GLOBAL PROCESSES AS TO IMPROVE
THE DEVELOPMENT OF THE COUNTRY
AND BORDER REGIONS

Abstract. The article states that the formation and implementation of the policy of openness of the Ukrainian economy involves the search for ways of mutually beneficial international economic cooperation, protection of the interests of the national market from the unfavourable influence of the world situation, support of domestic commodity producers, and the implementation of measures of moderate protectionism.

It has been determined that globalization urgently needs for the regions and local communities to identify and develop sustainable competitive advantages as a criterion for their viability in the conditions of global competition. Transforming traditional local resources into global ones, globalization raises the challenge of competitiveness of the region as its ability to respond to the challenges of the
global environment by creating and protecting unique local competitive advantages.

It is substantiated that the formation and implementation of the policy of openness of the Ukrainian economy involves the search for ways of mutually beneficial international economic cooperation, protection of the interests of the national market from the unfavourable influence of the world situation, support of domestic commodity producers, and the implementation of measures of moderate protectionism.

It is proved that the formation of ties of border regions in the global space is due to the expansion of powers of the local authorities in the international, in particular, foreign economic relations. In this context, in the framework of globalization the border regions provide an infrastructure for the movement of the goods, capital and labour. As a result, the economic situation improves in those regions that were peripheral and lagging behind in development.

It is determined that an important component of the international economic activity of the region is the development of the multilateral forms of economic cooperation of the border regions of the neighbouring countries. This work begins with the establishment of priority areas of cooperation based on the definition of the interests of the economic entities. The significance of the development of such connections is explained by the important infrastructure functions of the border regions in the international economic activity of the state: controlling, barrier, contact and distribution. The establishment of international relations in the border regions is due to the expansion of powers of the local authorities in the international, in particular, foreign economic relations. In this context, in the framework of globalization the border regions provide an infrastructure for the movement of the goods, capital and labour.

**Keywords:** globalization, competitiveness, border regions, regional development, territorial structures.

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**ГЛОБАЛЬНІ ПРОЦЕСИ ЯК СТИМУЛ РОЗВИТКУ КРАЇНИ ТА ПРИКОРДОННИХ РЕГІОНІВ**

**Анотація.** Обґрунтовано, що формування і реалізація політики відкритості української економіки передбачає пошук шляхів взаємовигідного міжнародного економічного співробітництва, захист інтересів національного ринку від несприятливого впливу світової кон'юнктури, підтримку вітчизняних товариство-виробників, здійснення заходів підтриманого протекціонізму.

Визначено, що глобалізація актуалізує для регіонів та локальних спільнот необхідність визначення та розвитку стійких конкурентних переваг як критерію їх життєздатності в умовах глобальної конкуренції. Перетворюючи традиційні локальні ресурси на глобальні, глобалізація обумовлює постановку проблеми конкурентоспроможності регіону як його здатності відповідати на виклики глобального середовища шляхом створення та захисту унікальних локальних конкурентних переваг.
Обґрунтовано, що формування та реалізація політики відкритості української економіки передбачає пошук шляхів взаємовигідного міжнародного економічного співробітництва, захист інтересів національного ринку від несприятливого впливу світової кон’юнктури, підтримку вітчизняних товаропроизводників, здійснення заходів поміркованого протекціонізму.

Доведено, що утворення зв’язків прикордонних регіонів у глобальному просторі пояснюється розширенням повноважень місцевих органів влади у міжнародних, зокрема, зовнішньоекономічних зв’язках. При цьому, в рамках глобалізації прикордонні регіони забезпечують інфраструктуру для переміщення товарів, капіталів та робочої сили. Як наслідок, покращується економічне становище в тих регіонах, які були периферійними територіями і відстали у розвитку.

Визначено, що важливим компонентом міжнародної економічної діяльності регіону є розвиток багатосторонніх форм економічного співробітництва прикордонних регіонів сусідніх країн. Така робота починається зі встановлення пріоритетних напрямів співробітництва на базі визначення інтересів господарюючих суб’єктів. Значущість розвитку таких зв’язків пояснюється важливими інфраструктурними функціями прикордонних регіонів в міжнародній економічній діяльності держави: контролюючими, бар’єрними, контактними та розподільчими. Утворення міжнародних зв’язків прикордонних регіонів пояснюється розширенням повноважень місцевих органів влади у міжнародних, зокрема, зовнішньоекономічних, зв’язках. При цьому, в рамках глобалізації прикордонні регіони забезпечують інфраструктуру для переміщення товарів, капіталів та робочої сили.

Ключові слова: глобалізація, конкурентоспроможність, прикордонні регіони, регіональний розвиток, територіальні структури.

ГЛОБАЛЬНІ ПРОЦЕСИ КАК СТИМУЛ РАЗВИТИЯ СТРАНЫ И ПОГРАНИЧНЫХ РЕГИОНОВ

Аннотация. Обосновано, что формирование и реализация политики открытости украинской экономики предполагает поиск путей взаимовыгодного международного экономического сотрудничества, защита интересов национального рынка от неблагоприятного воздействия мировой конъюнктуры, поддержку отечественных товаропроизводителей, осуществление мероприятий умеренного протекционизма.

Определено, что гобалізація актуалізується для регіонів і локальних союзів необхідність опреділення і розвитка устойчивих конкурентных преимуществ в качестве критерия их жизнеспособности в условиях глобальной конкуренции. Превраща традиционные локальные ресурсы на глобальные, глобализация обусловливает постановку проблемы конкурентоспособности региона как его способности отвечать на вызовы глобальной среды путем создания и защиты уникальных локальных конкурентных преимуществ.
Обосновано, что формирование и реализация политики открытости украинской экономики предполагает поиск путей взаимовыгодного международного экономического сотрудничества, защиту интересов национального рынка от неблагоприятного воздействия мировой конъюнктуры, поддержку отечественных товаропроизводителей, осуществление мероприятий умеренного протекционизма.

Доказано, что образование связей приграничных регионов в глобальном пространстве объясняется расширением полномочий местных органов власти в международных, в частности, внешнеэкономических связях. При этом, в рамках глобализации приграничные регионы обеспечивают инфраструктуру для перемещения товаров, капиталов и рабочей силы. Как следствие, улучшается экономическое положение в тех регионах, которые были периферийными территориями и отставали в развитии.

Определено, что важным компонентом международной экономической деятельности региона является развитие многосторонних форм экономического сотрудничества приграничных регионов соседних стран. Такая работа начинается с установления приоритетных направлений сотрудничества на базе определения интересов хозяйствующих субъектов. Значимость развития таких связей объясняется важными инфраструктурными функциями приграничных регионов в международной экономической деятельности государства: контролирующими, барьерными, контактными и распределительными. Образование международных связей приграничных регионов объясняется расширением полномочий местных органов власти в международных, в частности, внешнеэкономических, связях. При этом, в рамках глобализации приграничные регионы обеспечивают инфраструктуру для перемещения товаров, капиталов и рабочей силы.

Ключевые слова: глобализация, конкурентоспособность, пограничные регионы, региональное развитие, территориальные структуры.

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**Formulation of the problem.** A globalized region can be defined as an economic territory that carries out regular economic relations with foreign countries, which become a significant factor in its socio-economic development. This region becomes an independent geo-economic entity. It is obvious that not all the territorial unions can act as geo-economic actors. To do this, at least two criteria must be met: to have specific strategic economic interests in the global space and the real possibilities for their realization.

The impact of globalization on the regional development is manifested in the transformation of the national regions into active participants in the global international economic relations, where competition is taking place for the resources and consumers of the region as a place for investment, business, and residence. In addition, globalization is radically changing priorities in the system of competitive advantages.
of the region, since the local resources are becoming global in nature.

The processes of globalization of the local resources are due to the desire to access such resources of the region, such as low labour costs, availability of natural resources, a capacious domestic market. This is the main motive for the activities of the transnational structures and is one of the driving forces of the globalization.

Analysis of recent research and publications. The trends in the development of the world economy, peculiarities of the implementation of international economic activity and its regulation are devoted to the study of domestic and foreign economists P. Kruhman, M. Porter, M. Obstfeld, V. K. Lomakin, Yu. V. Makohon, N. A. Mikula and others.

Some aspects of the regional development are studied in the writings of S. Fischer, L. Ledebur, E. Blakeley, R. Dornbush, M. Dolishny, S. Varnalia, M. Butko, V. Stechenko, L. Yaremko. In addition, it should be noted that with a significant number of works on specific areas of the regional development, insufficient attention is paid to the issues of determining the role and significance of the regions in the development of the international economic activity of the state.

The purposes (goal) of the article is to formulate the development of the country and its border regions in the process of globalization.

Presentation of the main material. Globalization not only minimizes the importance of traditional regional competitive advantages, but also reduces the role of distance as a protective barrier to the development of competitive processes. The development of information and communication systems, network firms, e-commerce removed the “distance protection” and led to the emergence of fundamentally new types of competition in the territory. As a consequence of the elimination of the protective function of the barrier of distance also advances in the level of openness of the regional economy. That is, the economic positions, even in relatively closed areas, depend on the situation in other countries and regions.

All this leads to the formation and development of a global sphere of economic activity in which the role of the globalized regions will grow ever more. The main elements and prerequisites for the formation of such a sphere of activity should include:

• policy of leading entities of the world economy — individual countries, regions, regional entities, integration associations, transnational structures, international organizations;
• formal and informal norms governing the movement of the factors of production;
• principles and mechanisms of the international economic relations;
• production, scientific and technical and technological preconditions for the formation of a global sphere of the economic activity that lead to the development of the global infrastructure and contribute to the global integration of the national markets;
• development of the global logistics and production networks of the transnational structures, the introduction of common criteria for macroeconomic policy, the strengthening of the tendencies towards the standardization and
unification of the product quality requirements;

- emergence of new organizational forms of activities of various economic actors, leveling the national barriers in the implementation of the global economic and production activities;
- emergence and development of fundamentally new information systems that provide services for the global financial, commodity and other networks;
- development of the global educational and cultural sphere through the dissemination of distance education, cultural exchanges, etc.

Thus, in conditions of globalization of the world economy it is necessary to ensure conditions for increasing the competitiveness of the national economy and its regions as geo-economic actors. In connection with the formation of the concept of a globalized region should indicate the following features [1]:

- availability of geo-economic potential. We are talking about certain export opportunities, resources for international exchange of capital, the capacity for technological exchange, readiness for internationalization of the production, etc. This creates the preconditions for integrating the region into the world economic space in order to meet its foreign economic interests;
- presence of foreign economic infrastructure, which includes two types of provision: physical and institutional. In the first case it is a question of the existence of convenient means of transport, communication facilities, exhibition space, etc. In the second — about the proper institutional support: the presence of a regional office of the International Chamber of Commerce, branches of transnational banks, centers for promoting foreign investment, etc.;
- positioning of the region in the global business environment: definition of its product specialization, finding a niche in the world market, searching for opportunities for joining the world production chains;
- real inclusion of the region in the system of the international economic relations. This means the output of the local business entities to world markets for goods and services, capital, technology, labour, and, as a result, to obtain a share of the world income;
- participation in the international or trans-regional economic organizations. It may be about participation in the Euroregion, the European Association of Border Regions, cooperation with international financial institutions and others;
- existence of special authorities for managing foreign economic activity, business and public associations, with the aim of organizing and promoting cross-border economic contacts. In addition to the official institutions, these may be territorial associations of exporters or importers, agencies promoting small and medium-sized businesses in search of foreign partners or assistance to foreign investors, etc.;
- conducting a conscious, scientifically grounded policy of international economic activity (IEA) based on medium and long-term programs and plans;
- development of special measures (programs) for increasing the competitiveness of the products both on the domestic and foreign markets;
• taking steps to create a positive image of the territory in order to attract foreign firms and regions to economic cooperation. It is about creating a stable "geo-economic image" of the region, a kind of "brand" of the territory that distinguishes it from among the others and will highlight the important positive features;

• widespread use of external development resources to accelerate economic growth and increase the living standard of the regional community;

• significant dependence of the socio-economic development of the region on external factors, the state of international economic relations;

• emergence of foreign economic threats and the formation of a system of counteraction to them.

This involves the creation in the regional unit of management of a special unit whose task should be to track, prevent and counteract the foreign economic dangers.

In today’s conditions of development of the global economic system the regions have acquired the status of its full subjects. Thus, according to the theory of systems, all the contradictions in the development of the global economy are manifested at the regional level. There are three contradictory trends in the development of the world economy that have the greatest influence on regional development, namely: unity and struggle of the global and the local, unification and differentiation, distribution and concentration.

Globalization urgently needs for regions and local communities to identify and develop sustainable competitive advantages as a criterion for their viability in the face of the global competition. Transforming the traditional local resources into global ones, globalization raises the challenge of competitiveness of the region as its ability to respond to the challenges of the global environment by creating and protecting the unique local competitive advantages.

The essence of the contradictory interaction of the unification and differentiation is, on the one hand, in the unification and standardization of the business processes and principles of economic activity in the region, and on the other — in enhancing the role of those elements of the local environment that give them the uniqueness, originality and provide competitive advantages, which can not be reproduced in other places (social capital, image, regional innovation system). Under these conditions there is a paradox: in a global competition, the competition actors are becoming more global, and the competitive advantages are becoming more localized. This is explained by the fact that all the traditional local preferences are quickly leveled, absorbed by the global markets, while the critical importance for ensuring the competitiveness of the regions acquires those benefits that can not be relocated and reproduced elsewhere.

An important contradictory tendency is the globalization of innovation activity and its simultaneous concentration in a limited number of regions. It should be noted that the prerequisite for the effective dissemination of innovation is the geographical proximity and mutual trust between the participants in the innovation process. Thus, the distance again becomes a significant factor in the creation of the local competitive advantages, but in a new qua-
lity — as a factor in the formation of a regional environment for the dissemination of innovation. It is in this context that the competitive status of the individual national regions can be equal to or even exceed the positions of the traditional participants in the global competition [2, p. 41].

Consequently, globalization transforms the regions into full participants in the international economic relations, but at the same time they update the need for them to identify and protect their unique local competitive advantages as imperatives of increasing international competitiveness in a globalized world. Thus, the actual task of the modern development of the regions aimed at sustainable growth in the conditions of globalization and the benefits of this process is the formation and development of sectors, clusters, industries and technological complexes in the economy, which should become the basis for the formation of new regional alliances, in particular, globalized. This will lead to redistribution of the investment, financial, material flows and human capital to the new post-industrial sector of the economy, the formation of which is extremely important for the current stage of the development of the Ukrainian economy.

In today’s conditions of development of the world economy and growing globalization, the role and importance of the international economic activity for the country as a whole, as well as its regions and business entities at the micro level dramatically increases. The impact of the global component on regional and national economic development is constantly increasing. Obviously, the intensification of the external relations and the development of the international economic activity is of strategic importance for the growth of the economy. The formation and implementation of the relevant foreign economic priorities contributes to the sustainable development of both the economy of the country as a whole and its regions. In this connection, the necessity of developing and implementing measures, methods, models, strategies for the development of the international economic activity of the region and its subjects of economic activity in the conditions of globalization becomes of special importance.

The development of the modern world economy, along with the growing level of interdependence and globalization, is characterized by structural disparities that are particularly activated in the world trade. As a result, the disproportionality of the territorial and economic development of the subsystems of the world economy is increasing, the geo-economic, social, religious, ecological components of the functioning of the national economies and the world economy in general are increasing.

Obviously, the global processes significantly stimulate the development of the individual countries and regions, but their positive or negative impact on the national economy depends to a large extent on the nature of the country’s participation in the international division of labour, its level of competitiveness on the world market, the effectiveness of the use of potential in those areas where there is competitive advantage available. In this regard, one can conclude that there is a need to strengthen the regulatory role of the state in the
foreign economic sphere, the implementation of an active industrial policy, etc.

The strengthening of the position of the state in the world economy is possible only on the basis of objectively formed foreign economic specialization of the economic complex. In this case, it is not about the country’s short-term success in the world market, but about a long-term, sustainable process that reflects the real benefits of the national economy in the international division of labour. The realization of such advantages and main potential opportunities of the economy should be carried out due to both effective production and economic activity and business structures through effective measures of internal and external economic state policy, as well as changes in the strategic foreign economic guidelines for implementation of innovation and investment breakthrough due to the technological regeneration of the national economy.

At the same time, by forming the international specialization of the national economy, along with the development and support of its export component, it is necessary to increase the capacity of import-substituting production the realization of which is capable of reducing the dependence of the domestic market on the import of foreign products and changing the profile of such specialization. The purpose in this case is to increase the competitiveness of the national economy, taking into account the established level of competitiveness of the domestic producers of goods and services and the real prospects for its further increase.

The profile of the foreign economic specialization of the national economy is the result of a combination and interaction of the factors described in the classical and modern theories of the development of the international exchange. The influence of these factors on the development of the foreign trade of Ukraine during the last decade is difficult and often contradictory. Along with the reforms achieved by the significant liberalization of the foreign trade, the state of foreign trade turnover is directly influenced by the trends in the development of production, the state of the technical and scientific base of the industry, as well as solvent consumer demand in the domestic market. At the same time, the liberalization of the foreign trade and the openness of the economy dramatically increased the impact on it of changes in the world economic situation.

It should be noted that for today Ukraine is not a production-economic model of foreign economic cooperation, but a traditional trade.

In the sphere of import Ukraine is implementing a policy of moderate liberalism, which combines the liberalization of the foreign trade with the protection of the national market. However, the share in the foreign economic cooperation of such forms as production cooperation, investment interaction and scientific and technical exchange is insignificant. In fact, simple commodity exchange prevails.

Such results of the development of the international economic activity are the result of the absence of a balanced and consistent foreign economic policy, taking into account the trends of the world economy in the conditions of globalization. The state has virtually
ceased to regulate and control the foreign economic activity.

At the same time, in recent years, the regional economy has become more open, the geography of the international economic activity of the regions has considerably expanded, the inflow of the foreign investments has increased in separate regions, the share of exports and imports in the regional gross product has increased.

The question of the scope and limits of independent activity of the regions in the foreign economic sphere is the subject of discussion among scientists and politicians.

The degree of inclusion of the regional economy in the world economic relations also depends on the following factors: the volume, structure and dynamics of the foreign investment for a certain period of time, the nature and form of the use of the foreign investment in the region; dynamics of the direct foreign investments; the size of the influence of the foreign investment on the volume of production and the sectoral structure of the regional economy.

Determining the prospects of investment cooperation of the regional enterprises and its development trends requires a special analysis of the investment potential of the region, its investment attractiveness (existing and potential), the mechanism of formation and structure of the “investment portfolio” of the region, developed projects.

Thus, the formation and implementation of the policy of openness of the Ukrainian economy involves the search for ways of mutually beneficial international economic cooperation, protection of the interests of the national market from the adverse impact of the world situation, support of domestic commodity producers, and the implementation of the measures of moderate protectionism.

Globalization becomes especially significant in the context of the expansion of the foreign economic relations of the liberalization, which fundamentally changes the nature of the interaction of the world, national and regional economies. The active inclusion of the regions of the country in the world economic processes is associated with a large number of contradictions the solution of which will allow more efficient use of the potential of regions in the development of the international economic activity of the state. The processes of the integration and globalization of the world economy imply the need to find a system for the effective organization and management of the international economic relations of the regions and increase their role in the international economic relations of Ukraine.

A characteristic feature of the modern world economy is the rapid growth of the international economic relations between the countries and their regions, deepening of the international division of labour, internationalization of the economic life and international competition.

Analyzing the role of the regional economy in the development of the international economic activity of the state it should be noted that the systematization of the national economies, the allocation of the types of countries and regions, their grouping is necessary in order to [3]: systematize the countries and regions in accordance with the peculiarities and level of their development; identify the characteristics
of the countries and regions; determine the place of the countries and regions in the world economy and international economic relations; identify and anticipate the prospects for the development of the countries and regions.

Thus, the effective development and activation of the participation of the regions in the international economic activity of the state should be based on the harmonization, coordination and realization of the regional and state economic interests. The formation and implementation on this basis of the regional strategy for the development of the IEA will contribute to the evolution of territorial inter-district structures that ensure the consolidation of resources and the coordination of economic interests at all the levels of management, as well as the implementation of the state priorities in the world markets.

The regions of the developed countries with which the Ukrainian regions compete in the international market, due to high quality and sufficient quantity of natural, industrial and human resources in combination with an effective modern management system and state support turn into powerful independent players of the international market [4]. Therefore, the regions can be considered as subjects of the international economic relations that are independent players in the international markets of the goods, services and human capital.

On the other hand, with the easing of the crisis trends and the expansion of the domestic market, the orientation of the regional economy to the external market negatively affects the domestic market, trade relations between the regions of the country, hindering the development of the territorial division of labour. Therefore, in this case it is necessary, along with the preservation of the international relations, to ensure legislative, infrastructural and other factors of the interregional ties.

An important characteristic of the national economy is the competitiveness of the country, which, along with other factors, is determined by the competitiveness of the regions that are part of it. The competitiveness of the regions is determined by the following factors [5]: quality and quantity of human capital of the region; security and efficiency of the use of the natural resources; level of the energy development; level of infrastructure development serving the IEA of the region; presence and level of development of the enterprises operating in the foreign market; competitiveness of the region’s products; legislative base of the country; efficiency of attracting external and internal investments.

Thus, the sustainable development of the region with developed foreign economic relations depends on the foreign economic stability of the IEA of the region, which is influenced by the following factors [6]: level of the regional gross product; territorial orientation of the region; natural raw material potential; sectoral structure of the economy; functional features of the region.

**Conclusions.** Consequently, the regions with a significant share of foreign trade turnover are significantly dependent on the external markets, but the markets in the regions with a small development of international relations also indirectly depend on the external economic factors that affect the domes-
tic prices and the position of the country’s financial and credit system.

An important component of the international economic activity of the region is the development of multilateral forms of the economic cooperation of the border regions of the neighbouring countries. This work begins with the establishment of priority areas of cooperation based on the definition of the interests of the economic entities. The significance of the development of such connections is explained by the important infrastructure functions of the border regions in the international economic activity of the state: controlling, barrier, contact and distribution. The establishment of international relations in the border regions is due to the expansion of powers of the local authorities in the international, in particular, foreign economic relations. In this context, in the framework of globalization, the border regions provide an infrastructure for the movement of the goods, capital and labour. As a result, the economic situation improves in those regions that are peripheral and lagging behind in development.

In the internal economic sense the creation of special economic zones contributes to reducing the interregional inequalities in the economic development, the transfer of management and control of the international economic activity from the macroeconomic to the mesoeconomic level, which makes them more operational and flexible.

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