In this regard, the objectives of «Belts and Ways» for the formation of new bilateral and multilateral mechanisms for the development of transport and logistics, are very relevant and important for the SCO countries, in particular, the states of Central Asia.

Chinese diplomacy is now at the forefront, protecting world peace, upholding the right of peoples and countries to safe and stable development on the basis of international law. It is obvious that with the peaceful rise, the growth of China's economic power, its role in solving regional and global problems is also growing. A gradual transformation of the economic potential into a political one is taking place, and the global profile of China is expanding. Now there are no such problems in the region and in the world in which the opinion of the People's Republic of China would not be in demand.

To s u m m i n g u p , having considered the role of China in the creation and development of the Shanghai Cooperation Organization, the main historical moments of the SCO and the principles and tasks of this organization, the following conclusions are relevant to be made. Being the world power, China has exerted more and more influence in the world in the recent decades. The purpose of the SCO's initial establishment was to fight terrorism however with the time it has expanded into areas such as politics, economy, trade, security, humanities, foreign relations, and mechanisms. The content is constantly increasing and the number of member states is increasing. From the original five countries to the present eight member states, six partners and four observer countries, China's influence in the region and the world is increasing dramatically. This can be explained by the fact that the SCO has

become the world's most populous, geographically-rich and comprehensive regional organization, which has played a huge role in the world's peace and economic and trade development, and has effectively safeguarded the peace of the world. Stability has promoted economic and trade exchanges between countries, expanded foreign trade, lowered international trade barriers, and effectively promoted the interconnection and intercommunication between the world's SCOs, bringing tangible benefits to these countries and people.

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## THE MAIN PROBLEMS OF HEALTHCARE AND WELLNESS TOURISM IN UKRAINE

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**Slipchenko T. E., Saprun I. R. The main problems of healthcare and wellness tourism in Ukraine.** The article considers the issue of the potential of Ukraine, taking into account such factors as its favorable climate, the location near two seas and rich natural resources for healthcare and wellness tourism. Significant weaknesses in its potential have been identified. The main problems of tourist infrastructure development of healthcare tourism have been described. The directions of its development have been proposed.

**Key words:** healthcare and wellness tourism, natural resources, potential of Ukraine, sanatorium and resort business, spa business, tourism infrastructure development, weaknesses.

**Сліпченко Т. Є., Сапрун І. Р. Головні проблеми розвитку лікувально-оздоровчого туризму в Україні.** У статті розглядається питання потенціалу України з урахуванням таких факторів, як її сприятливий клімат, розташування поблизу двох морів і багаті природні ресурси для оздоровчого та оздоровчого туризму. Були ідентифіковані суттєві слабкості в його потенціалі. Описано основні проблеми розвитку туристичної інфраструктури лікувального туризму. Запропоновано напрями його розвитку.

**Ключові слова:** лікувально-оздоровчий туризм, потенціал України, природні ресурси, розвиток туристичної інфраструктури, санаторно-курортний бізнес, слабкості, СПА-бізнес.

**Слипченко Т. Е., Сапрун И. Р. Основные проблемы развития лечебно-оздоровительного туризма в Украине.** В статье рассматривается вопрос потенциала Украины с учетом таких факторов, как ее благоприятный климат, расположение вблизи двух морей и богатые природные ресурсы для оздоровительного и оздоровительного туризма. Были идентифицированы существенные слабости в его потенциале. Описаны основные проблемы развития туристической инфраструктуры лечебного туризма. Предложены направления его развития.

**Ключевые слова:** лечебно-оздоровительный туризм, потенциал Украины, природные ресурсы, развитие туристической инфраструктуры, санаторно-курортный бизнес, слабости, СПА-бизнес.



The o b j e c t of the article is healthcare and wellness tourism. The s u b j e c t is the current state, problems and prospects of health tourism in Ukraine. The p u r p o s e of the article is to pay attention to the current state, problems and prospects of health tourism in Ukraine, to propose the directions of its development. Ukraine has all the resources for the development of healthcare tourism, however it still remains a depressed industry owing to numerous problems. Thus, the study of recreational and tourism resources and specifics of tourism in each region of Ukraine make up the t o p i c a l i t y of this article.

Healthcare and wellness tourism is one of the types of tourist and recreational activities, which involves traveling to the regions with the most favorable natural conditions such as enabling environment for health, prevention, treatment or rehabilitation of diseases. It is one of the most stable types in the tourist markets and priority areas in Ukraine. However, it is greatly in need of support and coordinated development. Available and potential reserves of treatment resources, taking into account their qualitative and quantitative characteristics, should now become the stimulus for public practice in human health restoration, extending the active period of life and introducing of a healthy lifestyle, all of which determines the relevance and subject matter of this article. Ukraine has a fortunate combination of diverse and rich natural resources that can be used to preserve and improve the health of the population, extending life expectancy: a favorable climate and range of ecological zones, forest, forest-steppe and steppe, mountainous and coastal areas, a unique microclimate of salt mines, a wide range of natural mineral waters, therapeutic mud, ozokerite, etc.

The development of healthcare and wellness tourism is closely linked to the state of the sanatorium and spa industry, and Ukraine's current conditions can be characterized by certain difficulties. The number of spa complexes and resorts has been reduced; there is a lack of funding and physical deterioration of medical equipment. Despite this, Ukraine has rich recreational tourism potential and important prerequisites for the creation of highly developed tourist

facilities. The political instability in the country and deep financial and economic crisis have led to an increase in the cost of services with poor quality of service, which is the reason for the decline in demand and the reduction in the occupancy of sanatoriums, which is today at about 40% capacity [1].

Another problem that the research suggests to examine is that there is now a real threat to the national security of Ukraine due to low birth rates, high morbidity and mortality. The most important criteria that characterize the health of the population are:

- 1) the frequency of newly established cases of disease per year;
- 2) prevalence of the disease (i.e., all cases of the disease detected during the year, including the first detected and chronic cases that had existed before).

According to the State Statistics Committee, the general level of incidence per 100 thousand of the population in the period 1995-2017 in Ukraine has increased by 58.4%, and in 2017 there were 67,998 episodes of morbidity compared to 42,947 cases in 1995. The number of registered cases for the first time remains practically the same. By comparison – the level of morbidity in European countries is approximately 40,000 cases per 100 thousand of population [4].

Given the above-mentioned problems, the organization of effective rest, health and recreation, prevention and reduction of morbidity and disability as well as the health promotion of the population of all age groups are of particular importance during a period of challenging socio-economic and environmental conditions.

In recent decades there has been a tendency towards a decrease in the number of sanatorium and wellness establishments, which is due to a number of problems that exist in the country. By 2017, the number of health-improvement institutions of all types had decreased by almost 2 times compared with 2010. This is especially true for children's recreation camps (decreased from 17.3 thousand institutions to 9.6 thousand), sanatoria and boarding houses with treatment (decreased from 510 institutions in 2010 to 290 in 2017), as well as sanatoria-preventive clinics (234 establishments in 2010 compared to 63 in 2017). This is due to the fact that a huge number

of them were concentrated in the Crimea. Ukraine has lost these health facilities because the occupation of this territory [2].

During the years of independence, the sanatorium and resort sector in Ukraine has practically remained without state subsidies. The lack of budget financing led to the reduction in a number of state programmes aimed at providing patients with tuberculosis, traumatic diseases of the spinal cord, cardiac patients with sanatorium and resort treatment. What our country has in store now is a significant number of health resorts which have been converted medical facilities and have gained the status of recreational facilities with a low level of service [1]. The general problems of healthcare and wellness tourism of Ukraine are due to:

1. uncoordinated regulatory policy;
2. non-systematic use of natural therapeutic resources;
3. imperfect infrastructure;
4. high prices for fuel and energy resources;
5. low quality of water supply.

The sanatorium-resort sector is regulated by the Law of Ukraine “About Resorts”, the current regulatory framework which regulates its functioning, the economical and rational use of natural therapeutic resources and their protection, declare that of sanatorium and health treatment should be accessible for citizens of all age groups, first of all, for the disabled, veterans of war and labour, combatants, citizens affected by the Chernobyl accident, TB patients, children and women of reproductive age [5]. However, the imperfection of the system of legislative regulation is a significant obstacle to the year-round operation of the sanatorium and resort complex: in budgets of all levels, donations in the health system are neither foreseen nor equated to industrial enterprises after tax payment. Such conditions lead to a rise in the cost of sanatorium and resort services, reduce the possibility of loading health establishments, and therefore, cause a number of socio-economic losses.

The development of healthcare and wellness tourism is directly related to the rational use of natural therapeutic resources in the territories dedicated to health-improvement. However, a significant

number of health-improving institutions consume deposits of natural therapeutic resources with unconfirmed and invaluable reserves. Most of the exploited mineral water wells are technically and technologically obsolete and are usually used for industrial bottling in plastic containers. In this case packaged mineral water is not used in accordance with medical zoning in other health facilities and in hospitals.

The state inventory of natural areas of resorts is an effective instrument for monitoring, rational current and future use of natural areas of resorts in accordance with approved urban planning documentation for sanatorium treatment, medical rehabilitation, tourism and recreation development; ensuring effective collection, processing, preservation and analysis of information on the state of the environment and natural therapeutic and recreational resources in the territories of the resorts and forecasting their changes under the influence of economic activity; effective environmental protection measures and the development of scientifically substantiated recommendations on the use of natural areas of resorts.

Establishment of priority directions of the use of natural medical resources, improvement of the cultural-historical heritage, and protection and enrichment of the natural environment require the balance between interdisciplinary interests regarding the placement of resort, residential and social considerations, engineering, transport, communal and other objects. Thus, the development of the infrastructure of the territories of resorts and health improvement areas requires the solution of complex territorial problems.

The sustainable development of healthcare and wellness tourism is impossible without modernization of water management, water treatment and sewage facilities; exploration and mobilization of underground water for drinking water supply and rational use of available sources. At present, the state priority is the construction of closed water supply systems for health facilities, regardless of their ownership and subordination, as part of the strategy of promoting non-waste technologies [3]. It is worth emphasizing the diverse subordination of health-improving institutions. Sanatoria, boarding houses, houses and recreation facilities operate in different departments:

professional trades union systems, the Ministry of Health, the Ministry of Internal Affairs, the Ministry of Transport, the State Department of Affairs, the Ministry of Industrial Policy, Fuel and Energy, etc. There are also institutions that are on the balance of large enterprises and associations. However, studies have shown that the crisis of the sanatorium and resort complex is largely due to the lack of funds for the maintenance of health resorts in departments, on whose balance sheets they are fixed. In addition to these problems, the development of healthcare and wellness tourism has the characteristic features of a crisis situation: the lack of effective economic mechanisms of functioning with a low level of service; the practical absence of internal and external investments at a high level of depreciation of fixed assets; unsystematic development of health facilities with ineffective managerial and marketing strategies, practices, methods and methods at macro, miso and micro levels [2].

In order to eliminate the mentioned negative factors of development of the sanatorium and resort complex it is expedient to:

1) implement social policy in order to further increase the level and quality of life of the population;

2) improve the efficiency of the general state and regional regulation of the sanatorium and resort sphere;

3) develop and implement a complex of measures aimed at attracting investments for the development of the infrastructure of the sanatorium and resort complex;

4) improve the system of publicizing the possibilities of the healthcare and wellness industry of the country as a whole, to position Ukraine on the world market of healthcare and wellness services as a major region of treatment and rehabilitation;

5) develop the information and advertising and marketing activities of sanatorium and resort establishments; balance the price policy and quality of the basic and additional healthcare and wellness services, introduce a system of discounts;

6) improve the organization of the activities of sanatorium and spa establishments, aimed at reducing the cost of their maintenance and reducing the cost of travel vouchers;

7) pay more attention to the development and implementation of innovative measures for the offer of individualization at the resort and the formation of new domestic brands in the market of sanatorium and resort services of Ukraine by the enterprises of the healthcare and wellness industry;

8) staffing of the healthcare and wellness establishments with qualified specialists.

**S u m m i n g u p**, Ukraine has a high potential for the development of health tourism, which has all the chances to create significant prerequisites for its transformation into an effective factor of socio-economic development of the country. But the material base of healthcare and wellness tourism, which has always been the pride of Ukraine, is catastrophically reduced. This is accompanied by a decrease in the quality of services. Nowadays, the main obstacle to the conduct of any kind of tourism in Ukraine, including healthcare and wellness tourism, is the safety of tourists in the country, corruption, political instability, problems with business and investment activities.

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## DEVELOPMENT OF THE SHADOW BANKING AND ITS INFLUENCE ON THE BANKING SYSTEM

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**Smal K. V., Zmiyova I. V. Development of the shadow banking and its influence on the banking system.** The article considers the concept, classification and types of manifestation of the shadow banking. The article analyzes special aspects of shadow banking development and its influence on the banking system, considers the actual data based on the Financial Stability Board. Notes the goals and risks of shadow banking. The article identifies the current trends and problems of the shadow banking development.

**Keywords:** banking system, classification, current trends, concept, Financial Stability Board, influence, shadow banking, special aspects.

**Смаль К. В., Зміїова І. В. Розвиток тіньового банкінгу та його вплив на банківську систему.** У статті розглядаються поняття, класифікація та види прояву тіньового банкінгу. Проаналізовані особливості розвитку тіньового банківського сектору та його вплив на банківську систему, розглянуто актуальні дані Ради з фінансової стабільності. Відзначені цілі та ризики тіньового банкінгу. Визначені сучасні тенденції та проблеми розвитку тіньового банкінгу.

**Ключові слова:** банківська система, вплив, класифікація, особливості розвитку, поняття, Рада з фінансової стабільності, сучасні тенденції, тіньовий банкінг.

**Смаль К. В., Зміева І. В. Развитие теневого банкинга и его влияние на банковскую систему.** В статье рассматриваются понятие, классификация и виды проявления теневого банкинга. Проанализированы особенности развития теневого банкинга и его влияние на банковскую систему, рассмотрены актуальные данные Совета по финансовой стабильности. Отмечены цели и риски теневого банкинга. Определены современные тенденции и проблемы развития теневого банкинга.

**Ключевые слова:** банковская система, влияние, классификация, особенности развития, понятие, Совет по финансовой стабильности, современные тенденции, теневой банкинг.

The subject of the study is the concept of shadow banking and special aspects of the development of the shadow banking sector.

The purpose of the study is to determine the influence of the shadow banking on the traditional banking system. The growth of shadow banking has been mentioned in many studies, which discuss its various types. In recent years, the volume of shadow banking is gradually increasing, and the forms of its manifestation are changing and developing. These facts stipulate the actual value of this research.

Shadow banking sector is the sector that is not subject to strict regulation and supervision, although the variety of forms of manifestation and mechanisms for the implementation of shadow banking leads to different interpretations of this concept. So, in the materials of the research department of the International Monetary Fund on this subject, it is noted that some authors understand it as securitization, others as non-traditional banking operations, and others as non-traditional methods of crediting [3; 5].

The shadow banking sector is a topic discussed by experts for a long time. The term is officially used for describing the functions of financial markets, includes legal institutions. Large financial companies perform the basic functions of banks, but formally they do not. Usually, functional units of shadow banking provide lending services, investment, mediation.

The development of new types of institutions depends on many factors. It includes the following items:

- consequences of global financial crisis;
- stimulating global GDP growth;
- over-regulation of the banking sector.

The shadow banking sector is not the finding of the 21st century. The first organizations of today's shadow segment of the financial market first appeared at the beginning of the 20th century in the United States. It was believed that trusts were able to conduct business only in low-risk areas, so their activities were not regulated as the activity of national banks. The conniving attitude of the authorities has led trusts to expand their powers and begin to speculate in the real estate market and the stock market. Since ordinary people could not determine the qualitative difference



between trusts and serious organizations, the reputation of national banks was destroyed [2, c. 15].

Shadow banking institutions include hedge funds, mutual funds, government securities invested in liquidity markets and structural investment funds. Methods for regulating shadow banking were discussed at the G-20 summit, but adequate measures have not been proposed. Experts note that the control of this market segment should be flexible, because this system may be useful to stimulate the economy. It was proposed to create new oversight bodies that would operate in Europe. This would provide the successful regulation of the shadow banking segment.

The Global Financial Stability Report focuses on expanding the sector in EU countries, China and Southeast Asia. Countries can be conditionally divided into two types according to these criteria:

1. The value of the of shadow banking share in comparison with traditional banking sector.

2. Policy on the shadow banking sector in a particular country.

The American “shadow banking system” implies more than 20% of the share of non-banking institutions. This category of countries includes the United States, the Netherlands and the United Kingdom. The category with less than 20% of the presence of “non-banks” includes Australia, Spain, Canada, Germany, France and Japan. They belong to the “German group” [1].

The volume of the shadow banking sector in the world reached \$ 45.2 trillion, or 13% of the assets of the global financial system in 29 countries and territories studied. Compared to the previous assessment conducted in 2016, the volume of shadow banking grew by 7.6%. The Financial Stability Board brings this data in line with the narrow definition of shadow banking. The United States accounts for 31% of the assets of the shadow financial system, China – 16%, Cayman Islands – 10%, Japan – 6% [4].

The flow of banking transactions and assets into the shadow banking sector leads to the increase of risks of the shadow banking sector. Due to the close cooperation between banking and shadow banking, these risks turn into significant threats to the banking sector.

The most famous example of tragic consequences of the flow of banking transactions and assets into the shadow banking sector is the subprime mortgage crisis. Banks pushed mortgage portfolios out of balance by inflating a subprime mortgage bubble. If this opportunity was absent, then bank risk management would not allow this bubble to inflate [6].

**C o n c l u s i o n .** At present there is a high dynamics of the replacement of classic banks. This situation may break the stability of the global financial system and cause a new financial crisis. Effective measures to regulate shadow banking should be taken to prevent the destruction of the classic banking sector.

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**THE ROLE OF FOREIGN LANGUAGES  
IN THE DEVELOPMENT  
OF THE TOURISM INDUSTRY  
AND INTERCULTURAL COMMUNICATION**

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**Spashuk A., Bobro M. The role of foreign languages in the development of the tourism industry and intercultural communication.** The paper studies the role of foreign languages in the development of international tourism and cross-cultural communications in the context of globalization. The importance of national differences for communication process is accentuated.

**Key words:** culture, exchanges, foreign languages, globalization, hotel business, international tourism, role.

**Спашук А. В., Бобро М. П. Роль іноземних мов у розвитку індустрії туризму та міжкультурної комунікації.** Стаття присвячена ролі іноземних мов у розвитку міжнародного туризму і міжкультурних комунікацій в умовах глобалізації. Акцентовано значущість національних відмінностей для процесу спілкування.

**Ключові слова:** глобалізація, готельний бізнес, іноземні мови, культура, міжнародний туризм, обміни, роль.

**Спашук А. В., Бобро М. П. Роль иностранных языков в развитии индустрии туризма и межкультурной коммуникации.** Статья посвящена роли иностранных языков в развитии международного туризма и межкультурных коммуникаций в условиях глобализации. Акцентируется значимость национальных различий для процесса общения.

**Ключевые слова:** глобализация, гостиничный бизнес, иностранные языки, культура, международный туризм, обмены, роль.

In recent decades, learning foreign languages has aroused great interest. At the same time, the role played by foreign languages in influencing people's consciousness and activities is constantly growing. It is also important to bear in mind that knowledge of languages can be of great importance and provide some advantages in personal and professional communication.

The relevance. As a result of world globalization and integration, there has been a rapid growth in intercultural

communication in all spheres of our life: a great variety of intercultural communication situations have appeared, such as student exchange, training for scientists, international conferences, tourist trips, exhibitions, etc. e. Thus, speaking a foreign language is one of the conditions for successful adaptation in social space.

The o b j e c t of the study is the foreign languages in tourism and intercultural relationship.

The s u b j e c t of the study is the role of foreign languages in the development of the tourism industry and intercultural communication.

The p u r p o s e of this article is to give an insight of the impact of learning foreign languages on tourism industry and intercultural communication.

We understand the important role of foreign languages in the development of international tourism and cross-cultural communications [2, p. 55–57].

We live in the 21st century that is the century of international travels and globalization. Each country has its own history, culture and language. It is necessary to point out, that 'culture' is not static. Each community must be researched on an individual basis and as a sovereign entity differing from other First National ones in land, language, tradition, population, government etc. Each country has its communication customs [8].

National differences are very important in the process of communication. The participants of international communication follow the common rules. Nevertheless, national differences can play a very important role in business relation. Understanding how culture may affect a person's or community's character, will most certainly give you an advantage in business interactions and cross-culture communication.

Currently, there are a lot of different languages and dialects in the world, but only a few of them are the most important and significant. These are primarily English, French, Spanish, Portuguese, Russian and Arabic. Foreign languages are one of the most important factors in the international tourism development. All

the above languages, except Arabic, are the main languages of Europe, English, French, and Russian being the main languages of the United Nations. About 60% of the population in Africa speaks English, French and Arabic, and the total number of languages and dialects of the entire African continent is more than one thousand [3, p. 419–465].

Spanish and Portuguese are the official languages of Latin American countries. Asia is a world region where about 60% of the world's population lives. It is a continent of contrasts. It is a continent with 47 states, where population speaks more than one hundred languages, including English, French and Arabic. At the same time it is a region of exotic tourism, where many people from different countries of the world come to have a rest and spend their vacations every year. What does the international tourism mean? The international tourism is a system of traveling and tourist exchanges as well as tourist movements from one side to another as well [7].

Many people have always travelled to distant parts of the world to see great buildings or other works of art; to learn new languages, or to taste new cuisine. Lots and lots of people who do not want to travel and prefer to stay at home are forced to use a huge number of foreign words in their everyday speech. For example, every time when we go out, we can hear such foreign words as: *інтернет-кафе, фітнес-клуб, шоу, супермаркет, департамент, офіс,котедж, таунхаус, менеджер* etc. Whenever we open a newspaper or a magazine, we can read words like *саміт, конгрес, бізнес, бренд, кастинг, моніторинг, блокбастер, провайдер, дизайнер*; whenever we come to work, we can also hear *саміт, комп'ютер, факс, сканер, принтер, іміджмейкер, супервізор, мерчендайзер* etc. [1, p. 117–130].

And if you drop in at any hotel in any country of the world, you cannot help but hear many foreign words, especially English and French, for one simple reason – the French model of hospitality is one of the oldest and the most luxurious of all existing hotel business models. That is why, every time you stay at a hotel, you can hear: *консьєрж, ресепшюніст, швейцар, ресторан, лобі-бар, хол,*

*виконавчий директор, генеральний менеджер* and many other words.

Today, in the early 21st century, international tourism is the mostfast-growing industry in the world. As of 2000, the number of people working in hotel business only has exceeded 200 thousand people, but in ten years, this number will be three times as big at least.

Whenever we come to work for a hotel, the first question that we hear is "What languages do you speak?", "How many languages do you speak and how well?" You can also hear all these questions if you want to apply for a position in a tour company or a prestigious restaurant. If you want to be a waiter in a restaurant, you need to know all the names/titles of all the dishes and drinks served in this restaurant, and what is more, many of them have foreign names. Therefore, you should know how they are translated into Ukrainian. Thus, even a waiter in a good restaurant should be fluent at least in one – but better two – foreign languages[5, p. 30–31].

Another example. You would like to work at a restaurant as a sommelier. This work is difficult enough, and you need to have a lot of knowledge in order to get it. So it is necessary to know the names and titles of wines, types of wines or what kind of wine or dish is served, etc. A foreign language is a means of communication with representatives of different cultures for specialists of any profession. Besides speaking foreign languages, it is necessary to remember about cultural awareness. To increase cultural awareness means to see both the positive and negative aspects of cultural differences. Cultural diversity could cause problems, in particular when the organization needs people to think or act in a similar way.

Nowadays there are lots of languages and dialects (only in Africa there are more than a thousand ones), but if you know the basic languages, you will be able to travel all over the world and understand local people. And they will be able to understand you [6, P. 25–30].

As it has been mentioned above, international tourism is an industry which employs millions of people of different nationalities.

This is the reason why knowledge of foreign languages and cross-cultural communication is extremely important in their work. But if tourism is a global phenomenon, why not to create a new artificial language, that would be easy to learn and would include the features of other languages. This language could rightly be the international language in tourism, along with English. At the end of 19th century this language was created. It was Esperanto. This language was named in honor of its inventor. In the 20th century Esperanto was very popular. Esperanto has not become the language of international communication. English became the global language. It is used in business, aviation, music, tourism, sports, diplomacy, etc. [4, p. 31–42].

Diversity increases the level of complexity and confusion and makes agreement difficult to reach. On the other hand, cultural diversity becomes an advantage when the organization expands its solutions and its sense of identity, and begins to take different approaches to problem solving. Diversity in this case creates valuable new skills and behaviors. It is very important for specialists in the sphere of tourism and hospitality who daily have to deal with people from different countries of the world. Thus we come to the conclusion that foreign languages and cultural awareness are the most important factors in the developing of international tourism.

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## «SPECIAL RELATIONS» POLICY BETWEEN GREAT BRITAIN AND THE USA

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**Starodubova A. M., Davydenko I. V. «Special relations» policy between Great Britain and the USA.** This article provides the conditions of the emergence of «special relation» between Great Britain and the United States, history of relations between the two countries. The article describes their current relationship. The research deals with the areas and aspects of cooperation between the two countries and the role of «special relations» between them.

**Key words:** American-British relation, cooperation, English-American relation, foreign policy, Great Britain, «special relationship», USA.

**Стародубова А. М., Давиденко І. В. Політика «особливих відносин» Великобританії та США.** У цій статті розглядаються обставини зародження «особливих відносин» Британії та США, історія розвитку відносин між двома країнами. Також дається характеристика їх нинішніх відносин. Крім того, в статті мова йде про області і аспекти співпраці цих двох країн та роль «особливих відносин» США та Великобританії.

**Ключові слова:** американсько-британські відносини, англо-американські відносини, Великобританія, зовнішня політика, «особливі відносини», співпраця, США.

**Стародубова А. Н., Давыденко И. В. Политика «особых отношений» Великобритании и США.** В статье рассматриваются обстоятельства зарождения «особых отношений» Великобритании и США, история развития отношений между двумя странами. Также дается характеристика их нынешних отношений. Кроме того, в статье рассматриваются области и аспекты сотрудничества между двумя странами, и роль «особых отношений» между США и Великобританией.

**Ключевые слова:** американо-британские отношения, англо-американские отношения, Великобритания, внешняя политика, «особые отношения», сотрудничество, США.

The o b j e c t of the article is international relations between the United States and the United Kingdom. The s u b j e c t of the article is priority, direction and dynamics of «special relationships» of the U.S. and Great Britain. The p u r p o s e of the article is to

analyse the special relationship and their persistence within the cooperation between Great Britain and the USA.

The existence of the partnership between the United Kingdom and the United States, due to the definition of «special» given by W. Churchill, differs significantly from its relations with any other countries of the world. Churchill's speech (Fulton, 1946), in which he urged the English-speaking countries to unite against external threats, in order to achieve a lasting and stable peace, laid the groundwork for such a close relationship between the two states. “Neither effective prevention of war, nor the constant expansion of the influence of the World Organization can be achieved without the Brotherhood Union of English-speaking peoples.” This means a special relationship between the British Commonwealth and the British Empire and the United States [4, p. 54], he stated in his famous speech.

By studying the theoretical foundations of «special relationship» between the United States and the United Kingdom, we conclude that «special relationship» can be understood as a mutually beneficial interconnection between States, which is traceable in all important spheres of life of their social systems, as well as the interrelationship that manifests itself in the form of reconciliated actions due to the realization of common interests. The nature of «special relationship» in the case of the United States and Great Britain is that it is based on a common historical past, language and culture that facilitates communication and understanding between the leaders and representatives of governmental bodies of these two countries.

During various historical periods, the United States and the United Kingdom have gone through a difficult path of acceptance of new roles, rights and responsibilities in the format of internal interaction. Much happened due to the desire of the United Kingdom to maintain the former position of a great power in the hierarchy on the one hand, and on the other – the interest of the White House in acquiring a strategic partner during the Cold War [2, p. 213].

«Special relationship» cannot be considered as equal partnership, since they originated in the period of weakening the power of the British Empire and the entering of the United States the

international arena as the world leader. This explains the asymmetry. «Special relationship» is based on the common language, history, traditions, cultural and spiritual factors that contributed to the strengthening of bilateral relations between the American and British peoples. These relationships have deepened due to mutually beneficial cooperation in the economy, military, diplomatic and intelligence services [6].

The days of the «special relationship» of Great Britain and the United States, which were launched during the Second World War by Churchill and Roosevelt, have largely gone into the past, but there is no doubt that the English language, which is native to the leaders of the both states, played an important role in strengthening tight interpersonal contacts, which, in turn, contribute to strengthening inter-state cooperation. As an example, here one can bring at least a wonderful understanding of M. Thatcher and R. Reagan, as well as friendly relations that bind T. Blair and former US President B. Clinton, who helped both countries overcome the difficulties in the relationship: from the invasion of American troops to Grenada before the visit of the British prime minister, who got into the scandal with M. Levinsky.

Within the latest system of international relations, during post-bipolarity, «special relationships» with the United States have acquired a qualitatively different role. After the Cold War, a complex of new European problems and crisis situations in the former countries of the socialist bloc, the process of spreading the Alliance to the east led to the shift of NATO's «center of gravity» from America to Europe.

For Washington the English-American «special relationships» have gained an official significance in the diplomatic sphere for the further development of NATO. In addition, there are concerns in the American official circles about the Alliance's weakening and even its collapse due to the unintentional integration efforts of Euro-enthusiasts [1, p. 35].

Britain has become not only a kind of «bridge» of the United States to Europe, but its most important outpost on the continent to

support and implement its influence, as well as justify American aggressive actions and provide them with an «allied» character.

Cooperation in the military field and in the field of security, which characterized the transatlantic relationship from the Second World War to the operation in Iraq, is now embodied in the organization of the North Atlantic Alliance and remains the foundation of the collective security system of the West [3].

The United States' significant commercial and financial presence in the United Kingdom is based on UK membership in the European Union. The EU is the largest, richest and most important foreign market in the world for American companies. American companies are based in the UK because of their role as the gateway to the Common Market of the EU. Within the global scale, Britain will continue to play the role of a strong US ally, the same as Canada, Australia and New Zealand, but with limited operational capabilities.

For many decades there has been a purposeful, stable and lasting system of cooperation between the United States and Great Britain – in the field of «military atom». And the core of the «special relationships» between Washington and London is a tight, often complementary, voluntary work on the creation and improvement of nuclear capabilities of the both states.

For the United Kingdom, the United States is the guarant of security and peace, the state that has succeeded the United Kingdom as the leading world power, a kind of supreme arbiter in international affairs, and , what is most important, an alternative to a united Europe in the light of national identification and cooperation.

Currently, maintaining close ties with Britain is beneficial for Washington. «Special relationhsips», despite the high rhetoric, are now based primarily on such simple issues as the possibility of the deployment of US military bases in the United Kingdom, the high combat capability of the British Armed Forces and the support provided by London. In addition, Britain as a traditional ally is beneficial to the White House in its relations with the European Union [5].

Thus, this problem is very important at the moment, as one can trace the development of relations between the United States as a

recognized leader in the international relations system and Britain as a member of the regional level, which claims to be a member of the world political and economic structures order in the modern conditions of the era of globalization.

**C o n c l u s i o n .** «Special relationships» in academic circles are traditionally characterized by Britain's support to the US foreign policy in exchange for attracting London to the process of making key decisions on the world arena, a phenomenon that has a significant historical dimension, but has been set up recently. After the period of relative isolationism of the United States in the XIX century, in the next century, the states showed the world close contact in two world wars and during the bipolar confrontation against the USSR, and the relationship between London and Washington after the words by U. Churchill. The phase of active formation of US-UK cooperation, dates back to the postwar period, the Cold War; this format has undergone a significant evolution towards strengthening the interaction. Today, «special relations» are considered to be benchmarks in the diplomatic and military spheres: in a world full of political turbulence and instability, the London-Washington axis acts as the basis of mutual stability and predictability.

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**TRADE RELATIONS  
BETWEEN URUGUAY AND BRAZIL:  
DEVELOPMENT PERSPECTIVES**

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**Sterzhanova K. V., Zmiyova I. V. Trade relations between Uruguay and Brazil: development perspectives.** The article considers trade relations between Uruguay and Brazil, specifically the import and export of goods. The article analyzes the dynamics of trade in goods from Uruguay to Brazil in the coming years. Possible prospects for the development of Uruguay in trade cooperation with Brazil are identified.

**Keywords:** Brazil, export, import, trade, Uruguay.

**Стержанова К. В., Змійова І. В. Торгові відносини між Уругваєм і Бразилією: перспективи розвитку.** У статті розглядаються торгові відносини між Уругваєм і Бразилією, а саме імпорт та експорт товарів. Проаналізовано динаміку торгівлі товарами з Уругваєм до Бразилії в найближчі роки. Визначено можливі перспективи розвитку Уругваю у торговій співпраці з Бразилією.

**Ключові слова:** Бразилія, експорт, імпорт, торгівля, Уругвай.

**Стержанова К. В., Змієва І. В. Торговые отношения между Уругваем и Бразилией: перспективы развития.** В статье рассматриваются торговые отношения между Уругваем и Бразилией, а именно импорт и экспорт товаров. Проанализирована динамика торговли товарами из Уругвая в Бразилию в ближайшие года. Определены возможные перспективы развития Уругвая в торговом сотрудничестве с Бразилией.

**Ключевые слова:** Бразилия, импорт, торговля, Уругвай, экспорт.

The o b j e c t of the article is trade cooperation between Uruguay and Brazil. The s u b j e c t is the assessment of the state of export and import trade between Uruguay and Brazil. The p u r p o s e of the article is to systematize statistical data on trade between Uruguay and Brazil, to assess the prospects for the development of trade relations between Uruguay and Brazil in the coming years. The a c t u a l v a l u e of the research problem is the possibility of an economically developed country to cooperate in trading sphere with the largest state in South America.

Uruguay is one of the richest countries in Latin America and one of the smallest in the region. Uruguay is actively involved in international cooperation. Since 1991, Uruguay is a member of the trade and economic Union of South America – MERCOSUR, and since 1995 – of the WTO. Uruguay's membership in international trade organizations creates favorable conditions for the country to access world markets for goods and services, as well as stable development of trade relations with member countries of these organizations. The MERCOSUR trade union includes countries such as Argentina, Brazil, Paraguay and Uruguay.

Brazil is the largest country in Latin America and is characterized by well-developed agriculture and industrial production, i.e. the production of a large number of identical products. The economy of this country is superior to that of other South American countries.

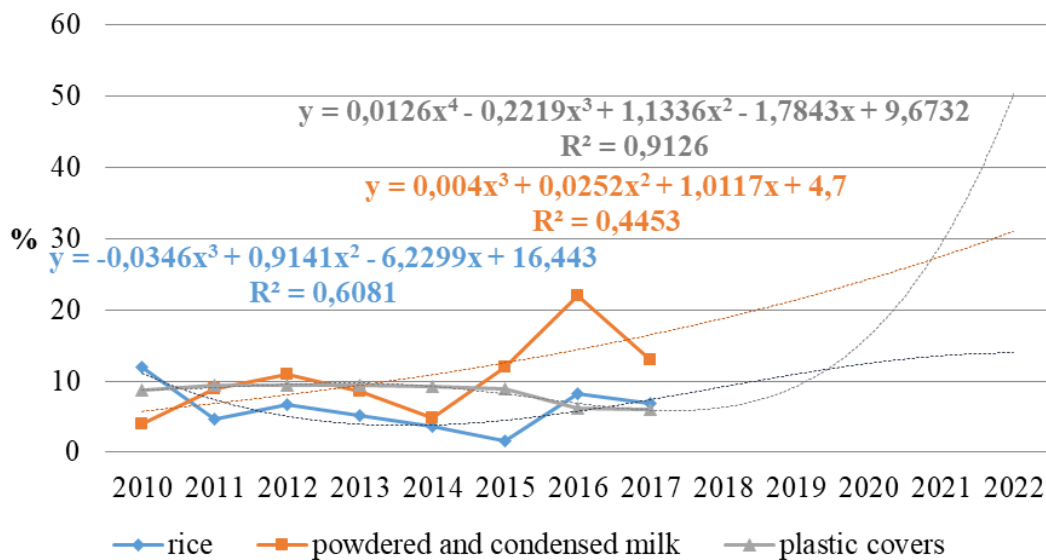
Despite marked differences between Uruguay and Brazil, primarily in territory, Brazil remains for Uruguay a priority aim among South American countries for the export of its goods. Uruguay is an export-oriented country in trade. According to The Observatory of economic complexity, Uruguay's exports with Brazil were 57% in 2017. This indicator is a significant advantage for Uruguay in relation to a number of other Latin American countries [3].

Priority areas for the export of goods from Uruguay to Brazil from 2010 to 2017 are products of plant and animal origin, as well as plastics and rubbers. In the period from 2010 to 2014, Uruguay mainly exported vegetable products (malt, wheat, rice) to Brazil. Since 2015, Uruguay has exported mainly animal products to Brazil, namely dried and condensed milk, cheese and beef [5].

According to table 1, among the main areas in Uruguay's export trade with Brazil it is necessary to highlight rice, condensed milk and plastic lids. Since 2015, exports of condensed milk and rice from Uruguay have increased by almost 10%. This means that the demand for these products prevailed in Brazil. The probability that the export of this product in the coming years will be more than 30%,

as indicated in the table, is unlikely, because the approximation coefficient is on average  $R^2 = 0.4453$ . As for the sale of rice, the demand for it is also unlikely, but will increase. According to the trend analysis, the demand for Uruguayan plastic caps will grow noticeably. Their exports to Brazil will be 50% by 2022. The high probability of the forecast is confirmed by the approximation coefficient, on average  $R^2 = 0.9126$ .

As for imports, according to the Observatory of economic complexity, Uruguay since 2011 buys from Brazil mainly mineral products (crude oil, petroleum products) [6].



Source: [5].

Figure 1. Export of goods from Uruguay to Brazil, 2010-2022

According to statistics from the World Factbook of the Central Intelligence Agency in 2017, Uruguay's trade partnership with Brazil amounted to 16.1% in exports of goods, 19.5% in imports [1].

Uruguay, like Brazil, has access to the ocean, which is one of the important factors for the country in international trade. The possibility of regular sea transport makes Uruguay even more competitive in international trade. Uruguay's proximity to Brazil has



a number of advantages, the main of which is the possibility of fast and economical transportation of goods.

Nowadays Uruguay continues to grow and expand its trade borders. Uruguay has its significant advantages over other South American countries, and also cooperates closely in the foreign trade market with many countries. For Uruguay, it is important to collaborate with other countries for mutual benefit and for increasing competitiveness. Therefore, for Uruguay, a foreign trade is an integral part of the growth of the whole country.

According to the UNIAN news agency, in the summer of 2019 the European Union and the South American economic union MERCOSUR have completed negotiations on the creation of a common free trade zone. Brazilian President Jair Bolsonaro wrote on his Twitter that this agreement will bring enormous benefits to the Brazilian economy. The agreement between the EU and MERCOSUR should cancel most of the current export tariffs from the EU to MERCOSUR countries, which will make European companies more competitive [4].

According to the news on the website of the European Commission the new trade framework will consolidate a strategic political and economic partnership and create significant opportunities for sustainable growth on both sides [2].

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## THE IMPORTANCE OF TRAVEL JOURNALISM

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**Sych K. A., Startseva N. M. The importance of travel journalism.** The article deals with the historical modification of travel journalism and examines its role in the context of globalization. Travel journalism is a special field of journalism focused on providing information on travelling with regard to geography, gastronomy, ethnography, history and tourism. It sets itself a wide range of tasks – from coverage of events to commerce, from analytics to entertainment. According to functions and tasks travel journalism publications are divided into educational, recreational, incentive, purely promotional and professionally-industrial ones. The desire to be positive, but also to promote the truth, is fundamental to travel journalism and contributes to a constructivist interpretation. The article raises the question of insufficient studying of this type of journalism, neglect of the media “lever” in intensive tourism development on the international arena.

**Key words:** globalization, international arena, media, modification, tasks of travel journalism, tourism development, travel journalism, travelling.

**Сич К. А., Старцева Н. М. Важливість журналістики подорожей.** У статті розглядається історична видозміна тревел-журналістики, досліджується її роль в умовах глобалізації. Журналістика подорожей як особлива сфера журналістики, яка зосереджується на наданні інформації про подорожі відносно географії, гастрономії, етнографії, історії та туризму, ставить перед собою широкий ряд задач – від висвітлення подій до комерції, від аналітики до розваг. Публікації журналістики подорожей відповідно до функцій та завдань можна розділити на: навчальні, рекреаційні, спонукальні, суто рекламні та професійно-галузеві. Прагнення бути позитивним, але також пропагувати істину, є основоположним для тревел-журналістики та сприяє конструктивістському тлумаченню. У статті порушується питання недостатнього вивчення даного виду журналістики, нехтування “медіа-важелем” інтенсивного розвитку туризму на міжнародній арені.

**Ключові слова:** видозміна, глобалізація, журналістика подорожей, завдання тревел-журналістики, медіа, міжнародна арена, подорож, розвиток туризму.

**Сыч Е. А., Старцева Н. Н. Важность журналистики путешествий.** В статье рассматривается историческое видоизменение трэвэл-журналистики, исследуется ее роль в условиях глобализации. Журналистика путешествий

как особая сфера журналистики, которая сосредотачивается на предоставлении информации о путешествиях относительно географии, гастрономии, этнографии, истории и туризма, ставит перед собой широкий ряд задач – от освещения событий до коммерции, от аналитики до развлечений. Публикации журналистики путешествий согласно функциям и задачам подразделяются на учебные, рекреационные, побудительные, чисто рекламные и профессионально-отраслевые. Стремление быть положительным, но также пропагандировать истину, является основополагающим для трэвел-журналистики и способствует конструктивистскому толкованию. В статье ставится вопрос недостаточного изучения данного вида журналистики, пренебрежение “медиа-рычагом” интенсивного развития туризма на международной арене.

**Ключевые слова:** видоизменение, глобализация, журналистика путешествий, задачи трэвел-журналистики, медиа, международная арена, путешествие, развитие туризма.

The o b j e c t of the article is travel journalism activity as a way for people to learn about accurate representations of other cultures, which is evermore important in global affairs and globalization. The s u b j e c t is studying the role of travel journalism in communicating destinations significance to potential tourists. The a i m of the research is to demonstrate the valuable impact of travel journalism for further tourism development and establishment.

The main mission of tourism is to escape the routine; however the aim of travel journalism is to tell the people about multiple ways how to do it. Human beings still hunger for the change and immersion into different cultures.

Travel journalism is a special field of journalism that is focused on providing information on travelling with regard to geography, gastronomy, ethnography, history and tourism.

Media and journalism play an immensely important role in communicating destinations significance to potential tourists. Aside from friends' recommendations, much of the information that travellers receive is through media coverage (in print, broadcast or online). There are many examples of high-quality travel journalism that are popular among the audience, for example, the materials of the “National geographic” and “Around the World” magazines,

“Discovery” and “My Planet” broadcasts. In the former USSR there was only one travel magazine, “Around the World” [2]. Until the early 1990s, travel journalism did not exist.

The famous American travel writer Paul Theroux once said: “The difference between travel descriptions and fiction is the difference between capturing what the eye sees and revealing what the imagination allows itself” [4]. People have been writing about travelling for centuries. Merchants forged trade routes and returned home with tales of strange lands and cultures. As the word spread, additional explorers were sent to learn more. Marco Polo, Christopher Columbus, Charles Darwin, and Lewis and Clark all journaled what they saw on their ventures. Those travelling for religious purposes also wrote of what they saw in foreign countries.

Modern movies, series, reality shows provoke an increase of the popularity in the certain areas in tourism, represent countries and geographical locations in a positive / negative way on the international arena.

Travel journalism in conjunction with the tourism industry leads to a better understanding of modern processes in the media, social, political and cultural life. However, globalization, new technological opportunities, lower prices for sightseeing tours have allowed the tourism to become a form of mass entertainment in recent decades. The tourist boom has led to an increase in the flow of not only recreational, but also business tourists, a large group of people who potentially rely on media information. The role of a travel journalist is to transform the experience of other travellers, to discover something “new” in a country or culture and to correlate this “new” with knowledge base of the audience. Travel journalism is a factor that, perhaps even more than usual tourism, is changing our worldview [7].

Criticism of domestic political or economic issues in various countries undermines the tourism industry. Rising controversial and shocking subjects and discussing forbidden topics are too risky for the television company, since tourism and international politics are closely interconnected. In addition, this may discourage advertisers from financing.

A lot of "journalistic" materials on the topic of "travel" are created in the editorial offices and are based on facts and reference books in the Internet. This is typical for mass magazines that do not claim seriousness. On TV, modern travel programs combine the elements of a documentary film, an educational program with an entertaining talk show, series and commercials [6].

Thus, there is the problem of the formation of stereotypes and the popularization of certain tourist routes. Most travel journalists understand that free travel or accommodation is necessary to do their job but believe that it does not affect the quality of the materials (i.e. distort the reality). As well as an in-depth knowledge and understanding of the travel industry journalists should be "able to travel at their own expense" to secure commissions from different publications [3].

Travel journalism sets itself a wide range of tasks – from coverage of events to commerce, from analytics to entertainment. According to functions and tasks travel journalism publications are divided into:

1. Educational (deep, multilateral story about a particular country, people, locality, city, high-quality regional geography)
2. Recreational ('travel on the coach')
3. Incentive (their goal is to interest the reader, encourage them to go on a trip, preferably through a certain travel agency)
4. Purely promotional (description of resorts, hotels or restaurants in glowing terms)
5. Professionally-industrial (analysis of the market, prices, charter programs, the level of popularity of specific tourist destinations) [7].

Genuine travel journalism is characterized as an informative and entertaining regional geography based on personal impressions. It doesn't always follow traditional journalistic ideals and is rarely guided by the concept of public interest. That's why the balance is sometimes between advertising and shows (not for the sake of making them jealous, but for the sheer enjoyment of storytelling). In fact, travel journalism involves the aspects of tourism information and sets entertainment purposes. The desire to be positive, but also to

promote the truth, is fundamental to travel journalism and contributes to a constructivist interpretation.

An ideal travel journalist is a writing traveller or a self-travelling journalist (at his own expense). After all, only then he won't be the conductor of the “necessary” information, an involuntary participant in the PR company, unlike those who go on press tours. Independent, free movement provides more opportunities for contacts with people from different walks of life, different views, customs and habits, and not only with representatives of tourism.

Bloggers could be considered ideal travel journalists, but due to lack of knowledge, professional skills, and factual checks, they are just civilian representatives. The ones rely almost exclusively on branding themselves, and journalists could look at them to understand better how to engage with these practices online. The most important difference between a travel journalist and a tourist is responsibility towards society.

To sum up, it is necessary to state the fact that in the field of travel journalism the product is being simplified not only in form, but also in content. There is an urgent need for a more serious attitude to travel journalism, a deeper study of various aspects and issues as the confusion in the definitions of travel journalism still exists nowadays due to the lack of studying of the topic as well as training for those who are going to devote themselves to travel journalism [1].

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**MULTILINGUALISM  
IN THE EUROPEAN UNION  
IN THE CONTEXT  
OF CONTEMPORARY GLOBALIZATION**

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**Sytnyk Y. V., Broslavska Y. M. Multilingualism in the European Union in the context of contemporary globalization.** The article considers the European policy of multilingualism arising as a result of integration process due to globalization. The study focuses on the origin of this phenomenon and its influence on the current cultural diversity in the European Union as well as the measures taken by the European Parliament to support multilingualism.

**Key words:** globalization; integration; monolingualism; multilingualism; the Barcelona principle; the European Union.

**Ситник Ю. В., Брославська Є. М. Розвиток багатомовності в Європейському Союзі у контексті сучасної глобалізації.** У статті розглядається європейська політика багатомовності як результат інтеграційного процесу внаслідок глобалізації. Визначені витоки даного явища і його вплив на сучасне різноманіття культур в Європейському Союзі. Розглядаються заходи, що вживаються Європейським Парламентом для підтримки багатомовності.

**Ключові слова:** багатомовність; Барселонський принцип; глобалізація; Європейський Союз; інтеграція; одномовність.

**Ситник Ю. В., Брославская Е. М. Развитие многоязычия в Европейском Союзе в контексте современной глобализации.** В статье рассматривается европейская политика многоязычия как результат интеграционного процесса в результате глобализации. Определены истоки данного явления и его влияние на современное многообразие культур в Европейском Союзе. Рассматриваются меры, принимаемые Европейским Парламентом для поддержки многоязычия.

**Ключевые слова:** Барселонский принцип; глобализация; Европейский Союз; интеграция; многоязычие; одноязычие.

The o b j e c t of the article is language diversity in the world. The s u b j e c t is multilingualism in terms of the European integration process. The p u r p o s e of the article is to track the influence of multilingualism on the cultural life in Europe and define the course of action taken to support and maintain multilingualism.

According to one of the concepts, globalization is an ever-growing process of ethnocultural and ethnolinguistic integration. From this point of view, globalization is considered as a large-scale human community integration directed and stimulated by political, ideological and economic factors. Today this concept is mostly related to the formation of the European Union [4, p. 56-58].

The global features of modern social reality appear in all spheres of human life spreading universal values everywhere, and now we are observing an inevitable erosion of established ethnocultural identities which include language as an integral part. Such phenomena as globalization and the development of communication technologies make multilingualism an essential attribute of modernity. Language determines the perception and construction of social reality by its speakers.

Taking into account the level of integration of modern society, multilingualism stimulates political, economic, and social development. People who speak foreign languages have a clear advantage in all areas from travelling without the necessity to overcome the language barrier to working abroad. Multilingualism is a common sociocultural phenomenon, since about 75% of the world's population speak two and more languages [12]. Two, three or even more languages are recognized as official in 25-27% of countries, although the actual number of coexisting languages is much larger in some countries [3, p. 31].

The cultural slogan of modern Europe is "Unity in Diversity". Languages play a central role in transmitting ideas and informing the EU community, so being aware of the role of foreign languages in modern society is particularly important. Languages also play a key role in determining the inequality of countries relations and can be a means of colonization for privileged groups [10, p. 59]. Thus, the EU pays as much attention to the language policy as to other aspects of social and economic situation.

The EU language policy is based on the basic concepts of multilingualism and plurilingualism. Multilingualism is more connected with the existence of several languages in a particular

country or region. Plurilingualism correlates with individual language skills, in other words, with the multilingualism of the individual. As a result, the purpose of the EU language policy is to preserve the linguistic diversity of the community.

The European Union school policy focuses on the primary position of the English language in all areas of modern life [6, p. 108]. However, the economic benefits of using English in international communication restrict the preservation and development of other languages. The tendency towards monolingualism in the business sphere is consistent with the tendency to use English in various professional fields (for example, in science). For example, Germany fears the emergence of further diglossia (a situation when two dialects or languages are used by a single language community). In this case the English language will be used in politics, economics and science, while German will be limited to communication in the family, with friends and in folk customs. This state of things can be also seen in the Scandinavian countries, the Netherlands, Spain and Italy where English is primarily offered as a foreign language in schools for children and adults. In the era of globalization, every person in Europe needs to speak at least two foreign languages provided that English is the second one [1, p. 25-26]. The period of studying English can be reduced from 9 years to 3-4, since the incentive to master it is very high, that's why it will be constantly in demand as a second foreign language and it will not destroy the motivation to learn other foreign languages at the same time.

According to modern concepts, the functioning of languages in the EU takes place at four levels [7, p. 6]:

1. The public institutional level which includes plenary sessions of the European Parliament and the work of various commissions with EU citizens. Obviously, multilingualism is mandatory at this level. The official languages of the EU member states are a fundamental feature of their national identity and independence. All 23 official languages of the EU are equal during sessions of the European Parliament.

2. The limited institutional level which includes meetings of parliamentary commissions and high-ranking officials. On the one hand,

people show respect for the national language in this case. On the other hand, the communication at these meetings is mostly held in English, French or German.

3. The level of communication among citizens within the home country. A foreign language takes a significant place in business communication, in the sphere of high technologies, science, education, sports, on vacation, etc. The native language becomes less in demand.

4. The level of the European civil society, covering communication between EU citizens living in different countries. At this level, a second or even third foreign language is necessary in order to advance on the social ladder. In this case the language that everyone is expected to learn and that will be used everywhere is chosen [5, p. 63]. Due to this, the spread of the English language is going on and this process is difficult to stop, since it is not the result of political decisions, but the voluntary choice of millions of citizens.

Since it is impossible to stop the movement of the English language towards getting the global status, Europe citizens face the problem of European languages hierarchizing because not all of them are adapted to the conditions of globalization. The EU assists member states through various programs and activities to study several foreign languages. The European Federation of National Language Institutions has proposed the following items:

1) every high school graduate should be able to speak fluent English. As it has been mentioned earlier, English can be studied for less than 8-9 years and not necessarily as a first foreign language;

2) the second foreign language must be one of the languages of ancient cultures. The choice should vary by region and type of school and include German, French, Spanish, Italian, Polish or Czech, as well as Latin and Greek;

3) one of the languages of neighboring states depending on intra-European borders should be required to be studied for several years in order to obtain basic knowledge in the sphere of everyday communication. For instance, in Germany the Czech, Polish, Swedish, Danish, Italian, Dutch languages could be studied;

4) at the end of high school, all Europeans should speak at least three languages.

In 2002 at the European Council Summit in Barcelona the leaders of states and governments announced the introduction of the principle of “mother tongue plus two foreign languages” and “an indicator of linguistic competence” in the educational systems of member countries. Such an important and symbolic decision involves studying at least two foreign languages from an early age at schools, universities and vocational education institutions in the EU. In accordance to this, the European Commission adopted an action plan entitled “Fostering the study of foreign languages and linguistic diversity in 2004-2006,” focusing on three strategic areas: life-long learning of foreign languages, improving teaching of foreign languages, and creating a favorable environment for learning languages. The same plan included 47 specific proposals on the activities of the European Commission during 2004-2006 [2, p. 73].

In 2013, the European Parliament adopted a resolution on ‘endangered European languages and linguistic diversity in the European Union’ [8], calling on the Member States to be more attentive to endangered European languages and to commit to the protection and promotion of the diversity of the Union’s linguistic and cultural heritage.

On 7 February 2018, the European Parliament approved a resolution on protection and non-discrimination with regard to minorities in the EU Member States [9]. This resolution encourages the Member States to ensure that the right to use a minority language is upheld and to protect linguistic diversity within the Union. It advocates respect of linguistic rights in communities where there is more than one official language, and calls on the Commission to strengthen the promotion of the teaching and use of regional and minority languages.

Moreover, the European Parliament promotes youth initiatives to improve cultural and language exchange. For example, Erasmus+ is the EU programme for education, training, youth and sport for 2014-2020. The promotion of language learning and linguistic diversity is one of the programme’s specific objectives. The Erasmus+ Programme Guide 2019 states that “the opportunities put

in place to offer linguistic support are aimed to make mobility more efficient and effective, to improve learning performance and therefore contribute to the specific objective of the Programme” [11, p. 9]. Linguistic support is offered via Erasmus+ Online Linguistic Support for participants in mobility actions to help them to learn the language of the host country. Erasmus+ also encourages cooperation with a view to innovation and exchange of good practices through partnerships in the area of language teaching and learning. Furthermore, funding for linguistic support can be provided where necessary to beneficiaries of partnerships who organise long-term training and teaching activities for staff, youth workers and learners. The Erasmus+ Programme also funds numerous projects every year to support the teaching and learning of sign languages, and to promote linguistic diversity awareness and the protection of minority languages.

Concerns that English threatens other European languages right up to extinction should not be taken seriously. Taking into account the growth of tourism, migration, and mixed marriages, it can be assumed that the number of bilingual people will increase. Their second language will not necessarily be English. The local languages of the EU member states function in all areas – administrative, education, culture, publishing, communication, and therefore they are unlikely to face extinction. However, the scale of the European integration does not allow to make long-term forecasts regarding the linguistic situation in the European Union [3, p. 38]. As a result of globalization, new countries joining the EU, the inflow of immigrants from Eastern Europe and former colonies, the European language policy of multilingualism becomes an urgent problem. This issue is discussed within the EU and its institutions, as well as other international organizations. During the modernization of the European community it is necessary to constantly improve the strategies of developing and implementing the European multilingualism policy, as well as the regulatory framework governing this area of interaction between the EU member states and various international organizations.

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## GLOBALIZATION AND ITS EFFECT ON NATIONAL CULTURES

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**Tanashkin O. D., Startseva N. M. Globalization and its effect on national cultures.** This article examines the positive and negative processes of global cultural development of the world, as well as the possibility of creating a global world culture. The topical issue is the relationship of national culture and modern processes of globalization. The main trends associated with the destruction and decrease of importance of national culture under the influence of mass culture and new ways of communication are analyzed. Ideas, values, ideologies and forms of artistic expression and cultural practice are readily transmitted across national and cultural borders. The outcome of the process of mutual enrichment of cultures in a globalizing world is greater cultural heterogeneity in some respects, and homogeneity in others. Globalization has aggravated the problem of national cultural identity and has caused depersonalization of cultures. Cultural imperialism or “Americanization” of the world is a possible after-effect of a global expansion of American way of seeing the world.

**Keywords:** Cultural imperialism, depersonalization, globalization, global world culture, heterogeneity, homogeneity, mass culture, national culture, national cultural identity.

**Танашкін О. Д., Старцева Н. М. Глобалізація та її вплив на національні культури.** У даній статті розглядаються позитивні і негативні процеси розвитку глобальної культури, а також можливість створення глобальної світової культури в цілому. Головне питання – взаємозв'язок національної культури та сучасних процесів глобалізації. Проаналізовано основні тенденції, пов'язані із знеціненням національної культури під впливом поширення масової культури та нових засобів спілкування. Ідеї, цінності, ідеології та форми художньої виразності та культурної практики вільно передаються через національні та культурні кордони. Результатом процесу взаємного збагачення культур у світі, що глобалізується є більша культурна різноманітність в деяких аспектах, і однорідність в інших. Глобалізація загострила проблему національної культурної ідентичності та спричинила знеособлення культур. Культурний імперіалізм чи “американізація” світу є можливим наслідком глобальної експансії американського бачення світу.

**Ключові слова:** глобалізація, глобальна культура, знеособлення, культурний імперіалізм, масова культура, національна культура, національна культурна ідентичність, однорідність, різнорідність.

**Танашкин А. Д., Старцева Н. Н. Глобализация и ее влияние на национальные культуры.** В данной статье рассматриваются позитивные и негативные процессы глобально-культурного развития мира, а также возможности создания глобальной мировой культуры в целом. Проблематика темы – взаимосвязь национальной культуры и современных процессов глобализации. Анализируются основные тенденции, связанные с разрушением и снижением значимости национальной культуры под влиянием распространения массовой культуры и новых способов общения. Идеи, ценности, идеологии, формы художественного самовыражения и культурной практики свободно передаются через национальные и культурные границы. Результатом процесса взаимообогащения культур в глобализирующемся мире является большая культурная неоднородность в одних аспектах и однородность в других. Глобализация обострила проблему национальной культурной самобытности и вызвала деперсонализацию почти всех культур. Культурный империализм или «американизация» мира является возможным последствием глобальной экспансии американского взгляда на мир.

**Ключевые слова:** глобализация, глобальная культура, деперсонализация, культурный империализм, массовая культура, национальная культура, неоднородность, национально-культурная самобытность, однородность.

There is no coincidence that the 21st century is characterized as a time of significant changes. This time can be described as an era of globalization. The reason for this phenomenon was the close interaction of countries, states and peoples. They ceased to develop in isolation and individually. The reason for that was the rapid development of communication tools. Globalization is a process of integration of countries and peoples in various fields of activity. The integration of national economies, the creation of unified political systems, the development of science on a planetary scale, the emergence of international educational systems are all characteristic features of globalization.

But globalization has not only shaped the economic, political, legal and technological landscapes of societies, it is also had an

enormous impact on culture, and how cultures interact with one another.

The o b j e c t of the article is the interrelationships between globalization and national cultures.

Think about what you've done in the past 24 hours – what kind of food you've eaten, which TV shows or movies you've watched, who has produced the music you've listened to, slang you've used in conversation. The chances are that a large proportion of the cultural choices you make in everyday life are a direct result of globalization. That justifies the p u r p o s e of researching the issue of globalized cultural development.

International travel, immigration and the ever-expanding accessibility of the internet means that now more than ever, ideas, values, ideologies and forms of artistic expression and cultural practice are readily transmitted across national and cultural borders.

Theoretically, these cultural flows go both ways. However, the process of cultural globalization has been criticized for being relatively unilateral in practice. Critics of globalization argue that just as trade between nations isn't truly free and equal under neoliberalism because of existing political and economic imbalances, the nature of the cultural "exchange" that occurs is also heavily impacted by the same unequal dynamics [11]. They contend that the result of these relationships is not a fair and equal cultural exchange but cultural imperialism, where a small minority of powerful political and corporate entities, predominantly from the West impose ideas, values and modes of cultural expression into the rest of the world. Western nations and large transnational corporations based over there are able to do this because they have the economic means necessary to produce a majority of the world's cultural media, including advertising and entertainment. This then allows them to exert a significant cultural influence over other, less economically powerful countries [5].

Globalization sharply aggravated the problem of national-cultural identity, which today has turned into one of the most important problems, disturbing not only cultural scientists, but also

politicians, public and religious figures, progressively minded representatives of natural sciences. Globalization, instead of being a means of enriching each culture with different other means in the process of their equal dialogue, has become a form of depersonalization of almost all cultures.

Proponents of this theory contend that not only do Western nations exports their cultural products, but in doing so, also impose their own values and ideologies onto other nations. These extend from political benefits, legal principles and ethical doctrines to beauty standards, education and work, and attitudes towards health and medicine.

Sociologist George Ritzer's work on the *McDonaldisation* of society provides us with some important insights into how this works in practice. According to Ritzer, the presence of McDonald's restaurants in almost every country in the world is significant because McDonald's operational structure represent specific type of social organization. He contends that McDonald's promotes a bureaucratic and rational approach to life that favors efficiency and control over creativity and imagination, and that they sell this way of thinking the world over, alongside their burgers and fries [9; p. 19–20].

Importantly, like McDonald's, many of the most popular cultural products exported the world over have their roots in the USA. In the context of globalization, there is little doubt that America has been one of the key nations to export aspects of its culture – in the form of fast food and coffee outlets, popular music and reality TV shows – to other parts of the world. Examples of American cultural imperialism include brand name products, mass-produced food and, perhaps of primary importance, media and entertainment. Hollywood films and Coca Cola don't simply provide a product to overseas markets, they sell a lifestyle and a specific way of seeing the world, which is ultimately grounded in American culture.

It's not surprising then that one of the most common critiques of globalization is that it has led to the "*Americanization*" of the world.

Proponents of this theory argue that globalization is responsible for upholding rather than challenging American cultural hegemony.

This in turn leads to cultural homogenization and standardization, as people begin to forego diverse, localized cultural practices in favor of dominant modes of Western expression. At face value, it may be easy to agree with the Americanization thesis.

Revisit your earlier assessment of the cultural products that you consume throughout your day. A large proportion of them probably originated in America, or have at the very least been influenced by American culture. Popular American holidays like Halloween and Thanksgiving have also started to creep into the cultural environment in various countries around the world, as more and more people celebrate American holidays every year.

However, Indian social anthropologist and sociologist Arjun Appadurai contends that globalization should not be thought of as cultural imperialism, but that consideration should also be given to the forms of cultural hybridity and heterogeneity that emerge from globalization [3]. Appadurai suggests that all societies and cultures adopt aspects of globalization in different ways and at different speeds, and so that rather than having a unifying impact on them, globalization manifests differently in every single society.

In Appadurai's thesis, media and migration are the most important factors to influence the global cultural changes we witness today. However, the impact of these factors on nations depends on a number of other considerations such as the political stability of the state, the strength of the national economy and the durability of cultural traditions. In other words, he doesn't deny that globalization affects and shapes cultures, neither he believes that the result is an Americanization of all cultures. Appadurai argues instead that cultural identities are becoming less constrained by geographical space or nationality, and as a result new and hybridized cultural identities are emerging [1].

But what are the consequences of cultural globalization?

The first is the disappearance of small cultures. This is one of the main factors that lead to the impoverishment of cultural diversity. The importance of this problem is on par with the extinction of animals and plants on the planet.

Secondly, it is the unification of culture. Today, culture takes on uniform forms and standards. The cultural world is becoming stereotyped. And this template is taken in the image and likeness of a particular culture.

Thirdly, it is a loss of identity and individuality. For example, the Aztec and Mayan culture maintained its identity until the 15th century, until it was destroyed by the Europeans. The vitality of such a new world order has also been in danger: there is a theory according to which the globalization process will inevitably lead to the loss of stability of the cultural development of mankind.

The emerging global culture does not possess everything that the cultures of past eras possessed – it is a historical memory, held together by ethno-national and religious meanings, which were passed down from generation to generation, ensuring continuity in development and creating conditions for cultural identity.

**C o n c l u s i o n .** Globalization is the cause of two diametrically opposite processes. On the one hand, it is the key to discovering the values of various national cultures. It contributes to their mutual enrichment. On the other hand, it leads to standardization of the culture of different peoples of the world. This causes to greater cultural heterogeneity in some respects, and homogeneity in others.

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## CHINA AS ONE OF THE LEADERS IN THE REGIONAL SUBSYSTEM OF INTERNATIONAL RELATIONS

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**Taranukha A., Bobro. M. China as one of the leaders in the regional subsystem of international relations.** The article discusses the foreign policy of China in the late 20<sup>th</sup> – early 21<sup>st</sup> centuries, in particular the formation of Chinese foreign policy doctrine and positioning the country in the world. The geopolitical priorities and main directions of international cooperation of the PRC are also highlighted and analyzed.

**Keywords:** foreign policy, foreign policy doctrine, regional cooperation, regional leadership, partnership, geopolitical interests.

**Тарануха А. В., Бобро М. П. Китай – один з лідерів регіональної підсистеми міжнародних відносин.** У статті розглядається зовнішня політика КНР в кінці ХХ ст. – на початку ХХІ ст., особливості формування китайської зовнішньополітичної доктрини і позиціонування країни на світовій арені. Також виділені і проаналізовані геополітичні пріоритети та основні напрямки міжнародного співробітництва КНР.

**Ключові слова:** зовнішня політика, зовнішньополітична доктрина, регіональне співробітництво, регіональне лідерство, партнерство, геополітичні інтереси..

**Тарануха А. В., Бобро М. П. Китай – один из лидеров региональной подсистемы международных отношений.** В статье рассматривается внешняя политика КНР в конце ХХ в. – в начале ХХІ в., особенности формирования китайской внешнеполитической доктрины и позиционирования страны на мировой арене. Также выделены и проанализированы геополитические приоритеты и основные направления международного сотрудничества КНР.

**Ключевые слова:** внешняя политика, внешнеполитическая доктрина, региональное сотрудничество, региональное лидерство, партнерство, геополитические интересы.

The o b j e c t of the article is Chinese foreign policy. The s u b j e c t of the article is Chinese leadership in regional subsystem of international relations. The p u r p o s e of the article is to determine the place of China in modern international relations system and its role in the regional subsystem of international



relations; to analyze the peculiarities of the formation of China's foreign policy doctrine; to reveal the main directions of China's geopolitical interests; to characterize the Eastern and Central Asian direction of China's foreign policy in the context of globalization; to evaluate Chinese foreign policy achievements and to analyze its possible disadvantages.

The study of Chinese foreign policy is relevant for several reasons. Firstly, China is one of the most important players in the world political arena. Currently, China began to take active steps in the foreign policy sphere as it has been rapidly. Secondly, in the context of the ongoing transformation of the international relations system, China's position is of great importance in solving the most urgent issues of international relations in general.

One of the main features of the post bipolar world order is the increasing role of the regional level in international relations. This tendency became especially apparent in the 2000s, when the inability of the US as a world leader to cope with all the challenges and threats in different parts of the world was apparent. The answer to this was a great autonomy of regional subsystems of international relations and strengthening of regional institutions.

Asia in general and East Asia in particular plays an increasingly important role in world politics and economics, as it is where the center of industrial, as well as partly post-industrial, high-tech growth and geopolitical processes in the world shifts. China is particularly prominent in this region. Asia has always been prioritized in China's relations with the world, and the evolution of the country's foreign policy can be clearly seen in China's relations with the region. After the formation of the People's Republic of China in 1949, the main goal of the state was to support the world revolution, focusing on relations with the USSR. In addition to the short period in 1955-1956, after the Bandung Conference, China's relations with Asian countries (except for DPRK and DRV) were extremely negative, and after the worsening of relations with the USSR in the 1960s and war with India in 1962 a self-isolation policy was started. Only after the beginning of the policy of reform and

openness in 1978 did China begin to pursue policies aimed at building normal interstate relations (except for the 1979 Sino-Vietnam War), but only succeeded in stabilizing them in the early 1990s [3, c. 55-57].

Since 1978, the main foreign policy formula of China has been the so-called «Dan Xiaoping Formula», which included 8 basic ideas: to observe, to strengthen positions, to confidently respond to changes, to hide your opportunities, to save time, not to attract attention, never to become a leader, to do specific things. It was a wait-and-see policy, emphasizing China's minor role in international relations, and later on the inadmissibility of a confrontation with a single superpower, the United States.

In the 1990s and 2000s, the East Asian region managed to maintain a balance through competition and cooperation between China and Japan. The strengthening of China has caused a shift in the power balance in the region. Fears about China's dominance and structuring of the macro-regional space around it and on its terms have led to two major consequences: the formation of the US course called «Asia Turn» on the one hand, and involvement of ASEAN countries with non-regional players (India, USA, Russia) to restore equilibrium in the system on the other. These structural changes led to the process of «expansion» and the formation of the macro-region of East Asia. Changes in the deployment of forces and the complex configuration of relations between the major powers in East Asia are destabilizing the security situation to this day [6, c. 143].

China's foreign policy on interstate relations is based on the doctrine of the five principles of peaceful coexistence:

1. mutual respect for territorial integrity and sovereignty;
2. non-aggression;
3. non-interference in internal affairs.
4. equality and mutual benefit.
5. peaceful coexistence.

More than 150 countries, including the leading ones (Russia, USA, Japan), have recognized the above five principles as the main regulatory framework for their relations with the PRC [2].

The following trends in Chinese foreign policy can be distinguished:

1) Changes in China's attitude to the problem of global responsibility in the world. The inability to distance itself or ignore global problems. However, it is not to gain global leadership, but to improve the situation inside the country.

2) Changes in China's attitude to its international image. Gradual adoption of a «superpower» appearance, while maintaining the principles of stability and balance. At the same time, people's patriotic moods are increasing. On the one hand, there is a rallying of the nation, and on the other – there is a threat of nationalist sentiment.

3) Changes in China's attitude to such a key diplomatic tool as partnership. The tools for implementing this strategy were: good neighborliness, participation in UN activities and economic diplomacy. Since the 1990s partnership relations have been established with various countries, first with neighbours (Russia, India, Pakistan, Nepal, ASEAN, Mongolia, RK, Japan) and then around the world (USA, Africa, Latin America)). This has helped to reduce tensions with the countries with difficult relations (US, Japan) and thereby increase China's security. China's foreign policy climate has improved significantly, with a focus on cooperation and seeking mutual benefits.

China's foreign economic strategy is defined by two slogans: «to attract inward» and «to go out», aimed not only at importing foreign capital but also at exporting one's own capital abroad [1; 4, c. 68].

It is important to point out that China recognizes Central Asia as a region capable of providing national security, as well as a region that could be an alternative zone of Chinese influence after US troops withdraw from Afghanistan. The peculiarity of China-Central Asia relations is China's political and economic system, its socialism with Chinese colouring, and the chosen foreign policy course of Sino-Central Asian relations has partly become a benchmark for the ruling elites of the countries of the region [5, c. 197].

Therefore, considering the key instruments of China's foreign policy in Central Asia, we can say that the country is trying to strengthen its own reputation, gradually forming a positive image and investing in the expansion of influence instruments to strengthen in the region, not only through increasing the economic and political ties, but also by actively using the soft power tool. China's strengthening is a complex phenomenon of increasing its economic as well as political and military power, facilitated by a well-designed foreign policy and foreign economic strategy of the country's leadership, which resulted in the strengthening of China's role in world politics and the global economy that began in the 1990s and took shape in the 2000s. Economic growth, demographics, military might and geopolitical success have made China a key player in East Asia.

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## RESEARCH & DEVELOPMENT SECTOR IN JAPAN'S BUSINESS LIFE

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**Tertychna A. A., Kalyuzhna A. B. Research & Development sector in Japan's business life.** The article discusses the importance of R&D sector in the economy of Japan for the competitiveness of both the country on the world's arena in general and its companies in particular. The main directions of R&D in Japan have been revealed, statistics on R&D spending share among the biggest companies have been given and compared to the same characteristics of other successful businesses. Also we describe the government influence on R&D and their steps towards the improvement of innovativeness and manufacturability of doing business.

**Keywords:** CASE, corporations, innovations, investment, private sector, R&D, R&D spending, sandbox.

**Тертична А. А., Калюжна А. Б. Сектор НДДКР у японському діловому житті.** У статті обговорюється значення науково-дослідного сектора в економіці Японії для конкурентоспроможності як країни на світовій арені в цілому, так і її компаній зокрема. Розкрито основні напрямки науково-дослідних робіт в Японії, надано статистику частки витрат на НДДКР серед найбільших компаній, порівняно її з показниками інших успішних підприємств. Також ми описуємо вплив уряду на НДДКР та його кроки на шляху вдосконалення інновативності та технологічності ведення бізнесу.

**Ключові слова:** витрати на НДДКР, ЗАПЕ, інвестиції, інновації, корпорації, НДДКР, пісочниця, приватний сектор.

**Тертычная А. А., Калюжная А. Б. Сектор НИОКР в японской деловой жизни.** В статье обсуждается значение научно-исследовательского сектора в экономике Японии для конкурентоспособности как страны на мировой арене в целом, так и ее компаний в частности. Раскрыты основные направления научно-исследовательских работ в Японии, предоставлена статистика доли расходов на НИОКР среди крупнейших компаний по сравнению с другими успешными предприятиями. Также мы описываем влияние правительства на НИОКР и их шаги на пути совершенствования инновационности и технологичности ведения бизнеса.

**Ключевые слова:** инвестиции, инновации, корпорации, НИОКР, песочница, расходы на НИОКР, САРЭ, частный сектор.

The object of the article is a process of global technology sharing and innovations in nowadays business sector. The subject of the article is the role of R&D within Japanese corporations as the main factor forming the competitive edges. The topicality is explained by recognized profitability of investing in research and development which is crucial for business development. The purpose is to show the most popular directions of R&D spending and profitability of innovative technologies in international business on the example of Japanese corporations, to show the importance of governmental regulations and reformations. In our opinion, for now the steps taken by Japanese government are effective enough to stop the stagnation of the country's economy and learn some important lessons from them. The results of the conducted analysis will enable to make a comparison on the correlation between the sales and the proportion of the biggest companies' R&D spending, define the most profitable directions in this field and those which need external help.

National Japanese R&D spending amounts to EUR 119,748 bn (3.15% GDP). The Public Sector accounts for 18.2%, the Private Sector for 73.9% and other sources for 7% of GERD (Gross domestic expenditure on research and development) [3].

The Private Sector is the most important performer of research (74.4% of GERD), significantly above EU and OECD (The Organization for Economic Cooperation and Development) averages, while Higher Education Institutions (HEI) (13.9%) and government institutions (9.5%) are less important performers compared to EU and OECD average. Private Sector enterprises tend to have a strong international orientation and a high degree of internationalization [3].

Japan enables growth in emerging high-added value sectors of the coming global economy, with innovations strongly supported by R&D capabilities and regulatory reforms. Japan takes the second place in the largest number of patents throughout the world. The first place belongs to the USA, 3<sup>rd</sup> and 4<sup>th</sup> – to China and the Republic of Korea.

Opening new frontiers in the world of technologies, taking steps towards totally digitalized future requires a deft balance of

freedom, support and smart regulation to ensure that innovation is sustainable. Markets with some of the best potential are related to data and digitalization.

Thus, how the societies handle knowledge and data is of particular importance. This can be a key to solving many social issues, such as the use of personal information, worldwide and in Japan in particular. That is why Japan believes it must ensure privacy and a healthy exchange of information across borders. In addition, government takes efforts to achieve a Decarbonized Society which are aimed to realizing sustainable growth.

Japan's commitment to new ideas starts with creating a space to explore via a regulatory sandbox or a special zone. A fledgling business idea or technology needs support and understanding. In the case of government, Japan is introducing a "sandbox" approach that seeks to help new ideas at the state level develop by easing regulations for a limited period of time and participants. The main characteristics of a "sandbox" model are the following [2]:

- Early stage business models or technologies are proposed to the government and evaluated on their merit;
- Rules are relaxed to test these innovations within a certain contained "sandbox" (e.g. within an approved company or project). Businesses are able to conduct demonstration tests and pilot projects that are not envisaged under existing regulations inside of their "sandbox";
- The testing environment allows businesses to conduct pilot projects quickly, building up data that can lead to change in regulations
- If pilot demonstrations of new technologies/business models are successful, the government aims to further implement the regulatory reforms with data obtained from such field trials and experiments;
- A dedicated office for this is set up to ease the application process.

The main achievement of the model is the fact that only for July 2019 8 test projects in the field of IT, online medical consultation, and Fin Tech have been certified [2].

Selected regions have the privilege of carrying out advanced structural reforms in the hope of turning successful test cases into touchstones for nationwide implementation. The achievements of that step were:

- 1st automated bus driving test conducted on a public road in Semboku City (November 2016);
- Accept non-Japanese workers who have certain skills to help turn agriculture into a growth industry in Kyoto Pref., Niigata City, Okinawa Pref. and Aichi Pref [2].

- **10** areas have been selected since 2013
- **324** reforms were undertaken (as of June 2019)

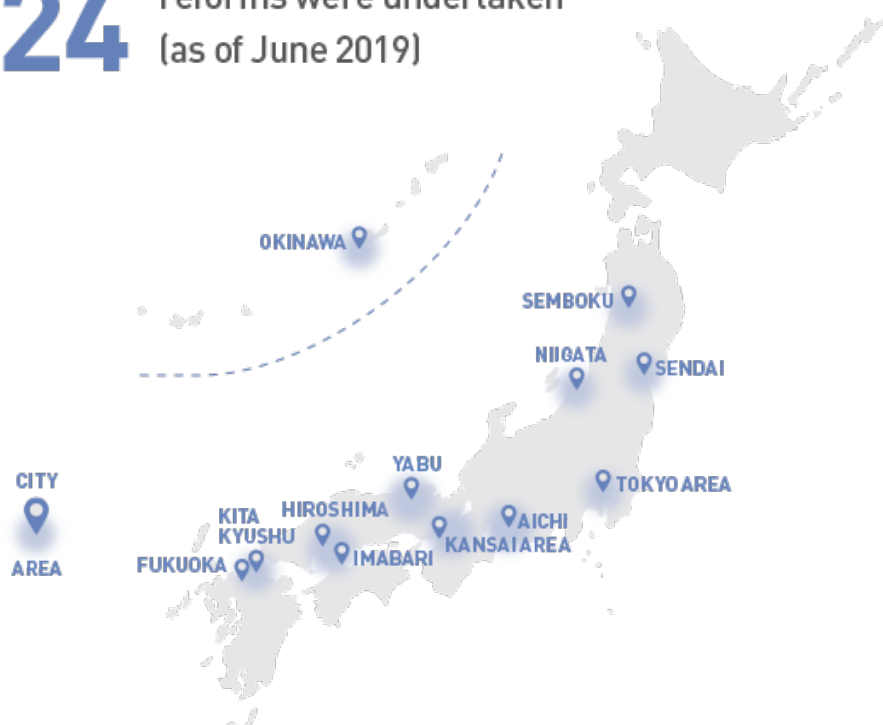


Figure 1. Japanese national strategic special zones [2]



Nearly half of leading Japanese companies have budgeted record amounts for research and development, a Nikkei study finds, as they race against bigger-spending global peers to harness artificial intelligence and other new technologies [1].

More than 40% of corporations covered by the study reported their biggest R&D budget ever in the current fiscal year. Even so, their spending on innovation falls far short of the investments made by U.S. and Chinese rivals, a trend that bodes ill for the future competitiveness of Japanese industry.

Total planned spending on R&D among 253 Japanese companies with comparable data is up 5.2% on the year in fiscal 2019 to 13.2 trillion yen (\$122 billion) [5].

[Toyota Motor](#), Japan's biggest R&D spender, expects to spend a record 1.1 trillion yen for fiscal 2019, as automakers jockey for advantage in CASE – connected, autonomous, shared, electrified – vehicle technologies.

CASE-related outlays account for nearly 40% of Toyota's R&D spending, which is up 4.8% on the year, according to Chief Financial Officer Koji Kobayashi [1].

[Sony](#), the fifth-biggest spender, plans to raise expenditures 3.9% to 500 billion yen. In addition to investment in image sensors, a field in which Sony holds a leading market share, the electronics group will expand R&D efforts for automotive chips with an eye to self-driving cars.

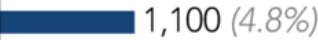




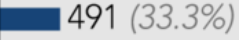

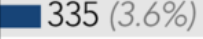
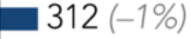
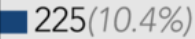
Rank (last year)	Company	Priority fields	R&D spending (in billions of yen and year-on-year change)
1 (1)	<b>Toyota</b>	Robotics, AI, new materials, environment, energy	 1,100 (4.8%)
2 (2)	<b>Honda</b>	AI, autonomous driving, electrification	 860 (4.8%)
3 (3)	<b>Nissan</b>	Autonomous driving, electrification, connected cars	 550 (5.1%)
4 (4)	<b>Denso</b>	Connected cars, autonomous driving, electrification	 520 (4.5%)
5 (6)	<b>Sony</b>	Image sensors, AI, next-gen game console	 500 (3.9%)
6 (7)	<b>Takeda Pharmaceutical</b>	Cancer, digestive disorders, rare diseases	 491 (33.3%)
7 (5)	<b>Panasonic</b>	IoT, AI, robotics, energy	 480 (-1.7%)
8 (8)	<b>Hitachi</b>	AI, robotics, security	 335 (3.6%)
9 (9)	<b>Canon</b>	Health care, network cameras	 312 (-1%)
10 (14)	<b>Daiichi Sankyo</b>	Psychoneurosis, cancer, circulatory diseases, kidney disease	 225 (10.4%)

Figure 2. Top 10 spenders of AI, robotics and other new tech [1]

Total R&D outlays of the companies covered by the Nikkei study are projected to rise 14.2% during the five years through fiscal 2019. But the U.S. and Chinese companies are spending at a faster pace.

American businesses excluding financial institutions boosted their R&D by 51.7% during the five years through 2018, according to data from QUICK FactSet. Chinese research spending soared around 140% during the period [4].

Amazon.com topped the global ranking of R&D spenders for 2018 with \$28.8 billion in technology investment, followed by

Alphabet, the parent of Google. No Japanese company ranked in the top 10.

Japanese companies also appear less committed to investment than many of their global rivals, spending on average the equivalent of 4% of annual sales on R&D compared with over 6% for U.S. counterparts. The Japanese ratio has remained flat, even as the American one has risen.

While Japanese automakers' R&D spending as a share of sales stands in the 4% range, Amazon invests over 10% of sales on technology [1].

Japanese corporate R&D spending also is more concentrated in manufacturing than are the outlays by American companies, with 86.7% going to this sector in Japan versus around 70% in the U.S., a study by the science ministry finds.

**C o n c l u s i o n s :** To gain a competitive edge companies resort to different strategies, and spending on research and development is one of them. National Japanese R&D spending amounts to 3.15% of Gross Domestic Product with the major part coming from the Private Sector. Steps taken at the state level in order to launch technological initiatives, particularly the Sandbox approach, also prove to be successful. The leading position of Japan in the field of innovation is demonstrated by the impressive number of patents in comparison with other countries. The most popular directions of R&D spending are Robotics, AI, New materials, Autonomous driving, electrification and image sensors. The average amount of spending on R&D on the part of Japanese companies doesn't exceed that of their American competitors but can be explained by the fact that companies are more concentrated on manufacturing processes. The analysis of the governmental initiatives aimed at supporting research and development in other countries could be among the p r o s p e c t s of research.

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**FINANCIAL RISKS  
OF EU WITHIN INTERNATIONAL  
LOGISTICS SYSTEM DEVELOPMENT:  
UKRAINIAN MARKETS**

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**Timchenko O. V., Davydenko I. V. Financial risks of EU within international logistics system development: Ukrainian markets.** The article deals with European financial risks, representing themselves as the key factor of the foreign-economic threat that is currently progressing in the Ukrainian markets. The study covers the main development of risks, credit resources, exports and imports balancing with its negative and positive sides, as well as the ways of overcoming these risks and diversifying the economy. Attention is paid to the further development of trends and consequences for the Ukrainian economy.

**Keywords:** credit resources, economic diversification, exports, financial risks, imports, Ukrainian economy.

**Тімченко О. В., Давиденко І. В. Фінансові ризики Європи в умовах розвитку міжнародних логістичних систем на ринках України.** Стаття присвячена європейським фінансовим ризикам, які виступають в ролі головного чинника зовнішньоекономічної загрози, що на даному етапі прогресує на ринках України. Дослідження охоплює основний розвиток ризиків, кредитних ресурсів, збалансування експорту та імпорту з його негативними та позитивними сторонами, також запропоновано способи подолання цих ризиків і диверсифікації економіки. Приділено увагу подальшому розвитку тенденцій і наслідків для української економіки.

**Ключові слова:** диверсифікація економіки, експорт, імпорт, кредитні ресурси, українська економіка, фінансові ризики.

**Тимченко А. В., Давыденко И. В. Финансовые риски Европы в условиях развития международных логистических систем на рынках Украины.** Статья посвящена европейским финансовым рискам, выступающим в качестве ключевого фактора внешне-экономической угрозы, который на данном этапе прогрессирует на рынках Украины. Исследование охватывает основное развитие рисков, кредитных ресурсов, сбалансирование экспорта и импорта, с его отрицательными и положительными сторонами; также предложены способы преодоления этих рисков и диверсификации

экономики. Уделено внимание дальнейшему развитию тенденций и последствий для украинской экономики.

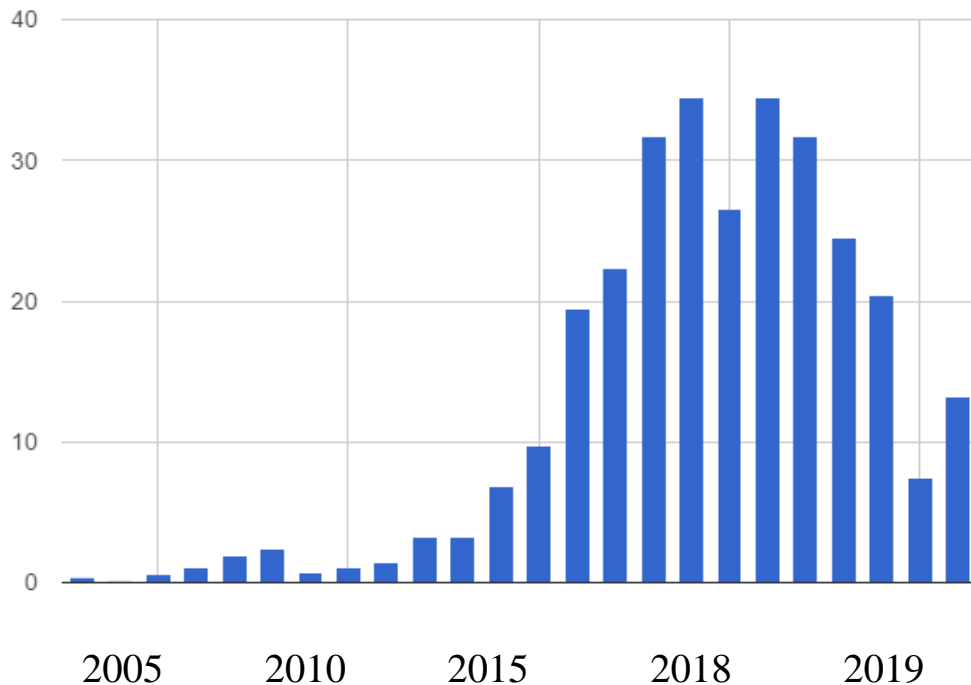
**Ключевые слова:** диверсификация экономики, импорт, кредитные ресурсы, украинская экономика, финансовые риски, экспорт.

The o b j e c t of the article is financial risks of the EU at the international markets. The s u b j e c t of the research is financial risks in the particular country – Ukraine. The study aims to analyze impact of all financial risks at the Ukrainian market as a separate macroeconomic unit. The article is based on the following data – global economic statistics and national economic reports.

Recently the world economy has got dramatic development of credit relations on the unprecedented scale. The accelerated transnationalization of production, banking and trade as for the merger of companies and financial assets holders and foreign enterprises require some adequate development of international credit and stock markets [4]. Rapid and often uncontrolled development of international crediting is accompanied by establishment of stronger and deeper interdependence among countries.

Credit resources, migration from country to country in search of higher profits, so-called "hot" money, are symbols of risky borrowings. It is confirmed by the current global financial crisis affected the economies of the world's leading countries.

According to the official statistics, the income of the Ukrainian banks in the first half of 2012 increased by 1.2 billion hryvnias in contrast to the same period in 2015, while there is reduction in the growth of investments to some sectors of the economy. Also there is some increase in the cost of external borrowing. Thus, having shifted financial difficulties and risks to economic entities, banks, in fact, have increased their income at their expense.



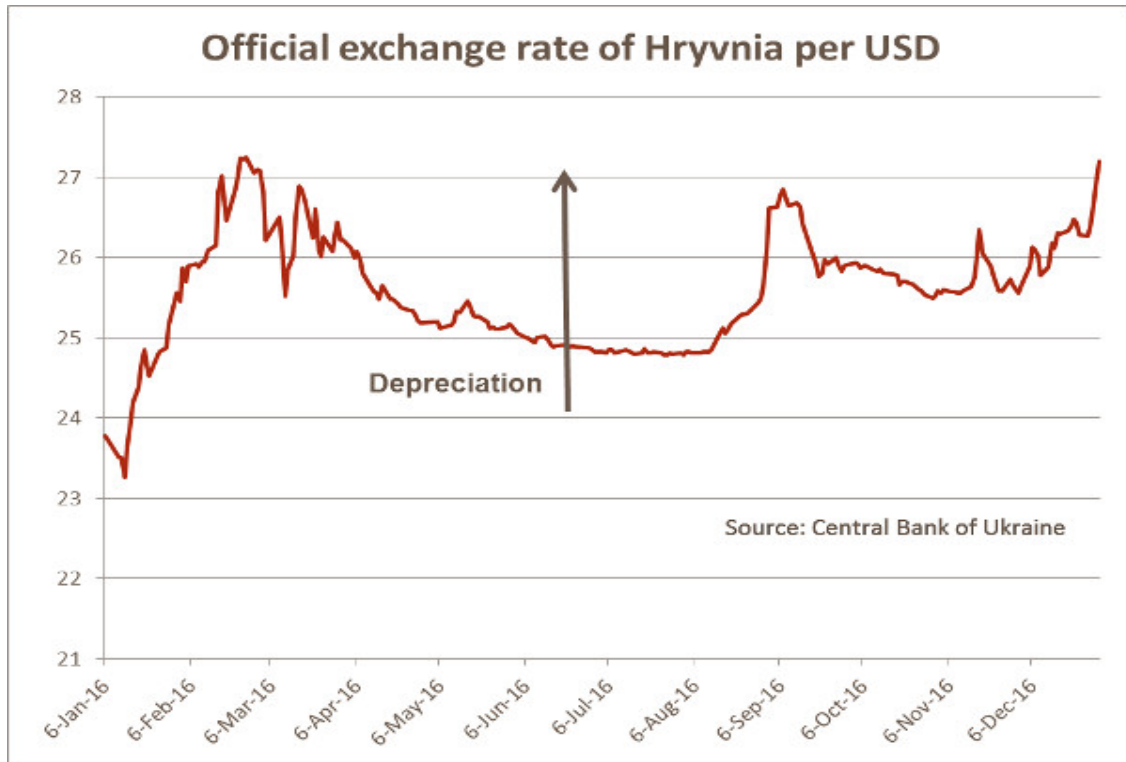
*Source: Composed by the author, using data [1, 6].*

Figure 1. The state of gold  
and foreign exchange reserves of Ukraine

Main financial risks of Europe impacting Ukraine:

- unfavorable situation in the world markets which are key for Ukraine;
- uneven development of different countries;
- redistribution of financial flows and assets;
- fluctuations in world currencies and commodity prices;
- instability of national currency exchange rate;
- aggravation of problems in trade, economic and political relations with Russia;
- irrational structure of domestic export dominated by raw materials and products with a low level of processing;
- low competitiveness of the Ukrainian goods and services;

- increase of financial obligations due to untimely settlements of the Ukrainian enterprises with foreign partners [2].



*Source: from the official website of the company “Knoema” based on data [5].*

Figure 2. Official exchange rate of Hryvnia per USD

The financial crisis has shown that Ukraine's strong dependence on fluctuations in global markets increases volatility of the economy. At the same time, negative consequences of structural and regional disproportionality in the economy and lack of effective monetary, fiscal and budgetary policies of the state have become evident.

Lack of positive signals to investors, low investment attractiveness of Ukraine due to the unstable political and economic situation is confirmed by deterioration of rating of our country on the



basis of a number of criteria, which give a general description of the business environment [3].

In order to prevent risks and overcome the threats of foreign trade activity of Ukraine one proposes

- to diversify geographical structure of foreign trade, minimizing dependence on individual markets and states;

- to optimize and balance the structure of imports and exports;

- to develop long-term programs of international cooperation of Ukraine with the world's leading economies and leading importers of domestic products taking into account the dynamics of their development and the risks of a new financial crisis in the group of countries with emerging markets;

- to identify the most attractive key regional players for Ukraine capable of ensuring the consideration of Ukrainian trade interests both in the format of bilateral relations and in the regional context (primarily in North Africa, the Far and Middle East, and Latin America);

- to concentrate the efforts of the public, corporate and scientific sectors on creating domestic high-tech product groups and promoting them in the regional (European and CIS markets) and international markets. These are, first of all, electronics, energy, biotechnology, engineering services;

- to determine possibilities of independent (or in cooperation with Western companies or the PRC) completion of suspended Ukrainian-Russian projects in high-tech areas;

- to use WTO factor to influence the position of foreign states on the issues of diversification of foreign trade relations and the development of cooperation with Ukraine [5].

The effective implementation of foreign economic activity contributes to increase of competitiveness of products of domestic producers. It is a determining factor of economic growth, as well as a real instrument of structural transformation and stabilization of the national economy of Ukraine.

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**MODERNE PROBLEME  
UND ENTWICKLUNGSAUSSICHTEN  
DER CHARKIWER REGION UNTER  
DEN BEDINGUNGEN DER GLOBALISIERUNG  
UND DER ENTWICKLUNG DES  
INTERNATIONALEN LOGISTIKSYSTEMS**

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**Timchenko O. V., Pirog I. I. Moderne Probleme und Entwicklungsaussichten der Region Charkiw unter den Bedingungen der Globalisierung und der Entwicklung des internationalen Logistiksystems.** Der Artikel beschreibt Merkmale der wirtschaftlichen Entwicklung Charkiw Gebiets und seine Beziehungen. Die Nachteile und Vorteile der Infrastruktur mit anderen Regionen der Ukraine sowie der Einfluss auf die Imagebildung des Landes werden analysiert. Die Schlüsselfaktoren, die zum wirtschaftlichen Erfolg der Region geführt haben, identifiziert. Besondere Aufmerksamkeit wird auf die Merkmale der wirtschaftlichen und politischen Entwicklungssysteme von Charkiw gelegt.

**Schlüsselwörter:** Infrastruktur, Image des Landes, Region Charkiw, der wirtschaftliche Erfolg, die wirtschaftliche und politische Systeme.

**Тімченко О. В., Пірог І. І. Сучасні проблеми та перспективи розвитку харківського регіону в умовах глобалізації та розвитку міжнародних логістичних систем.** У статті встановлено особливості економічного розвитку Харківського регіону та відносини всередині нього. Проаналізовано недоліки та переваги інфраструктури з іншими регіонами України та вплив на формування іміджу країни; визначаються ключові чинники, що призвели до економічного успіху регіону. Особлива увага приділяється рисам економічних та політичних систем розвитку Харкова.

**Ключові слова:** інфраструктура, імідж країни, Харківський регіон, економічний успіх, економічні та політичні системи.

**Тимченко А. В., Пирог И. И. Современные проблемы и перспективы развития Харьковского региона в условиях глобализации и развития международных логистических систем.** В статье установлены особенности экономического развития Харьковского региона и отношения внутри него. Проанализированы недостатки и преимущества инфраструктуры с другими регионами Украины и влияние на формирование имиджа страны; определяются ключевые факторы, которые привели к экономическому успеху

региона. Особое внимание уделяется характеристикам экономических и политических систем развития Харькова.

**Ключевые слова:** инфраструктура, имидж страны, Харьковский регион, экономический успех, экономические и политические системы.

**Gegenstand** des Artikels ist die wirtschaftliche Entwicklung der Region Charkiw. **Der Zweck** ist, die Merkmale der Entwicklung von Charkiw unter Berücksichtigung der Schlüsselfaktoren, die die Region Charkiw zu einem prosperierenden Land in der Ukraine gemacht haben, zu identifizieren und zu analysieren.

Die Region Charkiw grenzt im Nordosten der Ukraine an fünf Regionen des Landes und hat eine Staatsgrenze zur Russischen Föderation. Das Gebiet der Region ist mehr als 31 Tausend Quadratkilometer und ist reich an natürlichen Ressourcen, insbesondere Mineralien, wie Erdgas, Öl, Kohle, Rohstoffe für die Herstellung von Zement und Titan. Darüber hinaus fördern wir seit mehr als 60 Jahren Öl und Gas. Vor einem Monat wurde jedoch ein weiteres Ölfeld erkundet, dessen Ressourcen auf jährlich bis zu 10 Milliarden Kubikmeter geschätzt werden.

Charkiw ist eine der am stärksten industrialisierten Regionen der Ukraine. Auf dem Gebiet der industriellen Produktion nimmt die Region Charkiw den fünften Platz im Land ein. In der Region gibt es 667 Industrieunternehmen mit den 234.000 Beschäftigten [2].

Eine weitere wichtige natürliche Ressource, deren Potenzial noch nicht in großem Umfang ausgeschöpft wurde, ist der fruchtbare schwarze Boden, der nicht nur die häuslichen Bedürfnisse des Staates, sondern auch Millionen Menschen in anderen Ländern mit einer hochwertigen und umweltfreundlichen landwirtschaftlichen Produktion versorgen kann.

In der Region Charkiw leben 2,8 Millionen Menschen, von denen die Hälfte – 1,5 Millionen – im Verwaltungszentrum von Charkiw leben.

Es gibt auch 16 Städte mit einer Bevölkerung von 60 bis 20 Tausend Einwohnern. Nämlich Iziun, Kupyansk, Lozova und

andere. Die Region ist in 27 Bezirke unterteilt, die sogenannte subregionale Verwaltungseinheiten.

Eine der vier Fabriken von Henkel Bautechnik (Ukraine) ist heute in Balakley (Region Kharkiv) tätig und auf die Herstellung von Baumischungen und Farben spezialisiert [3].

In der ehemaligen Sowjetunion belegte Charkiw nach Moskau und St. Petersburg den dritten Platz in Bezug auf das industrielle und wissenschaftliche Potenzial. Und heute ist unsere Region auf der ganzen Welt für ihre Produktion berühmt: leistungsstarke Turbinen der Turboatom-Anlage und Generatoren der Electrovazhmash-Anlage, Flugzeuge der Kharkiv-Luftfahrtanlage und hydraulische Einheiten der Luftfahrtsteuersysteme der FED-Anlage, wirtschaftliche Traktoren der Charkiw-Traktoranlage und langlebige Lager der UE Industrial Group. Die elektronischen Steuerungssysteme von Hartron und viele andere hochwertige Mechatroniker werden von Unternehmen in Charkiw in 78 Ländern geliefert.

Die Region Charkiw verfügt nicht nur über einen leistungsstarken Maschinenbau, sondern auch über eine große Anzahl von Lebensmittel- und Verarbeitungsunternehmen, die qualitativ hochwertige Produkte sowohl für Ukrainer als auch für ausländische Käufer herstellen. Dies sind mehr als zwanzig Unternehmen der Milchindustrie, achtzehn Fleischverpackungsbetriebe, drei Unternehmen der Öl- und Fettindustrie, zwölf Süßwarenunternehmen.

Der Anteil der Industrieprodukte, die 2015 in der Region Charkiw (von 24 Regionen der Ukraine) verkauft wurden, beträgt 6,8% [5].

Zu den zehn größten Industrieunternehmen der Region zählen die PJSC "Philip Morris Ukraine", die JSC "Charkiwoblenergo", die KP "Charkiw Thermal Networks", die PJSC "Kharkiv CHP-5", die Gazpromindustrial Department "Shebelinkazvydobuvannya" und die Shebelinsky Gasproduktionsabteilung und Öl, Zmiivskaya TPP, State Enterprise Plant Electrotyazhmash, PJSC Kharkivgaz, OJSC Turboatom, die 46,9% des Umsatzes ausmachen [5].

Neben dem entwickelten Industriesektor verfügt die Region Charkiw über ein starkes landwirtschaftliches Potenzial, das sowohl auf das Vorhandensein fruchtbarer Schwarzerden als auch auf die

Aktivitäten spezialisierter wissenschaftlicher Institute und Bildungseinrichtungen zurückzuführen ist.

Der Anteil der nationalen Bruttoagrarpromuktion der Region Charkiw im Jahr 2015 betrug 6,1%. Getreide- und Leguminosernten überschreiten stetig die 4-Millionen-Tonnen-Marke. Neben Getreide werden Zuckerrüben, Sonnenblumen, Gemüse und Kartoffeln angebaut.

Der Bruttoanteil der pflanzlichen Erzeugung in der nationalen Dimension beträgt 6,8%, die Tierhaltung 4,6%.

Unsere Region ist auch ein Flaggschiff der ukrainischen Pharmaindustrie und konzentriert alle Komponenten der Industrie, wie Bildung, Wissenschaft, Produktion und Vertrieb von pharmazeutischen Produkten. Darüber hinaus wird heute in Charkiw neben konventionellen Arzneimitteln die Herstellung von medizinischen Isotopen vorbereitet, sowohl für die Behandlung von Krebspatienten als auch für die Früherkennung. Und in dieser Arbeit kooperieren Charkiw-Spezialisten fruchtbar mit deutschen Wissenschaftlern eines der größten europäischen Forschungsinstitute, dem Zentrum von Jülich, das Teil der Helmholtz-Gesellschaft ist.

Es gibt 129 medizinische Einrichtungen, 15.000 Ärzte in der Region Charkiw, 56,5 pro 10.000 Einwohner. Wissenschaftliche medizinische Forschung wird an 11 Einrichtungen durchgeführt [4].

Charkiw behauptet zuversichtlich, der beste Standort für IT-Unternehmen zu sein. Jedes Jahr absolvieren mehr als 2.000 IT-Spezialisten die Universitäten in Charkiw. Mehr als 22.000 IT-Spezialisten arbeiten in mehr als 200 kleinen und mittleren IT-Unternehmen in Charkiw, darunter Service-, Fertigungs-, freiberufliche und Start-up-Unternehmen. Dies sind ausgelagerte Giganten wie Nix Solutions, Sigma Ukraine, QA Area und Team International mit Hauptsitz in Charkiw. Zu den globalen Unternehmen zählen Plarium, Gameloft und Huawei, die ihre Forschungs- und Entwicklungsbüros in Charkiw eröffnet haben.

Die Hauptprobleme der Industrie der Region sind die Notwendigkeit, die Struktur der industriellen Produktion zu verbessern, das Volumen und die Produktpalette zu erhöhen, die Qualität der Konsumgüter zu verbessern, den Anteil ressourcen- und

energieintensiver zu verringern und gleichzeitig die wissenschaftsintensive Produktion zu erhöhen, die Einführung umweltverträglicher Technologien u.a., die alle die Relevanz von weiter bestimmen integrierte moderne Industriestudien der Region [2].

Im Allgemeinen gilt Charkiw als die Wissenschafts- und Bildungshauptstadt der Ukraine. In der Region gibt es 86 Hochschuleinrichtungen, von denen 31 Master-Abschlüsse vorweisen können. Von den 180.000 Studenten ist jeder zehnte Ausländer. Im Jahr 2015 haben 149 Organisationen Forschung und Entwicklung betrieben. Unsere Region hat der Welt drei Nobelpreisträger verliehen: den Physiologin Illya Mechnikov, den Physiker Leo Landau und den Ökonomen Simon Kuznets.

Schlussfolgerungen. Einer der Vorteile der Region Charkiw ist die entwickelte Verkehrsinfrastruktur die Bahn, Straßen, Luftfahrt, städtischer Landstromverkehr und U-Bahn. Vom Flughafen Charkiw mit einer Kapazität von 650 Passagieren pro Stunde und internationalen Charterflügen in folgende Länder: Polen, Aserbaidshan, Armenien, Bulgarien, Griechenland, Georgien, Ägypten, Zypern, Vereinigte Arabische Emirate, Weißrussland, Türkei und Montenegro. Charkiw ist auch eines der wichtigsten Zentren der Schienenverkehrslogistik in Osteuropa. Die Region Charkiw zeigt heute eine dynamische Entwicklung, auch vor dem Hintergrund der Prüfungen, die unser Land durchläuft [1].

Trotz der Tatsache, dass die Region Charkiw an die Regionen Donezk und Luhansk grenzt, wo die bewaffneten Auseinandersetzungen andauern, schaffen es die zentralen und regionalen Behörden, die Situation im gesamten Gebiet stabil und sicher zu halten. Insbesondere hat der Regionalrat von Charkiw eine Reihe von Programmen verabschiedet, um die Sicherheit zu organisieren und potenziellen Bedrohungen vorzubeugen.

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## PROTECTIONIST POLICY IN THE USA

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**Tkachenko D. D., Oliynyk N. A. Protectionist policy in the USA.** The article examines the historical background of the US protectionist policy, tariff and non-tariff instruments of the US protectionist policy and main changes in international trade agreements between the USA and other countries caused by non-tariff regulation. The research provides the main discriminatory restrictions imposed by the United States, and their impact on the development of its trade relations.

**Key words:** non-tariff barriers, foreign trade, protectionist policy.

**Ткаченко Д. Д., Олійник Н. А. Політика протекціонізму США.** У цій статті розглядаються історія протекціонізму в США, тарифні та нетарифні інструменти політики протекціонізму в США, основні зміни в міжнародних торгових угодах США з іншими країнами. Виділені основні дискримінаційні обмеження, введені США та їх вплив на розвиток торгових відносин.

**Ключові слова:** зовнішня торгівля, нетарифні бар'єри, політика протекціонізму.

**Ткаченко Д. Д., Олейник Н. А. Политика протекционизма США.** В этой статье рассматриваются история протекционизма в США, тарифные и нетарифные инструменты политики протекционизма в США, основные изменения в международных торговых соглашениях США с другими странами. Выделены основные дискриминационные ограничения, введенные США и их влияние на развитие торговых отношений.

**Ключевые слова:** внешняя торговля, нетарифные барьеры, политика протекционизма.

In the context of complicated foreign trade relations, the task of developing an effective protectionist policy is crucial for improving the competitiveness of goods on the international and domestic markets.

The o b j e c t of the article is characteristic of protectionist policy in the USA. The s u b j e c t of the article is protectionist

policy in the USA. The purpose of the article is to point out and analyze the evolution of the protectionist policy and instruments of the policy used in the USA. Development of the globalization process, internationalization of competition and the application of protectionist restrictions justify the relevance of the article.

The value of studying the American experience in functioning of the protectionist mechanism is directly related to the position which the USA takes in the world trade and contemporary international relations. It should be noted, however, that the global financial crisis of 2008 made some adjustments to the official US trade doctrine, 'incorporating' elements of 'forced protectionist policy' into it. However, the formal trade policy was not thoroughly reviewed.

There are a lot of discriminatory restrictions in the foreign trade policy of United States, which are contrary to liberal principles. Continuing to be an active supporter of the removal of all barriers to international trade, the United States has actively defended the idea of powerful protectionist barriers in US foreign trade. The United States has been a protectionist country with high custom tariffs over an extended period of time. The only periods of relatively low protectionist barriers were as follows: on the eve of the Civil War and after each of the world wars.

The first US secretary of the Treasury, A. Hamilton, laid the foundation for American protectionist policy. He believed that if a country could not produce any goods at a lower cost than a competitor, it could deal with competition by creating a barrier of customs tariffs and quotas. Protectionist tendencies grew in American foreign trade policy until the 1930s. The critics have chiefly maintained that protectionist policy comes first of all to highlight the negative points in the policy of protecting the domestic market from foreign competition.

Foreign trade liberalization was promoted in 1934. The USA gave new impetus to liberalization policy by beginning to actively integrate into the world economy and international economic relations through participation in the activities of the General

Agreement on Tariffs and Trade and the Organisation for Economic Cooperation and Development. The course of liberalization of the US foreign trade policy has proved itself in reducing the level of customs tariff. Thus, within forty years, the weighted average duty rate has been halved – from 5.9% to 2.7% [1, c. 92].

Contemporary US foreign trade policy clearly demonstrates the combination of two trends in the practice of regulating international trade: on the one hand, the course of liberalization, on the other hand, an increased influence on international trade by the government. The second trend is associated with a significant increase in forms and methods of non-tariff regulation. At the beginning of the 21st century, 16.8% of US imports were subject to non-tariff barriers. This figure is higher in the USA than in Japan (10.7%) and slightly lower than in the EU (19.1%).

One of the most important areas of modern protectionist policy is popularizing the use of non-tariff restrictions. Tariff instruments are quite effective, but the use of customs tariff has an uncertain effect on the national economy and can cause significant losses to both consumers and the economy. Non-tariff restrictions, including technical standards, localization requirement, licensing, dumping, foreign exchange restrictions and foreign exchange controls, have become more popular over the past few years. The use of non-tariff regulation is assuming particular importance not only because of the volume of foreign trade deliveries. Indeed, non-tariff barriers are less apparent than custom duties. This kind of barriers gives the government more power to exercise discretion, creating uncertainty in foreign trade, increasing corruption and worsening the country's investment climate.

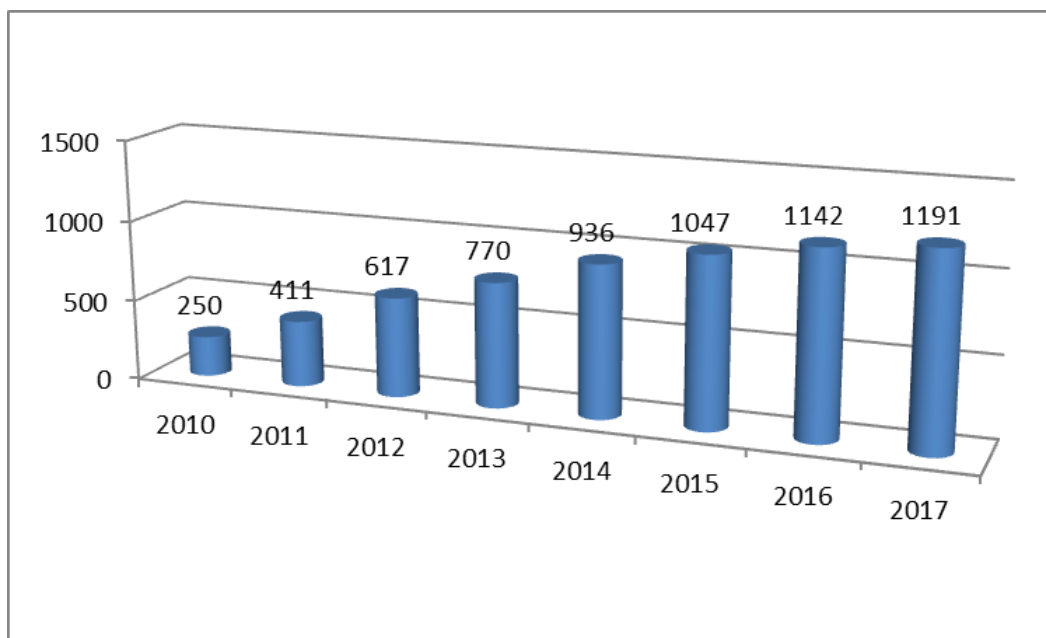
The emphasis on the policy of protecting a national producer from foreign competition has been shifted from customs tariffs to non-tariff restrictions. Non-tariff regulation is transformed from a legitimate means of protecting national producers into hard to break development barriers of the international trade development.

This situation is facilitated by the widespread practice of using instruments of hidden protectionist policy, which are very difficult to

deal with in practice. For example, sanitary standards are one of the instruments that are criticized by the US trading partners and their use demonstrates the ambiguous standards to consumer safety issues.

Maintenance of a high level of domestic producer protection through non-tariff restrictions is accompanied by the modification of the USA foreign exchange rate. There are signs of a revival in local protectionist and even isolationist ideas among American society and the free trade doctrine is gradually being transformed into a 'regulated trade' doctrine.

In fact, the rise of protectionist policy in the United States is the result of the gap between the growth of trade and the inability to develop appropriate policies on social spending. Figure 1 shows the number of discriminatory restrictions, which are steadily growing and cause significant restriction of trade flows.



*Source: made by the author based on the data of the [1, c. 91]*

Figure 1. Number of discriminatory restrictions imposed by the United States

The development and application of non-tariff regulation instruments in the United States is regulated internationally and nationally. Bilateral and multilateral trade agreements remain effective instruments of US trade policy for decades. States parties to

the agreements adhere to the principles of bilateral and multilateral trade and USA reduce barriers on a mutual basis. Thus, the USA takes steps to the trade liberalization only in reply to the same steps from counterparties.

The significant features of the current US foreign trade policy, including the area of non-tariff regulation, are avoiding multilateral agreements and strengthening bilateral foreign trade regulation mechanisms. In recent years, the US government has focused on bilateral agreements, which are underpinned by the threat of discriminatory restrictions. The US government believes that selective threats can provide a better environment for free trade than multilateral trade negotiations or general trade laws. The United States also actively introduces anti-dumping, countervailing and special restrictions.

One of the areas of protectionist policy of the USA is agricultural protectionism, despite the fact that, according to the decisions of the Uruguay Round, it should be substantially restricted. However, it has only intensified, judging by the government spending on agricultural support in the United States. Analysts note: 'Ironically, as world trade becomes more liberal, the use of legitimate trade protection measures is gaining ground' [2, с. 317].

To s u m u p , the USA pursues protectionist policy using a variety of tariff and non-tariff barriers, such as customs tariff, licenses, quotas, standards, technical barriers, dumping, localization requirement, foreign exchange restrictions and foreign exchange controls, which openly or covertly affect the development of the US trade relations and trade flows.

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## WARFARE IN THE INFORMATION AGE

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**Tolstokoryi D. V., Davydenko I. V. Warfare in the information age.** The article provides the review of the modern advancements in information technologies and the ways Information age affected changes in warfare and the way wars are conducted.

**Key words:** cyber, deployment, drones implementation, information age, warfare.

**Толстокорій Д. В., Давиденко І. В. Війна в інформаційну епоху.** У статті наведено огляд сучасних прогресів інформаційних технологій та способів, які вплинули на інформаційну епоху зміни воєнних дій та способів ведення війн.

**Ключові слова:** кібер, розгортання, реалізація безпілотників, вік інформації, війна.

**Толстокорій Д. В., Давыденко И. В. Война в век информации.** В статье представлен обзор современных достижений в области информационных технологий и способов, которыми информационный век повлиял на изменения в войне и способ ведения войн.

**Ключевые слова:** кибер, развертывание, внедрение дронов, информационный век, война.

The o b j e c t of the article is advancements in the warfare that are visible nowadays. The s u b j e c t of the article is cyber, technological and management enhancements. The p u r p o s e of the article is to define the main updates that were brought by the step into the Information Age and Military weapons and strategies usually reflect the politics, economy, and on top of that – technology of any given state and society.

Nowadays advancements in computers, communications, and other electronic data-processing systems that are driving economic growth and changing society are also changing military thinking and planning.

Armed forces of any given country have always used information technology – smoke signals in ancient days, telegraphs

at the turn of the century, precision-guided munitions today, but until recently information systems were second in importance to “real” weapons, such as tanks, aircraft, and missiles. Today, information systems are so critical to military operations that it is often more effective to attack an opponent’s information systems than to concentrate on destroying its military forces directly [17].

Since the 1990s, the spreading of the internet impacted economic, social, and technological trends that have had a far greater impact on our world than the industrial age of the past. These changes have led the current period of human history to be known as the Information Age, similar to how the invention of the steam engine and the mechanization of human labor was the characteristic of the Industrial Age [13].

In the industrial age, militaries were raised, trained, and equipped on the industrial model, and the ability of a country to produce both men and machinery became the key determinant of national power [17]. This dramatically changed with coming of Information Era, and to thrive in this new age militaries must deploy advantageous networks (both for data and people) by embracing open systems and nurturing their people.

Militaries are still called upon to wage war as the “continuation of politics with other means” [5]. However, businesses and other non-state actors have quickly adapted themselves to exploit opportunities inherent in the network characteristics of the information age, but nation-states are far behind schedule. As organizations responsible for the lives of millions, some natural conservatism is understandable.

What does it take to fight and win in the information age? Current capabilities such as GPS-guided bombs and close air support are out-of-date. This will put increasing emphasis on the need for protected, closed networks that are localized, and capabilities that can operate within line-of-sight of the marine or soldier on the ground, such as tanks, unmanned ground vehicles, and miniature unmanned aerial systems. It also puts additional pressure on militaries to develop artificial intelligence and big data analytics

systems that can assist in network and spectrum analysis to generate network and spectrum superiority. Overall, the demand for the rapid development of new technologies, and new doctrine, tactics, techniques, and procedures for the employment of these technologies, will increase.

Even as modern militaries respond to growing threats, it is important to note that war in the information age is not just warfare in the web. The fear over recent year's cyber-attacks led to increasing efforts on enhancing cyber security by most countries, especially Western countries [2]. However, these brand new networks to develop capabilities in a more cost-efficient and operationally-effective way. This is especially true in the cyber domain, where the military cannot compete with the private sector in paying for talent. Instead, a model such as Estonia's Küberkaitse Üksus, the Cyber Defense League (CDL), could be adopted.

The Cyber Defense League is a voluntary network of information technology professionals who can be mobilized as needed to defend against cyberattacks on Critical Information Infrastructure (CII) within Estonia.[12] The unit is formally integrated into the national defense system, and functions as an integral part of the Estonian Defense Forces. Other militaries could adapt another idea by establishing cyber units in the Reserves and recruiting cyber professionals into these units.

Cyber professionals defending commercial networks which are on the internet face a far greater variety of threats in far larger numbers than those who work on closed off, military networks. These reservists may well be able to perform much better than active duty personnel [17]. Beyond cyber, militaries can use the power of networks with professionals and companies in developing technologies such as artificial intelligence, robotics, and big data analytics. They must also go deeply in new ways of integration of such with existing military capabilities to support the tactical fight. Fighting in the information domain alone will not be very important.

In the Information Age, open systems outperform close systems. In the industrial age, economic and military advantage came from



protecting trade secrets and technologies. The advantage provided by a technological edge led to the concept of offset strategies used by the military. Governments spent enormous amounts of resources to maintain, advance and protect military technology. Today, research and development set up globally, and the free exchange of information and research gives an opportunity for innovation to occur at a far faster pace than any government can keep up with. More importantly, new ideas, once announced to the world, can be quickly replicated by others. In the Information Age, then, the advantage goes not to those who can protect their secrets the best, but to those who can quickly adopt and deploy new ideas and technologies.

The use of drones by insurgents in Iraq and Syria is a good example of this in action. Daesh in Iraq used existing materials to build drones of their own and deployed them in combat in 2016 [18]. By January 2018, insurgents in Syria were using waves of drones in a swarm attack against Russian forces at an airbase [19]. Within the space of 1-2 years, insurgents have adopted, adapted, and advanced their use of drones despite not having an industrial or technological base.

Within the military, creating an open system will involve a fundamental rethink of both processes and people. In terms of processes, a tiered security approach for innovation should be adopted to facilitate rapid experimentation. Tactical units should be allowed to test commercially available technologies instead of being hampered by security fears; should a particular foreign technology (such as consumer drones) prove especially useful, subsequent measures can be taken to ensure that operationally-deployed drones come from secured supply chains. In terms of people and talent management, current efforts to shift away from an up-or-out system are timely but insufficient to keep up with the changing aspirations of the millennial workforce. Increasingly, people aspire to have varied job experiences, and often change jobs every few years. At the same time, companies are realizing that a more rapid turnover of people facilitates the sharing of ideas between different companies and across different sectors. To take advantage of these trends, the military should move towards an in-and-out system of talent

management which values the time and expertise of people who rejoin the military from the private sector. Instead of losing time in rank and promotion opportunities, these people should be seen as having invested in developing their expertise further, and should be recognized appropriately for doing so.

Finally, to improve talent development, there is a need to review existing professional military education. Increasingly, professional education in the civilian world has augmented time spent in formal schooling with additional courses taken on a voluntary basis at the time and choosing of the professional. These courses are necessary to update the knowledge of the professional, given the rapid changes in the field of knowledge. Just as the military has used sports science to inform physical training and improve the performance of our soldiers, it should adapt best practices in education to ensure that military professionals are kept up to date with the latest developments in their field of work. The military can also leverage courses conducted at civilian schools for relevant areas such as public communications, logistics, and cyber-security, among others, to ensure that its professionals are on par with the civilian world.

**C o n c l u s i o n :** Advancements in economical, scientific and social areas of the Information Age will surely have a big impact on the modern warfare and the way that militaries fight. However, two things remain unchanged: the nature of war, and the need to win. And to win, militaries must move beyond the old methods of the Industrial Age.

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## **ELECTRONIC DIPLOMACY AS A TOOL OF INTERNATIONAL RELATIONS IN THE 21<sup>ST</sup> CENTURY**

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**Tolubaieva P. V., Davydenko I. V. Electronic diplomacy as a tool of international relations in the 21<sup>st</sup> century.** The article deals with electronic diplomacy which is a component of public diplomacy. Digital diplomacy is a one of the new tools of foreign policy that is aimed to solve the problems of international relations. The article examines the concept and definition of digital diplomacy that concentrates on the use of social networks and digital media in the field of foreign policy. Electronic diplomacy is a powerful instrument for regulating international relations due to the technological potential of «soft power», primarily – its ability to attract attention and maintain a positive attitude in the most convenient way and familiar environment of social networks.

**Key words:** communication, electronic diplomacy, globalization, international relations, «soft power», public diplomacy.

**Толубаєва П. В., Давиденко І. В. Електронна дипломатія як інструмент міжнародних відносин у 21 столітті.** Стаття присвячена електронній дипломатії, що є складовою публічної дипломатії. Цифрова дипломатія – це один із нових інструментів зовнішньої політики, який спрямований на вирішення проблем міжнародних відносин. У статті розглядається концепція та визначення цифрової дипломатії, яка концентрується на використанні соціальних мереж та цифрових медіа у сфері зовнішньої політики. Електронна дипломатія є потужним інструментом регулювання міжнародних відносин завдяки технологічному потенціалу «м'якої сили», насамперед завдяки її здатності привертати увагу та підтримувати позитивне ставлення найбільш зручним способом та звичним середовищем соціальних мереж.

**Ключові слова:** глобалізація, електронна дипломатія, комунікація, міжнародні відносини, «м'яка сила», публічна дипломатія.

**Толубаева П. В., Давыденко И. В. Электронная дипломатия как инструмент международных отношений в 21 веке.** Статья посвящена электронной дипломатии, которая является составной частью публичной дипломатии. Цифровая дипломатия является одним из новых инструментов внешней политики, который направлен на решение проблем международных отношений. В статье рассматривается понятие и определение цифровой

дипломатии, которая концентрируется на использовании социальных сетей и цифровых медиа в области внешней политики. Электронная дипломатия является мощным инструментом регулирования международных отношений благодаря технологическому потенциалу «мягкой силы», прежде всего благодаря ее способности привлекать внимание и поддерживать положительное отношение в наиболее удобной форме и привычной среде социальных сетей.

**Ключевые слова:** глобализация, электронная дипломатия, коммуникация, международные отношения, «мягкая сила», публичная дипломатия.

The o b j e c t of the article is international relations within the era of digitalization. The s u b j e c t of the article is digital diplomacy as instrument for establishment of international relations in the modern world. The p u r p o s e of the article is to identify the essence and instrumental potential of electronic diplomacy in the international arena.

In today's international relations, there are many pressing problems regarding the effective use of information systems and technologies. Digital diplomacy is the result of the development of communication technologies. Also is a sign of globalization, causing changes in the field of international relations. E-diplomacy is a new level of functioning of public diplomacy that embodies the soft power principle. All of the above defines the r e l e v a n c e of the article.

Public diplomacy has always been an important component of the foreign policy of the leading states of the world. Accelerating the processes of globalization, the intensive development of the Internet as a way of promoting ideas and their retransmission to society have helped to turn public diplomacy into one of the most important instruments of world politics. The traditional public diplomacy as a way of influencing the public opinion of foreign countries includes information propaganda, is carried out mainly through radio, television and film production. The development of the Internet has greatly expanded the role and possibilities of public diplomacy and has created new ways of interaction not only between world leaders, but also non-governmental organizations and individuals. A growing

number of Internet users, discussing the most important social and political problems in social networks, have caused a change in the essence of modern public diplomacy.

Electronic diplomacy can be understood both broadly and narrowly. Broadly speaking, it is the use of any potential of information and communication technologies in the organization of diplomatic functions. In a narrow sense, it is a technology for the implementation of diplomatic tasks related to the distribution of power in international politics [4].

The term electronic diplomacy is related to the work of F. Hanson, a fellow at the Australian Lovie Institute, which he wrote at the Brookings Institution in the United States. The study consisted of two papers: *The Revolution and the State Department: The Propagation of E-Diplomacy* [9] and *The Freshly Sent and Sent: E-Diplomacy and the State Department* [8], published with a half-year difference. The main purpose of the scientist was an attempt to systematize programmatic work in the field of e-diplomacy, which for several years was carried out by the US State Department. Hanson defined electronic diplomacy as an opportunity to use the Internet and other information and communication technologies to achieve and lobby for the foreign policy goals and interests of the state. Moreover, he identified eight priority areas for e-diplomacy: knowledge management, public diplomacy, information management, consular support, emergency response, internet freedom, external resources and political planning. Publications have sparked a resurgence of scholars' interest in electronic diplomacy around the world [2].

Nowadays, electronic diplomacy is a part of public diplomacy that is the interaction of individual groups and the interests of one country and another; a report on international activities and its impact on politics, a dialogue between those whose task is to establish and maintain a dialogue, both diplomats and foreign correspondents; as well as the process of intercultural communication [7].

Digital diplomacy may be considered through the perspective of «soft power», which Joseph Nye defined to mean the ability to set the agenda in world politics through persuasion, enticing and attracting others through the force of one's beliefs, values and ideas, and not through military or economic coercion.

E-diplomacy as an Internet diplomacy, net diplomacy, and cyber-diplomacy has started to develop on the basis of modern information and communication technologies. And it has been evolving into a true policy tool beyond the real of communications and public diplomacy.

E-diplomacy tools include new media, social networks, blogs and others internet media tools. The source of digital diplomacy is nongovernmental and network organizations that more effectively cover a certain part of the foreign audience with their influence. A platform for digital diplomacy is the Internet. Members of foreign nongovernmental organizations, Internet users and young people become the main targeted groups of digital diplomacy [1].

The advantage of social media provides the opportunity to reach citizens of other countries in near real-time. Social media platforms also provide spaces for interaction, increased engagement, and thus furthering the goals of diplomacy. Numerous platforms allow for the use of more dynamic content, such as videos, photos, and links, than traditional methods. In addition, social media are key channels in reaching youth populations, a major goal of current public diplomacy efforts [5, p. 192].

Nowadays, there is a high level of personalization of electronic diplomacy when diplomats conduct information blogs on such social networks as Facebook and Twitter. The use of Facebook and Twitter as electronic diplomacy tools has become so commonplace that terms such as Facebook-diplomacy, Twitt-diplomacy are widely used to refer to the functioning of electronic diplomacy on social networks. The term You-Tube diplomacy is used as well [6].

The popularity of electronic diplomacy was facilitated by the following factors, formed as a result of the development of the Internet: 1) publicity; 2) communicativeness; 3) availability of



technical means for making public contact with an unlimited number of consumers information; 4) quick and easy content creation; 5) instant editing of messages; 6) constant communication of diplomats and senior public figures with the mass audience.

The goal of the electronic diplomacy is to provide benefits for the country internationally. It involves creating an atmosphere of trust, working with target groups, providing political goals with soft diplomacy and promoting an ideological and friendly world [3].

E-diplomacy is only gaining momentum. Increasingly the Internet is being used as a means of communication between diplomatic missions, a place of gathering information, promoting propaganda, promoting change, seeking support on various issues, putting pressure on governments of other countries and more.

The main subjects of digital diplomacy are government agencies, including the Presidential Administration, various ministries, including the Ministry of Foreign Affairs, the Government, and some political figures. Also, entities include non-governmental agencies and organizations involved in international affairs.

**C o n c l u s i o n .** Digital diplomacy is a new and ambiguous phenomenon in the global political arena. On the one hand, it provides states with new opportunities and tools to participate in international relations, but on the other hand, it places a number of specific requirements on its users. From the available research, it is obvious that there is a feedback relationship between the world's population and the states, driven by the realities of the information society. This connection complemented by a number of media factors, dictates the conditions on which information should be provided on the official pages of diplomatic missions. Thanks to social networks and online resources, modern diplomacy is becoming deeply public and less restrained. Electronic diplomacy is a technological tool of the state, through which it can realize its goals and interests in foreign policy, improve and maintain its image, shape its face for the world.

E-diplomacy opens up new opportunities for the development and implementation of "soft power", as well as for developing strategies to prevent or resolve political, social or economic crises, based on the excitement and reactions of society to certain news outlets. However, it is too early to speak of the complete replacement of traditional diplomacy with the electronic one.

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**CHINA'S FOREIGN POLICY  
AND IT'S MAIN PRIORITIES  
AT DIFFERENT HISTORICAL STAGES**

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**Topalova A., Bobro M. China's foreign policy and its main priorities at different historical stages.** The article discusses the foreign policy of China, its stages and features of changing strategies.

**Keywords:** China, strategies, geostrategies, diplomatic “stick to one side”, period, “one front”, diplomacy, relations, country, global state.

**Топалова А. А., Бобро М. П. Зовнішня політика КНР та її основні пріоритети на різних історичних етапах.** У статті розглядається зовнішня політика КНР, її етапи та особливості зміни стратегій.

**Ключові слова:** Китай, стратегії, геостратегії, дипломатичні «триматися однієї сторони», період, «один фронт», дипломатія, відносини, країна, глобальна держава.

**Топалова А. А., Бобро М. П. Внешняя политика КНР и ее основные приоритеты на разных исторических этапах.** В статье рассматривается внешняя политика КНР, её этапы и особенности изменения стратегий.

**Ключевые слова:** Китай, стратегии, геостратегии, дипломатические «держаться одной стороны», период, «один фронт», дипломатия, отношения, страна, глобальная государство.

The relevance of the topic is due to the increased attention to modern external. The development of an adequate foreign policy of China in the context of globalization is now becoming important for all states. An important role is played by the development of the problems of correlation of globalization and regionalization processes in the development of the PRC in the early years of the new century, which are important for determining the potential of this country. The rise of China affects all systems of international relations. Therefore, recently, the issue of China's foreign policy priorities and its position on the world stage has become very important for the world community. And this article discusses the stages of the development of China's foreign policy

from the second half of the twentieth century to the beginning of the twenty-first century, thanks to which one can analyze how China became such a great power and what stages it had to go through to become what it is at this moment.

The purpose of the article is to analyse the stages of China's foreign policy.

The object is China's foreign policy.

The subject is the main priorities of the foreign Policy of the People's Republic of China at different historical stages.

The foreign policy of China as a great power and civilization cannot be considered in any particular format. China's foreign policy has a distinctive feature – its formulation in the form of diplomatic strategies that are subject to a specific general strategy. Until the beginning of the 21st century, Chinese leaders used one geostrategy – the land one: agriculture in the economy, land forces in the national defense, border countries in the relations with the outside world. This is usually called 'agricultural civilization' [1].

It was joining the WTO with rapid expansion of foreign economic relations and dependence on external resources that put sea issues on the agenda of Chinese diplomacy. In the 21st century, China is busy solving the problem of ensuring the security of raw materials sources, markets for the goods and transport routes for their delivery. China has changed its development vector and started implementing marine geostrategy.

The second feature of China's foreign policy is that it is more connected with Chinese logic, philosophy and worldview than with a certain ideology (Marxism, liberalism), it explains the general Chinese methodology of rational thinking and actions, including a flexible path of change. It is called the 'water methodology', and with its help Chinese minds consider the situation and make their choice more flexible, like water which finds the shortest path to the desired place [2].

### **The main stages of the strategy change**

The whole great historical stage of the republican China can be divided into five periods:

The first one – 1949 – the mid-1950s – is the diplomacy of the three great decisions: to establish an alliance with the USSR, not to recognize the diplomatic relations established by the Chiang Kai-shek government, but start all over again, to eliminate all the manifestations of imperialist influence in China (to close foreign military bases, banks, settlements, schools, publishing houses, hospitals, etc.).

The second period – the mid-1950s – the late 1960s – is the rejection of the diplomatic policy of leaning in one direction, reliance on a wider circle of countries in Asia, Africa, and Latin America, to struggle against revisionism and imperialism (against the USSR and the USA).

The third period is the late 1960s – the late 1970s. Foreign policy, just like other government spheres, was influenced by left ideas. In 1971, the rights of the People's Republic of China in the UN are restored. In 1972, the process of improving China-US relations begins. China adopts the “diplomatic policy” of “one front”, of “one line”. By 1979, China maintains diplomatic relations with 120 countries.

The fourth period – the early 1980s – the late 1990s – is characterized by an independent position. It is emphasized that China will no longer enter into strategic relations or rely on any great power. To solve the problem of Hong Kong and Macau, the ‘one country – two systems’ format is proposed and successfully implemented together with England and Portugal.

In the fifth period – 2000 – the present days – a policy of maintaining the existing international system based on the principles of peaceful co-existence is being followed. The idea of a harmonious world, aimed at joint development is put forward [3].

The People's Republic of China has probably gone through the most difficult and dramatic period of interaction with world communities. These were the years of a consistent and logical change in the strategies of the PRC, which always corresponded to certain foreign political circumstances and the emerging facts of the domestic political situation.

In the 21st century, China, as before, used the usual systems of formulating strategies and became an open way to create clear and clearly recognizable traditional values. Two great powers – the United States and Russia – continue to influence China's strategy. The way out of the historically established dualistic paradigm is not yet obvious.

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## ASIAN INFRASTRUCTURE INVESTMENT BANK ALS ALTERNATIVE ZUM INTERNATIONALEN WÄHRUNGSFONDS FÜR BRICS-LÄNDER

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**Trofimchenko K. S., Krupkina T. V. Asian Infrastructure Investment Bank als Alternative zum Internationalen Währungsfonds für BRICS-Länder.** Der Artikel analysiert die Merkmale der AIIB und ihrer Aktionärsländer seit ihrer Gründung. Die Vorteile und Gefahren der Finanzierung von Infrastrukturprojekten durch eine neue Investmentbank werden aufgezeigt. Der Platz der AIIB auf der Weltbühne und die Möglichkeiten ihrer Entwicklung werden vermerkt. Die politischen Ressourcen der Aktionäre und die Finanzpolitik der Bank werden untersucht. Die Merkmale der Beziehung zwischen dem IWF und China werden berücksichtigt. Die Aussichten für eine Stärkung der künftigen Rolle der AIIB im internationalen Finanzsystem sind gerechtfertigt.

**Schlüsselwörter:** AIIB, Bankfinanzpolitik, Investmentbank, Infrastrukturprojekte, Länder der Bankaktionäre, politische Ressourcen, Finanzsystem.

**Трофимченко К. С., Крупкіна Т. В. Азіатський банк інфраструктурних інвестицій як альтернатива Міжнародному валютному фонду для країн БРІКС.** У статті проаналізовано особливості діяльності АБІІ та його країн-акціонерів з моменту його створення. Визначено переваги та загрози фінансування інфраструктурних проєктів новим інвестиційним банком. Відзначено місце АБІІ на світовій арені, можливості його розвитку. Досліджено політичні ресурси акціонерів, фінансову політику банку. Розглянуто особливості взаємовідносин МВФ і Китаю. Обґрунтовано перспективи посилення подальшої ролі АБІІ в міжнародній фінансовій системі.

**Ключові слова:** АБІІ, інвестиційний банк, інфраструктурні проєкти, країни-акціонери банку, політичні ресурси, фінансова політика банку, фінансова система.

**Трофимченко К. С., Крупкина Т. В. Азиатский банк инфраструктурных инвестиций как альтернатива Международному валютному фонду для стран БРИКС.** В статье проанализированы особенности деятельности АБИИ и его стран-акционеров с момента его создания. Определены преимущества и угрозы финансирования инфраструктурных проектов новым инвестиционным банком. Отмечено место АБИИ на мировой арене, возможности его развития. Исследованы политические ресурсы



акционеров, финансовую политику банка. Рассмотрены особенности взаимоотношений МВФ и Китая. Обоснованно перспективы усиления дальнейшей роли АБИИ в международной финансовой системе.

**Ключевые слова:** АБИИ, инвестиционный банк, инфраструктурные проекты, страны-акционеры банка, политические ресурсы, финансовая политика банка, финансовая система.

**F o r s c h u n g s r e l e v a n z .** In den letzten Jahren ist die Region Asien-Pazifik ein starkes globales Zentrum für internationalen Handel, finanzielle Ressourcen und fortschrittliche Produktion. Es sind BRICS-Länder, die den größten Anteil an der Entwicklung dieser Region haben, die von den Prozessen der regionalen und subregionalen Integration, der finanziellen Verflechtung, der multilateralen Zusammenarbeit und dem Strukturwandel der Wirtschaftsentwicklungsmodelle bestimmt wird.

Wir können beobachten, wie schnell sich die asiatische Wirtschaft entwickelt und wie sich die finanzielle Zusammenarbeit in der Region kontinuierlich vertieft. Die Infrastruktur der sich bildenden Entwicklungsländer und Wirtschaftseinheiten ist jedoch nach wie vor unterentwickelt, weshalb für die weitere Entwicklung erhebliche finanzielle Investitionen erforderlich sind. Dies ist für eine eingehendere Untersuchung der Merkmale dieser Gruppe von Interesse.

Die Geschichte der Gründung, Entwicklung und Errungenschaften der Asiatischen Infrastructure Investment Bank (AIIB) war Gegenstand zahlreicher wissenschaftlicher Arbeiten, einschließlich der Arbeiten von Chen Xiao, Savinsky S. P., Muratshina T. G., Klishina V. V., Komisina I. M., Andronova I. V., Shelepova A. V. [4] und andere.

Eine Analyse der Arbeit der AIIB seit ihrer Gründung, eine Untersuchung der Finanzpolitik der Bank und eine Analyse der Beziehungen zwischen China und dem Internationalen Währungsfonds sind d a s Z i e l dieses Artikels.

Auf Bali schlug der chinesische Präsident Xi Jinping auf dem 21. APWK-Führertreffen 2013 die Gründung einer Asian Infrastructure Investment Bank vor, um die Entwicklung der Infrastruktur im Rahmen

der Initiative zur Schaffung des Wirtschaftsgürtels der Seidenstraße und der 21. Seidenstraße zu finanzieren [2].

Dieses Finanzinstitut fördert den regionalen Infrastrukturbau in asiatischen Ländern mit der anschließenden Aktivierung eines stabilen Wirtschaftswachstums sowohl in den Ländern der Region als auch auf der ganzen Welt. Die Aktivitäten der Bank zielen auf die Finanzierung von Projekten zur Verbesserung der Infrastruktur in ganz Asien im Rahmen einer aktiven wirtschaftlichen Zusammenarbeit in der Region.

Eine besondere Attraktion der Asiatischen Bank ist der Zugang zu Beteiligungen an Infrastrukturprojekten im asiatisch-pazifischen Raum sowie die Tatsache, dass die meisten Länder mit dem Verhalten der USA im Internationalen Währungsfonds und der Weltbank unzufrieden sind [3].

Es ist wichtig anzumerken, dass der Beitritt der führenden westeuropäischen Länder ihren Willen zum Ausdruck bringt, sich aktiv an Infrastrukturprojekten in Asien zu beteiligen und in gewissem Maße die Aktivitäten der internationalen Finanzstruktur zu kontrollieren. Die Mitgliedschaft europäischer Länder in der AIIB trägt zu einer hohen Bonität der Bank bei.

Laut der offiziellen AIIB-Website für Juli 2019 sind 100 Länder der Welt Mitglieder, von denen 28 vielversprechende Teilnehmer sind [2]. Lediglich die USA und Japan haben sich – höchstwahrscheinlich aufgrund des politischen Charakters – vom Beitritt zur neuen Investmentbank ferngehalten, da das kontinuierliche Wachstum der wirtschaftlichen und militärischen Macht Chinas eine starke Bedrohung für die globale Dominanz der USA darstellt, da dies Aussichten für die Rolle eines führenden Entwicklungszentrums nicht nur in Asien bietet Pazifik, aber auch die ganze Welt. Daher ist die Eindämmung Chinas ein natürlicher geopolitischer Imperativ für die US-Außenpolitik.

Die neue BRICS-Entwicklungsbank ist eine wichtige politische und wirtschaftliche Initiative des 21. Jahrhunderts auf Weltebene. Dies ist der erste Fall, in dem eine solche Institution nach dem Zweiten Weltkrieg ohne Beteiligung des Westens geschaffen wurde.

BRICS-Länder sehen keine Opposition gegen den Internationalen Währungsfonds. AIIB wird als zusätzliche Finanzierungsquelle für Entwicklungsländer angesehen, und dies ist eine großartige Möglichkeit zur Umverteilung.

Die Charta definiert, dass asiatische Mitglieder der Bank 70% bis 75% der Anteile ausmachen, während der Rest der Länder 25–30% der Anteile ausmacht. China, Indien und Russland wurden jeweils die ersten, zweiten und drittgrößten Beitragszahler.

Auf die BRICS-Länder entfallen 19% des Welthandels und 42% der Weltbevölkerung sowie 26 Mrd. USD des gesamten BIP. AIIB ist kein Ersatz für den IWF und die Weltbank, spielt jedoch eine unterstützende Rolle, um die Bedürfnisse der Entwicklungsländer zu befriedigen. Der Eintrag für andere Länder ist absolut offen, der Anteil der BRICS-Länder bleibt jedoch unter 55%. Die Ära der Dominanz der westlichen Länder (G7) endet, wenn die AIIB voll einsatzfähig ist [1].

Wie bereits erwähnt, wurde die AIIB gegründet, um den Wiederaufbau der Seidenstraße zu finanzieren und die Handelsbeziehungen zwischen den wichtigsten Volkswirtschaften Eurasiens zu vertiefen. In diesem Zusammenhang kann die Entwicklung der Handelsinfrastruktur als ein wichtiger Faktor für die Förderung der Integration zwischen China und den wichtigsten Volkswirtschaften von Regionen wie Westeuropa, dem postsowjetischen Raum und dem Nahen Osten angesehen werden, um die Abhängigkeit chinesischer Exporteure vom US-Verbrauchermarkt zu verringern. Die Entwicklung tieferer eurasischer Handelsbeziehungen ermöglicht es, geopolitische, wirtschaftliche, finanzielle und energetische Interessen auf dem eurasischen Kontinent miteinander zu verbinden. Russland verbindet nicht nur geografisch Europa mit Asien, sondern ist auch ein diplomatischer Verbündeter, ein Lieferant von Energieressourcen und militärischer Ausrüstung Chinas, der als der vielversprechendste Partner bei der Umsetzung dieser Pläne angesehen wird.

Bei der Analyse der Beziehungen zwischen dem IWF und China kann festgestellt werden, dass die Wirtschaft von China nach

die USA den dritten oder sogar den zweiten Platz im IWF einnehmen kann. China belegt die Hälfte der weltweiten Währungsreserven, aber die Quote Chinas bei Abstimmungen im IWF beträgt nur 4%, Russland hat 2,5% und Indien – 2,44%, während der US-Anteil 17,69% beträgt.

Laut SWIFT wurde die chinesische Währung 2014 vor dem australischen und kanadischen Dollar die zweitwichtigste Währung für die Finanzierung des Welthandels und stieg 2014 in die fünf wichtigsten Zahlungswährungen der Welt ein [4].

Daher hängen die Aussichten für eine weitere Stärkung der Rolle der AIIB im internationalen Finanzsystem im Allgemeinen von mehreren Faktoren ab, die je nach Situation einen multidirektionalen Effekt auf sie haben können. Das wichtigste Element bei der Entwicklung der Bank ist die Rolle von China in ihrem Kapital- und Verwaltungsmechanismen. Mit der rechtzeitigen Berücksichtigung der oben ausgesprochenen Empfehlungen wird die AIIB unter Verwendung der finanziellen und politischen Ressourcen ihres Hauptaktionärs in der Lage sein, die Beschränkungen für ein dynamisches Wachstum der Geschäftstätigkeit zu überwinden und den Einfluss anderer Institute zu erhöhen, und wird auch dazu beitragen, das internationale Finanzsystem zugunsten der Hauptaktionäre der Bank umzugestalten.

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## FEATURES OF THE BUSINESS CLIMATE OF UKRAINE AND SWITZERLAND: COMPARATIVE ANALYSIS

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**Trofymchenko K. S., Radchenko O. I. Features of the business climate of Ukraine and Switzerland: comparative analysis.** The article discusses the comparative characteristics of doing business in Ukraine and Switzerland, identifies the problems and development prospects. A table of indicators of auspiciousness of doing business in these countries is given. The country similarity index is calculated. The legislative framework of Ukraine corresponding to the research topic is considered. Disadvantages of the “Doing Business” rating are identified.

**Keywords:** comparative characteristic, “Doing Business” rating, indicators of auspiciousness, legislative framework, similarity index.

**Трофимченко К. С., Радченко О. І. Особливості бізнес-клімату України та Швейцарії: компаративний аналіз.** У статті розглядається порівняльна характеристика ведення бізнесу в Україні та Швейцарії, визначено його проблеми та перспективи розвитку. Наведено таблицю показників сприятливості ведення бізнесу в цих країнах. Підраховано індекс міри схожості країн. Розглянуто відповідну до теми дослідження законодавчу базу України. Визначено недоліки рейтингу «Doing Business».

**Ключові слова:** законодавча база, індекс міри схожості, показники сприятливості ведення бізнесу, порівняльна характеристика, рейтинг «Doing Business».

**Трофимченко К. С., Радченко Е. И. Особенности бизнес-климата Украины и Швейцарии: компаративный анализ.** В статье рассматривается сравнительная характеристика ведения бизнеса в Украине и Швейцарии, определены его проблемы и перспективы развития. Приведена таблица показателей благоприятности ведения бизнеса в этих странах. Подсчитано индекс степени сходства стран. Рассмотрена соответствующая теме исследования законодательная база Украины. Определены недостатки рейтинга «Doing Business».

**Ключевые слова:** законодательная база, индекс степени сходства, показатели благоприятности ведения бизнеса, рейтинг «Doing Business», сравнительная характеристика.

The current state and impact of the latest regulations on small and medium-sized businesses in Ukraine are becoming more and more relevant in the context of European integration. The low level of development of small and medium-sized enterprises, as well as the contradictions between the difficult business situations and the socio-economic state in Ukraine impose the requirement of providing the favorable conditions for the successful development and the inculcation of comprehensive programs to support the business climate. The experience of developed countries, especially Switzerland, indicates that the underlying condition of its successful functioning and development is active participation of the state in the development and implementation of economic policies aimed at upholding this sector of the economy [1].

There are many studies carried out by both national and foreign researchers such as G. Sivanenko [1], V. Vorotina, G. Kolesnik, M. Busse, M. Varoudakis, K. Palivoda, N. Beha, A. Borisova and others, which are dedicated to problems and prospects for the development of small and medium-sized businesses.

The purpose of the study is to analyze the comparative characteristics of doing business in Ukraine and Switzerland according to the world ranking Doing Business 2019, since modern economic conditions and the intensive development of political and socio-economic relations require both determining prospects and elaborating further options to promote business in our country.

As was previously stated, the project "Doing Business" is dedicated to the activities of national small and medium-sized enterprises and the assessment of legal and regulatory instruments governing their activities throughout the lifetime.

According to the table 1, Ukraine takes the 71<sup>st</sup> place and Switzerland ranks 38<sup>th</sup> on the same index. Hence, they have a small similarity. But this is not surprising, since Switzerland is a country with a brilliant reputation in the international arena. In fact, occupies a stable political position (external neutrality), a transparent legal system, loyal taxation, the absence of corruption and other advantages. Although, in comparison with Switzerland, Ukraine occupies a significantly lower position in the Doing Business

ranking, in terms of growth rates it takes the 2<sup>nd</sup> position! According to forecasts of the Ministry of Economic Development, Trade and Agriculture of Ukraine for 2021, Ukraine is likely to be in the top-50 countries in the next Doing Business rating [4].

As we can see, Ukraine and Switzerland have similar results according to the indicators, for instance, “business registration” and “contract enforcement” amount to 91.07 and 88.41, 63.59 and 64.09, respectively. The indicator “permission to build” is also nearly equal. In Ukraine it accounts for 76.91 and in Switzerland – 71.75.

“Business registration” is one of the simplest positions to implement in both Ukraine and Switzerland. It is necessary to choose a company’s name and make sure that there is no any enterprise with the same name in the country, agree on the type of business activity, indicate the legal address of the company and open a special consignment account in a bank and deposit the authorized capital of the new company.

*Table 1*

**Indices of auspiciousness of doing business  
in Ukraine and Switzerland (2019)**

	Switzerland rating	Ukraine rating	Switzerland indicator	Ukraine indicator
Global	38	71	75,69	68,25
Business registration	77	56	88,41	91,07
Permission to build	69	30	71,75	76,91
Electrical connection	11	135	94,41	59,17
Property registration	16	63	86,12	69,74
Access to credit	73	32	60	75
Protection of minority shareholders	110	72	50	58,33
Tazation	20	54	87,66	79,35
International trade	39	78	91,79	77,62
Contract enforcement	55	57	64,09	63,59
Solving insolvency issues	46	145	62,67	31,72

Compiled by the author according to [2; 3]

The countries under study have identical indices of building norms quality (2.0), quality control during construction (2.0) and after construction (3.0) according to the “permission to build” indicator. Ukraine approached the level of Switzerland thanks to several reforms: eliminating the need to obtain initial data for projecting in the SES (State Emergency Service); the requirement for a higher education system as to project managers and technical engineers training.

Although Ukraine and Switzerland have some similar indicators, the index of the degree of similarity is 8.5 regarding performed calculations and it shows they are markedly different.

It should be noted that the most distinguishing indicator is “solving insolvency issues”, which is 31.72 and 62.67 in Ukraine and Switzerland respectively. Such disappointing statistics did not surprise anyone, since the inefficiency of the current bankruptcy system in Ukraine is obvious. For example, the bankruptcy procedure is quite expensive in Ukraine: its costs are at least 40.5% of the debtor's property value. While similar costs account for only 4.5% in Switzerland. However, on October 18, 2018 it was adopted the Ukrainian Code with the procedure of bankruptcy, which gives hope for further growth [2].

Both “electrical connection” and “property registration” in these countries are significantly different, because the indicators are 35.24 and 16.38 respectively. The underlying cause is the Ukrainian heavy bureaucratic system. For instance, in order to get an electricity connection in Ukraine you need 281 days, when in Switzerland this procedure takes only 39 days. Ukraine has a disappointing indicator of "property registration" because of the absence of electronic documents on the land rights and real estate ownership.

Ukraine is 15 steps ahead of Switzerland regarding the “access to credit” indicator. However, this indicator is worsening annually due to the absence of systemic changes. In order to improve it, the state should open up public access to the movables encumbrance registry with the ability to view the history of changes and provide



credit bureaus with information received from retail companies and public utility organizations.

Ukraine is 15 steps behind Switzerland in terms of “international trade”, because in Ukraine, in comparison with Switzerland, a lot of time is spent on preparing the necessary documents and crossing the border. It applies to both export and import procedures: 6 hours as against 1 hour (export) and 32 hours as against 1 hour (import). However, in Ukraine this procedure is two times cheaper than in Switzerland.

Although the difference in “taxation” in these countries is not large: this indicator amounts to 87.66 in Switzerland and 79.35 in Ukraine, but the Swiss tax system is still considered to be one of the most progressive in the whole world. There is no inflation in this country, and the unemployment rate does not exceed 5%. Therefore, the only way to improve Ukraine’s position of this indicator is to reduce the tax rate on the salary fund and the administrative burden by replacing an income tax with the tax on withdrawn capital [4].

Wrapping up the results of the study, I can conclude that Ukraine has significantly improved the business climate and also takes the second place in the world in terms of growth rates in the ranking over the past year, while Switzerland lost 5 points compared to 2017 [5].

“International trade” and substantial progress in enforcing contracts, as well as the growth in protecting minority shareholders “pulled” Ukraine’s current rating in comparison with 2018. In particular, thanks to the new corporate legislation this progress could be achieved in Ukraine.

However, negative dynamics was observed in such areas as “business registration” and “electrical connection” in Ukraine while no negative changes have occurred in Switzerland. Although there are several issues that must be improved in the latter country. It still lags behind in digitalization of bureaucratic processes in comparison with the international indicators. The approving application procedure is too protracted, and business lending is too limited [4].

To sum up, according to the comparative analysis performed, doing business in Ukraine is relatively easy. It should be mentioned that the Doing Business rating takes into account the issues concerning the legal and bureaucratic side of doing business rather than economic aspects.

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## DIE BEDEUTUNG DER GLOBALISIERUNG

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**Trofymenko A. O., Pirog I. I. Die Bedeutung der Globalisierung.** Der Artikel befasst sich mit dem Wesen der Globalisierung, der wirtschaftlichen Globalisierung, der politischen Globalisierung, sowie positiven und negativen Aspekten der Globalisierung.

**Stichwörter:** arm, die Globalisierung, die Handelsmöglichkeiten, arm, die Region, die Technologie, vorankommen, die Wirtschaft.

**Трофименко А. О., Пірог І. І. Важливість глобалізації.** У статті розглядаються суть глобалізації, економічна глобалізація, політична глобалізація, позитивні та негативні сторони глобалізації.

**Ключові слова:** бідний, глобалізація, економіка, прогресувати, регіон, технології, торгові можливості.

**Трофименко А. А., Пирог И. И. Важность глобализации.** В статье рассматриваются суть глобализации, экономическая глобализация, политическая глобализация, положительные и отрицательные стороны глобализации.

**Ключевые слова:** бедный, глобализация, прогрессировать, регион, технологии, торговые возможности, экономика.

Kaum ein Thema wird so intensiv und kontrovers diskutiert wie die Globalisierung. Die einen verbinden mit ihr die Annäherung der Kulturen, wirtschaftliches Wachstum weltweit und ungeahnte Entfaltungsmöglichkeiten. Andere hingegen fürchten die Dominanz der Ökonomie, den Verlust regionaler Vielfalt, ökologischen Raubbau sowie eine zunehmende Kluft zwischen Arm und Reich [1].

Der Gattungsbegriff „Globalisierung“ beschreibt die immer enger werdende Verflechtung diverser Lebensbereiche über die gesamte Welt verteilt. Sie betrifft gesellschaftliche Systeme wie Wirtschaft, Politik, Umwelt, Kommunikation oder Kultur, theoretisch aber jeden Bereich des Lebens und aller Lebewesen. Globalisierung besitzt eine Reihe von positiven Seiten: Menschen lernen sich kulturübergreifend kennen und tolerieren, die Horizonte

erweitern sich und es ergeben sich Handelsmöglichkeiten, von denen man vor wenigen Jahrzehnten nur träumen konnte. Die weiter entwickelten Teile der Erde haben nun die Möglichkeit, ärmeren Regionen der Welt tatsächlich zu helfen. Trotzdem bringt die Globalisierung nicht nur Gutes mit sich: Tierarten werden durch die Reisetätigkeit des Menschen verschleppt und verändern ökologische Bedingungen, die Umwelt wird erheblich gefährdet und Teile der Erde entwickeln sich zu schnell, nur um mit den anderen mithalten zu können.

Globalisierung ist zunächst ein Begriff, der keine Wertung vornimmt. Er beschreibt das Phänomen, dass alle Bestandteile des menschlichen Lebens aufgrund neuer Technologien und den daraus resultierenden Möglichkeiten enger zusammenrücken und miteinander vernetzt werden, ohne dass die räumliche Distanz noch eine große Rolle spielt. Sie ist zumindest keine so große Hemmschwelle mehr wie in den vergangenen Jahrhunderten. Besonders wichtig sind für die Globalisierung Transport- und Kommunikationstechnologien. Aktuell ist man im Bereich Transport noch auf fossile Brennstoffe angewiesen, woraus auch der Aspekt der Umwelt-Problematik resultiert.

Die digitale Revolution mit bahnbrechenden Neuerungen wie der Internet-Flatrate, der VoIP-Telefonie und Social Networks sorgt heute für eine virtuelle Vernetzung der Menschheit auf der ganzen Welt und belastet die Umwelt nicht. Notwendigerweise zieht die Globalisierung aber auch eine vernetzte Außenpolitik aller Nationen, politische und wirtschaftliche Verträge sowie gemeinsame Rechtsgrundlagen nach sich, die die Vernetzung regeln. Den Begriff „Globalisierung“ gibt es allerdings schon länger als die digitale und reelle Vernetzung: seit 1944 taucht er in der Sozialwissenschaft auf. Populär wurde er durch das Buch „Megatrends“ (1982) des Amerikaners John Naisbitt, der den Begriff in Zusammenhang mit der Automobilindustrie setzte und eine Form der Globalisierung beschrieb, wie sie als Grundlage des heutigen Phänomens gedient hat.

Die wirtschaftliche Globalisierung

Eine besonders intensive Auswirkung entfaltet die Globalisierung auf die Wirtschaft. Nationen vernetzen sich immer stärker miteinander und es ist naheliegend, dass davon auch der Welthandel betroffen ist. Zunächst nehmen natürlich die Aktivitäten der Global Player zu, also der großen Konzerne, die überall auf der Welt Filialen und Niederlassungen besitzen. Damit geht aber auch die Ungleichverteilung der Tätigkeiten dieser Konzerne einher. Im Westen, also in Europa und Amerika, sitzt meist die Verwaltung. Die Manager der Konzerne stammen gebürtig aus diesen Gebieten, werden dort ausgebildet und bleiben auch für die Arbeit dort. In den ärmeren Regionen der Welt hingegen sitzen primär die Produktionsstätten. Die Arbeitskräfte dort verlangen keine so hohen Löhne wie qualifizierte westliche Arbeitskräfte. Häufig sitzen auch Callcenter in ärmeren Regionen der Welt, also beispielsweise in Osteuropa oder auf der Südhalbkugel – anrufen kann die Kundschaft aber nach wie vor 24 Stunden am Tag. Daraus resultiert meist ein Schichtbetrieb rund um die Uhr oder aber die Umstellung der Arbeitszeiten der Mitarbeiter auf die eigentlichen Nachtzeiten – je nach Zielmarkt.

Wichtige wirtschaftliche Indikatoren sind aber auch die Finanzmärkte. Sie wachsen generell und man kann beobachten, dass ausländische Direktinvestitionen zunehmen. Die Prozesse der globalisierten Finanzmärkte sind komplex und noch in der Entwicklung, sodass sich in den kommenden Jahren sicherlich noch sehr viel in diesem Segment ändern wird. Man konnte allerdings bereits in der Vergangenheit beobachten, dass etwa ein Börsencrash in den USA zu einer weltweiten Wirtschaftskrise führte – die finanzielle Globalisierung ist also kein neues Phänomen mehr.

#### Politische Globalisierung

Es war in der Vergangenheit so und wird vielleicht immer so bleiben: die Wirtschaft oder die Philosophie machen einen großen Sprung und die Politik zieht nach, indem sie Gesetze erlässt, die die neuen Möglichkeiten regeln und beschränken. So ist es auch bei der Globalisierung. Rein technisch gesehen sind wir heute dazu in der Lage, jeden Ort der Welt zu erschließen und für unsere Zwecke zu

nutzen oder auszubeuten. Starke Industrienationen arbeiten dabei mit Schwellen- und Entwicklungsländern zusammen, die wirtschaftlich unterlegen sind, die aber politische Instabilität und eine ganz neue Umweltproblematik in die Konstellation miteinbringen. Politische Abkommen, Absichtserklärungen, Verträge, Dokumente und Beschlüsse wie etwa das Kyoto-Protokoll sollen dafür sorgen, dass die Globalisierung sich nicht verselbständigt und außer Kontrolle gerät. Solche Abkommen dienen dem Schutz der Umwelt, der juristischen Regelung engerer Zusammenarbeit, der Mäßigung politisch instabiler und potenziell gefährlicher Entwicklungsländer, der Entwicklung der Menschheit in den Regionen, die von der globalen Entwicklung wirtschaftlich profitieren, sowie der Weiterentwicklung und Steigerung wirtschaftlicher Erfolge.

Es bilden sich auch immer mehr regionale Zusammenschlüsse, so etwa die im Aufbau befindliche Afrikanische Union oder CARICOM in der Karibik, die den Zweck haben, einzelne Regionen global besser dastehen zu lassen und ihren Erfolg als politische Einheit zu erzielen. Durch den Druck auf die Politik, überstaatliche Rechtsgrundlagen zu schaffen, schreitet die Globalisierung noch schneller voran und wird vor allem amtlich, offiziell und schriftlich festgelegt, was ihr eine ganz neue Ernsthaftigkeit verleiht. Das ruft vielen Menschen erst ins Bewusstsein, wie real die Globalisierung ist und wie weit sie bereits fortgeschritten ist.

Die Kommunikation erstreckt sich auf die wirtschaftliche und politische Welt. Unternehmen sind nun weltweit miteinander vernetzt, was es überhaupt erst ermöglicht, so effektiv weltweit zu agieren, wie es die Globalisierung wiederum erfordert. Selbst die politischen Führer der Staaten, Bündnisse und Abkommensgemeinschaften stehen auf Wunsch jederzeit in direkter Verbindung und können schnell handeln, wenn die Lage dies erfordert [2].

Schlüsfolgerungen. Globalisierung – gut oder schlecht? Ob die Globalisierung gut oder schlecht ist, darüber scheiden sich die Geister. Die Vorteile liegen auf der Hand: die Wirtschaft kann sich ausdehnen und die starken Industrienationen können dafür sorgen, dass unter der Entwicklung so wenige Einwohner armer Regionen

wie möglich zu leiden haben. Aufgrund der Vernetzung in diese Regionen der Welt können sie ihren Einfluss üben und sozial gerechte Bedingungen schaffen. Ansätze wie Fairtrade gibt es bereits seit Jahren, sie gründen auf dem Gedanken der sozialen Verantwortung der reichen westlichen Welt. Neben der Bekämpfung der Armut ziehen positive westliche Werte wie die Gleichberechtigung der Frau, die Gleichheit aller Menschen vor dem Gesetz oder das Recht auf körperliche Unversehrtheit in Teile der Welt ein, die solche Grundsätze bisher noch nicht kannten und daher nur für einige ihrer Einwohner humane Lebensbedingungen boten. Dadurch, dass sich Nationen auf politischer Ebene begegnen und gemeinsam friedliche Lösungsansätze finden müssen, werden sicherlich auch Kriege unwahrscheinlicher als zu früheren Zeiten, in denen die Staaten noch relativ alleine oder mit nur wenigen Verbündeten präsent waren. Kritik an der Globalisierung üben kann man aber unter dem Gesichtspunkt, dass die Mobilität des Menschen und die Entwicklung der Wirtschaft in armen Regionen der Erde zu erheblichen Umweltproblemen führen.

Es ist nicht sicher, wie leicht sich diese lösen lassen und ob es überhaupt eine sinnvolle Lösung dafür geben kann. Filtersysteme und umweltfreundliche Innovationen, von denen sicherlich auch noch einige Einzug in den industriellen Alltag erhalten werden, sind teuer und können vielleicht auch nicht mehr viel ausrichten, da die Menge der Emissionen bereits heute immens ist. Die Globalisierung als Ganzes kann man also kaum bewerten. Viele positive Aspekte würden wir heute nicht mehr missen wollen, die negativen Gesichtspunkte hingegen haben wir bis heute nicht gelöst – die Globalisierung schreitet trotzdem weiter voran. [2]

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2. URL: <https://www.globalisierung-fakten.de/globalisierung-informationen/referat/>

## INFORMATIONSTERRORISMUS: ENTWICKLUNG EINER GEGENSTRATEGIE

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**Troyan A. S., Krupkina T. V. Informationsterrorismus: Entwicklung einer Gegenstrategie.** Der Artikel bietet einen Überblick über Änderungen der Funktionsweise terroristischer Organisationen im Kontext moderner Technologien und Methoden zu deren Bekämpfung.

**Schlüsselwörter:** gezielte Bekämpfung von Terrorismus, Informations- und Kommunikationstechnologien, Planung Rekrutierung und Strategie, Taktik und Terrorismus.

**Троян А. С., Крупкіна Т. В. Інформаційний тероризм: розвиток контрстратегії.** У статті запропоновано огляд змін методів функціонування терористичних організацій в умовах сучасних технологій та методів протидії їм.

**Ключові слова:** інформаційно-комунікаційні технології, планування, рекрутинг, стратегія і тактика, тероризм і цільова боротьба з тероризмом

**Троян А. С., Крупкіна Т. В. Информационный терроризм: развитие контрстратегии.** В статье предоставлен обзор изменений методов функционирования террористических организаций в условия современных технологий и методы противодействия им.

**Ключевые слова:** терроризм, информационно-коммуникационные технологии, стратегия и тактика, рекрутинг, планирование и целевая борьба с терроризмом.

Das Objekt des Artikels ist die Informationstechnologie. Das Subjekt dieses Artikels sind Informations- und Kommunikationstechnologien, die von terroristischen Organisationen eingesetzt werden. Das Ziel des Artikels ist es, Technologien zu identifizieren, die im Hinblick auf ihre Verwendung durch terroristische Organisationen das größte Potenzial haben, sowie Empfehlungen für Sicherheitskräfte zu entwickeln, die darauf abzielen, die Wirksamkeit von Terroristen, die diese Technologien einsetzen, zu bekämpfen, zu verhindern oder zu verringern.



In den letzten Jahrzehnten hat die weit verbreitete Einführung moderner Informationstechnologien in allen Bereichen des öffentlichen Lebens die Abhängigkeit der Gesellschaft von der Zuverlässigkeit des Funktionierens der Informationsinfrastruktur, der Zuverlässigkeit der verwendeten Informationen, ihrer Sicherheit gegen unbefugte Änderungen und auch gegen den unrechtmäßigen Zugang zu diesen Informationen erheblich erhöht. Die Möglichkeiten, neue Technologien für destruktive, kriminelle und antisoziale Zwecke einzusetzen, gewinnen zunehmend an Bedeutung und ziehen die Aufmerksamkeit von Vertretern verschiedener wissenschaftlicher Disziplinen und Berufsgruppen auf sich. Gleichzeitig bleibt eine beispiellose Kluft zwischen dem sich beschleunigenden Tempo der technologischen Innovation und des technologischen Wandels einerseits und der chronisch verzögerten Reaktion der politischen und legislativen Institutionen andererseits [2].

Heute zweifelt niemand mehr daran, dass terroristische Organisationen bei der Planung und Durchführung ihrer Aktionen eine breite Palette der neuesten Technologien einsetzen. Es sollte bedacht werden, dass die globale Nachfrage der Verbraucher nach allen neuen Arten von Produkten und deren Funktionalität eine Welle neuer Technologien hervorruft, von denen viele von Terroristen genutzt werden können, um die Effizienz und Effektivität ihrer Aktionen zu steigern. Gleichzeitig sind Technologien eine zweischneidige Waffe: Sie tragen zur Steigerung der Effizienz und Effektivität bei und können gleichzeitig neue Sicherheitslücken schaffen [9]. Um den Platz und die Rolle relevanter Technologien in der Struktur der Aktivitäten terroristischer Organisationen zu untersuchen, muss man daher nicht nur die Natur der Technologien selbst verstehen, sondern auch die Ziele und Methoden ihrer Anwendung im Rahmen spezifischer operativer Aktionen von Terroristen und der Bekämpfung von Sicherheitskräften.

Heutzutage haben Formen und Methoden der Einstellung, die auf neuen Netzwerktechnologien basieren, den Umfang, die Effizienz und die Effektivität dieser Art von Aktivitäten erheblich gesteigert. Moderne Netzwerktechnologien wie das Internet und

Videospiele verbessern die Fähigkeit terroristischer Gruppen, ihre Ideen zu verbreiten und zu fördern, und berücksichtigen dabei auch die Probleme bei der Anpassung von Form und Inhalt der Botschaft an die Merkmale bestimmter Zielgruppen. Insbesondere verwendete die Hisbollah selbstgemachte Videospiele mit Elementen von Gewalt und Grausamkeit wie Special Force und Under Ash, um ihre pro-palästinensischen und anti-israelischen Ansichten zu fördern und potenzielle Kandidaten im Libanon und in anderen Ländern anzuziehen.

Der technologische Fortschritt hat die Praxis der Bereitstellung von Ressourcen für terroristische Organisationen erheblich verändert. Innovative Finanzinstrumente wie Cyber-Zahlungen und Internet-Banking sowie Geldwäsche und andere finanzielle Cyberkriminalität sind in den letzten Jahren für Terroristen zugänglicher geworden [4]. Es gibt Beispiele für Terroristen, die Computerausrüstung zum Hacken und Erstellen von Kreditkarten verwenden und elektronische Überweisungen verwenden, um die mit physischem Kontakt verbundenen Risiken zu verschleiern und zu verringern. Wir sprechen auch über die Nutzung informeller Zahlungsnetze, die nicht mit den offiziellen Finanzsystemen verbunden sind, wie zum Beispiel Hawala („Trust“ – Hindi). Solche Finanztransfers hinterlassen keine rechtlich signifikanten "Spuren" und gewährleisten die Anonymität sowohl für den Absender als auch für den Empfänger von Geldern [7]. Für Terroristen bieten sie eine einzigartige Gelegenheit, globale Finanztransaktionen mit minimalen Kosten und minimalem Risiko durchzuführen.

Die Entwicklung und Verbreitung des Internets hat zur Entstehung einer riesigen und dynamisch gefüllten Online-Bibliothek von Schulungsmaterialien in vielen Sprachen der Völker der Welt geführt, die nicht nur verschiedene Arten von Waffen, Techniken und Methoden zur Durchführung von Terroranschlägen abdeckt, sondern auch detaillierte Anweisungen zur Gewährleistung der Geheimhaltung und Sicherheit ihrer Teilnehmer enthält. [1] Video hat sich vor kurzem zu einer der Schlüsselkomponenten des Technologietrainings entwickelt. In den letzten zehn Jahren hat die Produktion und

Verwendung von Videoaufzeichnungen bei terroristischen Aktivitäten erheblich zugenommen. Solche Aufzeichnungen werden nicht nur für die operative Ausbildung von Militanten verwendet, sondern auch für andere Zwecke: als Element der Propaganda, als Mittel zur Bewertung des verursachten Schadens und der Gesamteffektivität der Operation, als Mittel zur Untersuchung der Reaktion der Sicherheitskräfte, um neue terroristische Taktiken zu verbessern und zu entwickeln. Es gab Fälle, in denen Terroristen Computersimulationstools und verwandte Softwaretechnologien zur Vorbereitung der Kundgebung verwendeten. So verwendeten die Teilnehmer am Angriff vom 11. September 2001, die das beschlagnahmte Flugzeug kontrollierten, das Boeing 747-400-Simulationsprogramm und das Schulungsvideo der Aktionen des Boeing 767-Piloten in ihrer Schulung [5]. Offensichtlich bietet der Einsatz solcher Werkzeuge eine unvergleichlich effektivere Vorbereitung unter Wahrung der Geheimhaltung im Vergleich zu jeglichem praktischen Training unter Bedingungen, die den tatsächlichen Bedingungen nahe kommen.

Wie die Geschichte zeigt, haben wirksame Terrorgruppen seit mehreren Jahren erhebliche Anstrengungen und Ressourcen in Aufklärung, Aufklärung und gezieltes Vorgehen investiert. Natürlich gibt es Beispiele für erfolgreiche Angriffe ohne vorherige Aufklärung und Aufklärung. In der Vergangenheit führten terroristische Gruppierungen diese Aktivitäten mit einem Minimum an technischen Mitteln durch, und die auf diese Weise erhaltenen Informationen wurden in relativ einfachen Planungsformen verwendet [8].

Moderne Netzwerktechnologien haben diese Art von Aktivitäten erheblich verändert und die Fähigkeiten der Aufklärung und Aufklärung erheblich erweitert. Preisgünstige und miniaturisierte Digitalkameras und Camcorder erleichtern die verdeckte Aufzeichnung des Geschehens. Die resultierenden Bilder benötigen kein Entwicklungsverfahren, mit dem Sie sperrige Geräte entfernen können, die die Aufmerksamkeit von Außenstehenden auf sich ziehen. Sie lassen sich auch einfach mit einem Computer bearbeiten und verarbeiten [3].

Fortgeschrittene Terrorgruppen können von kommerziellen Satellitenbildern, dem GPS-Navigationssystem sowie umfangreichen Informationen über interessante Objekte im Internet profitieren. Diese Informationen können mit minimalem Aufwand anonymisiert abgerufen werden. Solche Möglichkeiten können die Effektivität von nachrichtendienstlichen Aktivitäten erheblich steigern, ohne die Mitglieder der Gruppe zu gefährden

Darüber hinaus können vor Ort tätige Nachrichtendienstmitarbeiter die zur weiteren Verarbeitung und Analyse empfangenen Informationen mithilfe verfügbarer Datenverschlüsselungstools fast sofort an eine Zentrale auf der anderen Seite der Welt senden, wodurch das Risiko der Erkennung und Verwendung verringert wird Spionageabwehrmaßnahmen.

Gegenwärtig haben moderne Netzwerktechnologien sowie innovative kommerzielle und soziale Formen ihrer Anwendung die Fähigkeit terroristischer Gruppen, Propaganda- und Informationskampagnen für ein Massenpublikum durchzuführen, erheblich beeinträchtigt. Deutlich erhöhte die Vielfalt der verfügbaren Medienressourcen. Wenn früher Terroristen durch die Wahl zwischen Fernsehen, Radio, Drucksachen, Graffiti und dergleichen eingeschränkt waren, können sie heute die breiten Möglichkeiten des Internets nutzen, um Websites, elektronische Magazine, Radiokanäle und andere Mittel der Online-Kommunikation zu organisieren [12]. Wie der amerikanische Forscher G. Weimann in diesem Zusammenhang feststellt, "kombiniert Al-Qaida die Fähigkeiten von Multimedia-Propaganda und fortschrittlichen Kommunikationstechnologien, was zu einer sehr raffinierten Form der psychologischen Kriegsführung führt" [10]. Darüber hinaus ist es heutzutage nicht schwierig, mit verfügbarer Software und kostengünstiger Computerausrüstung qualitativ hochwertiges, professionellem Propagandamaterial zu produzieren. Moderne Softwareanwendungen erleichtern die Übersetzung von Materialien in Fremdsprachen erheblich. Multimedia-Produkte, die Videomaterial enthalten, müssen möglicherweise nicht einmal übersetzt werden [11].

Schließlich wird die Umsetzung von Gegenpropagandamaßnahmen im Rahmen der Terrorismusbekämpfung immer schwieriger. Nachdem der Staat seine bisherigen Möglichkeiten zur wirksamen Eindämmung der Verbreitung von Terrorismuspropaganda und zur Kontrolle des Inhalts unabhängiger Informationsressourcen versäumt hat, sieht er sich mit der Notwendigkeit konfrontiert, die Terrorismuspropaganda durch eigene Informationskampagnen zu bekämpfen, was eine spürbare Verschiebung in der Dynamik des Konflikts zwischen Terroristen und Antiterroristen darstellt.

Dies ist eine neue Form des Wettbewerbs, auf die Staatsmänner und relevante Strukturen nicht vollständig vorbereitet sind. Gleichzeitig wird jeder Experte auf dem Gebiet der Organisation von politischen Kampagnen eine offensichtliche Tatsache bestätigen: Die bloße öffentliche Erwähnung der Terrorpropaganda erhöht unweigerlich ihre Sichtbarkeit für ein breites Publikum und damit ihren Einfluss [6].

Die vorgelegte Analyse schlägt vor, dass die Strategie zur Bekämpfung des Einsatzes neuer Technologien durch Terroristen sich in erster Linie auf diejenigen Technologien konzentrieren sollte, die eine Steigerung der Gesamteffektivität terroristischer Organisationen im Vergleich zu jenen versprechen, die sich auf die letztendliche Wirksamkeit terroristischer Aktionen konzentrieren. Die Anstrengungen und Ressourcen, die sich auf das hypothetische „revolutionäre“ Potenzial von Netzwerktechnologien konzentrieren, sollten sich in erster Linie auf Überwachungs- und Frühwarnmaßnahmen in Bezug auf die Entwicklung und Anwendung solcher Technologien konzentrieren und nicht auf Maßnahmen, die sich direkt gegen diese Technologien richten.

**D a s F a z i t :** Die Anstrengungen und Ressourcen, die sich auf das Potenzial von Netzwerktechnologien konzentrieren, sollten sich in erster Linie auf eine vorbeugende Warnung vor der Entwicklung solcher Technologien und Systeme konzentrieren, anstatt Technologien als solche entgegenzuwirken.

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## UKRAINIAN FINANCIAL FUTURE OF BLOCKCHAIN TECHNOLOGY

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**Tsivenko Y. A., Davydenko I. V. Ukrainian financial future of blockchain technology.** The research focuses on the use of blockchain technology in banking and non-banking. A study was carried out to identify classifications of types and functions of the systems. The research studies the modern experience of banks' use of technologies for settlement operations and the trends in the development review of technology in Ukraine. The work reveals the opportunities and prospects arising from the use of this technology.

**Key words:** Banking, bitcoin, blockchain, consensus, contract, cryptography, decentralization, investment banking, lending, PayPal, smart, Visa.

**Цівенко Ю. О., Давиденко І. В. Майбутнє блокчейн технологій в фінансовій сфері України.** Робота присвячена використанню блокчейн технологій у банківській та небанківських сферах. Проведене дослідження щодо класифікації видів та функцій системи, роботи банків з блокчейн технологіями для розрахункових операцій. Виявлено найголовніші тенденції із застосуванням технології блокчейн. Проведено огляд тенденцій розвитку технології в Україні. В ході роботи було виявлено можливості та перспективи що виникнуть в разі використання даної технології.

**Ключові слова:** Банківські операції, біткоїн, блокчейн, децентралізація, консенсус, кредитування, криптографія, інвестиційний банкінг, смарт-контракт.

**Цивенко Ю. А., Давиденко И. В. Будущее блокчейн технологий в финансовой сфере Украины.** Исследование раскрывает использование технологии блокчейн в банковской и небанковской сферах. Прделана работа для классификации типов и функций систем. Проведено исследование современного опыта использования банками технологий для проведения расчетных операций; тенденции в развитии технологий в Украине. В ходе работы были выявлены возможности и перспективы использования этой технологии.

**Ключевые слова:** Банковские операции, биткойн, блокчейн, децентрализация, консенсус, кредитование, кредитный банк, криптовалюта, смарт-контракт.

The o b j e c t of the article is Blockchain technology and its applications in banking. The s u b j e c t of the article is the essence, organizational and technological capabilities, modern application, development properties and analysis of the positive and negative influence of the Blockchain system on economic and purely banking spheres. The p u r p o s e of this scientific work is to define the modern role of Blockchain technology in financial transactions, to reveal the experience of working with this technology in the world and to determine the prospective directions of application of Blockchain technology in the functioning of financial and credit institutions of Ukraine. The r e l e v a n c e of the search results is determined by the fact that the obtained material can be used further in-depth and advanced research and in the process of improving the activities of banks and banking systems.

Banking is a technologically simple transaction, which is the basic component of a banking product. In order to meet the needs of consumers, it is necessary to look for opportunities to improve the money circulation system, accelerate payment transactions, increase reliability and efficiency of operations. To this end, the latest methods of information processing by means of computerization are mastered. The modern era offers the latest cryptographic methods of encryption, which are starting to be applied in the banking sphere. We have all the reasons to believe that it will boost the regulation and functioning of monetary circulation.

The first protocols of "electronic money" were proposed by scientists Stefan Bens and David Chaum back in 1983 [8]. But it was only beginning. Later, in the 21st century, the world has seen brilliant developments – the Blockchain system and the Bitcoin, created by a person or group of people known as Satoshi Nakamoto. On January 3, 2009, the first cryptocurrency was issued and the first block was created [9]. This was the stimulus for the third industrial (information) revolution, which will change the world in the nearest future. The topic of this work is timely, as it describes priority directions of development of the banking sector.



The study of cryptographic encryption methods is related to the work of such scientists as John McLean, ChishkiPrist, Daniel Palmer, Vincent Gramoli, Elwood Shannon, Friedrich Casiski, AugusteKerkgofts, Edward Hebern, Gerhard Damm, David Kahn, Whitfield Diffey, Leonard Max, Philip Zimmerman, and others.

Blockchain technology was conceptualized by an individual (or group of individuals) known as Satoshi Nakamoto in 2008.

It was launched the following year in January 2009 by Nakamoto as a core component of the cryptocurrency Bitcoin, where it serves as the public ledger for all transactions on the network.

Through the use of Blockchain, Bitcoin became the first digital currency to solve the double-spending problem without requiring a trusted authority and has been the inspiration for many additional applications [6].

Using cryptography, Blockchain dramatically increasing social scalability, and provides millions of humans with the ability to financially collaborate with increasingly large numbers of other humans, which makes it a necessary feature of civilization.

The technology enables transactions between individuals with little or no social relationship. Blockchain has the potential to increase social scalability to a level that hasn't been reached yet.

For the first time, we have a way for one Internet user to transfer a unique piece of digital property to the other Internet user safely and securely without relying on a trusted third party.

A Blockchain is a ledger that uses cryptography and incentives to record transactions in a tamper-evident way. This allows making trust-minimized transactions between pseudonymous parties without requiring a trusted intermediary.

Modern cryptography is used on many popular websites, in credit card chips, and computer passwords. In all these cases, it's trying to keep a third party (read: hacker, thief, etc.) from stealing sensitive data like your credit card information.

The building block we'll start our research with is hash functions. A hash function is a mathematical function that lets you encrypt data [8]. A hash function has three properties:

- its input can be of any size;
- using any size input, it comes up with a fixed size output determined by which particular hashing algorithm is used. In order to keep it simple, we'll use a 256-bit output since that's what Bitcoin uses;
- it is efficiently computable. For any given input string, you can figure out the output in a reasonable amount of time.

The main and back feature of Blockchain is the use of algorithms of mathematical computation, as well as the exclusion of the human factor in making decisions by the system [4]. Though most Blockchain systems currently process financial transactions, in general, they can be viewed simply as atomic changes in a system's state. For example, blockchains can be used to register documents and protect them from changes.

All transactions in a Blockchain are stored in a single registry or in a ledger, and form a decentralized structure for collective decision-making. Since transactions are fully time-ordered, the current state of the system is determined solely by this transaction register. Storing a complete history of system state changes has its advantages, for example, the ability to determine the state of the system at an arbitrary moment of time, simply "losing" the corresponding transactions again.

The international practice of using Blockchain technology: banks continue to invest in Blockchain projects. The IBM Institute of Business value, with the support of the Economist Intelligence Unit, conducted a study that brought together 200 banks from 16 countries and talked about their expectations of Blockchain technology. Unfortunately, Ukrainian banks did not take part in the research.

According to a study, in 2017 15% of financial institutions have used Blockchain in their practices. It is these banks that are innovators who believe that technology will help them create new business models and startups in new markets [3].

Advanced banks believe that Blockchain will help them to save time, costs, and lower the risks in areas like backgrounders, retail payments, and consumer lending. Innovators are also convinced that

Blockchain will open up new opportunities in trade finance and corporate lending.

According to the EU Commission (2017), potential uses of DLT can include international (with the exception of SEPA) payments, syndicated lending, post-trade clearing, settlement-depository services, primary issuance of securities, tracking and management of asset registers, and automated reporting to investors and regulators (EU Commission, 2017).

It should also be noted that, in addition to banking structures, the active use of Blockchain technology is realized through mining and cryptocurrency enthusiasts. Since it is possible to join the network even via mobile phones, the number of its users is constantly increasing.

Electronic wallets were created to make it possible for cryptocurrency owners to keep their digital currency safe.

Transactions with electronic wallets have been used long enough for settlements in online stores, but now the trend is changing. The number of active wallets is estimated in the interval of 5.8-11.5 million 18 Such a large "fork" is connected with the odd definition of the active purse [3].

Blockchain also plays an important role in the trade finance sector – financial activities that are related to commerce and international trade. Even in today's disruptive world of technology, many trade finance activities still involve lots of paperwork, such as bills of lading, invoices, letters of credit, etc. Though many order management systems making it possible to carry out all this paperwork online, it still consumes lots of time.

Pros: Blockchain-based trade finance can streamline the entire trading processes by getting rid of time-consuming paperwork and bureaucracy. For example, within a traditional trade finance system, all participants must maintain their own database for all transaction-related documents. Each of these databases must be constantly reconciled against each other, and a single error in one document can be duplicated to copies of the document. Blockchain eliminates such need for several copies of the same document and can integrate all

necessary information in one digital document, which is updated in a real-time mode and can be accessed by all network members.

Cons: Government sanctions, such as trade embargoes, can impact the use of Blockchain technologies in trade finance. For example, the blockchain-based software could not be sold to or licensed for use by sanctions targets without an OFAC or BIS license. Besides, it is impossible to transfer the trade transaction information in Blockchain format to parties who do not use the platform.

For example, in 2016, Ornua, an Irish manufacturer of dairy products, partnered with Barclays to complete the world's first Blockchain and banking trade transaction. In 2017, IBM and Maersk collaborated to work on the first cross-border, blockchain-based supply chain solution.

The first conclusion is that DLT/Blockchain collaboration is happening much faster even than was predicted a year ago. The objections to the use of public blockchains in finance and commercial transactions have been easily overcome by the development of private blockchains. The technology has been applied to an extremely wide variety of markets and transaction types and in most cases, several competing organizations have successfully completed pilots and proofs of concept.

Can treasurers benefit right now from easy-to-access DLT solutions that immediately reduce the costs of their core processes? Not quite. Will they be able to this year? Possibly. Do they need to understand the underlying technology? It's the best thing they can do in order to understand the security implications.

But, like in cases with all new technologies, most likely soon enough we will be using interfaces that work better, faster and cheaper than the legacy systems.

By the number of Bitcoin users, Ukraine is included in the list of top 10 countries. There are many large cryptocurrency development and research companies in Ukraine, including the distributed Lab and the largest Bitcoin agency in the CIS, Kuna.

The use of decentralized technologies is planned and partially implemented already at a certain level [7, 1]. The crypto community of Ukraine is also pretty much matured. However, in Ukraine, the legal status of cryptocurrencies and relations arising from their use are not defined. Nevertheless, the National Bank of Ukraine is actively studying the experience of other countries with a view to resolving these relations in the European and global context.

On October 6, 2017, the Board registered Bill # 7183 "On the Circulation of Cryptocurrencies in Ukraine". This document defines the concepts of cryptocurrency and miners, and gives the NBU the status of the body that will be managing virtual currency circulation. In addition, the project law establishes requirements for miners to pay taxes and deprives 25 cryptocurrency is a key advantage for investors – anonymity [2].

#### SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Transparency, easy to use and speed of the system.</li> <li>• There is no need for the involvement the services of any third party.</li> <li>• Measurements not subject to the human factor.</li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient regulation – to take full advantage of the blockchains.</li> <li>• this technology must be adopted and used by majority to work properly.</li> <li>• Rejection of innovations.</li> <li>• The emergence of methods of hacking cryptographic codes.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Use of various fields of human integration which makes difficult processes easier.</li> <li>• Will reduce bureaucratization.</li> <li>• Will increase transparency and the speed rate of majority tasks starting from remittances to the final voting.</li> <li>• Receive new services in the tertiary sector.</li> </ul>	<ul style="list-style-type: none"> <li>• Not everyone is ready to accept and use this technology.</li> <li>• Pure using experience of blockchain technology.</li> <li>• Insufficient cyber security development base for technology.</li> </ul>

**C o n c l u s i o n.** Bitcoin, Ethereum, and other electronic money will not be able to become a means of payment, since in Ukraine the issue of money is handled by the NBU and can issue only the UAH. But

even if the issuer list will be expanded to allow electronic money to be issued, there will be no one to agree on rules for the use of cryptocurrencies. Why? Simply, there are no specific controlling organizations or individuals on the issue of virtual money.

Blockchain technology will be used in a wide variety of social activities. For example, the use of blockchains for electronic voting provides our country with a great opportunity to improve the level of democracy. There are many other ways to use and implement technology for electronic money circulation, document circulation, etc. Nevertheless, any technology has its own positive and negative aspects, so the threats and weaknesses of the system must be taken into account.

The Blockchain system offers many opportunities not only for banking institutions of Ukraine. There are some Blockchain projects that have been implemented at the national level.

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## INFORMATION AS THE MAIN SOURCE OF POWER

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**Usikova V. I., Broslavska Y. M. Information as the main source of power.** The article reviews the peculiarities of information as the main source of power as well as academics' views on the given issue. The main focus is on the interdependence of politics and information which is studied in order to characterize power that officials get from informational manipulations.

**Key words:** authorities, control, influence, information, knowledge, legitimation, manipulation, politics, power, source.

**Усікова В. І., Брославська Є. М. Інформація як головне джерело влади.** У статті здійснюється огляд особливостей інформації як головного джерела влади та позиції науковців з даної теми. Найбільша увага приділена взаємозалежності політики та інформації, щоб охарактеризувати владу, яку отримують посадовці завдяки інформаційним маніпуляціям.

**Ключові слова:** влада, вплив, джерело, знання, інформація, контроль, легітимація, маніпуляція, органи влади, політика.

**Усикова В. И., Брославская Е. М. Информация как главный источник власти.** В статье рассматриваются особенности информации как главного источника власти и позиции ученых по данной теме. Наибольшее внимание уделяется взаимозависимости политики и информации, чтобы охарактеризовать власть, которую получают должностные лица посредством информационных манипуляций.

**Ключевые слова:** власть, влияние, знание, информация, источник, контроль, легитимация, манипуляция, органы власти, политика.

The o b j e c t of the article is information as the main source of power in the field of politics. The s u b j e c t of the article is interactions between information as the source of power and politics. The p u r p o s e of the article is to define the significance of information as the main source of power.

Modern world definitely has an immense number of the flows of information. Thus, we as people living in the conditions of information vacuum should understand how information might be used. Day by day we hear a lot of promises and muttering coming



from the screens of our devices. Therefore, it is very important for us to distinguish which information is plausible, and which is not. Given the fact that officials have always been trying to manipulate public opinion, we should undertake every possible measure to maintain the independence of public sources of information, we should reveal the power of information nowadays. This justifies the relevance of the article.

The efficiency of power is associated with the correct distribution of information resources. Once in a conflict field, information becomes an object of controversy. The capability of freely flowing information to influence the command and control of coordinated forces has long been understood by military commanders. Greek historian Herodotus tells in his Histories of a deposed king passing obscured messages to organize revolution, and another king sending warning of impending attack; during World War I, soldiers would shoot at carrier pigeons bearing messages from front-line troops.

Today, when governments face political unrest, a militarily inspired response is to limit, control, or eliminate the free flow of information to the opposition. Organizations do likewise, though often for different reasons.

In the context of political practices, the immense possibilities of information allow us to consider it as the most important source of power. At the same time, information has a special connecting role in the system of sources of power. In our opinion, information turns out to be a crucial source of power in modern political processes.

F. Bacon expressed his attitude to knowledge in the fundamental commandment of new thinking: "Knowledge is power". Knowledge allows a person to model and transform not only the physical world, but also the political world. It was in knowledge that F. Bacon saw a powerful tool for progressive social change [1].

However, it should be noted that knowledge is generated on the basis of the emergence of new information, while information eventually turns into knowledge. The direct connection of information and knowledge is noted by S. Rastorguev. The

researcher emphasizes that there is an objective relationship between them: “information is the degree of change in knowledge. Knowledge is the totality of information expressed in the structure of the system and the functional capabilities of its elements” [2].

The problem of information as a source of power is explained in the writings of M. Weber, who investigated the functioning of bureaucratic structures. The ability to correctly process information and implement it in the process of fulfilling one's own functions became one of the key characteristics of bureaucracy [3].

Over time, information from a purely philosophical concept has turned into a mass product, and the whole society is a consumer. The possibilities of information are the most valuable in the field of politics. Awareness of a political actor, possession of exclusive information can allow this actor to make the appropriate political decision, and, therefore, create the conditions for political legitimation.

At the same time, structural diversity as a characteristic of information also acts as a peculiar property of power. The diversity is transmitted from subject to object with the help of a significant institutional infrastructure. To justify this, it is enough to imagine how political decisions are made and how they are implemented.

Information, as a force that changes the world, is more than a means to control one's decisions – it has powerful creative potential, primarily as a means of its own growth and the elimination of violence in social life. If you own information, you can save money and avoid trouble. Information is not just a source of power, but power itself. The power based on knowledge (information) is highly efficient, according to E. Toffler [4, p. 37].

A well-known information theorist D. Bell drew attention to the high importance of information in political practices. One of his apt remarks reveals the essence of information for a candidate for political legitimacy, explaining the reason for the peculiar urge of political actors to possess information. According to D. Bell, “information is power. Access to information is a condition of freedom”. At the same time, he notes that “knowledge and

information become strategic resources and the key to the transformation of post-industrial society. The rapid course of social changes, especially when they are carried out by specific technologies, inevitably poses complex political problems for society” [1].

The connection of information and power is becoming the subject of not only political science discussions. This problem is increasingly raised in the media, which, in turn, voice the thesis that information is no longer a source of power, but the power itself. The media, subordinating public consciousness, replicate stereotypes that determine the perception and behavior of society. The power of information nowadays is defined as a “fourth power”.

An increase in the circulation of information is capable of creating not only advantages for the authorities in need of legitimacy. Information plays a decisive role in the breakdown of unpopular power, in the process of its delegitimization. Many note that it was information that to a certain extent predetermined the fall of Marcos dictatorship in the Philippines, the communist government in East Germany and the USSR.

Since “information has become a power” [5, p. 48], the officials hold their positions as for control over access to information. However, modern communication technologies, especially personal computers connected into a global network, have made it possible to destroy this unshakable foundation. The phenomenon of the Internet shows the importance of mutual obligations for the functioning of any network. The security of the ruling class is associated with how orderly and predictable the flow of information is. The global network allows us to overcome the monopoly on information, which is used by the authorities holding in their hands the means of transmitting information.

In conclusion, we would like to say that information is the crucial source of power. Present trends in the political discourse testify to this. Information is a valuable capital of power, the multiplication of which guarantees certain advantages to the

authorities, and, conversely, its waste contributes to the collapse, erosion of power.

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## RÔLE DE L'ASSURANCE DE BIENS AU MARCHÉ DES SERVICES D'ASSURANCE

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**Vachtchenko I. O., Bezvesilna N. T. Rôle de l'assurance de biens au marché des services d'assurance.** Dans l'article donné il s'agit du rôle de l'assurance de biens notamment de la nécessité et le développement de l'assurance immobilière en Etat.

**Les mots clés:** l'assurance, l'assurance de biens, l'assurance de biens obligatoire, l'assurance de biens volontaire.

**Ващенко І. О., Безвесільна Н. Т. Роль майнового страхування на ринку страхових послуг.** У статті розглянута роль майнового страхування, а саме необхідність та розвиток майнового страхування в державі.

**Ключові слова:** страхування, майнове страхування, обов'язкове майнове страхування, добровільне майнове страхування.

**Ващенко И. О., Безвесильная Н. Т. Роль имущественного страхования на рынке страховых услуг.** В статье рассмотрена роль имущественного страхования, а именно необходимость и развитие имущественного страхования в государстве.

**Ключевые слова:** страхование, имущественное страхование, обязательное имущественное страхование, добровольное имущественное страхование.

Le but de l'article: l'examen du rôle de l'assurance immobilière dans le marché des services d'assurance.

L'objet de recherche: l'assurance de biens.

L'actualité d'objet consiste en ce que dans le monde moderne les biens des personnes physiques et morales sont toujours dans un état du risque et l'assurance de biens agit comme un moyen de protection. À l'aide de cette assurance on garantit le minimum d'effets négatifs des phénomènes divers dans la vie sociale et on réalise les mesures préventives ou l'élimination totale des conséquences indésirables des risques.

A ce temps-là l'assurance de biens c'est le plus important segment de l'assurance du marché d'assurance. C'est une grande partie en raison de la diversité de ses sous-espèces.

Dans le même temps la popularité de l'assurance de biens peut être expliquée par à la probabilité croissante des risques des situations d'urgence. Ainsi, selon les données du Ministère des situations d'urgence de l'Ukraine seulement en 2018 en Ukraine il y a eu lieu 128 situations d'urgence classées comme les situations d'urgence du caractère anthropique, naturel et socio-politique. Les dommages causés par les situations d'urgence sont évalués à 516 300 000 UAH. Dans la structure des pertes ce sont les dégâts des situations d'urgence du caractère naturel qui emportent haut la main (tableau 1.1).

Malgré la réduction du nombre total des situations d'urgence du caractère anthropique dans l'année 2018, on a fixé la croissance de 12,5 % du nombre des situations d'urgence dans le secteur des transports et de 10 % du nombre des situations d'urgence liées avec les incendies et les explosions, mais le nombre de personnes mortes et de blessés dans ces situations d'urgence a diminué, à l'exception des situations d'urgence sur le transport où le nombre des soufferts a augmenté de plus de deux fois.

Tableau 1.1

**Statistiques des situations d'urgence  
en Ukraine dans l'année 2018 [1]**

Les données statistiques concernant des urgences	2017	2018	La diminution (l'augmentation) en %
<b>Le nombre total des situations d'urgence</b>	<b>166</b>	<b>128</b>	<b>-22,9</b>
<i>Y compris:</i>			
les situations d'urgence du caractère anthropique	50	48	-4,0
les situations d'urgence du caractère naturel	107	77	-28,0
les situations d'urgence du caractère socio-politique.	9	3	-66,7
<i>Y compris:</i>			
au niveau d'État	2	2	0,0
au niveau régional	8	6	-25,0
au niveau local	70	64	-8,6
au niveau d'objet	86	56	-34,9

<b>Personnes sont mortes à la suite des situations d'urgence</b>	<b>172</b>	<b>168</b>	<b>-2,3</b>
<b>Personnes ont souffert à cause des situations d'urgence</b>	<b>892</b>	<b>839</b>	<b>-5,9</b>
<b>Le dommage à cause des situations d'urgence (mille UAH)</b>	<b>896 804</b>	<b>516 360</b>	<b>-42,4</b>

Aujourd'hui les gens comprennent qu'il est nécessaire d'assurer mieux contre des risques leurs patrimoines. Il y a peu d'espoir de recevoir la récompense des dommages qui peuvent être causés à l'appartement, à la maison de campagne, au garage par l'incendie, l'inondation ou les actions contraire au droit des délinquants. Maintenant, tout le monde fait le choix, s' il a à assurer volontairement tous les risques. La part de l'assurance de biens représente plus de la moitié de tous les primes pour l'assurance volontaire – 27 692 200 000 UAH au cours de l'année 2018 [2].

Presque tous les experts enregistrent la croissance des primes de l'assurance de biens. Actuellement l'augmentation de demande pour toutes sortes de services grandit dans le secteur de l'assurance des biens immobiliers et mobiliers, qui sont à la possession des gens. Les modifications qui se produisent au marché de l'assurance de biens au cours des dernières années sont liées avec la croissance de la culture d'assurance de la population. De plus, aujourd'hui la plupart des gens achètent des logements pour leurs propres moyens, mais ne les reçoivent pas d'après les programmes municipaux, et leurs désirs d'assurer leurs immobiliers est naturellement tout compréhensible. L'hypothèque, qui se développe très vite, stimule aussi l'assurance de biens. Elle contribue à la croissance non seulement de l'assurance courant de l'immobilier acheté mais aussi à la garantie hypothécaire et à l'assurance de titres.

Maintenant le marché de l'assurance d'immobilier des citoyens est dans la montée. L'intégration de l'assurance automobile obligatoire a joué son rôle positif dans ce procédé. L'idée de la nécessité de l'assurance comme une des formes de protection contre toutes sortes des déboires se développe progressivement dans l'opinion publique..

Tout d'abord l'assurance obligatoire de la responsabilité civile des propriétaires des véhicules a complètement absorbé l'attention et les ressources des clients, mais ultérieurement elle a contribué à attirer l'attention des clients sur l'assurance volontaire-propriété principalement en raison de remises accordées à une assurance complète.

Aujourd'hui en général toutes les types de l'assurance de propriété sont exigées par la catégorie des citoyens assez assurés. Ces types de l'assurance seront développés en priorité à force de l'augmentation du prix des objets, pris pour l'assurance. Par exemple, les sommes d'assurance des bâtiments seront approchées des prix réels de leur reconstruction. Cependant aujourd'hui les personnes civiles les plus perspectives dans ce segment du marché sont les entreprises du petit et du moyen business. Les dirigeants de ces entreprises arrivent peu à peu à l'idée que versements d'assurance annuels pour l'assurance-propriété, DMS, le transport, la responsabilité ce sont les dépenses de l'entreprise bien calculés, qui sont complètement portés sur le prix de revient.

Le prix des services de l'assurance de propriété des personnes civiles c'est presque toujours 0,1 à 0,5% de sa valeur (cela dépend des mesures contre l'incendie et la sécurité des événements, du type de propriété etc.). Et même un petit incendie ou l'inondation peuvent arrêter totalement la production, le travail du bureau, demander des investissement instantanés pour tout reconstruire. Il est peu probable que de telles entreprises aient des fonds de reserve spéciaux pour cette occasion [3, c. 213].

En ce qui concerne la structure du portefeuille d'assurance dans le secteur de l'assurance de biens, les experts n'ont aucun consensus. L'assurance des bâtiments de campagne et des biens qui sont là, est le type d'assurance le plus demandé aujourd'hui. On peut expliquer cela par ce que le risque de dommage au bâtiments de campagne est beaucoup plus grand que le risque de dommage à l'appartement. D'après l'opinion des compagnies qui travaillent au marché ukrainien, les priorités sont changées aujourd'hui: un peu plus tôt la



base du portefeuille d'assurance formait l'assurance des maisons de campagne, mais à présent c'est le logement urbain.

En premier lieu la priorité de l'assurance des logements urbains est liée avec la croissance constante des volumes des logements à vendre en Ukraine. La demande est entièrement dépendante de la saison de l'année: "La demande des services spécifiques d'assurance de biens des particuliers subit le flux et le reflux saisonniers (au printemps et en été ce sont des logements urbains, mais en automne et en hiver – des bâtiments de campagne) et dépend de l'intensité de l'intensification des segments du marché de la construction. En outre, les phénomènes naturels négatifs, qui sont beaucoup plus fréquents ces derniers temps, et l'état des affaires au Département du logement et des services communaux instituent une certaine influence sur l'accroissement de la demande. En ce moment l'assurance d'immobilier de campagne (villas, maisons de campagne) est le plus revendiquée à l'assurance volontaire de biens.

En perspective il est prévu d'acquérir l'intérêt des consommateurs de services d'assurance à l'assurance des logements urbains, notamment leur traitement. Tout cela est dû à ce qu'on appelle le "boom de réparation", qui s'est répandu parmi les Ukrainiens: les travaux de réparation et de finition deviennent de plus en plus complexes et coûteux. Pour cette raison c'est très logique, que le propriétaire du logement veut avoir la garantie que son argent ne soit pas perdu puisque ses voisins du dessus oublieront de fermer le robinet»[4, c. 1208].

En comparant le nombre des cas d'assurance de paiement, on voit que les incendies sont les leaders.

Ce sont les incendies qui font le plus de dommages à la propriété des citoyens. Malheureusement les statistiques sont décourageantes, et le nombre d'incendies aux logements urbains et dans les maisons des citoyens ne cesse de croître. Par exemple, dans l'année 2018 on a enregistré 75 000 incendies dans le pays, 28,7 000 d'entre eux dans le secteur résidentiel. Les dégâts matériels ont dépassé 7600000 UAH.

Dans l'année 2018, le montant des paiements de l'assurance de biens volontaire a augmenté de 8,6%. En général, une telle augmentation est devenue possible à cause de la croissance du nombre de personnes physiques, qui ont acheté la propriété réelle, et ainsi qu'au changement de l'ordre des paiements des primes d'assurance des entreprises pour ce genre de l'assurance.

Maintenant ces paiements peuvent être effectués aux dépens de prix de revient. Ce type d'assurance est l'un des plus intéressants. Mais la petite capacité de paiement des personnes morales et physiques est l'un des facteurs principaux entravant ce type d'assurance en pleine maturité.

Pour les compagnies d'assurance la donnée assurance de biens des individus est l'affaire très préjudiciable. La proportion moyenne des contributions est de 35% selon RBC. Le développement de l'assurance des biens mobiliers et immobiliers des personnes physiques à l'étape initiale est aux plus fortes charges de travail du service, et donc, peu de compagnies sont en mesure de fournir le niveau de qualité [5].

Mais les clients potentiels (les personnes physiques) ne prennent pas encore l'assurance comme un instrument qui pourra les aider à supporter des problèmes financiers après la survenance de l'événement assuré, au contraire, les compagnies d'assurance sont seulement capables d'accumuler des cotisations et faire trainer des remboursements [6].

Mais tout de même le marché d'assurance est actuellement à la hausse, et dans leur opinion les citoyens développent progressivement une idée de la nécessité de l'assurance de biens comme l'une des formes de protection contre tout mal.

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## THE LEGAL REGULATION OF CRYPTOCURRENCIES IN THE WORLD

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**Vasylenko V. Y., Saprun I. R. The legal regulation of cryptocurrencies in the world.** The article addresses the issue of the essence of the electronic currency (cryptocurrency) as a legitimate payment instrument. The official status of cryptocurrencies as a payment instrument has been determined. The problem of understanding the term «cryptocurrency» has been examined. The cryptocurrency regulation in the state monetary system at the legislative level and its impact on the development of financial markets have been pointed out.

**Keywords:** bitcoin, blockchain, cryptocurrencies, digital currency, financial markets, regulation of cryptocurrencies.

**Василенко В. Ю., Сапрун І. Р. Правове регулювання криптовалют у світі.** У статті розглянуто питання сутність електронної валюти (криптовалюти) як законного платіжного інструменту. Визначено офіційний статус криптовалют як платіжного інструменту. Розглянуто проблему розуміння поняття «криптовалюта». Позначено питання регулювання криптовалют в державній грошовій системі на законодавчому рівні та її вплив на розвиток фінансових ринків.

**Ключові слова:** біткойн, блокчейн, криптовалюти, регулювання криптовалют, фінансові ринки, цифрова валюта.

**Василенко В. Ю., Сапрун И. Р. Правовое регулирование криптовалют в мире.** Статья рассматривает проблему сущности электронной валюты (криптовалюты) как законного платежного инструмента. Установлен официальный статус криптовалют как платежного инструмента. Рассмотрена проблема понимания термина «криптовалюта». Обозначен вопрос об регулировании криптовалюты в государственной валютной системе на законодательном уровне и ее влиянии на развитие финансовых рынков.

**Ключевые слова:** биткойн, блокчейн, криптовалюты, регулирование криптовалют, финансовые рынки, цифровая валюта.

The o b j e c t of the article is the legal and policy landscape surrounding digital currencies around the world. The s u b j e c t is the legal regulation of cryptocurrencies in the world. The p u r p o s e of the article is to summarize the findings of

cryptocurrency regulation in the context of the increased demand for this currency as a tool for saving money, reciprocal payments and margin trading from ordinary citizens.

Cryptocurrency is any form of currency that only exists digitally, that usually has no central issuing or regulating authority but instead uses a decentralized system to record transactions and manage the issuance of new units, and that relies on cryptography to prevent counterfeiting and fraudulent transactions. [7] The decentralized issue of such money, which does not depend on variations in commodity prices and the changing macroeconomic situation in the world, calls into question the perfection of the institution of the monetary system.

Cryptocurrencies in the context of the transition to the digital economy can be characterized by the following factors: the commercialism of ordinary citizens with the goal of improving their financial condition by issuing, or, in other words, “mining” of cryptocurrencies; by speculative nature of the sale on cryptocurrency exchanges. Since the Jamaican Conference in 1976, current money has become a kind of loan obligation, it has become “fiduciary” or “fiat”, that is credit money, the nominal value of which is established by the state, but in fact is not provided with anything. The issue of such cash may be made in unlimited quantities. This can lead to inflation and a complete loss of the nominal value of the so-called banknote, in connection with which “overheating” of the economy is possible due to excessively issued money supply [2].

Centralized issue of money occurs in a tandem of the state and the regulator (in the absence of the latter by another authority responsible for the issue). A feature of the “mining” of cryptocurrencies is a decentralized emission, in which users are combined into a public network through computers, in a tandem that, using caching technology, offers the services of computing operations of varying complexity by using a blockchain. Blockchain is a particular type or subset of so-called distributed ledger technology (“DLT”). DLT is a way of recording and sharing data across multiple data stores (also known as ledgers), which each have

the exact same data records and are collectively maintained and controlled by a distributed network of computer servers, which are called nodes [3].

Blockchain technology is used in the issue (mining) of cryptocurrency in the form of building blocks and chains of spin-off operations. The latter can be described as the provision of services for which the user receives a virtual currency or coin in the form of token or bitcoin. By means of calculations using personal computers, the so-called “mining” of virtual funds is carried out. The issue, or mining, in relation to the most widespread cryptocurrency in the world, bitcoin, is limited to the amount of 21,000,000.00 bitcoins, which does not exclude its deflation against the US dollar or a complete loss of nominal value [1].

The phenomenon of cryptocurrencies in the current realities of the economy can be compared with the emergence of new financial instruments or assets similar to classic financial mechanisms, such as derivatives or futures. The latter are traded on state-independent specialized exchanges that have similar features to classic exchanges.

Most large companies are listed on the stock exchanges using IPO (initial public offering). In particular, business projects with the advent of cryptocurrency and its further introduction into circulation in the modern digital economy began to attract investments through ICO (initial coin offering). Difficulties in finding financing and the lack of capitalization at the stage of establishing a business force young entrepreneurs to take risky steps. At the same time, the goal of ordinary citizens is the so-called “production”, in pursuit of easy profit and financial independence.

In this regard, there is an opinion that cryptocurrency as a unique payment unit creates the impression of a financial pyramid designed to remove solvent physical money from individual economic entities. However, as it has been said, modern money has the property of “fiat” cash. For example the US dollar, which has a centralized issue, but at the same time is not supported by the state’s gold and currency reserves [4].

A new financial instrument cannot serve as a counterargument in the confrontation with the dollar in the development of free economic relations. Since the abolition of the Bretton Woods system and the transition from the gold fixed exchange rate of the national currencies to the Jamaican agreement, which established a floating exchange rate, any monetary system is doomed to “overheat” due to significant injections of unsupported funds into the state economy. With regard to cryptocurrency, many types of which there have appeared over the past few years, the situation on the market for such payment units occurs in conditions of the real economy, where once a decentralized cryptocurrency received several dozen of the same type of instruments [6].

The contradictions between employees of the financial sector and the IT industry have formed opinions both against cryptocurrency and in favour of the right to exist. Those working in the financial sector of the economy, for example J. Dimon from JP Morgan Chase Holding [4], argue that bitcoin is a “fake currency” or a “money surrogate”. At the same time, they fully rely on the conceptual apparatus of the FATF (AML / CFT), believing that such a “currency” was created to legalize funds obtained by criminal means and the financing of terrorism. In turn, the heads of the largest corporations in the field of IT technologies – Nvidia and AMD – support the development of cryptocurrency due to the massive mining boom and the demand for graphical solutions for blockchain technology [6].

In most states of the international economic community cryptocurrency has not still been acquired the status of legal cash (payment) method used to purchase goods and services since it appeared in international settlements. As a result, it also cannot be a part of a currency exchange system. In addition, there is no regulatory framework prohibiting or limiting the use of electronic currency as an alternative payment method [1]. According to the reports of the International Monetary Fund, the use of cryptocurrency as the main payment document for foreign trade agreements or the acceptance and transfer of electronic money to virtual accounts was not recommended. However, after some time the IMF voiced the

opposite position, providing for the use of such “financial assets” in the modern economy and their introduction by central banks in the national economy alongside with national and foreign currencies.

The legal status of cryptocurrencies in the world community is not currently defined, based on the fact that they are not legal means of payment. Faced with the new phenomenon of the electronic economy, most countries in the early stages of the formation of circulation began to regard cryptocurrency as a financial pyramid. At the same time, low turnovers and cheap nominal value of electronic “coins” did not affect the interests of the state and its regulator, while the price of the most widespread electronic currency in the world, bitcoin, was at the level of 2,000 US dollars. After overcoming the threshold of \$ 11,000, many countries began to think about regulating cryptocurrency and developing provisions for its circulation in the economy. After a series of measures, it has never received the full status of a payment unit; now it is an undocumented security or virtual property [2].

The legal regulation of cryptocurrencies in the European Union according to the European Central Bank and the European Court is that the purchase and sale of electronic money is not subject to VAT. All operations with cryptocurrencies should occur in accordance with the FATF (AML / CFT) standards. The ECB has assigned crypto currency the status of a decentralized convertible virtual currency. The positions of distrust of the new instrument by the European Banking Supervision Service and the European Commission are also indicated. Financial institutions were invited to abandon investing capital (both their own and attracted ones) in cryptocurrencies. It is worth noting that the recommendations are of a precautionary nature and are aimed at a reasonable work with cryptocurrencies. Cryptocurrency turnover will not be legalized until user verification has been tightened [5].

The procedure for taxation of electronic currency is regulated by the national legislation of the states, depending on the nature of the operation. At the same time, crypt currency as an object of taxation is considered as an intangible asset or product, and not currency as such. For example, in Norway, Finland and Germany, it



is taxed on capital gains and wealth. In Bulgaria, digital currency is considered to be a financial instrument and is taxed. In Austria, cryptocurrency is regarded as an intangible asset and its mining as an operating activity. Consequently, income received as a result of its alienation is subject to income tax [8].

Summing up, the popularity of a crypt currency that is not backed by any obligations similar to fiat money is akin to tulip mania. The demand for digital currency provides for two types of perception of the current situation: a quick enrichment “from the air” and self-serving intent to earn money on those who wish to enrich themselves in a similar way. The advent of electronic currencies has confronted the world with the fact that the economies of both developed and developing countries are not ready for understanding and fully regulating new economic instruments.

Nowadays the legislation in the field of currency control does not have norms and mechanisms that allow regulating relations related to mutual settlements through crypt currency. Developed countries are cautious about this phenomenon and are not pressed for time to give cryptocurrency the status of a payment document. As a result, digital currency has the status of property, non-documentary security, object of other legal relations, but not monetary funds [5].

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## NATO'S ROLE IN CEATING A MODERN INTERNATIONAL SECURITY SYSTEM

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**Velykodna M. V., Medvid M. M. NATO's role in creating a modern international security system.** The article discusses the principles and goals of the North Atlantic Treaty Organization. The author analyzes the role of NATO in creating a modern international security system.

**Keywords:** alliance, cooperation, global security, modern system, NATO.

**Великодна М. В., Медвідь М. М. Роль НАТО у формуванні сучасної системи міжнародної безпеки.** У статті розглядаються принципи і цілі організації Північноатлантичного договору. Автор аналізує роль НАТО в формуванні сучасної системи міжнародної безпеки.

**Ключові слова:** альянс, глобальна безпека, НАТО, співробітництво, сучасна система.

**Великодная М. В., Медведь М. Н. Роль НАТО в формировании современной системы международной безопасности.** В статье рассматриваются принципы и цели организации Североатлантического договора. Автор анализирует роль НАТО в формировании современной системы международной безопасности.

**Ключевые слова:** альянс, глобальная безопасность, НАТО, современная система, сотрудничество.

The r e l e v a n c e of the topic. Nowadays, the problem of ensuring global security is extremely urgent because there are many threats to it, including international terrorism, the proliferation of weapons of mass destruction, organized crime, economic and information threats. The efforts of the world community are centered around creating a security system that guarantees stability in the world and is able to respond to new risks and challenges. Under such conditions, the formation of a modern international security system is a logical and relevant study of the role of NATO in shaping the

modern security system as the most effective and capable component of this system.

The o b j e c t of the article is global security in the modern world.

The s u b j e c t of the article is NATO as a mechanism for security and stability.

The p u r p o s e of the article is to explore NATO's role in creating a modern international security system.

The North Atlantic Treaty Organization (NATO), also called the North Atlantic Alliance, is an intergovernmental military alliance between 29 North American and European countries. The organization implements the North Atlantic Treaty that was signed on 4 April 1949. NATO constitutes a system of collective defense whereby its independent member states agree to mutual defense in response to an attack by any external party. NATO's Headquarters are located in Brussels, Belgium. [5]

NATO's goal is to protect the freedom and security of all its members through political and military means, in accordance with the UN Charter. Since its inception, the Alliance has been working to establish a just and lasting peace order in Europe based on shared democratic values, human rights and the rule of law. This major goal of the Alliance has been filled with new content since the end of the Cold War, since for the first time in the post-war history of Europe, the prospect of achieving it has become a reality.

In order to achieve its main goal, the Alliance fulfills the following key security tasks:

1. Security: It lays the foundation for a stable security climate in Europe based on the strengthening of democratic institutions and the desire to resolve disputes peacefully. It seeks to create conditions in which no country could resort to intimidation or pressure against any other state, through threat of force or threat of use of force.

2. Consultations: in accordance with Article 4 of the Washington Treaty. The Alliance is a transatlantic forum for joint consultations on any issues that affect the vital interests of its members, in particular about new developments that may threaten

their security. It also facilitates coordination of their efforts in areas of common interest to all Alliance members.

3. Detention and defense: Provides containment and protection against any form of aggression against any NATO member state, in accordance with the 6th Washington Treaty. [2]

The Partnership for Peace program is an important initiative, proposed by NATO at the Brussels Summit of the North Atlantic Council in March 1994. An invitation to join the Partnership for Peace was sent to all States Parties to the former North Atlantic Cooperation Council, and was accepted by 30 countries, including Ukraine. The aim of the Partnership is to strengthen stability and security throughout Europe.

The main goal is to promote openness to national planning and military doctrine planning processes, military budget items, to ensure democratic control of the Armed Forces (AF), to maintain the ability and willingness to participate in international peacekeeping operations under the auspices of the United Nations and the Organization for Security and Cooperation in the Organization in Europe, taking into account the provisions of national constitutions, the development of military cooperation with NATO to undertake joint planning, military training and exercises, to form in the future such AF that will be able to better engage with partners in accordance with NATO standards.

The PfP program focuses on cooperation in the defense sector, but goes beyond dialogue and aims at achieving a real partnership. Through PfP, NATO and Partner countries are able to work together on a broad program of activities related to common defense and security, ranging from purely military cooperation to cooperation in such areas as crisis management, emergency planning, management air transport and armaments cooperation.

Thus, PfP is an important and permanent feature of the European security architecture, helping to extend and intensify political and military cooperation in Europe, enhance stability, reduce the threat to peace and build strong security relations through practical cooperation. [4]

A fundamental principle of the Alliance is the shared view between North American and European NATO members, who share the same values and interests and are committed to safeguarding democratic principles, making Europe and North America inseparable. The Alliance stands for the protection of its member states from the threat of aggression: the collective military-political principle of the organization is the collective security system, that is, the joint organized actions of all its members in response to an outside attack.

One of the leading countries in NATO is the United States and France, and they work closely in different Alliance structures. They have the most numerous and comprehensively trained troop formations designed to meet operational and strategic issues. Countries are working to ensure that the Alliance is able to withstand new threats. [1]

NATO Operations and Missions – Initiated and conducted under the control of the Armed Forces of the North Atlantic Treaty Organization, various operations, missions and training exercises.

NATO is an active and leading contributor to peace and security on the international stage. Through its crisis management operations, the Alliance demonstrates both its willingness to act as a positive force for change and its capacity to meet the security challenges of the 21st century. The Alliance's member states have carried out many military operations, humanitarian missions, command exercises, etc., which were primarily aimed at de-escalation of the conflict in hot spots in the former Yugoslavia (Serbia, Bosnia and Herzegovina, Kosovo). [3]

To summarize, NATO has a leading role in shaping international security in the modern world. None of the Member States has to rely solely on their own strength in addressing major security concerns. The Alliance itself is the most effective mechanism in the fight against terrorism and, in general, in providing global security in the world, as it has the capabilities and resources.

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## FEATURES OF INTEGRATION OF UKRAINE IN THE CONDITIONS OF GLOBALIZATION

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**Viashchenko A. E., Skrypnyk T. I. Features of integration of Ukraine in the conditions of globalization.** The article analyses the features and manifestations of world processes of globalization, their impact on the economy of Ukraine. It also assesses the global competitiveness of Ukraine and the globalization index of the Ukrainian economy at the present stage.

**Keywords:** globalization, internationalization, integration, index of the level of globalization, economic.

**Вященко Г. Є., Скрипник Т. І. Особливості інтеграції України в умовах глобалізації.** У статті розглядаються особливості та прояви світових процесів глобалізації, їх вплив на економіку України. А також оцінюється глобальна конкурентоспроможність України та індекс глобалізації української економіки на сучасному етапі.

**Ключові слова:** глобалізація, інтернаціоналізація, інтеграція, індекс рівня глобалізації, економічна.

**Вященко А. Е., Скрипник Т. И. Особенности интеграции Украины в условиях глобализации.** В статье рассматриваются особенности и проявления мировых процессов глобализации, их влияния на экономику Украины. А также оценивается глобальная конкурентоспособность Украины и индекс глобализации украинской экономики на современном этапе.

**Ключевые слова:** глобализация, интернационализация, интеграция, индекс уровня глобализации, экономическая.

Modern trends in the development of the world economy are inextricably linked with globalization processes that affect the qualitative changes in national economies. In consequence, there are tendencies towards openness and rapprochement of countries, which are also observed in the interdependence of the economies of national economies.

At present, the globalization of the economy is the stage of development of the internationalization of economic activity, which



includes the reconstruction and development of transnational corporations (TNCs), along with the coordination of interstate measures to form a single global market space.

According to Riccardo Petrell, a professor of political economy and the general director of the EU Commission on Forecast and Evaluation in Science and Technology (FAST), globalization as a multifactorial phenomenon is characterized by: the globalization of financial markets, internationalization of corporate strategies, international technology transfer and related research, development, transformation of consumer behavior, internationalization of the regulatory capacities of national economies and a certain decrease in the role of the national state [1].



Scheme 1 The processes of globalization [1]

At present, the globalization of the world economy is manifested in the following processes (scheme 1) [1]. These processes provide countries with prospects. Countries acquire the ability to exchange, increase resources and gain access to modern scientific and technological developments, as well as to an increase in world production.

However, one should not overlook the fact that globalization has both positive and negative consequences. Many experts are still debating the contradictions and negative consequences of globalization. For example, one of the negative consequences of globalization is manifested in the localization of investments, resources, goods within the framework of more developed countries. At the same time, countries that are developing are subject to more negative consequences.

At present, Ukraine is experiencing a significant shortage of resources, and also has a significantly underestimated level of international foreign economic contacts with the outside world regarding the real needs and capabilities of the national economy. Therefore, for Ukraine, it is important to take into account the trends emerging in the international economic globalization. In order to determine the prospects, reserves and weaknesses when searching for integration solutions, which must be eliminated in order to integrate the national economy into the world economy further [2].

For example, among the positive aspects of globalization – the tightening of the requirements for the competitiveness of domestic producers, is the driving mechanism for finding new development opportunities and ensuring high quality products, in order to promote national production to the international level. In Ukraine, the problem of low competitiveness is the central problem of the country's integration.

According to the ranking of the World Economic Forum, Global Competitiveness Report 2018-2019, according to the Global Competitiveness Index, which includes a number of indicators, namely macroeconomic stability, infrastructure quality, technological development level, innovative potential, financial market development, education quality, etc. Ukraine in 2019 took 85th place

among 141 states. Over the year, Ukraine lost two positions, dropping from the 83rd place (2018) [2]. Significant barriers to improving competitiveness according to the index in Ukraine are the low and inefficient level of development of the financial market, the backwardness of production due to the low level of technological development, as well as the difficulty in regulating macroeconomic and political stability, which negatively affects the level of competitiveness of Ukrainian firms at the international level.

Significant barriers to increasing competitiveness according to the index in Ukraine are the low and inefficient level of development of the financial market, the backwardness of production due to the low level of technological development, and the difficulty in settling macroeconomic and political stability, which negatively affects the level of competitiveness of Ukrainian firms at the international level.

If we consider the KOF Globalization Index, which is calculated by the Swiss Economic Institute (KOF Swiss Economic Institute), and defines globalization as a process that destroys national boundaries, integrates national economies, cultures, technologies and management, and also produces complex relationships and interconnections mediated through various flows that include people, capital, ideas, and so on [3], Ukraine in 2017 took the 45th position out of 207 countries. Which is four points less compared to 2016. The criteria of this index are three dimensions: economic globalization – characterized as the distance from the manufacturer to the consumer of goods, capital and services, as well as information and mutual perceptions that accompany market exchanges (63rd position in the 2017 rating, -9 positions compared to 2016 year); political globalization, characterized by the spread of government policy (43rd position, -2 positions compared with 2016); social globalization, expressed in the dissemination of ideas, information, knowledge (63 position, 4 positions compared with 2016) [3].

From the foregoing, it can be concluded that the main condition for catching up development in Ukraine should be the creation of potential social and economic opportunities in the country for the assimilation of new technologies, participation in global markets, raising capital (both own and foreign) in the real sector of the

national economy, creating conditions for increasing social, human and intellectual.

The position of Ukraine in its integration aspirations is twofold. On the one hand, it is actively developing economic ties with other countries of the world, making efforts for more active participation in the formation of other international integration groups. On the other hand, its national economy continues to remain an integral part of the post-soviet economic system that has developed over the decades of the existence of a single state.

So, globalization raises the question of economic reform in Ukraine, above all, changing the structure of commodity production, achieving competitiveness in both domestic and foreign markets. And one of the important steps towards changing the current situation of the country is to conduct an innovative economic policy, you need to create favorable conditions for the formation of powerful national companies that can successfully compete in the global economic environment.

That would allow the country to adapt to the priority directions of development of the world economy in order to take advantage of the international trading system in the context of globalization of the world economy and improve the socio-economic position of the country both at the national and at the international level.

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## MERGES AND ACQUISITIONS AS A PART OF CORPORATE GOVERNANCE

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**Vyshnevskaya P. V., Zmiyova I. V. Mergers and acquisitions as part of corporate governance.** The article studies the strategies of mergers and acquisitions as tools for managing the corporation, and shows the impossibility to standardize the procedure for integrating companies. The article analyzes the nature of mergers and acquisitions, along with the reasons for their implementation and the main stages of company integration. The author explains the multidirectional relationship between the processes of mergers and acquisitions on the one hand, and macroeconomic indicators on the other, as well as the main factors that affect the development of the mergers and acquisitions market.

**Key words:** corporate governance, corporative strategies, integration, merges and acquisitions.

**Вишневіська П. В., Змієва І. В. Злиття і поглинання як частина корпоративного управління.** У статті розглядаються стратегії злиттів і поглинань як інструменти управління корпорацією. Під час аналізу процесів злиття і поглинань відзначається неможливість стандартизації процедури інтеграції компаній. У статті проводиться аналіз природи угод зі злиттів і поглинань, а також аналіз причин їх здійснення і основні етапи інтеграції компаній. У даній роботі відзначається наявність різноспрямованої залежності між процесами злиттів і поглинань і макроекономічними показниками, визначаються основні фактори, які впливають на розвиток ринку злиттів і поглинань. В цілому відзначається важливість угод злиттів і поглинань як істотного інструменту підвищення ефективності корпоративного управління.

**Ключові слова:** злиття і поглинання, інтеграція, корпоративна стратегія, корпоративне управління.

**Вишневіская П. В., Змієва И. В. Слияния и поглощения как часть корпоративного управления.** В статье рассматриваются стратегии слияний и поглощений как инструменты управления корпорацией. Во время анализа процессов слияний и поглощений отмечается невозможность стандартизации процедуры интеграции компаний. В статье производится анализ природы сделок по слияниям и поглощениям, а также анализ причин их осуществления и основные этапы интеграции компаний. В данной работе отмечается наличие разнонаправленной зависимости между процессами слияний и поглощений и макроекономическими показателями, определяются основные факторы, которые оказывают влияние на развитие рынка слияний и поглощений. В целом отмечается важность сделок слияний и поглощений как существенного инструмента повышения эффективности корпоративного управления.

**Ключевые слова:** интеграция, корпоративное управление, корпоративные стратегии, слияния и поглощения.

The o b j e c t of the study are merges and acquisition processes. The s u b j e c t of the study is purpose for the companies to act in merges and acquisition processes. The p u r p o s e of the study is to outline and study main economical reasons for merges and acquisition processes. At present merges and acquisitions processes are kind of routine for huge international corporations. That is why this article gives a resume on merges and acquisition processes and companies' interest in them.

Under the globalization process conditions many companies consider merges and acquisitions to be an integral element of their corporate strategies. The usage our internal resources for growing business may sometimes appear to be too slow and indefinite. While using the method of merges and acquisitions a company may acquire a powerful impulse towards development. On the other hand, merges and acquisitions stand as a tool of competitive rivalry for resources, markets, distribution channels, technologies and know-how. Competitiveness of the company and its stable positions at the market depend on how effectively the company uses external opportunities for solving its internal strategical issues [6; 3].

Complex research on merges and acquisition process in theoretical and applied aspects is carried out by many international analytical companies, such as Dealogic, Erust & Young, KPMG Pricewaterhousecoopers, McKinsey & Company, Thompson Reuters and others. Nevertheless a huge number of problems, appearing during company's integration haven't been researched at a satisfied level yet. Due to uniqueness of merges and acquisitions phenomena it is almost impossible to standardize the procedure of company's integration procedures [2]. This is an explanation for an absence of unified concept and such implementation mechanism. The lack of complexity and system while managing the process of companies merging changes from 50% to 80% of merges and acquisition deals don't achieve their goals and don't pay off investments [1]. Exacerbation of competition between world biggest international corporations forces them to expand volumes of acquisitions,

establishing control over others and joint investment project implementation with some partners. The reasons for merges and acquisitions despite their diversity considerably differ from diversity of formats of their particular implementation.

Main economic reasons for merges and acquisitions are [7]:

- Saving costs by volume's increase;
- Competitive advantage or marketing share increase;
- Diversification of goods and services;
- Managing quality increase;
- Costs reduction.

Merges and acquisitions provide savings, that may be received through centralization of certain activities, for example marketing researches, expansion of science researches directions and general marketing materials use. What is more, companies may be interested in joint exploitation of expensive productive technologies (for example Ford & Volvo) [4]. For the purpose of getting a competitive advantage or largest market share of the company, the decision on merging for providing better resources distribution and intencification of distribution functioning is taken. This allows a company to increase it's presence in the market and soon achieve a considerable expansion of customer base. As an example we may consider the process of acquisition between a Japanese company Takeda Pharmaceutical and a Swiss company Nycomed to enforce the European market penetration. This deal is estimated as more than 13,6 million dollars [5]. As the result of merges and acquisitions a company may achieve diversification of goods and services, that is a perfect demonstration of synergetic effect achievement. So in the USA the situation at the market is strictly monitored by federal trade commission to prevent monopoly creation that may control the overwhelming proportion of the goods and services supply in some industry or sphere of activity [8]. Merges and acquisitions are considered to be a way of production assets optimization in accordance with unstable market situations to achieve competitive advantages [5].

**C o n c l u s i o n .** Generally we need to note the importance of merges and acquisitions transactions as an essential tool for improving corporate governance. At the same time the attitude to the

results of such transactions in the global community is ambiguous. On the one hand, these process may lead to more efficient redistribution of capital and company's resources allowing it to achieve significant positive financial results. On the other hand, the transaction may be unsuccessful and lead to the decrease in a company's performance. Nevertheless, recently there has been an increase in merges and acquisitions in the global economy. This indicates a high interest of the market participants to this strategy.

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## CONTRADICTION BETWEEN DOMESTIC AND FOREIGN LANGUAGE POLICIES OF SPAIN

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**Yatsenko D. A., Davydenko I. V. Contradiction between domestic and foreign language policies of Spain.** The article discusses the contradiction between the internal and external language policies of Spain, the increasing role of transnationalization in economic processes. The article studies the Spanish language distribution as an example of the founding of the Sevantes Institute. The author generalizes the linguistic diversity and national movements in the territory of Spain.

**Keywords:** Hispanic population, language policy of Spain, linguistic variety, Servantes Institute, trans-nationalization of economy.

**Яценко Д. А., Давиденко І. В. Протиріччя між внутрішньою і зовнішньою мовною політикою Іспанії.** У статті розглядається протиріччя між внутрішньою і зовнішньою лінгвістичною політикою Іспанії, зростаюча роль транснаціоналізації в економічних процесах. Питання поширення іспанської мови також обговорюються в якості прикладу – заснування Інституту Сервантеса. Крім того, йдеться про мовне розмаїття і національні рухи на території Іспанії.

**Ключові слова:** Інститут Сервантеса, латиноамериканське населення, мовне розмаїття, мовна політика Іспанії, транснаціоналізація економіки.

**Яценко Д. А., Давыденко И. В. Противоречие между внутренней и внешней языковой политикой Испании.** В статье рассматривается противоречие между внутренней и внешней лингвистической политикой Испании, возрастающая роль транснационализации в экономических процессах. Вопросы распространения испанского языка также обсуждаются, в качестве примера автор рассматривает основание Института Сервантеса. Уделяется внимание языковому разнообразию и национальным движениям на территории Испании.

**Ключевые слова:** Институт Сервантеса, латиноамериканское население, транснационализация экономики, языковое разнообразие, языковая политика Испании.

The object of the article is the relationship between linguistic and economic processes in the world. The subject of the research is the linguistic factor in the state policy of Spain. The

purpose of the article is to study the problematic issues of the language policy of Spain, the linguistic consequences of the globalization process and the problem of Spanish nationalism. The relevance of the research lies in the contemporary problems of national movements of Spanish minorities and Spanish identity in general.

The set of processes referred to as 'globalization' or 'internationalization', constructs a new sociolinguistic situation, at least for the most economically and technologically advanced areas of the planet, that we need to explore and understand fully if we want to be able to control its effects and shape its development. The linguistic consequences of this phenomenon are caused mainly by the sharp increase in the transnationalization of economies (with a trend towards global free trade and the foundation of large corporations through mergers and take-overs), and by developments of incommunication technologies.

Economic factors tend to result in changes in the linguistic competence and in the 'language of work' factor which can have a profound influence on the stability or rejection of the language groups [1].

In modern politics there is also a desire to support multilingualism within the official domestic language policy, to recognize all languages of different ethnic groups, their internal values worthy of equal respect and the preservation of their own culture. Multiculturalism and multilingualism in Europe are expressed in the state policy with regard to its regional and linguistic features. Therefore, policy research of the linguistic situation in Spain is of great scientific importance.

Spanish is the third most widespread language in the world. It is native for 350 million people around the world. More than 100 million people use Spanish as a second language. Therefore, the language is spoken by about 500 million people around the world, i.e. a little more than 8% of the world's population. Of particular political importance is the fact that for 25% of the US population Spanish is the second official language. It should be pointed out that

the rapid increasing number of Hispanics in the United States particularly in connection with the growth of illegal immigration, primarily from Mexico is a matter of considerable concern in Washington.

Spanish is one of the official working languages of the United Nations (UN), the World Trade Organization (WTO) and the European Union (EU). It serves as the official language of twenty-one countries in the world, in particular, Spain, Argentina, Bolivia, Venezuela, Honduras, Guatemala, the Dominican Republic, Colombia, Costa Rica, Cuba, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, El Salvador, Uruguay, Chile, Ecuador. Spanish is the official language of Equatorial Guinea and it is also spoken in Western Sahara and Morocco. In addition to this, 25% of the Philippines speak Spanish. Thus, the Spanish language distribution area is enormous. It covers Eurasia, America and Africa. The widespread use of the Spanish language is of great political and cultural importance [2].

The growing interest in the Spanish language is confirmed by the opening of the government agency sponsored by Ministry of Foreign Affairs – Cervantes Institute

The Cervantes Institute is a worldwide non-profit organization created by the Spanish government in 1991. The Cervantes Institute is the largest organization in the world responsible for promoting the study and the teaching of Spanish language and culture. This organization has opened branches in over 44 different countries with 87 centres devoted to the Spanish and Latino culture and Spanish Language. Article 3 of Law 7/1991, created by the Instituto Cervantes on March 21, explains that the ultimate goals of the Institute are to promote the education, the study and the use of Spanish as a second language, to support the methods and activities. It would help in Spanish learning process, and it contributes to the advancement of the Spanish and Latino cultures in non-Hispanic countries [5].

Being a promoter of Spanish culture, the Institute arranges thousands of activities every year to raise the relevance of its

heritage: lectures, exhibitions, debates, musical events, film screenings, theatre performances. Additionally all comers can use the library network containing over 1.2 million volumes, and the Institute actively supports the work of Latino scientists throughout the world.

Spain is a multinational and multilingual state with certain features that make it unique in a European context. In addition to the official language in all of territorial Spain, there is a large group of languages, the presence of which, in most cases, precedes the current configuration of the Spain. The different languages are as follows: Aragonese, Aranese, Astur-Leonese, Basque, Ceutan Arabic (Darija), Catalan (Valencian), Galician, Portuguese and Tamazight. In spite of the fact that the diversity of linguistic minorities in Spain is similar to other European states, there are two features that assist to characterize its linguistic situation: the total number of speakers of these languages and the fact that they are not major languages in neighbouring states. In legal terms the tolerance to linguistic diversity as a whole, and particularly to minority languages, is unequal. While some languages have official status in their respective territories, others, including the most vulnerable, lack even the slightest protection and their use is becoming increasingly marginalized [3].

This linguistic variety has often caused conflict within the country. The native speakers of these minority languages seek to maintain their use, particularly after centuries of decline and, more recently, decades of repression under General Franco. However, some Spaniards from other regions believe that it is an unnecessary and costly venture which promotes divisions within society. For example, the support for local languages by separatist and terrorist groups has increased the resentment.

However, for many Spaniards this renewed support for local languages has gone too far. Spanish nationalism is threatened by regional nationalist and separatist movements, and increased use of regional languages is considered to heighten nationalistic feelings. The fact that both Catalan and Euskara have territories in France,

while Galician has strong links to Portugal, loosens further their links to Spain. While in no way representative of the movement, groups such as ETA – responsible for scores of attacks and bombings – who propose separatism on linguistic and cultural grounds, have further darkened attitudes.

While the question of regional languages has been a problem for a long time, the economic crises have exacerbated it. Growing localism and nationalism for stimulating local economy mean that more people are using local services, often offered in their language. On the other side, many Spaniards think that the practice of running bi-lingual businesses and local governments excludes job seekers from outside the region from the market. Since areas such as Galicia have been suffering slightly less in the crisis it can inflame tensions that their jobs are, in reality, often available primarily to Galician speakers. In the city of Barcelona all signs and information have to be written in Catalan, and any businesses not complying are fined [6].

Thus, a situation arises when language acts as a concomitant and at the same time an obligatory factor in the nationalist movement. Linguistic nationalism, as, for example, in the Basque countries or Catalonia, is associated with the struggle of these provinces for independence. Language in this struggle acts as a cultural and political value, an element of national identity. Each of the provinces of Spain seeks to pursue its linguistic policy.

Despite the fact that to date, the Spanish language has acquired truly global proportions and the position of the Spanish language in the regions of the world only strengthens over time, the dominant status of Spanish in Spain itself is far from certain. The main element of the linguistic policy of Spain, which it pursues outside its state, is spanophony. In this case, the language, on the contrary, acts as a tool for the integration of Spanish-speaking countries into one political and civilizational community, being a connecting link between different states. In conditions of constant international interaction and its development during the globalization process, language situations, of which Spanish is a component, are extremely diverse.

In the field of publishing Spanish is also amongst the worlds top rankings. Spain is the third highest exporter of books, behind the UK and the USA; and, along with Argentina, it is in the top 15 of the main book producers in the world according to the International Publishers Association. According to the Cervantes Institute, Spanish is also the third language in which the most magazines are published, well behind English and French.

Although the presence of Spanish has been gaining relative importance in world scientific publications since 1996, the language is still in a secondary position in international terms by contrast, for example, with the global projection of Spanish literature, music and painting. This is thus one of the areas on which the Spanish-speaking community needs to work in order to keep strengthening the role of Spanish worldwide.

Basically, Spanish is an exceptional vehicle for cohesion, harmony and exchange, not only amongst the Spanish-speaking community, but also around the world [4].

To sum up, considering the internal and external linguistic policies of Spain, we notice an interesting contradiction. Outside of Spain across four continents Spanish is a loyal conductor of Spain's political influence, the basis for rallying Spanish-speaking states within the country it is not a force with a "reserve of internal strength", and so Basque terrorism is one of the most urgent problems. Spain plays a key role in this Hispanic community. The notion of the responsible role of a guide in the Hispanic world has become part of the Spanish identity.

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## TRENDS IN THE GLOBAL FUR MARKET AND THE CONDITIONS IN UKARINE

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**Yermakova E. V., Skrypnyk T. I. Present-day trends in the global fur market and the conditions in Ukraine.** The article is devoted to the present-day trends in the global fur market and the conditions in Ukraine. Much attention is given to the Ukrainian trends. The article provides the reader with a brief description of the trends in the global fur market and the causes of their occurrence, also a description of the current situation. In conclusion the further aspects of these developments was reviewed.

**Keywords:** the fur global market, fur production, ecological footprint, PETA (People for the Ethical Treatment of Animals), tax-free, fur-free countries, Fur Free Alliance, "NutroOFF".

**Єрмакова Є. В., Скрипник Т. І. Сучасні тенденції світового ринку хутра та ситуація в Україні.** Стаття присвячена сучасним тенденціям світового ринку хутра та ситуації в Україні. Особливу увагу приділено опису тенденції в Україні. Стаття надає читачеві короткий опис тенденцій на світовому ринку хутра та причин їх виникнення, а так само характеристики сьогоднішньої ситуації. У висновку розглянуті перспективи подальшого розвитку цих подій.

**Ключові слова:** світовий ринок хутра, виробництво хутра, екологічний слід, PETA (Люди за Етичне Поводження з Тваринами), противник натурального хутра, країни-противники натурального хутра, "Альянс без хутра", "NutroOFF".

**Єрмакова Е. В., Скрипник Т. И. Современные тенденции мирового рынка меха и ситуация в Украине.** Статья посвящена современным тенденциям мирового рынка меха и ситуации в Украине. Особое внимание уделено описанию тенденции в Украине. Статья предоставляет читателю краткое описание тенденций на мировом рынке меха и причинам их возникновения, а так же характеристику сегодняшней ситуации. В выводе рассмотрены перспективы дальнейшего развития этих событий.

**Ключевые слова:** мировой рынок меха, производство меха, экологический след, PETA (Люди за Этичное Обращение с Животными), противник натурального меха, страны-противники натурального меха, "Альянс без меха", "NutroOFF".



The object of the article is present-day trends in the fur market. The subject is the analyses of goals and prospects of the fur market. The article is relevant due to the fact that today there are many fur-free countries: Luxembourg, Norway, Japan, etc.. Several international associations (Fur Free Alliance, PETA) have been created in international relations, which have common incentives and reasons for creating. Also, there are different paces of development of fur-free countries, differences of participants, so these issue is interesting for research to predict future developments in the fur global market.

The production of fur imposes significant adverse impacts on both the environment and human health. Far from being a natural resource, fur production is an intensely toxic and energy-consumptive process, with pelts being dipped in toxic chemical soups and animal waste runoff from fur factory farms polluting soil and waterways.

Just as animal agriculture, the keeping of thousands of animals on fur farms has a severe ecological footprint, as it requires land, water, feed, energy and other resources. Several European advertising standards committees have ruled that advertising fur as environmentally friendly is “false and misleading.” Table 1. shows the environmental impact of fur production [1].

*Table 1*

**The environmental impact of fur production**

Indicator	Impact
LOCAL POLLUTION	The local impact of fur farms leads to the degradation of land, rural life, property values and economic activities. Plus, waste runoff seeps into soil and waterways, causing severe damage to local ecosystems.
BIODIVERSITY LOSS	The injuring and killing of non-target animals by body-gripping traps pose a severe threat to endangered species. Also, escaped predatory animals from fur farms cause a decrease of local biodiversity.
TOXICS IN FUR	The hazardous toxics used in the process of conserving, bleaching and dying pelts, pose an overall threat to the health of consumers wearing the products and to workers in fur processing plants.

CLIMATE IMPACT	Energy is consumed at every stage of fur production. Similar to other types of agriculture, fur factory farms emit large quantities of greenhouse gasses, while burning fossil fuels and other resources.
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Los Angeles is the largest and most notable city yet to ban fur. The cruelly derived material is out—and cities and countries around the world are catching up with the times. Not only have major American cities begun to prohibit the sale of fur, countries around the world are also shutting down their fur farms. This widespread movement is taking flight as consumers, businesses, and nations alike recognize that innovative faux-fur fabrics are better for the environment and spare animals a miserable life and a bloody, painful death.

Here's a list of influential countries and municipalities that are leading the way.

The United Kingdom was the first country to ban fur farming, which it did in 2000 in response to overwhelming public support for ending the cruel practice of breeding and killing animals for their fur. The ban initially extended only to England and Wales, but Scotland and Northern Ireland joined in 2002.

Austria. In 2004, six of the nine federal states in Austria banned fur farming. The remaining three began to enforce such strict animal-welfare regulations that fur farming is now no longer economically feasible.

Japan. In 2006, Japan passed the Invasive Alien Species Act, which restricted the breeding of the non-native species American mink, raccoon, and coypu. The act essentially outlawed fur farming, and 10 years later, the last fur farm in the country shut down!

Luxembourg. Luxembourg's progressive animal-welfare law was passed in June 2018 and prohibits fur farming entirely beginning in October 2018. While Luxembourg currently has no operating fur farms, legislation will prevent any from opening.

Norway. Norway introduced a total ban on fur farming in 2018 and will phase out fur farms entirely by 2025. The ban followed the release of a PETA exposé showing horrific conditions on fur farms in the country. It's currently home to roughly 300 such farms, which breed and kill 700,000 minks and 110,000 foxes every year, so this

marks a massive victory for animals.

Bosnia and Herzegovina. In 2009, Bosnia and Herzegovina passed an anti-fur farming law that would prohibit raising animals for their fur by the end of 2018. In 2017, the deadline was under threat of being extended another 10 years, but thanks to sustained activism – including a letter from PETA Honorary Director Pamela Anderson – members of the country's House of Peoples rejected the decision to postpone the ban and it went into effect in January 2018. However, another meeting took place and the phase-out period was extended another 10 years. In October 2019, the state veterinary authority announced that 60 chinchilla farms have already ceased operations, and the remaining fur farms will be closed by 2028.

And other fur-free countries, such as: Belgium, Slovakia, Serbia, Croatia, Czech Republic, Macedonia, Slovenia, have joined [2].

Also, many well-known brands have refused to use fur in their collections. Milanese fashion house Prada is the latest luxury brand to announce the decision to forgo the use of fur in future collections.

The decision to go completely fur-free was made in collaboration with the Fur Free Alliance, an international group of more than 40 animal protection organisations that work together to end animal cruelty.

Prada's artistic director Miuccia Prada further elaborated on the ban in a statement released to the press. "The Prada Group is committed to innovation and social responsibility, and our fur-free policy is an extension of that engagement. Focusing on innovative materials will allow the company to explore new boundaries of creative design, while meeting the demand for ethical products," she said.

Prada joins the ranks of Burberry, Gucci and Armani, Stella McCartney and Vivienne Westwood, among others, who refuse to use real fur in their collections [3].

Also, Her Majesty refused natural fur and since 2019 used only faux fur in particularly cold weather to make sure she stays warm. The news was announced by Her Majesty's personal adviser and senior dresser, Angela Kelly, in an interview with Vogue magazine.

The Queen's decision is in line with the many forward-thinking

consumers, businesses, and nations that are recognising that innovative faux-fur fabrics are better for the environment and spare animals a miserable life and a bloody, painful death.

Now, the obvious next step is for the Queen's Guard to stop parading around in caps made from the fur of bears gunned down in Canada and instead wear the humane, luxurious faux bearskin that PETA has helped develop alongside faux-furrier Ecopel and designer Stella McCartney.

There is the Petition for a UK Fur Ban. The Queen's decision reflects the changing times and British values, especially as 95% of Brits refuse to wear real fur. Now, it's time for the UK government to step up and ban the importation of fur in order to create a fur-free Britain [4].

As for Ukraine, the decline in fur exports can also be observed.

As for Ukraine, one can observe a trend towards a decrease in the export of fur (Figure 1).

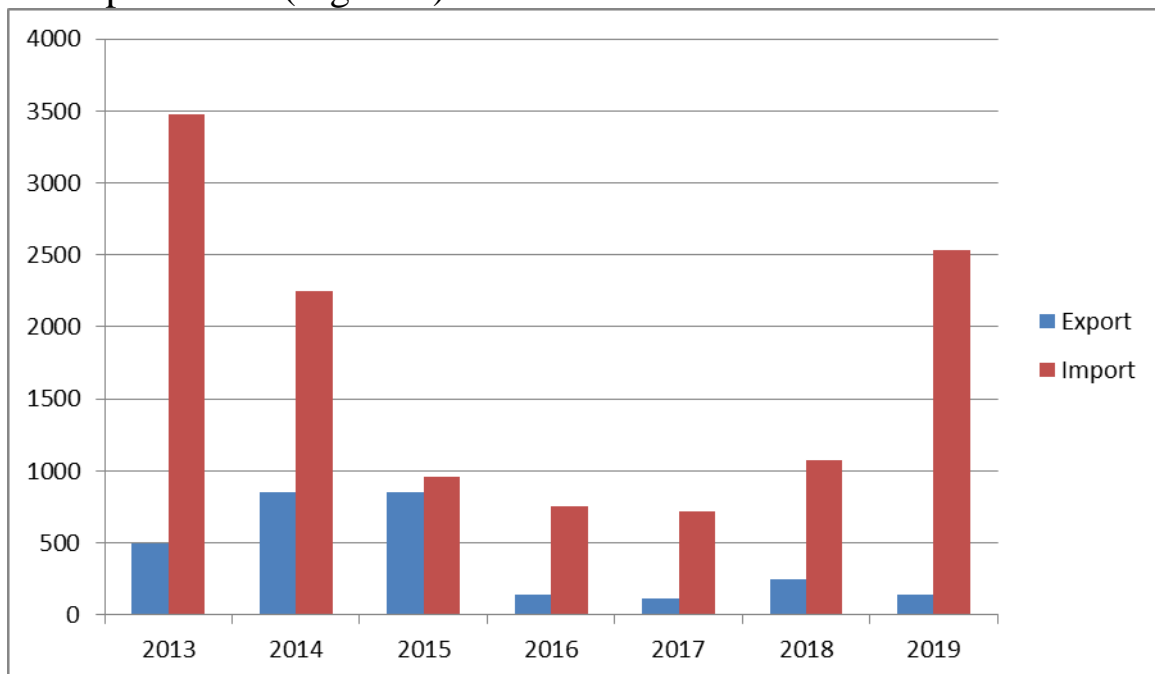


Figure 1. The total volume of export and import of Fur clothes, other goods of natural fur by section of the heading according to Ukrainian classification of goods of foreign economic activity (thousand US dollars) [5].

Fur farming could soon be illegal in Ukraine, according to anti-fur organization the Fur Free Alliance.

Thirty-six Ukrainian MPs introduced a bill to ban fur farming in early February, the organization reports. With support from Unique Planet – a Fur Free Alliance member – the bill was initiated by MP Andriy Pomazanov. If it passes, from January 2025, breeding or killing animals for the purpose of taking their fur will be illegal under Ukrainian law. If anybody is caught farming fur after this deadline, they could face up to five years behind bars. The bill has garnered the support of a record-breaking 27,500 citizens, who rallied together to sign a petition and end the practice for good.

Created by three Ukrainian NGOs – Unique Planet, Open Cages Ukraine, and UAnimals – the petition was part of a wider campaign against fur farming in the country called “HutroOFF.” [6].

**C o n c l u s i o n .** There is a tendency of active rejection of fur production in many countries, its use in collections of world famous brands. Technological advances in fabrications allow luxury brands to create ethical, faux fur alternatives. The increased awareness of cruelty to animals for obtaining fur has led companies to develop alternatives. Many major fashion retailers, apparel stores and countries are taking steps to reduce the use of animal fur and switching to artificial fur.

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## TEAHOUSE AS A SOCIAL AND CULTURAL PHENOMENON

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**Yevsikova Y. Y., Pravnik Iu. O. Teahouse as a social and cultural phenomenon.** The article discusses the history of the emergence and development of teahouses in China. The author describes the influence of teahouses on the social, cultural and political life of society, draws a parallel between the rich and poor, modern and ancient teahouses.

**Keywords:** Chinese teahouse, Song Dynasty, Tang Dynasty, Bashu, Sichuan.

**Євсікова Ю. Ю., Правник Ю. О. Китайські чайні як соціальний і культурний феномен.** У статті розглядається історія виникнення та розвитку чайних в Китаї. Автор описує вплив чайних на соціальне, культурну і політичне життя суспільства, проводить паралель між багатими і бідними, сучасними і древніми чайними.

**Ключові слова:** китайські чайні, династія Сун, династія Тан, район Башу, Сичуань.

**Евсикова Ю. Ю., Правник Ю. О. Китайские чайные как социокультурный феномен.** В статье рассматривается история возникновения и развития чайных домов в Китае. Автор описывает влияние чайных на социальную, культурную и политическую жизнь общества, проводит параллель между богатыми и бедными, современными и древними чайными домами.

**Ключевые слова:** китайские чайные, династия Сун, династия Тан, район Башу, Сычуань.

Chinese say that the core of the national culture is concentrated even in the smallest teahouse. People come here not only to drink good tea, it is a special place for resting in a friendly company or in private.

The first Chinese teahouse appeared during the Tang Dynasty. The tea culture developed rapidly, and then, in the period of the Song Dynasty, teahouses were already popular in all parts of the country. The picture “Along the River During the Qingming Festival”, painted by Zhang Zeduan, is one of the proof of existing and extending a teahouse culture in the time of the Song Dynasty. He described a small wine and teashops on the banks of the river.

Bashu is one of the China’s earliest famous tea producing areas. The local people have kept up the hobby of drinking tea until the present

day. There is a proverb, that says “there few clear days, but many teahouses in Sichuan”. [4, p. 72]. Sichuan is considered to be one of the first famous areas of tea cultivation, where teahouses appeared for the first time. Teahouses were of different sizes. Only a few people could attend a small one, while a large teahouse could receive hundreds of visitors. Sichuan teahouses offered good service, elegant style, and, above all, excellent tea, tea sets and, of course, atmosphere – a special environment conducive to both tea drinking and socializing. [4, p. 72]. It is believed that every year after harvesting people held a “competition”. The quality and grade of fresh tea was determined by the speed with which the tea leaf was immersed in water. It is considered that such “competitions” were a prototype of tea ceremonies. Nevertheless, tea houses attracted people not only for their excellent service. They played a huge role in the social life.

Chinese civilization is considered one of the most ancient. And is included in the list of the three largest countries in the world. Several centuries ago, it was very difficult for people to get from one province to another to share the events that had taken place in the country. Therefore, locals came to teahouses for the information they were interested. At that time teahouses played an important role in the news diffusion. The people gathered in the teahouse to drink a cup of tea and listen to the story-tellers, who traveled around the world and recounted folk legends and news.

Professor of History at Texas A&M University, Di Wang, in his “first book-length history of Chinese teahouse” wrote that “the teahouse was a microcosm of the large society” [1, p. 1]. He also added “drinking tea has been a part of Chinese daily life for millennia”. An old Chinese axiom states that ‘there are seven things you need as soon as you get up in the early morning: oil, salt, firewood, rice, soy sauce, vinegar, and tea’. He referred to a writer who used the pen name Lao Xiang and his work “Discussion of Tea Drinking by Chengdu People” [3]. Lao Xiang made a point that “drinking tea had always been a part of daily life in Chengdu (Sichuan)’.

Wen Yiduo is a popular Chinese poet and scholar, who lived in 20<sup>th</sup> century in the period of the Second Sino-Japanese War. He was politically active in the support of China Democratic League. For his



outspoken nature he was assassinated by secret agents of the Kuomintang. During his lifetime he made a song about teahouse – “Chaguan xiaodao”.

The night breeze is blowing dry air,  
 And the teahouse is full of frivolity.  
 Patrons throng upstairs and downstairs,  
 Where the waiter is calling out and bringing boiled water.  
 Bowls and plates are jingling,  
 While fried melon seeds are crackling.  
 Some customers are chatting and some are arguing;  
 And some are in trouble, but some are laughing.  
 Some are discussing national affairs,  
 And some are airing their complaints.  
 The teahouse keeper is so afraid  
 That he comes to ask in a low voice:  
 'Sir, please, out of concern for my business;  
 Never discuss your opinions about politics.  
 Or national affairs.  
 It is difficult not to complain.  
 But you and I will suffer  
 If your conversation causes a problem.  
 You may lose your job,  
 And my teahouse may be shut down.  
 But losing your job is not the worst,  
 You might be put in jail.  
 What you should talk about is the weather,  
 And then go home and sleep well after drinking tea here.'  
 'Ha ha!', everybody is laughing.  
 'The teahouse keeper is talking nonsense,  
 Because we have had too much sleep.  
 More sleep,  
 Makes us more stupid,  
 And more frustrated.  
 Instead, let's talk without taboos.  
 Get rid of the bastards who oppress us, exploit us, and don't  
 let us speak freely.'

It is likely that he imaged a teahouse, which was not in Sichuan, nevertheless, the atmosphere that he described was universal. Tea houses were visited by different people, so there were often numerous conflicts and incidents. In addition, it was believed that the teahouse reflected the situation occurring in the city, because it was the most popular public place of that time. That is why the local authorities sought to control the teahouses and established their own order there.

The teahouses of old China were divided into six main types: grand teahouse, pure teahouse, story teahouse, chess teahouse, tea huts in temples and countryside tea hut. The grand teahouses were equipped with a special public area and had a lot of private rooms for guests from different social ranks. In such teahouse visitors could taste not only tea, but also could eat different dishes and spend interesting time. Exactly such place was described in the play of one of the most famous Chinese writers, Lao She. His “Tea House” is a work that connects many aspect of local residents’ life. In the play, author told us about everything, something about politics, something about people, something about nostalgia for the past. Many people gathered in the teahouse, but there was only one thing that disturbed all of them, that was the future of their huge home, their China.

Lao She tells us that teahouse was a favorite place for many people, they gathered on business and without business, spent their leisure time. Everybody could come there and listen to a lot of different stories. “There was talking about the new artist’s role in the Beijing Opera, about new way of preparing opium” [2, p. 3]. Somebody could bring a rare jewel to show it to the others. So teahouses played a huge role, even from the cognitive point of view. His words perfectly describe everything that actually happened in the teahouses of old China.

Modern Chinese teahouses are still very popular. People often used them to hold a business talk, to gather by the whole family and even to make a wedding. Today teahouses are very similar to those that were in the period of the Song Dynasty. As well as several centuries ago, teahouses offer visitors their cultural program:

performances of artistes, storytellers, singers and musicians. Nevertheless, these teahouses are focused on tourists or on well-to-do locals. In such places, you will enjoy atmosphere, and feel yourself like a member of imperial family. Main goal of these teahouses is to earn more money and make successful marketing move. This type of teahouses acquaints international visitors with the ancient culture of tea drinking.

On the other hand, there are teahouses for locals. Chinese can't live without tea. However, not every ordinary Chinese person can afford to visit an elite teahouse. That is why in every small town there are teahouses for locals. In such teahouses everything is simple. People come here to talk, learn news, discuss political issues, play cards, read a newspaper and just relax.

Teahouses have rich history. Even now teahouses are popular among immigrants and locals from different social ranks. Tea was and remains a kind of intermediary in establishing contacts between people, respectively, and the tea houses performed and continue to fulfill an important social function.

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## THE 21<sup>ST</sup> CENTURY AS THE “CHINESE LANGUAGE CENTURY”

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**Yurchenko Y. A., Medvid M. N. The 21<sup>st</sup> Century as the “Chinese Language Century”.** The article discusses the process of the Chinese language being put to a wider use outside China. Language is a tool that bridges education, economy, science and technology, foreign affairs, and even politics. The scientists' key findings reveal two facts that prove the increasing popularity of the Chinese language worldwide: registration of Chinese character domain names on the Internet, and the Chinese government passing a law protecting and promoting the use of the Chinese language inside the country and around the world.

**Keywords:** Chinese language, China, economic growth, foreign language, multilingualism.

**Юрченко Ю. А., Медвідь М. М. 21 століття як "Століття Китайської Мови".** У статті розглядається процес поширення китайської мови за межами Китаю. Мова – це інструмент, який об'єднує освіту, економіку, науку та техніку, закордонні справи і навіть політику. Основні висновки науковців свідчать про два факти, що підтверджують зростаючу популярність китайської мови у всьому світі: реєстрація доменних імен китайських символів в Інтернеті та прийняття урядом Китаю закону, що захищає та сприяє використанню китайської мови всередині країни та в усьому світі.

**Ключові слова:** китайська мова, Китай, економічне зростання, іноземна мова, багатомовність.

**Юрченко Ю. А., Медведь М. Н. XXI век как «Век Китайского Языка».** В статье обсуждается процесс более широкого использования китайского языка за пределами Китая. Язык – это инструмент, который связывает образование, экономику, науку и технику, международные отношения и даже политику. Основные выводы ученых указывают на два факта последних лет, которые подтверждают растущую популярность китайского языка во всем мире: регистрация доменных имен китайских иероглифов в Интернете и принятие правительством Китая закона о защите и поощрении использования китайского языка внутри страны и в мире.

**Ключевые слова:** китайский язык, Китай, экономический рост, иностранный язык, многоязычие.

The o b j e c t of the article is the process of using the Chinese language in the modern world. The s u b j e c t of our study is the role of diverse language dexterity in the context of China's international influence. The p u r p o s e of the article is to highlight the current needs for multilingualism in terms of efficiency in economy as the first step towards reaping a range of rewards, from more successful exports to a more innovative workforce. In the article we have reviewed some international sources and highlighted the research process the current article is based on. We have also presented the most significant findings as well as recommended actions regarding the issue.

Guess what the former Australian Prime minister, Kevin Rudd; the successful entrepreneur, Mark Zuckerberg and the U.S. President Obama's daughter, Malia Obama have in common? They all take Chinese as their second language. The study of the Chinese language opens the way to different important fields such as Chinese politics, economy, business opportunities, history or archaeology.

There is a huge growth in numbers of non-Chinese heritage people learning Mandarin, but Westerners actually started learning Chinese as early as the 16th century. The first westerners to master Chinese, were the Italian Jesuits Michele Ruggieri and Matteo Ricci, they were also the first foreigners teaching Chinese. So the often-claimed "Asia Century" isn't really as new of a trend as you may think, like the old saying "what comes around goes around". The Chinese civilization ruled the world in the 15th century when Europe was still in the dark ages. Now, after a couple centuries of the West being in the lead of the economy, the Chinese economy is predicted to overtake as the world's largest economy once again [2].

China has over 5000 years of history and has 1.28 billion people, which equates to approximately one fifth of the global population; the significance of knowing Mandarin and understanding China in this world is more obvious than not. China is currently the second largest economy in the world that has strong economic ties with world powerhouses such as the U.S., EU and etc.

Today, there are Chinese programs in more than 550 elementary, junior high and senior high schools, a 100% increase in two years. While at the college level, enrolment in Chinese-language classes has increased 51% since 2002, according to the Modern Language Association, a language and literature education organization. Marty Abbott, the spokeswoman for the American Council on the Teaching of Foreign Languages, says early figures suggest the number of students now studying Chinese has “got to be somewhere around 30,000 to 50,000” [7].

To learn a language is also to learn about a culture. As China takes a more prominent role on the international stage, it will be increasingly important for foreigners in any field to have more understanding of Chinese culture and language. Chinese language is being put to wider use worldwide, creating an ever-increasing number of learners of both the Chinese language and Chinese culture. Foreign students from more than 100 countries have already begun to study Chinese via the Internet, on websites like [Free Chinese Lessons](#) website [3].

According to the Modern Language Association, enrollments in Chinese language study between 2002 and 2006 spiked by 51%. China’s growing affluence has led to the unprecedented popularity of the Chinese language, with nearly 40 million foreigners currently studying abroad. The Chinese government has also invested substantially in popularizing Chinese around the world, and is currently compile Chinese teaching materials for foreign countries. Already a growing number of elementary and middle schools in foreign countries are introducing Chinese to the curriculum.

In the coming years, Chinese language will be used in more countries and regions around the world, and become an important bridge between Chinese and foreigners.

Chinese isn’t the new French, it’s the new English. Many analysts and observers have predicted that the 21<sup>st</sup> Century will be the “Asian Century.” By 2030, Asia will account for 53 per cent of the world’s population, 50 per cent of the world’s GDP, 64 per cent of the global middle class, and over 40 per cent of global middle-

class consumption. China, in particular, has surged onto the world stage as its rising economic, political, and military strength continues to shape the Asia Pacific region and the world beyond.

It is no surprise that Asian language skills are becoming more vital than ever for businesses and governments. One of the most in-demand foreign languages is Mandarin Chinese. In 2014, there were [over 100 million foreign speakers and learners of Mandarin around the world](#). This number is expected to increase as more and more businesses realize the untapped market opportunity beyond the big, cosmopolitan cities like Beijing and Shanghai – cities where English-language capability should not necessarily be taken for granted [8].

And as [China continues to reduce the importance of the English language education](#) in its own schools, the need for Mandarin-speakers outside China will grow even more. Now is a pivotal time for the world to raise its Mandarin competency in preparation for the changing dynamics towards China relations.

We have highlighted a number of reasons why learning the Chinese language is becoming so popular.

First, Mandarin is becoming popular because the great achievements that China has made in the last 30 years. Thirty years ago China was a poor and undeveloped country, but great changes have taken place in China since then. China has become the second biggest economy in the world. With the Beijing 2008 Olympics and the World Expo 2010 in Shanghai, the world has learned more about China and China has learned more about the world. China has played important roles in some international affairs.

Second, when the 2007 global Great recession broke out the Chinese government's stimulus plan helped the world economy to bounce back.

Third, some entrepreneurs and businessmen would like to trade with China and they require their employees or children to learn Chinese. In some companies, staff must take part in Chinese language training. Those who have received training have a better

chance to be hired and promoted to senior positions. Others are interested in Chinese culture, arts and so on.

Last but not least, governments and social organizations are taking great measures to encourage people to learn the language. For example, in the Universiade village in Longgang District Shenzhen, a Chinese Language Learning Center was set up. About 80 foreign athletes came to the center to learn basic Chinese. Wherever you went, you heard “nihao”, (hello), “xiexie” (thank you) and “zaijian” (goodbye). Some athletes learned how to write their names in Chinese characters. They said Chinese traditional culture was very interesting [1].

For students to remain competitive in this increasingly globalized world, it’s necessary to equip themselves with one of the essential ingredients – Mandarin – to significantly improve their post-graduation employability.

Proficiency in Mandarin is going to be an ever-present requirement. These overseas overtures by Chinese conglomerates abroad means the language could be the lingua franca, even if they are based in different countries [6].

Learning Mandarin is becoming a global trend, are you ready?

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**PROSPECTS FOR THE DEVELOPMENT  
OF INTERNATIONAL RELATIONS  
BETWEEN CHINA AND AMERICA**

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**Zakolodiazhnaia V. V., Musaieva R. Sh. Prospects for the development of international relations between china and America.** The article discusses Sino-US relations. The current situation of the two leading countries of the world and the prospects for the development of international relations between them are analyzed. And also significant changes considered within each country in recent years.

**Keywords:** America, China, international relations, development prospects, global arena, cooperation.

**Заколодяжна В. В., Мусаєва Р. Ш. Перспективи розвитку міжнародних відносин між Китаєм та Америкою.** У статті розглядаються китайсько-американські відносини. Проаналізовано нинішній стан двох лідируючих країн світу і перспективи розвитку міжнародних відносин між ними. А також розглянуті значні зміни всередині кожної країни за останні роки.

**Ключові слова:** Америка, Китай, міжнародні відносини, перспективи розвитку, глобальна арена, співпраця.

**Заколодяжная В. В., Мусаева Р. Ш. Перспективы развития международных отношений между китаем и америкой.** В статье рассматриваются китайско-американские отношения. Проанализированы нынешнее положение двух лидирующих стран мира и перспективы развития международных отношений между ними. А также рассмотрены значительные изменения внутри каждой страны за последние года.

**Ключевые слова:** Америка, Китай, международные отношения, перспективы развития, глобальная арена, сотрудничество.

The o b j e c t of the article is the process of China's interaction with America in today's world. The s u b j e c t is a study of the prospects of international relations of China and America. The p u r p o s e of the article is to consider the peculiarities of the relationship between the two countries.

Sino-US relations are going through an unprecedented difficult period, and there is great uncertainty in the development prospects.

Uncertainty comes from big changes. The current tension in the relations between the two countries and the challenges and difficulties to be faced for a considerable period are rooted in the historical process in which Sino-US relations have entered the transition from the old relationship to the new relationship. Looking at the uncertainties in the development of Sino-US relations from the certainty of the big change will help us understand and calmly face the current situation.

Look at the significant changes that can be identified:

First of all, China's power status has been greatly improved, and the gap between the two countries has been significantly reduced. In particular, this trend can be expected to continue to develop, so that the comparison of power between China and the United States is forming a new balance model.

Secondly, the United States made major adjustments to China's strategic positioning, and China was identified as a major competitor, a major challenger, and a "revisionist" country. This adjustment fundamentally changed the US strategic posture toward China and also changed the dynamics of the development of Sino-US relations. The strategic competition marked by strengthening precautions, checks, and balances, and hedging measures have replaced dialogue, exchanges, and cooperation, and has become the dominant face of Sino-US relations in the new era.

Thirdly, as an important part of the new relationship pattern, the changes on the other side are also fundamental. China and the United States have formed an interdependent relationship of "you have me, and you have me." Its impact has far exceeded the scope of bilateral relations with the overall improvement of China's economic energy, and has become a global economic supply chain and value chain.

Finally, both China and the United States are in a critical period of economic, political, and social transformation. The complicated changes in the domestic political and economic situation are accompanied by rising nationalist and populist passions. The unprecedented treatment of major issues between China and the United States has produced unprecedented magnitude.

Look at the main uncertainties:

First, the basic trend of relations between the two countries calls into question. The developments in the next five years will determine whether the strategic competition between China and the United States will slip to the "Thucydides trap" or a pragmatic proposition that "too big to fail" will eventually establish its dominant position. In this regard, the outcome of the Sino-US trade war and the negotiations will be instructive to a considerable extent. If China and the United States can overcome the severe challenges of the transition period, our goal should gradually establish a stable framework of relations between the great powers adapted to the pattern of globalization and multipolar development.

Secondly, whether the principles of "seeking common ground while shelving differences" and "separating politics from economics" can be sustained. For a long time, the problems and differences between China and the United States due to differences in development levels and political systems have not become obstacles that fundamentally hinder the development of Sino-US relations, largely due to the two policies. Leadership is consistently recognized and subtle tacit understanding is maintained at the level of policy operations. The current "decoupling" claim in Washington is actually to abandon these two policies. The domestic debate on this issue and the resulting policy orientation will have a significant impact on the future direction of Sino-US relations and even the international political and economic system.

Thirdly, whether China and the United States can reach a political and security consensus on peaceful coexistence in the Asia-Pacific region. This major issue involves the strategic and policy considerations of China and the United States on the following important issues: the Taiwan issue, the South China Sea issue, the North Korean nuclear issue, and the regional security architecture. Under the general situation where strategic competition has dominated Sino-US relations, there is an important relationship between the two parties' handling of various issues. The Asia-Pacific region has become the most important engine for global economic

development. At the same time, due to its special pluralism and diversity, it has brought intricate state relations and geopolitics. China and the United States handle the intersection and collision of their economic, political, and security interests in this region, and cannot be separated from the process of constructing regional political and security orders. This is an important implication of the new China-US relationship.

Finally, the most difficult issue to grasp the impact of the current development of Sino-US relations is that American politics has entered a special historical period. "Trump phenomenon" is the most prominent sign, but the profound and complex meaning behind it goes far beyond Trump's personal factors. It includes the economic transformation and the widening gap between the rich and the poor, the polarization of bipartisan politics, the intensification of racial and religious conflicts, the resentment of middle-class groups, the public's disdain for power groups and elite governance, nationalism and populism. Economic, political, social and diplomatic meanings such as rising, "American supremacy" dominating foreign relations, and rebellion against multilateral mechanisms and international responsibilities. Sino-U.S. Relations bear the brunt of it and become the victim of its most prominent spillover effects. As the United States enters a new round of election politics, attacking and suppressing China, its main opponent, is a political scoring option. Sino-US relations in the next few years are even less optimistic.

However, the real way forward for the development of Sino-US relations lies in the positive construction based on history and facing the future. To this end, it is necessary to deeply understand the characteristics of the Sino-US new relationship pattern, that is, the combination of "super-large" and "super complex". This trait contains the tremendous real energy and historical heritage of China and the United States, as well as their profound correlation with the current international changes.

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## THE ROLE OF FOREIGN LANGUAGE IN THE PROFESSIONAL TRAINING OF EXPERTS IN INTERNATIONAL RELATIONS

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**Zhuravlova Y. O., Radchenko O. I. The role of foreign language in the professional training of experts in international relations.** The article deals with main requirements for language learning of students who are majored in International Relations. It is presented one of the directions that provides effective changes in the training of future specialists in international relations. It is discussed the need for the formation of students' communicative competence, The main communication strategies and tactics that can ensure the effectiveness of communication in the field of international relations are defined.

**Key words:** effective communication, foreign language, international relations specialists, speech-communicative competence.

**Журавльова Є. О., Радченко О. І. Роль іноземної мови в контексті сучасних вимог до професійної підготовки фахівців із міжнародних відносин.** Сьогодні для забезпечення ефективності освітньої діяльності необхідно враховувати загальноцивілізаційні та національні тенденції розвитку суспільства, які є підґрунтям змін в освіті. Авторка виділяє один із напрямків, який передбачає безумовні зміни у професійній підготовці майбутніх фахівців із міжнародних відносин. У статті розглядається необхідність формування мовнокомунікативної компетенції студентів, визначаються основні комунікативні стратегії і тактики, здатні забезпечити ефективність комунікації у сфері міжнародних відносин.

**Ключові слова:** ефективність комунікації, іноземна мова, мовнокомунікативна компетенція, фахівці з міжнародних відносин,

**Журавлева Е. А., Радченко Е. И. Роль иностранного языка в контексте современных требований к профессиональной подготовке специалистов по международным отношениям.** Сегодня для обеспечения эффективности образовательной деятельности необходимо учитывать общецивилизационные и национальные тенденции развития общества, которые являются основой изменений в образовании. Автор выделяет одно из направлений, предусматривающее безусловные изменения в профессиональной подготовке будущих специалистов международных отношений. В статье рассматривается необходимость формирования речекоммуникативной компетенции студентов, определяются основные

коммуникативные стратегии и тактики, способные обеспечить эффективность коммуникации в сфере международных отношений.

**Ключевые слова:** иностранный язык, речекommункативная компетенция, специалисты международных отношений, эффективность коммуникации.

The relevance of the study is determined by the dynamic process of formation a global political system that balances the borders of states bound by strong diplomatic, political, social, trade, financial and cultural relations. The globalization mechanisms and its consequences have been the subject of study, discussion and disputes amongst many scholars. Nowadays diplomacy in our country is one of the most developed structures and satisfies the world standards in functioning to protect the national interests of Ukraine. However, the traditional approaches and training patterns which are applied to teach students (future international relations professionals) do not fully reflect the needs of the actual practice of their professional activities.

The quality of international training is the question of both security and efficiency of political, economic and socio-cultural development of the country. One of the obstacles to their professional activity in the multicultural world is poor language and professional training, which leads at least to misunderstanding, conflict situations, and, therefore, to a decrease in the pace of cooperation.

The purpose of the article is to express the expediency of the efficiency improvement in the process of language and professional training aimed at the formation of students' linguistic and communicative competences in the context of modern requirements for professional training of future specialists against the background of the world integration and globalization processes.

It goes without saying that the modern requirements for specialists in the conditions of tough competition require universities to find new teaching approaches. Scientific and technological revolutions, hybrid wars, political crises, the search for investment projects, etc. have provoked an information explosion and led to the



mass involvement of specialists in direct international relations and the expansion of diplomatic, business and cultural contacts. Proper functioning of the international information system would not be possible without specialists who are good at foreign languages, who are able to get quickly the information from foreign sources without a translator, teach it in their native language and use for their professional activities. The foreign language communication skills enable high school graduates to be informed about the events that are taking place in the contemporary international space, equip them with the achievements of world politics.

Nowadays the system of embassies, consulates, diplomatic missions and institutions, foreign companies, foundations and organizations is successfully functioning in Ukraine, the tourism industry is developing increasingly, international projects and programs are operating in various fields. Taking into account these facts, training of future specialists in international relations, who should be perfectly prepared for foreign language communication at a professional level, is of particular importance.

The qualitative language and professional training of specialists "grows" from a personal need to a national concern and becomes a national capital [2].

Therefore, a profound knowledge of foreign language becomes a social order of the society, acquiring a strategic and political value, and is considered as a essential component of the professional training of future specialists in international relations.

The content of syllabus depends on the requirements for the professional qualification of specialists. It should be noted that the objects of professional activity of specialists in international relations are governmental departments, public authorities; international organizations; Ukrainian and foreign business entities, non-profit and non-governmental organizations maintaining international relations or dealing with international issues; editorial offices of the media. Thus, according to the qualification system for graduates majored in International Relations, the heavy emphasis is placed on the need to equip bachelors with a basic knowledge of foreign languages.

Particular attention should be paid to the modern concept of language education, which means the transformation of the system of training with further flexible adaptation to the dynamically changing conditions of their professional activity.

It should be mentioned that the role of foreign languages as a means of international communication will only increase, and will continue to be the primary means of communication. The leading spheres of communication in the professional activity of graduates of non-philological specialties are the following: a conversation with probable use of terms; business correspondence; a business conversation and small talks on common topics; participation in workshops, seminars, conferences and presentations, etc. As a consequence, the professionals in international relations should be able to hold a professional dialogue with representatives of other cultures and present the results of their own activities at the international level [1].

The professional discourse of diplomats, politicians, political scientists is a sphere of international communication that includes politics, problems and events of public and state life. Such tasks require knowledge of the specific nature of communication with business partners. For this purpose, with the help of the effectively organized educational professional-communicative environment, students should form a complex of competences, which will enable them to understand adequately foreign partners and use both verbal and non-verbal means of communication which are appropriate to another culture. Therefore, this category of future specialists should be taught not only professional skills but also it is essential to develop the willingness to make decisions, take responsibility, carry out professional activity in a foreign language, taking into account the contextual significance of the situation [4].

Due to the integration of Ukraine into the world, its accession to the Bologna process, the strengthening of cultural ties with other countries, the higher education system has encountered an urgent need to train specialists whose qualification are to meet international requirements for professionals working in the field of international

relations. As a result, the training of competitive professionals who are trained to navigate in the rapid flow of information has become a top priority for higher professional education [3].

As a matter of fact, the professional training of specialists in international relations should be aimed at developing their commitment to their professional activity. The achievement of this goal is ensured by the implementation in the educational process a system of principles that determines the goals and content of students' professional training, reflects a comprehensive approach to improving teaching skills and takes into account the features of language and professional training in the future activities of experts in international relations.

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## NATIONAL INFORMATION RESOURCES WITHIN THE GLOBAL INFORMATION IMPACT

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**Zhuravlyova T. E., Davydenko I. V. National information resources within the global information impact.** The article discusses the transformation within the framework of a large-scale information space in the context of the development of globalization and the strengthening of global influence on national information resources. The focus is on expanding the global information sphere.

**Keywords:** globalization, global information space, information bases, information resources, information security, national information technologies.

**Журавльова Т. Є., Давиденко І. В. Національні інформаційні ресурси в контексті посилення глобального інформаційного впливу.** У статті розглядаються трансформації загальноцивілізаційного інформаційного простору в контексті розвитку глобалізації і посилення глобальних впливів на національні інформаційні ресурси. . Основна увага приділяється розширенню глобальної інформаційної сфери

**Ключові слова:** глобалізація, глобальний інформаційний простір, інформаційні бази, інформаційна безпека, інформаційні технології , національні інформаційні ресурси.

**Журавлева Т. Е., Давыденко И. В. Национальные информационные ресурсы в контексте усиления глобального информационного влияния.** В статье рассматриваются трансформации в рамках масштабного информационного пространства в контексте развития глобализации и усиления глобального влияния на национальные информационные ресурсы. Основное внимание уделяется расширению глобальной информационной сферы.

**Ключевые слова:** глобализация, глобальное информационное пространство, информационные базы, информационная безопасность, информационные технологии, национальные информационные ресурсы.

The o b j e c t of the article is the transformation of a civilized information space. The s u b j e c t of the article is the globalization and increasing global influence on national information resources. The p u r p o s e of the article is to explore the features of modern

development of the global information base and its impact on different spheres of human life.

The process of global retraining at the present scale of civilization is based on the development of global informational resources and social welfare in the regions. Throughout the development of mankind, information has been an integral part of the main labor activity, the survival and self-improvement of people, played the role of a global factor in the economic and environmental complex [1]. Within the process of structuring this database, some groups of information resources have been already distinguished, representing their characteristic features.

- resources of world-wide value [2];
- resources that must be introduced before the global information space with the help of global energy is surrounded by international subcontracts of information activities;
- resources that are seen as powers, nations, and social structures as products for the international market of information;
- military information resources, which are the main component of information warfare [3, p. 109–115] and resources for neutralizing this type of information impact from the attacked subjects.
- cybercrime resources [4] and neutralization of information.

These resources consist of information assets of all previous generations of our civilization. Also, with the development of market mechanisms in the information sphere, there are also information resources that reflect the system of other interests of states and nations. The development of electronic information technologies has neutralized the importance of geographical borders between states in the information sphere, as well as used by international criminal groups. In this regard, a negative phenomenon has been also developed within the global information space, it is called cyberterrorism. In general, the intellectual existence of man and society, emphasized by modern researchers, is due to the level of capabilities of any existing informational-target system as a global basis for activity and development. This is the largest information base that gives more opportunities for reaching the target in order to

regulate macroeconomic processes in the planetary world, create great state complexes, areas of special legal regulation in economic processes.

A characteristic feature of the information base is the growing need to ensure a coordinating role within global information processes. During the transition to the information age, one significant warning needs to be added: expanding access to information creates only conditions for a positive solution to pressing problems in all regions of the world: one of them is to increase the number of information links of global importance, which together create the conditions for the global information space functioning.

It's worth taking into consideration that the processes, taking place in the world today, give the chance to the countries to join the "golden billion" and the world community. The reality of such a partnership is evidenced by the following conclusion: "A study of the last decade showed that the governments of powerful countries have already lost control over the processes of globalization. A force appears in the global information space, which, on the one hand, affects powerful exploiting states, helping to weaken their influence on economically weak, exploited states. [5, p. 23] On the other hand, integration processes promise a certain increase in the level of information, and economic development [5].

Opening the way for realizing certain chances for economic growth based primarily on technical re-equipment, globalization also causes new social confrontations and contradictions already at other levels of social relations, and does not promise ease in resolving them [6, p.117].

To draw the conclusion, it can be said that accelerating global transformations into a new information age does not solve initial problems of the society. Analyzing the political processes in today's globalized world, Ukrainian researchers conclude that society cannot self-organize unless it provides the common ideas of development. The global information sphere is aimed at improving the social environment.

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## THOMAS COOK: CAUSES OF THE CRASH

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**Zhurova K. G., Bezsonova N. S. Thomas Cook: causes of the crash.** The article analyzes the main reasons for the collapse of a major tour operator. Using the example of a separate company, the article reveals the global problems that a tour operator may face in the modern economic space. It also considers all sorts of consequences for individual customers and for the global economy as a whole.

**Key words:** best-known holiday, customers, extra costs, holidaymakers, repatriation, shareholders, travel insurance.

**Журо́ва К. Г., Безсонова Н. С. Томас Кук: причини розпаду.** В статті проаналізовані головні причини краху могутнього туроператора. На прикладі окремої компанії стаття розкриває проблеми, з якими може зіткнутися тур оператор у сучасному економічному просторі. Також розглянуто можливі наслідки для окремих клієнтів та для економіки в цілому.

**Ключові слова:** всесвітньовідомий відпочинок, клієнти, додаткові витрати, відпочиваючі, повернення додому, акціонери, туристична страховка.

**Журо́ва К. Г., Бессонова Н. С. Томас Кук: причины распада.** В статье проанализированы главные причины краха крупнейшего туроператора. На примере отдельной компании статья раскрывает глобальные проблемы, с которыми может столкнуться туроператор в современном экономическом пространстве. Также рассмотрены всевозможные последствия для отдельных клиентов и для мировой экономики в целом.

**Ключевые слова:** всемирно-известный отдых, клиенты, отдыхающие, дополнительные траты, возвращение домой, акционеры, туристическая страховка.

The o b j e c t of the article is the main reasons of the collapse of a large tour operator «Thomas Cook».The s u b j e c t of the article is the description of the tour operator activity in the tourism industry and its influence on the world economy. The p u r p o s e is to convey to the masses the peculiarities of the work of a large-scale company in the tourism sector on the example of a tour operator «Thomas Cook».



One of the world's best-known holiday brands, the business was founded in Market Harborough in 1841 by businessman Thomas Cook, the fledgling company organised railway outings for members of the local temperance movement. Some 178 years later, it had grown to a huge global travel group, with annual sales of £9bn, 19 million customers a year and 22,000 staff operating in 16 countries. However, just as the travel world had progressed from temperance day trips, the modern business and leisure market was also changing, and at a far faster pace than in previous decades.

Thomas Cook had a chequered history, including being nationalised in 1948 – when it became part of the state-owned British Railways – and owning the raucous Club 18-30 youth brand, which it recently closed after failing to find a buyer.

The firm's fate was sealed by a number of factors: financial, social and even meteorological. As well as weather issues, and stiff competition from online travel agents and low-cost airlines, there were other disruptive factors, including political unrest around the world. In addition, many holidaymakers had become used to putting together their own holidays and not using travel agents.

Thomas Cook has collapsed, triggering the biggest ever peacetime repatriation aimed at bringing more than 150,000 British holidaymakers home. The company, its customers and staff had hoped for a rescue deal, but now that last hope has gone, they will be looking at the practicalities for the near future. About 800,000 British people had future bookings and the company had 9,000 employees in the UK. The tour operator's failure puts 22,000 jobs at risk worldwide, including 9,000 in the UK. "The company has had troubled for a long time," said John Strickland, an aviation analyst who provided evidence to [a government inquiry into the 2017 collapse of low-cost airline Monarch](#). As for Thomas Cook's recent attempts to restructure itself, "it looked to me very much like too little too late," he said, adding that a move into the package holiday market by low-cost carriers EasyJet and Jet2 piled on the pressure [11].

Tim Jeans, a former managing director of Monarch who left long before its collapse, told Thomas Cook had "an analogue business

model in a digital world". Now chairman of Newquay Airport, in Cornwall, Mr Jeans was an executive at MyTravel, which owned AirTours and was bought by Thomas Cook in 2008, an investment that was recently written off. Much of the value of the business was perceived to be in its brand and the loyalty of its customers, accounted for in its books as goodwill. The firm had very little in the way of tangible assets, such as planes or hotels. "So, when customers left for online competitors or to book their own flights and hotels, the value of the firm plummeted", said Mr Jeans [11].

Last summer, shares in Thomas Cook were trading at just below 150p. But after a series of profit warnings, the price had fallen to just a fraction of that. Earlier this year, analysts at Citigroup bank described the travel firm's shares as "worthless". In May, Thomas Cook reported a £1.5bn loss for the first half of its financial year, with £1.1bn of the loss caused by the decision to write down the value of My Travel, the business it merged with in 2007.

However, it warned of "further headwinds" for the rest of the year and said there was "now little doubt" that Brexit had caused customers to delay their summer holiday plans. The company then put its airline up for sale in an attempt to raise badly-needed funds. Thomas Cook later announced it was in advanced talks with its banks and largest shareholder, China's Fosun.

The troubled operator hoped to seal a rescue led by Fosun, but the creditor banks issued a last-minute demand that the travel company find an extra £200m, which it was unable to do. The company's boss, Peter Fankhauser, said the firm had "worked exhaustively" to salvage the rescue package and it was "deeply distressing" that it could not be saved. He and other executives received millions of pounds in bonuses, salary and other perks to retain their talents. Investors, lenders and staff may be wondering precisely how wisely this largesse was calculated. For Thomas Cook's unfortunate staff, customers and shareholders, history has come full circle.

Eight years ago, the company lurched perilously close to the edge of insolvency after trading turned sour. It was pulled back from the brink by an emergency loan from a group of banks, led by Royal

Bank of Scotland – ironically the same bank whose demand for extra money appears to have sunk the company this time.

As well as weak trading, the company's big problem in 2011 was too much debt – about £2bn when the pension deficit was included. It tried to put its borrowing problem behind it in 2013, with a £425m fundraising from shareholders [8].

Fast forward six years and Thomas Cook is back where it was. All the rescue money is gone and the debt pile is back to £1.6bn. Again it has been thumped by poor trading and a series of one-offs, notably weak sterling and a summer heatwave that led to a downturn in demand.

However, there is evidence of deeper problems, as well as a lack of management control. The company stopped paying dividends to shareholders in 2011 as the previous crisis hit, but resumed them in 2017 and again last year – an odd thing to do if trading, and solvency, was tight.

The company's results were marked by exceptional, one-off items, always a red flag for analysts, while the negotiations over the restructuring plan have been chaotic. After the immediate repatriation and staff problems have been resolved, one question remains: will Thomas Cook live on in some form? [9].

The obvious buyer would be Fosun, the Chinese conglomerate that was the British company's largest shareholder. But they, and other buyers, may conclude the messy nature of the weekend's collapse may have blighted the brand irretrievably [8].

The government was asked for a bailout of £250m, which was denied. Transport Secretary Grant Shapps defended the move on the Today programme. "I fear it would have kept them afloat for a very short period of time and then we would have been back in the position of needing to repatriate people in any case," he said. Some other operators which used Thomas Cook flights will try to switch their customers to an alternative at no extra cost.

Others may be on cruises organised and paid through Thomas Cook. It is best to contact those operators directly as they will be prepared to explain the status of the holiday. The main alternative is

claiming a refund from the provider of the credit or debit card you used, so-called section 75 rules. Otherwise you may need to make a claim on travel insurance. That is why it is always advised to buy travel insurance at the same time as booking a holiday. Analysis by data company Defaqto shows that 45% of travel insurance policies do not cover the collapse of an airline, so not everyone will be covered.

A spokesman for the Association of British Insurers says: "As a last resort, travel insurance with scheduled airline failure cover can cover the cost of a flight when the airline has gone into administration. A travel insurance policy with travel disruption cover will cover the cost of new travel arrangements." UK package holiday customers will be brought home "as close as possible" to their booked return date, the Department for Transport (DfT) has said. They must take their original ticket information with them and will be issued with a fresh boarding card for their flight [7].

Customers will be on special free flights or booked on to another scheduled airline at no extra cost, with details of each flight to be posted on a dedicated CAA website as soon as they are available, up to 72 hours before its scheduled departure. Thomas Cook had 600,000 customers on holiday from around the world, including more than 150,000 from the UK, so it will be a huge logistical challenge [11].

Thomas Cook's demise is fairly simple. They did not move with the times and diversify their services. With their history of trading, they should have been market leaders and not market leavers.

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## THE ROLE OF THE ENGLISH LANGUAGE IN INTERCULTURAL COMMUNICATION IN THE CONTEXT OF GLOBALIZATION

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**Zhyvaha V. S., Davydenko I. V. The role of the English language in intercultural communication in the context of globalization.** The article gives a description of intercultural communications, discusses their modern features and analyses the English language as an intermediary in international communication; defines the reasons for the globalization of the English language and the features of its use as a global language of the 21st century.

**Key words:** communication, English language, globalization, information, intercultural communications, language speaker, lingua franca.

**Живага В. С., Давиденко І. В. Роль англійської мови в міжкультурній комунікації в умовах глобалізації.** У статті подається характеристика міжкультурних комунікацій, розглядаються їхні сучасні особливості та проводиться аналіз англійської мови як посередника в міжнародних комунікаціях. Визначаються причини глобалізації англійської мови та особливості її використання в якості глобальної мови 21 століття.

**Ключові слова:** англійська мова, глобалізація, інформація, комунікація, міжкультурні комунікації, мовець, lingua franca.

**Живага В. С., Давыденко И. В. Роль английского языка в межкультурной коммуникации в условиях глобализации.** В статье даётся характеристика межкультурных коммуникаций, рассматриваются их современные особенности и проводится анализ английского языка как посредника в международных коммуникациях. Определяются причины глобализации английского языка и особенности его использования в качестве глобального языка 21 века.

**Ключевые слова:** английский язык, глобализация, информация, коммуникация, межкультурные коммуникации, носитель языка, lingua franca.

The o b j e c t of the article is the international intercultural communications that take place in the modern world. The s u b j e c t of the article is the growing role of English as the main language of these communications. The p u r p o s e of the article is

to study the causes of globalization of the English language, to consider the contemporary features of its usage, to learn the necessity of intercultural communication, and to define the role of English language in it.

The relevance of this article is determined by the enormous importance played by such social parameters as “communication”, “information”, “culture” in the development of human society and the role of the English language in this development.

The world today is characterized by an ever-growing number of communications between people with different linguistic and cultural backgrounds. It is likely that everyone will make such contacts because they occur in the areas of business, military cooperation, science, education, mass media, entertainment, tourism etc.

As the result of information revolution and globalization of all aspects of human activities, a need for a language for overcoming intercultural barriers led to the fundamental changes in the world’s system of languages, i.e., the transformation of the English language into the language of global communication, which is an unprecedented phenomenon in history [3, c. 84].

“Language is a set of symbols shared by a community to communicate meaning and experience.” [6, c. 161]. In intercultural communication people from different cultural groups tend to misinterpret each other’s meanings. Therefore, language is an obvious obstacle to intercultural communication. As the world is globalizing, a universal language is necessary.

Scientists claim that in the 21st century a new linguistic phenomenon may appear – the international English language, which will embody the features of all national variants of the English language [1]. The phenomenon is facilitated by the growing use of English in such areas as the media, advertising, film industry, tourism, international business, international security, education, and international communications.

The American anthropologist Edward T. Hall is often cited as a pioneer in the field of intercultural communication [8, c. 37]. Born in

1914, Hall spent much of his early adulthood in the multicultural setting of the American Southwest, where people came together from diverse cultural perspectives. He then travelled the globe during World War II and later served as a U.S. State Department official. “Intercultural Communication” credit was used for the first time in his book “The Silent Language” in 1959. The book is sometimes called “the field’s founding document”.

Intercultural communication is the verbal and nonverbal interaction between people from different cultural backgrounds [7]. Basically, “inter-” is a prefix that means “between”, so intercultural communication is the communication between cultures. It is important to understand, that getting involved in intercultural communication, one is not joining another culture, he/she is not becoming a member of another society and not abandoning his/her own culture.

The key to effective cross-cultural communication is knowledge. Firstly, it is essential that people understand the potential problems of cross-cultural communication, and make a conscious effort to overcome these problems. Secondly, it is important to assume that one’s efforts will not always be successful, and adjust one’s behaviour appropriately.

People who want to improve their intercultural communication should strive for obtaining some knowledge of the cultures, organisations and institutions, history and general way of living of different communities and nations. They should also recognize that these aspects affect behavioural norms. An understanding of how culture can affect communication and language may be useful as well.

Crucially, each of us should be aware of our own and other people’s beliefs and values, and be willing to recognise when these may clash.

Intercultural communication is not only language proficiency. Though communication requires the ability to understand language, to a large extent it involves nonverbal communication: our body language, mimics, gestures, poses, the rituals from hand-shaking to the wink eye. According to recent studies, up to 60% of all human



communication is nonverbal [4, c. 77]. That means that more than half of communication is never spoken. However, the other half is still dependent on the language we speak.

Without a strong power, whether it is political, military or economic, no language will develop into a means of international communication. If native speakers succeed on the world arena, then the role of their language increases.

It was the English language that was in the right place at the right time. In the 17-18th centuries, it was the language of the leading colonial power – Great Britain, which turned into a leading industrial power by the beginning of the 19th century. By the end of the 19th century, the US economy was the most dynamic and productive in the world. In the 20th century, the distribution of English language was strongly encouraged all around the globe, thanks to the economic superiority of the new superpower – the United States of America.

During the first half of the 20th century, English gradually became the main language of many international political, scientific and educational organizations.

Also, a special role in international conferences or meetings belongs to the English language, which is the universal lingua franca, an intermediary language for communication between representatives of different language communities.

In every continent English is spoken as a national or official language. Interestingly enough, the chances of speaking English with a native speaker are much lower than the chances of speaking with a learner of English as a foreign language. For example, there are far more learners of English as a foreign language in China than speakers of English in the UK. Thinking in this way, English is less a “foreign” language than an “intercultural” language [10]. The changing status of English in the world as a lingua franca has resulted in the shift of its position to a medium for international communication.

One billion, i.e. 20% of the total world population, speaks English. More than 75% of international correspondence (letters, e-

mail) and 90% of information on internet websites are presented in English. According to D. Crystal English has become the language of world communication in the field of business communication, and is declared the official language of international corporations [5, 158]. About 50% of companies in Europe communicate with each other in English [9]. Not a single international sphere of human activity passes without the “participation” of the English language.

In carrying out intercultural communication, coding and decoding of information takes place on the basis of the English language, and in this process any deviations from the standard language forms connected with phonetical, grammatical and lexical phenomena lead to the emergence of noise in the information channel, and may result in break-ups in communication.

Concerning the widespread use of English, it is often mentioned that there is something particularly attractive and logically correct in its structure. During several centuries, English has borrowed thousands of new words from languages with which it had close contact. The fact that English did not prevent foreign words from getting into its own dictionary gives it a certain cosmopolitan character, in which many see an advantage for its use on a global scale.

As English is an international language, for speakers of other languages it is a cultural tool they borrow to interact with people from different cultures.

Being widespread in various areas of communication and used by native speakers of different cultures, the English language undergoes changes in the direction of simplification. As a consequence of globalization, unlike many of its variants, global English will strive for standardization and simplification [2, c. 34]. The use of idiomatic expressions and clichés will be reduced, some grammar aspects, like various shades of modality, will gradually be squeezed out of the language. The dominance of short form proposals will be caused by the desire to avoid misunderstanding in the process of intercultural communication [2, c. 38–40].

*Conclusion.* No doubt, intercultural communication is a common daily occurrence. At the same time, English language has

become an international language and its spread is the surest factor in accelerating the development of globalization. Globalization is based on a model of society and culture, which is closely connected with the English language, which claims to be the first world language in the history of mankind. English in the course of globalization is distributed primarily as a universal second language.

Globalization is considered to be one of the social phenomena of the information society, a feature of which is the disappearance of barriers and the emergence of interethnic cultures. Scientific and technological progress and the development of a modern communication system are taking place together with the rapid spread of English throughout the world. English is currently the main candidate for the role of lingua franca, the language of international communication. Proficiency in this language opens up enormous opportunities for those who want to keep up with the times.

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**COOPERATION  
BETWEEN UKRAINE AND EU:  
FIGHTING CYBER-TERRORISM**

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**Zinchenko O. I., Davydenko I. V. Cooperation between Ukraine and EU: fighting cyber-terrorism.** This article reveals the concept of cyberterrorism and its impact on the EU states' security. The article explains what actions to counter cyberterrorism were carried out by the EU states at the national and regional levels. Special attention is paid to the methods and means of countering cyberterrorism in Ukraine, which has signed an association with the EU.

**Key words:** cooperation, counteraction, cyberattack, cybersecurity, cyberspace, cyberterrorism, information space national security, regional security.

**Зінченко О. І., Давиденко І. В. Співробітництво між Україною та ЄС у галузі боротьби із кібертероризмом.** В даній статті розкривається поняття кібертероризму та його вплив на безпеку держав ЄС. Також в статті пояснюється, які дії у боротьбі із кібертероризмом були впроваджені державами ЄС на національному та регіональному рівнях. Окремо, увага приділяється методам та засобам протидії кібертероризму в Україні, яка підписала асоціацію з ЄС.

**Ключові слова:** інформаційний простір, кібератака, кібербезпека, кіберпростір, кібертероризм, національна безпека, протидія, регіональна безпека, співробітництво.

**Зинченко А. И., Давыденко И. В. Сотрудничество между Украиной и ЕС в области борьбы с кибертерроризмом.** В данной статье раскрывается понятие кибертерроризма и его влияние на безопасность государств ЕС. Также в статье объясняется, какие действия по противодействию кибертерроризму были предприняты государствами ЕС на национальном и региональном уровнях. Отдельное внимание уделяется методам и средствам противодействия кибертерроризму в Украине после подписания ассоциации с ЕС.

**Ключевые слова:** информационное пространство, кибератака, кибербезопасность, киберпространство, кибертерроризм, национальная безопасность, противодействие, региональная безопасность, сотрудничество.

The o b j e c t of the study is the influence of cyberterrorism on Ukrainian and EU security systems, and the cooperation between

these countries in order to fight cyberterrorism. The subject of the study is the phenomenon of cyberterrorism, its goals, consequences, methods of counteraction in the EU and cooperation between EU and Ukraine against cyberterrorist attacks. The purpose of the study is to analyze how the cyberterrorism influence on the Ukrainian and EU security systems and how to fight it.

Computers and Internet have become an integral part of any state's functioning. It has happened because computers are used for storing and processing information, communication, and managing various aspects of the state's vital systems (banking, water supply, aviation, defense, etc.). On the one hand, global computerization is a great advantage, because we can pay for utilities, get money or buy a train or plane ticket without leaving home, having only a personal computer and the Internet, so it saves our time.

However, the rapid development of information technology has negative consequences, which are expressed in the emergence of new types of criminal activities related to the usage of information technology. It may cause significant damage to both a particular person and the state and the international community as a whole. Today, cyberterrorism is considered the most difficult of all the types of criminal activities.

Modern scientific literature supposes that the most accurate interpretation of the concept of «cyber terrorism» is provided by the FBI officer M. Pollit, who defines it as “a pre-planned motivated attack on information, computer systems, computer programs and data” [7, p. 285-289].

The danger of cyberterrorism can have various manifestations and cover various spheres of activity of society and the state. Example is that cyberterrorists, thanks to the capabilities in the field of information technology, can both harm individuals by, for example, using their private information, and the state as a whole, having access to critical infrastructure in large cities, being able to manipulate their work. That is why the fight against cyberterrorism requires the states' undertakings at the national, regional and international levels. The objective of this research is to develop

recommendations on a regional strategy for joint action to fight cyber terrorism in the context of cooperation between Ukraine and the European Union.

The increase in the number of cyberterrorist attacks is an urgent problem of our state today. It requires a set of tools' development to fight cyberterrorism effectively, and legislative tools are among them. It should be mentioned that some progress has been achieved in this direction. Thus, a number of regulatory acts are devoted to the issue of cybersecurity in Ukraine. Particularly, they are the following:

- the Law of Ukraine «On National Security» № 2469-VIII dated June 21, 2018;
- the Law of Ukraine «On the Basic Principles for Ensuring Ukrainian Cybersecurity» № 2163-VIII dated October 5, 2017;
- the Law of Ukraine «On Information» № 2657-XII dated October 2, 1992;
- the Law of Ukraine «On the Information Protection in Information and Telecommunication Systems» № 80/94-BP dated July 5, 1994, etc.

As for the concept of «cyber terrorism», references to cyber terrorism in the legislation of Ukraine can only be found in the Law of Ukraine «On the Basic Principles for Ensuring Ukrainian Cybersecurity», which states that «cyber terrorism is terrorist activity carried out in cyberspace or using it» [3]. The adoption and implementation of this law can be considered the first steps towards the development of methods to counter cyberterrorist attacks.

However, the legislation implementation is not enough to fight cyberterrorism successfully. The necessity for support and proper execution of the adopted legal acts, as well as the creation of bodies specializing in this type of crime, continue to be a priority.

As for the methods of countering cyber terrorism in Ukraine, first of all, attention should be paid to the role of law enforcement bodies. So, on October 5, 2015, a cyber-police were created in Ukraine. This is an inter-regional area-based body of the Ukrainian National Police. Being the part of the Criminal Police Structure and in accordance with the legislation of Ukraine they ensure the

implementation of state policy to fight against cybercrimes, organize and carry out operational search activities in accordance with the legislation . The aim of the new body is to ensure cyber security of Ukraine in the information space, to give an instant response and opposition to cyber-threats and, particularly, to cyberterrorism. Therefore, according to the work outcome of the newly established Ukrainian Cyber Police, in 2018, more than 800 people involved in committing crimes in the field of high information technologies were arrested [2].

The EU developed certain legal acts, including the European Convention on Cybercrime, signed in 2001; Ukraine ratified it in 2005 [5].

One cannot ignore the fact that the EU is working to create a single database on cyber threats, as well as information security issues. The creation of the European Network and Information Security Agency (ENISA) in 2004 became the result of such work. ENISA's main goal is to promote the development of network and information security in the European Union. The role of ENISA is to promote pan-European cooperation, the exchange of their best practices, as well as counselling on the research program of the European Commission in the context of arising risks and threats [8].

Taking into account the significant level of danger and the volume of losses from each cyberattack, EU countries are trying to fight cyber terrorism. To reach this purpose, in January 2013, under the auspices of the European Police Office (Europol), the European Center for Combating Cybercrime was established in The Hague. Now the center's main task is to stop any criminal activities organized in network, currently they are limited to three main areas: online fraud, spreading of child pornography, cyberattacks on key infrastructures and information systems [6].

Thus, Ukraine in 2017 signed a cooperation agreement with Europol. The purpose of this Agreement is to establish cooperation relations between Ukraine and Europol in order to support Ukraine and the European Union member states in preventing and combating organized crime, terrorism and other forms of international crime [4].



It is also worth noting that due to the Ukrainian integration into the European information space, Ukraine signed the association with the EU on September 1, 2017. It notes that one of the cooperation elements is ensuring an adequate protection level of personal data, and the state's information security as a whole, in accordance with the best European and international standards. Ukraine automatically assumed obligations to fulfill the conditions of the association and ensure all possible security measures to protect information and confrontation to all possible cyberattacks [1].

So, today cyberterrorism is gaining dramatic dimensions and threatens both the integrity of individual states and regional security as a whole. Ukraine, within the cooperation with the EU, needs to create a powerful coordination group on issues of legal and technical support to fight against cyberterrorism. Perhaps, it might be a so-called Counter-Terrorism Center, which would be able to repel and prevent cyberattacks of any complexity. Regional cooperation in the field of information security predetermines the need for cooperation and the development of joint solutions within the region for combating cyberterrorism. It remains necessary to develop a common information security strategy and steps for its implementation to counter and prevent such types of crimes as «cyber terrorism».

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## MESURES DE L'UE CONTRE LE CYBERTERRORISME

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**Zinchenko O. I., Dudka L. A. EU measures fighting cyberterrorism.**

This article is devoted to the problem of combating cyberterrorism at the regional level. The article reveals the concept of cyberterrorism, as well as methods of countering it carried out at the regional level, namely the European Union (EU). The concept of regional security is presented, as well as the principles and methods implemented by the EU in the fight against cyberterrorism are explained. The problem of combating cyberterrorism is considered in two directions: documentary and technological. Examples of documents constituting the EU legal framework in the fight against cyberterrorism, as well as structures whose activity is to develop programs and initiatives that contribute to countering cyber attacks, as well as the fight against the phenomenon of cyberterrorism.

**Keywords:** cyberattack, cyberspace, cyberterrorism, information, regional security.

**Зінченко О. І., Дудка Л. А. Засоби ЄС у боротьбі із кібертероризмом**

Дана стаття присвячена проблемі боротьби із кібертероризмом на регіональному рівні. Стаття розкриває поняття кібертероризму, а також методи протидії йому здійснювані на регіональному рівні, а саме Європейським Союзом (ЄС). Наводиться поняття регіональної безпеки, а також пояснюються принципи та способи, здійснювані ЄС у боротьбі проти кібертероризму. Проблема боротьби із кібертероризмом розглядається у двох напрямках: документальному та технологічному. Наводяться приклади документів, що складають нормативно – правову базу ЄС у боротьбі із кібертероризмом, а також структур, чия діяльність полягає у виробленні програм та ініціатив, які сприяють протистоянню кібератакам, а також боротьбі із явищем кібертероризму.

**Ключові слова:** інформація, кібератака, кіберпростір, кібертероризм, регіональна безпека.

**Зинченко А. И., Дудка Л. А. Методы ЕС в борьбе против кибертероризма** Данная статья посвящена проблеме борьбе с кибертероризмом на региональном уровне. Статья раскрывает понятие кибертероризма, а также методы противодействия ему осуществляемые на региональном уровне, а именно Европейским Союзом (ЕС). Приводится понятие региональной безопасности, а также объясняются принципы и

способы, осуществляемые ЕС в борьбе против кибертерроризма. Проблема борьбы с кибертерроризмом рассматривается в двух направлениях: документальном и технологическом. Приводятся примеры документов, составляющих нормативно –правовую базу ЕС в борьбе с кибертерроризмом, а также структур, чья деятельность заключается в выработке программ и инициатив, способствующих противостоянию кибератакам, а также борьбе с явлением кибертерроризма.

**Ключевые слова:** информация, кибератака, киберпространство, кибертерроризм, региональная безопасность.

Aujourd'hui, alors que la société s'est transformée en information et que tous les systèmes de la vie sont devenus automatisés et déplacés vers le cyberspace, les faits d'actes terroristes dans le cyberspace ou de cyber-terrorisme sont de plus en plus confrontés. Le nouveau phénomène préoccupe beaucoup la communauté européenne, car il menace la sécurité et l'intégrité de chaque État et l'existence de l'UE elle-même. Reconnaisant l'urgence du problème identifié, l'Union européenne commence à mettre en œuvre un ensemble de mesures visant à garantir non seulement la sécurité des États, mais également la sécurité régionale dans son ensemble.

Pour commencer, définissons le cyberterrorisme comme le rapprochement du terrorisme et du cyberspace avec l'utilisation des technologies de pointe comme une arme pour attaquer des informations, des systèmes informatiques, des programmes informatiques et des données afin de créer la panique, la confusion et l'incertitude parmi la population, d'influencer le gouvernement la communauté internationale conformément à un agenda politique, social ou idéologique particulier, et peut désactiver ou supprimer des données ou des objets d'information essentiels pour l'infrastructure, voire provoquer un conflit armé.

S'agissant de la sécurité régionale, il convient de noter que ce concept est défini comme "l'ensemble des principes et des normes qui s'appliquent dans une région définie et réglementent la coopération des États de la région dans le domaine du soutien de la paix et de la sécurité" [1]

La signature par les représentants du Conseil de l'Europe, des États-Unis, du Canada et du Japon de la Convention du Conseil de l'Europe sur la cybercriminalité (ci-après dénommée "la Convention"), le 23 novembre 2001, a constitué une étape importante dans la mise en place d'un cadre juridique régional dans la lutte contre le cyberterrorisme et la cybersécurité. La Convention a été signée par 43 membres de l'UE et 15 autres pays, dont les États-Unis. À l'heure actuelle, la Convention est le seul instrument unifié qui traite des problèmes de cybercriminalité et régit la responsabilité pour les infractions pénales liées aux systèmes et données informatiques. Il définit le concept de cybercriminalité et décrit en détail les problèmes d'interaction entre les services répressifs des différents États dans des situations où l'auteur et la victime se trouvent dans des pays différents et sont soumis à des législations différentes. Une attention particulière est accordée à la lutte contre les activités terroristes dans le cyberspace.

En plus de la Convention, des moyens techniques entrent en jeu. Le 13 mars 2004, une Agence européenne de la sécurité des réseaux et de l'information (ENISA) a été créée pour surveiller en permanence les utilisateurs du réseau, modifiant les projets déjà adoptés qui deviennent légaux et conformes. Pays de l'UE. L'Agence a été créée pour réglementer et prévenir les menaces liées aux réseaux et à l'information, renforcer le dialogue multilatéral sur la cybercriminalité et le cyberterrorisme en Europe et au-delà, développer une culture de la sécurité des réseaux et de l'information au bénéfice des citoyens, des entreprises et des entités du secteur public en Europe. . L'ENISA conseille sur les meilleures pratiques, évalue les évaluations de risques existantes et assiste les États membres et les autorités européennes [2].

En outre, une équipe d'intervention d'urgence (CERT-EU) a été créée en 2011 pour aider différentes équipes de sécurité informatique des institutions de l'UE dans leur lutte contre les cyber-menaces. Il agit en tant que centre d'échange d'informations sur la cybersécurité et coordonne la réaction aux incidents informatiques, ce qui signifie un événement ou une série d'événements indésirables de nature non

intentionnelle (naturels, techniques, technologiques, erronés, y compris dus à une action humaine) et / ou susceptibles de se produire. Les cyber-attaques (potentielles), qui constituent une menace pour la sécurité des systèmes de communications électroniques et des systèmes de contrôle des processus, créent le risque de violation du mode de fonctionnement normal de ces systèmes (y compris la perturbation). et / ou le blocage du système et / ou le contrôle non autorisé des ressources) et menacer la sécurité (sécurité) ressources d'information électroniques. CERT-EU travaille en étroite collaboration avec d'autres CERT des États membres et au-delà, ainsi qu'avec des entreprises spécialisées dans le domaine de la sécurité de l'information [3].

La stratégie de l'UE en matière de cybersécurité, adoptée en 2013 et fixant une «politique internationale prioritaire en matière de cyberspace pour l'UE», constitue la prochaine étape majeure dans l'amélioration du système de sécurité régionale européen. La stratégie est devenue le premier document complet de l'UE dans ce domaine. Le document couvre tous les aspects du cyberspace: marché intérieur, justice, politique intérieure et extérieure. La stratégie a été précédée par la création du Centre européen de la cybercriminalité (EC3) le 11 janvier 2013. Son développement est devenu une priorité dans la stratégie de sécurité de l'UE et a été activement soutenu par les ministres de l'UE. Le centre a été créé sur la base d'Europol [3]. Depuis sa création, EC3 a apporté une contribution significative à la lutte contre le cyberterrorisme, a été impliqué dans des dizaines d'opérations très médiatisées et des centaines de déploiements de soutien opérationnel ayant entraîné des arrestations, et a analysé des centaines de milliers de dossiers, dont la grande majorité ont été jugés préjudiciables. L'EC3 s'appuie sur le potentiel existant des services répressifs d'Europol, mais dispose également d'autres capacités considérablement renforcées, notamment pour fournir un soutien opérationnel et analytique aux États membres dans le cadre des enquêtes sur les cyberattaques.

Ces activités sont également soutenues par l'équipe Cyber Intelligence (CIT), dont les analystes collectent et traitent les

informations sur le cyber-terrorisme à partir de sources publiques, privées et ouvertes, et identifient les menaces et modèles émergents. L'EC3 travaille ensemble au sein d'un groupe de travail conjoint sur la cybercriminalité (J-CAT) chargé des affaires majeures concernant la cybercriminalité et touchant les États membres de l'UE et leurs citoyens [4].

Ainsi, on peut déterminer que l'UE et ses États membres, ainsi que les institutions européennes, produisent généralement une base documentaire importante et lancent des programmes et des initiatives de cybersécurité à grande échelle pour répondre aux défis de la cyber-terrorisme posés par les menaces pesant sur la sécurité des citoyens et des infrastructures critiques de chacun d'entre eux. Toutefois, la mise en place d'un cadre réglementaire unique pour le cyberterrorisme, ainsi que la mise au point de nouvelles technologies et de nouveaux moyens de lutte, restent indispensables.

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## WAYS TO IMPROVE THE EFFICIENCY CONDITION OF FIXED ASSETS IN UKRAINE

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**Zlobina A. I., Nikulimova I. G. Ways to improve the efficiency condition of fixed assets in Ukraine.** At present, our country is at the stage of improving market conditions for the economy, which requires a profound transformation in the business system and the interests of all actors. One of the factors of economic growth that stimulates the development of the state and its well-being is fixed capital. The results of the enterprise activity, its opportunities and prospects of development depend directly on the effective use of fixed assets. Therefore, in this article the state of fixed assets of enterprises in Ukraine is analyzed. The ways of using the fixed assets are suggested.

**Keywords:** condition of fixed assets, economics, fixed assets, fixed capital.

**Злобіна А. І., Нікулімова Я. Г. Шляхи покращення ефективності стану основних засобів в Україні.** Нині наша країна знаходиться на етапі покращення ринкових умов функціонування економіки, що потребує ґрунтовних перетворень в роботі господарської системи й налагодження інтересів усіх суб'єктів. Одним з чинників економічного зростання, який стимулює розвиток держави та її добробут, є основний капітал. Результати діяльності підприємства, його можливості та перспективи розвитку прямо залежать від ефективного використання основних засобів. Тому в даній роботі проаналізовано стан основних засобів підприємств по Україні. Запропоновано шляхи щодо ефективності використання основних засобів.

**Ключові слова:** економіка, основний капітал, основні засоби, стан основних засобів.

**Zlobina A. I., Nikulimova I. G. Ways to improve the efficiency condition of fixed assets in Ukraine.** At present, our country is at the stage of improving market conditions for the economy, which requires a profound transformation in the business system and the interests of all actors. One of the factors of economic growth that stimulates the development of the state and its well-being is fixed capital. The results of the enterprise activity, its opportunities and prospects of development depend directly on the effective use of fixed assets. Therefore, in this article the state of fixed assets of enterprises in Ukraine is analyzed. The ways of using the fixed assets are suggested.

**Ключевые слова:** основной капитал, основные средства, состояние основных средств, экономика.



The s u b j e c t of research in this paper is fixed assets, their importance and necessity, both for the individual enterprise and for the country and its well-being in general.

The p u r p o s e of the study is to assess the status of fixed assets in Ukraine and identify ways of using fixed assets efficiently.

The r e l e v a n c e of the study lies in the use of these pathways by enterprises.

The production process of each enterprise begins with the formation of material and technical base. The main element are fixed assets, the absence of which makes it impossible to operate and maintain the current economic activity of the enterprise.

Under current law, «fixed assets» are tangible assets valued at more than UAH 6,000 held by an enterprise for use in the manufacturing process, with an expected useful life of more than one year (or an operating cycle if it is longer than one year).

The volume of fixed assets formed can be used to estimate the size of the enterprise, its level of production, quality of products or services, labor productivity, as well as profitability and profitability of the enterprise. The results of the enterprise activity, its opportunities and prospects of development depend directly on the effective use of fixed assets.

The category of fixed assets is currently relevant for Ukraine. The efficiency of the use of fixed assets characterizes the production capabilities of industries, determines the pace and scale of its development [2]. Let's analyze the state of fixed assets in Ukraine for 2010 – 2018 (table 1):

Table 1

**Cost of fixed assets of Ukrainian enterprises  
for 2010–2018**

Year	In actual prices at the end of the year, mln UAH		Degree of depreciation, %
	original (revalued) cost	residual value	
2010	6 648 861	1 731 296	74,9
2011	7 396 952	1 780 059	75,9
2012	9 148 017	2 135 987	76,7
2013	10 401 324	2 356 962	77,3
2014	13 752 117	2 274 922	83,5
2015	7 641 357	3 047 839	60,1
2016	8 177 408	3 428 908	58,1
2017	7 733 905	3 475 242	55,1
2018	9 610 000	3 783 494	60,6

*Source: State Statistics Service of Ukraine [3].*

Table data show that the original cost was increasing from 2010 to 2014 and increased by UAH 7 103 256 million, but this positive trend had changed: in 2015, the original cost decreased by UAH 6 110 760 million. (or by 44.4%) and in 2016 increased by UAH 536 051 million (by 7%), in 2017 it decreased by 443 503 (or by 5.4%) compared to the previous year, and in the next year, 2018, the original cost increased again to UAH 9.610 million. The degree of depreciation increased until 2014, which is a negative factor in the activity of enterprises, but during the years 2015-2017 it decreased by 23.4%, 2% and 3% respectively. However, if you look at it objectively, the depreciation of the national currency and the inflation of the cost of new equipment are much higher than the original cost of similar used equipment.

Considering the indicators of the condition and availability of fixed assets of Ukraine, we conclude that the fixed assets of Ukraine are worn more than a half. One of the most urgent issues in the development of industry is to improve the efficiency of the enterprise and to make fuller use of domestic reserves. Further improvements in

the efficiency of the use of fixed assets can be achieved by using reserves for improving the use of fixed and fixed assets, which are achieved extensively and intensively, in particular [4]:

- increase of equipment operating time;
- reduction of repair time;
- improving the organization of production and labor;
- setting the optimal mode of operation of the equipment;
- improving the skills of workers and mastering advanced methods of work;
- improvement of technological processes;
- raising the level of mechanization and automation of production;
- planning and ensuring fuller loading of equipment;
- modernization of equipment;
- improving the quality of raw materials and materials preparation for the production process.

Also, by improving the structure of fixed assets, increase the share of the active part of fixed assets, buy high-performance machines and equipment, timely update them, reduce unused and unnecessary fixed assets through their sale or lease.

Factors that lead to an increase in the efficiency of use of fixed assets also include: increase in the level of financial security of the enterprise; cheaper construction of premises and structures, use of local building materials; the establishment of optimal proportions between fixed assets and working capital; rational specialization and concentration of production; system of moral and material stimulation.

**C o n c l u s i o n .** Analyzing the factors of increasing the efficiency of the use of fixed assets, we see that the number of such factors leads the reserves of intensive improvement of the use of fixed assets. However, from the qualitative point of view, the most intensive way leads to the improvement of the state of fixed assets, which is possible due to the updating and carrying out of technological and technological innovation modernization. However, it should be remembered that the ways to improve the use of fixed

assets depend on the specific conditions prevailing at the enterprise for a given period of time. Thus, in this work the essence of fixed assets was determined and their importance for enterprises was revealed. An analysis of the condition of fixed assets in Ukraine showed that they were worn more than half. Proposed ways to improve the efficiency of use of fixed assets.

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Наукове видання

**ІНОЗЕМНІ МОВИ У СВІТОВОМУ  
ЕКОНОМІКО-ПРАВОВОМУ ПРОСТОРИ**

Збірник  
наукових праць студентів

Випуск 7

Українською, російською,  
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