

DOI: <https://doi.org/10.30525/2256-0742/2022-8-5-108-116>

# INTEGRATION OF THE UKRAINIAN ECONOMY INTO THE EURO-ATLANTIC COMMUNITY IN THE CONTEXT OF INTERNATIONALIZATION AND GLOBALIZATION PROCESSES: CONCEPT AND ASSESSMENT

Igor Mantsurov<sup>1</sup>, Alina Barvinok<sup>2</sup>, Vadym Dovhoteles<sup>3</sup>

**Abstract.** *The purpose* of the article is to present the author's point of view on the conceptual apparatus that clarifies the definition of such economic categories as "internationalization", "economic integration", "inclusiveness", "globalization", etc. As a result, the essence of the processes of internationalization and integration of Ukraine into the democratized economic system of Euro-Atlantic countries is revealed. *The object* of the study is to analyze the complex processes of internationalization, globalization and integration of the Ukrainian economy into the competitive environment of Euro-Atlantic countries. *The research methodology* is based on general scientific and fundamental provisions of economic theory, international economics and statistics. The conceptual basis of the article is the world economic theories on the assessment of globalization processes in the development of the world economy. Processing and analysis of statistical data, modeling and forecasting of the identified trends were carried out using modern software. The most important theoretical and practical results that characterize the scientific novelty of the study and the personal contribution of the author are: identification of significant relationships and interdependencies between the processes of internationalization and international integration; meaningful analysis of the prerequisites for the emergence and deepening of the process of economic integration and the intensity of the influence of centripetal forces; the concept of inclusive growth, which is considered from the perspective of coherence of development goals of countries that form a globally integrated Euro-Atlantic community. Based on the main results of the study, the authors make several important conclusions and recommendations, including the following. Taxonomy of categories "internationalization", "economic integration", "inclusiveness", "globalization". Based on the analysis of the characteristic features of unions (international economic and full integration), it is proved that the latter require research, analysis and, as a result, the introduction of a common monetary, fiscal, credit policy, etc. One of the essential characteristics of the ability of any country to "fit" into the international system is the compliance of the development goals of such a country with the economic behavior of its government with international standards.

**Key words:** internationalization, economic integration, a single and integrated world, globalization, inclusiveness.

**JEL Classification:** F02, O11, P41

<sup>1</sup> National Academy of Sciences of Ukraine, Ukraine;  
Research Institute for System Statistical Studies, Ukraine;  
University of the Western Cape, Republic of South Africa  
E-mail: [imantsurov@gmail.com](mailto:imantsurov@gmail.com)

<sup>2</sup> Kyiv National Economic University named after Vadym Hetman, Ukraine;  
University of the Western Cape, Republic of South Africa (*corresponding author*)  
E-mail: [alinabarvinok1990@gmail.com](mailto:alinabarvinok1990@gmail.com)  
ORCID: <https://orcid.org/0000-0002-8047-3478>

<sup>3</sup> Kyiv National Economic University named after Vadym Hetman, Ukraine  
E-mail: [vdovgoteles@gmail.com](mailto:vdovgoteles@gmail.com)  
ORCID: <https://orcid.org/0000-0002-7683-7822>



This is an Open Access article, distributed under the terms  
of the Creative Commons Attribution CC BY 4.0

## 1. Introduction

The current stage of Ukraine's development is characterized by two main challenges, the intensity of which is convincing.

The war unleashed by the Russian Federation against independent Ukraine should take the first place in terms of the power of influence and the level of significance of negative consequences.

At the same time, it should be emphasized that the Russian Federation began building up a military strike group near the Ukrainian border and in Belarus in early spring 2021. The number of such strike battalion-tactical groups has reached 150 thousand people. And on February 24, 2022, Russia attacked Ukraine throughout its territory. Despite the numerical and military superiority of the Russian Federation, the Armed Forces, the National Guard, the police, and the Territorial Defense Forces are still resisting.

The Russian army destroys civilian infrastructure, hospitals, schools, etc. At the same time, Western countries are applying more and more sanctions against Russia and provide financial, military and humanitarian assistance to Ukraine, which, in turn, will negatively affect all components of the systemic development of the countries in the future.

The second major challenge is related to the outbreak of COVID-19, which was officially declared a pandemic by the WHO in early March 2020. During this time, the pandemic has significantly affected the components of systemic economic, social and environmental development.

In view of the above, the authors believe that in international relations, in particular foreign economic relations, there is no alternative to further integration of Ukraine into the world community of Euro-Atlantic countries. The ultimate goal should be full membership in this integration association of the countries of united Europe and NATO. The first step in this direction has already been made. As it is known, Ukraine has just received the status of a candidate country for accession to the EU.

Therefore, there is a need for research and systematic analysis of economic integration in relations between Ukraine and the countries of the Euro-Atlantic region.

## 2. Analysis of literary sources and formulation of the problem

The latest research and applied developments and theories of European integration belong to such Western scholars as: J.Yu. Stiglitz, L. Klein, J. McCormick, A. Staab, J. Pinder, C. Hicks, A.M. Poruchnyk, J. Friedman, M. Castells, A.A. Chukhno, A.S. Filipenko, O.H. Bylorus,

D.H. Lukyanenko, M.O. Honcharenko, V.A. Zlenko, I.G. Mantsurov, D. North, etc. A significant contribution to the generalization of the theory of European integration B. Rosamond the British researcher made, who published the monograph "The Theory of European Integration." The emphasis is placed on the study of theological issues not only of the founders of the theory of European integration – D. Mithpani, J. Monet, A. Spinelli, E. Haatz and others, but also of foreign researchers who present specific theories and concepts of the XX century in terms of the results of integration in Europe and the XXI century.

Ukrainian and foreign scientists from international economics and statistics, political science, ectopic science, and economic management, etc., such as A.M. Poruchnyk, J. Friedman, M. Kastels, A.A. Chuhno, A.S. Filipenko, O.H. Belorus, D.H. Lukyanenko, V.A. Zlenko, I.G. Mantsurov, D. North, Y.M. Pakhomov, S.I. Pirozhkov, etc. also deeply analyze the theoretical aspects of European integration, economic and social results of integration processes and their possible consequences in the short, medium and long term.

However, despite the existence of substantial scientific heritage, the problems of patterns of formation and forms of manifestation of internationalization and integration processes, assessment of economic and social consequences of this integration, etc.

## 3. Purpose and objectives of the study

The aim of the research is to study scientific approaches to the study of the essence of the processes of internationalization and integration of Ukraine into the democratized economic system of Euro-Atlantic countries, as well as to analyze the consequences of integration.

In accordance with the set goal, the authors solved the following tasks:

- the conceptual and terminological apparatus has been improved, which clarifies the definition of the economic categories under study and outlines the characteristics of the features that unite these categories and form significant differences between them;
- the basics of interrelation and interdependence between the processes of international division of labor, internationalization, international integration and globalization are established;
- the preconditions for the emergence and deepening of the process of economic integration and centripetal forces that determine the course of this process are analyzed;
- the levels and types of international economic integration are defined;

- the article analyzes the Association Agreement between Ukraine and the European Union as an example of international economic integration and the main results of the implementation of this Agreement in recent years;
- the global concept of inclusive growth is formulated as one of the consequences of the coherence of the goals of the countries that form the integrated community of Euro-Atlantic states;
- conceptual conclusions and proposals are proposed, the implementation of which will contribute to the efficiency of the processes of internationalization and integration of Ukraine into the globalized economic system of Euro-Atlantic countries.

#### 4. Research materials and methods

Research methods are based on general scientific and fundamental provisions of economic theory, international economics and statistics, information and analytical support of management, etc.

The methodological basis of the article is the world economic theories on the assessment of globalization processes of the world economy. The specificity of the subject of research and specific research tasks led to the use of general scientific and unique methods of cognition. Processing and analysis of actual data, modeling and forecasting of identified trends, etc. were carried out using modern software.

The information base of the research is the laws of Ukraine, resolutions of the Verkhovna Rada of Ukraine and the Cabinet of Ministers of Ukraine, official publications and methodological materials of the State Statistics Service, specialized agencies of Ukraine, other countries and international organizations, including the OECD, the Council of Europe, WEF, etc., scientific works of domestic and foreign scientists, the authors' calculations and results of scientific research.

The object of research is the complex processes of internationalization, globalization and integration of the Ukrainian economy into the competitive environment of Euro-Atlantic countries.

#### 5. Research results

The most important theoretical and practical results that characterize the scientific novelty of the study and the personal contribution of the author are as follows:

- the conceptual and terminological apparatus, which clarifies the definition of such economic categories of economic categories as "internationalization," "economic integration," "unified and

integral world," "inclusiveness," and "globalization," etc., has been significantly improved;

- significant interrelations and interdependencies, including quantitative ones, between the processes of internationalization, international integration and globalization have been established;

- a substantive analysis of the prerequisites for the emergence and deepening of the process of economic integration and the intensity of the influence of centripetal forces that determine the course of this process;

- levels (micro-, macro-, mega-, global integration) and types of international economic integration are defined;

- analysis of the Association Agreement between Ukraine and the European Union and the main economic and social results of the implementation of this Agreement in recent years;

- the concept of inclusive growth is considered in terms of coherence of development goals of the countries that form a globally integrated Euro-Atlantic community;

- based on the results of the study, conceptual conclusions and proposals have been developed, the implementation of which will contribute to increasing the efficiency of the processes of internationalization and integration of Ukraine into the globalized economic system of Euro-Atlantic countries.

One of the objectives of the article is to study the components that unite such economic categories as "internationalization", "inclusiveness", "economic integration" and "globalization".

Throughout the history of mankind, social division not only accompanied economic growth, but also enhanced it, and the level of development of production and the economy as a whole and the efficiency of their functioning depended on the depth of the division of labor.

Today, further differentiation of the division of labor, deepening of commodity exchange not only between individual producers and territories, but also between countries, inevitably leads to the internationalization of capital and labor. This, in turn, forms the highest form of social division of labor – the international division of labor.

Absolutely all countries of the world are related to the international division of labor, which leads to the internationalization of the productive forces of society, capital, and labor. It reflects the productive labor force's further development and functional branching. The primary forms include international specialization and international cooperation (Belarus, 2003).

These two phenomena form a process opposite in nature to the differentiation of the international division of labor, namely economic integration.

The highest form of its reflection is international integration.

International economic integration is an effective and promising step in the development of the world economy. It is a qualitatively new and more complex stage of internationalization of economic relations, which ensures convergence of national economies and joint solution of economic problems.

Internationalization, in accordance with the stages of system processes, is replaced by *globalization*, which combines the modern higher stage of development of capitalist production relations and the processes of functional unification of the countries of the world into a contradictory unity, which, however, is characterized by a significant number of explosive problems and conflicts.

The basis of globalization is formed by interstate relations, the power vertical of which is developed, nevertheless, around the most influential states in terms of the achieved results, their alliances, integrations, etc.

Thus, *globalization* differs from *internationalization* in that it creates a springboard for destroying national borders. It significantly undermines the foundations of national sovereignty and forms a new, global community. Under such conditions, globalization and internationalization are quite different processes that combine many standard features. Possibly, considering these two different, but at the same time very similar processes, they can be studied and analyzed as stages that follow each other (Castells, 2011).

It should also be noted that each process of general internationalization of social production

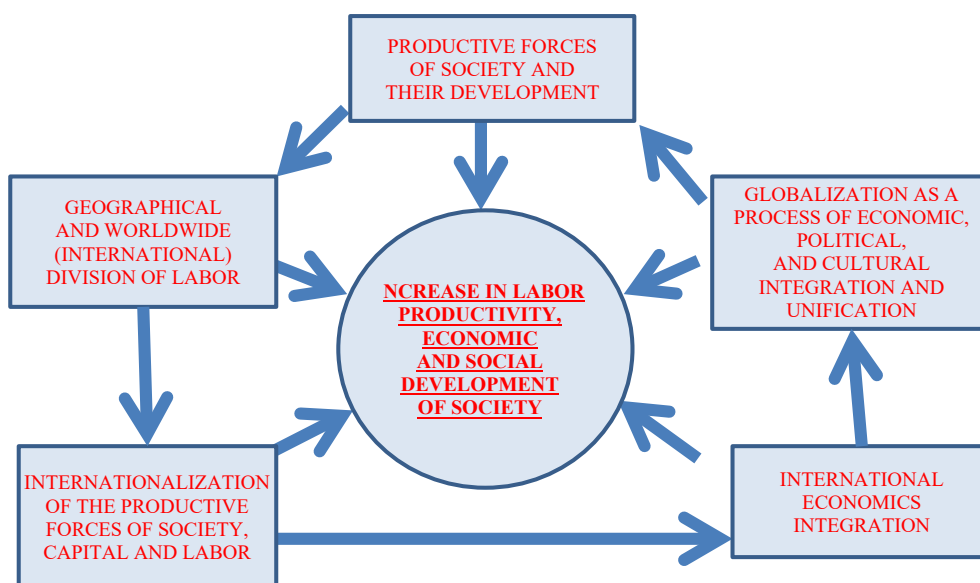
(Figure 1) has its own personal indicator (level) of labor productivity, socio-economic and environmental development, etc.

Given the purpose of this study, it is expedient and important to consider in more detail the peculiarities inherent in this process, the primary goal of which is to unite national economies into a globalized system with a sufficiently high level of interaction of its components (Belarus, 2001).

Thus, economic integration is a stage of convergence of state complexes by creating a common economic space for the free movement of goods and services, capital and labor across state borders. State economies, based on the format of the international division of labor, on the production of certain goods and services, merge with each other into the world economic system.

Taking into account such a conceptual definition of such a phenomenon as economic integration, which is also often (and, it should be noted, not without reason) interpreted as "*international economic integration*", it is necessary to provide a more thorough political economy definition of this term.

In carrying out this crucial task and considering all aspects of such a complex phenomenon, it should be noted that economic integration is at the same time 1) is a *fundamentally new type of industrial, social, and interstate relations*, which arise as a result of strengthening and deepening the process of international division of labor and are based on the principles of voluntary and mutually beneficial association of different countries in a certain community, the absence of any form of discrimination of one or another partner and each of the



**Figure 1. Interrelation of the processes of international division of labor, internationalization, international integration and globalization**

Source: developed by the authors

national economies and contribute to the formation of the highest level of development of international economic relations;

2) is a new stage of development and forms of manifestation of internationalization of international life;

3) is a process that, even in the conditions of increasing interstate competition, is manifested in the mutual adaptation of components of national economies up to determining the conditions for their mutual substitution under certain conditions, which contributes to the emergence of a synergistic effect and, as a result, the formation of a higher level of satisfaction of social needs through increased productivity.

It should be emphasized that economic integration is possible only after the formation of an alliance between two or more countries in order to create a larger economic and political bridgehead. In turn, countries, counting on certain advantages in the socio-economic and political aspects, conclude integration agreements, etc. It would be appropriate to add that integration, as a process, is a minute-by-minute and constant work of all departments, bodies, etc. that make certain very important and significant decisions at the national level (Grazhevskaya, 2008).

Prerequisites for the emergence and deepening of the process of economic integration are the following *centripetal forces*, which in combined action, form a united economic space:

- political and legal;
- economic;
- institutional;
- infrastructural;
- socio-cultural, etc.

The following characterizes the phenomenon of international economic *integration features*:

- change of the basic principles, tasks and goals of economic interaction of states, which leads to the coordination of national and common economic interests, erasing possible contradictions in the negotiation process, formation of a single international economic space on this basis;
- joint solution of emerging socio-economic problems and overcoming problems related to the limitation and lack of resources, rising prices, etc.;
- harmonious interaction of production and science, the results of which, obtained in a particular country, quickly become the property of the entire world community under certain conditions that have been previously agreed.

**International economic integration has several levels of its development**

With a certain degree of conventionality, the following main levels can be distinguished.

I. Micro-integration, in which structural units of enterprises and/or enterprises are merged into larger corporations.

II. Macro-integration, on the basis of which integrated enterprises, companies, corporations form types of economic activity, which in turn determine the specifics of the national economy.

III. Mega-integration, on which international economic and political unions and interstate alliances are formed.

IV. The global level at which the interaction of these economic and political unions and interstate associations forms the world economy (Friedman, 1989).

**There are the following types of international economic integration:**

- 1) trade: which is determined by preferential agreements, free trade zones, specifics of customs unions, etc.;
- 2) industrial: within which common markets, economic and monetary unions function;
- 3) trade and production: interstate economic unions function in the format of continental and intercontinental integration;
- 4) political: defines the activities of economic and political unions and interstate associations.

The essence of economic integration lies in self-expression in terms of international regulation of socio-economic processes, convergence of internal economic conditions of the participating countries, elimination of political, social and economic obstacles that harm the international movement of goods and services, in the formation of national and regional economic systems, etc.

Integration is based on the general intertwining of economic development and growth processes at the state level, due to which a single economic mechanism is formed. But it should be added that in non-virtual life there are two trends simultaneously – *towards integration and towards disintegration*.

An example of international integration is European integration, which is a process of economic, political, social, legal and cultural unification of European countries located in Europe. According to general trends, this is an extremely complex economic process of establishing close cooperation between European states, which can be considered one of the manifestations of the main trend of the historical development of the XXI century, namely the increase in the level of overall interdependence of countries, especially in the socio-economic and political spheres, and in the future – the unification of related national communities.

According to the Maastricht Treaty (from November 1, 1993), the European Union is considered a political and economic union of 28 countries, the location of which is geographically determined by the borders of the European continent.

Another union, which with a certain degree of conventionality can also be attributed to the Euro-

Atlantic region, operated on fundamentally different basic principles until October 2018. *This union is called "North American Free Trade Agreement" – "NAFTA"* and is the world's largest regional free trade area with a population of about 480 million people and a total GDP of about 25 trillion U.S. dollars, which is about one third of the world's GDP.

The principles of NAFTA existence can be characterized as a rigid system that for a relatively short period of time united unequal in terms of economic development and global importance partners. Such inequality of partners and the lack of a perfect structure of state bodies regulating trilateral relations led to the fact that a year ago the leaders of the countries that founded this association, i.e., the United States, Canada and Mexico, agreed to suspend the terms of integration. Thus, it can be assumed that this integration association and regional free trade area ceased to exist (Lieutenant, 1994).

But, since it existed for a certain period and had certain features, it makes sense to consider the characteristic features of this association. In the authors' opinion, this is fundamentally important, at least from the point of view of economic history and understanding of the principles that determine the existence, and most importantly – the effectiveness of functioning, of integration associations of different nature.

The main difference between the EU and NAFTA is that NAFTA did not have a sufficiently developed system of state bodies for regulating trilateral relations, which, in turn, satisfied Canada and Mexico for a certain period because the latter perceived the creation and development of these alliances as a threat to independence own socio-economic and political components of systemic development.

As for the association (creation of a union) between the European Union and Ukraine, there are two main goals, namely: deepening economic integration and deepening political partnership (association) (Mantsurov, 2014).

It is worth emphasizing that such an aspect as the free trade area is the most necessary component of the Association Agreement between Ukraine and the European Union, as it provides for duty-free import and preservation of quotas for duty-free export of almost all types of agricultural products from the EU, etc. At the same time, FTA agreements and abolition of customs agreements do not guarantee free access to the EU market for animal products produced in Ukraine.

The course towards harmonization and regulated changes in the legislative field of technical regulation requires significant financial support and time. A relevant example of such adaptation in Poland can be given: the creation of conditions for the meat industry cost 2 billion euros.

As for the state electricity market, there are positive effects of this Agreement for the state electricity market, namely: increased investment in modernization, creation of a higher level of reliability and quality of electricity supply.

It is extremely important that the areas of cooperation between Ukraine and the EU defined in the Agreement are the basis for financing programs of national projects by international organizations. In particular, one of such projects envisages the creation of the Central European gas hub on the basis of Ukrainian underground gas storage facilities. This project harmoniously fits into the current EU policy of creating a new target model of the EU gas market, which will reduce gas prices for Eastern Europe and the Baltic States by 20-30%. Approximately the same effect should be expected in Ukraine. In addition, the gas hub will solve the issue of diversification of gas supplies to Ukraine. This will allow attracting more investments in the modernization of the gas transportation system. That, of course, should be assessed only positively.

In the opinion of the authors, the signing of the Association Agreement will have a positive result in terms of stimulating the processes of adaptation of technical, sanitary and phytosanitary standards to the requirements of the European Union, as well as providing Ukraine with a sufficiently significant foothold for the export of livestock products to the EU member states.

Therefore, it should be noted that Ukraine's accession to the EU is a fundamental basis for reforming all components of systemic development in accordance with European norms and standards.

Modern foreign trade relations between Ukraine and the EU are developing in the context of the entry into force of the Association Agreement. According to its provisions, the parties committed to eliminate most import duties in bilateral trade during a transition period that will last seven years for the EU (until 2023) and ten years for Ukraine (until 2026). Upon completion of the transition period, the EU will eliminate duties for Ukrainian producers on 95.8% of product groups. As a result, the Ukrainian side will abolish duties on 96.5% of product groups.

Consistent changes in the state of general and mutual renewal and opening of markets were formed not symmetrically, namely: on the part of the European Union, aspects of customs regulation were abolished for 94.7% of the industry components and almost 83% of agricultural products, and on the part of Ukraine – in general and for the entire product range by almost 50%. Thus, a certain conditional proportion of the creation of customs agreements was violated.

Along with the existing obstacles of a tariff and non-tariff nature, the access of domestic producers to the EU markets is significantly complicated by *restrictions related to access to financial resources*. Interest rates on export credits and the cost of export insurance in Ukraine are much higher than in the EU countries, which puts many Ukrainian producers at a distinct disadvantage compared to European producers. In addition, in EU countries preferential conditions for obtaining export credits, insurance and export guarantees are provided by national state agencies – Export Credit Agencies (ECAs).

The role played by ECAs in the development of international trade is constantly growing, as evidenced by the active growth of profits and the scale of activities of leading ECAs (North, 1997).

Given the peculiarities of the current state of Ukraine's economy, the need to form proper institutional and financial national support for the practical realization of Ukraine's export potential through the launch of an effective ECA is becoming increasingly important.

A significant problem in the development of international relations of the country with the EU is the high complexity of customs procedures and the difference between European countries and Ukraine in the implementation of export-import operations.

The future relations between Ukraine and the EU are shaped by the entry into force of the Association Agreement.

They oblige to eliminate many tariff provisions – in approximately the same proportion, from 95% to 97% of product groups – on both sides. This period will last until 2023 for the EU and until 2026 for Ukraine.

According to the State Statistics Service of Ukraine, exports of goods from Ukraine to the EU countries decreased by 10.3% (USD 18.6 billion) in 2020, but had a positive trend of increase in 2021 by 49.4% (USD 26.8 billion). At the same time, imports were negative in 2020 by 4.6% (\$23.9 billion), but also increased in 2021 by 25.2% (\$29.0 billion). And despite these dynamics of foreign economic relations, there was a negative balance of Ukraine's foreign trade balance (-\$5.3 billion in 2020, -\$2.2 billion in 2021).

Compliance of the goals and objectives of the development of a particular country, its economic and political system with international standards is the main characteristic of the reality of this country regarding its entry (integration) into the world community.

Accordingly, it is necessary to pay attention to the fact that in recent years, the international Organization for Economic Cooperation and Development (OECD), which includes 34 countries,

a significant number of which are countries of the Euro-Atlantic region, has created new basic rules for the economic transformation of personal state economies (Todorov, 2022).

According to this paradigm, the "new approaches" in the OECD coverage will be reflected in the concept that the country's welfare is formed not only in accordance with the growth of real GDP and material incomes of the population, but also together with the ability of the state to provide the entire population with equal opportunities for the manifestation and formation of its human potential, the interests of all social groups are also taken into account. Therefore, this approach is reflected in the main policy documents of the OECD and contributes to weakening the negative and reducing the consequences of destructive contradictions and even conflicts between them.

It should be emphasized that, given the importance that the OECD attaches to the implementation of the ideology of inclusive growth in the practice of the governments of OECD member countries, the non-compliance of the economic behavior of the government of any country that is trying to effectively integrate into the circle of these states with the standards of inclusive growth may negate the progress achieved in other areas.

To define inclusive growth and measure its parameters, on the recommendation of the OECD, the World Economic Forum (WEF) in Davos in 2017 developed a system of indicators and a methodology for calculating the composite index of inclusive growth and development (IDI), which is proposed to be used for the general assessment of the state of economic development of countries, social sphere, and environmental protection.

Using this system of indicators, the World Economic Forum analyzed the inclusive development of 103 countries in 2018.

According to the analysis, the top five countries in terms of inclusive economic growth among developed countries are Norway, Iceland, Luxembourg, Switzerland and Denmark. Lithuania, Hungary, Azerbaijan, Latvia and Poland led the group of developing countries.

It should be emphasized that more than 50% of the countries analyzing the inclusive development index recorded an annual and significant decline (the study period is 5 years). This indicates the need for further research, analysis and formation of critical strategic aspects for the development of each country separately and the world as a whole. After all, inclusiveness is a human-centered model of development. Only the combination of all components (economic, social and environmental) in one mechanism of uniform growth can help create decent living conditions for people.

Accordingly, it should be noted that only one Ukraine among 103 countries has a negative annual decline in the IDI (Inclusive Development Index). The reasons for such trends are a task for further research and reflection.

## 6. Discussion of research results

The main scientific results of the article were approved at numerous international and national scientific and practical conferences: "The role of science in the formation of a modern model of state regulation of the economy" (2021, Kyiv), "The importance of statistics in the formation of a modern model of economic development" (2021, Kyiv), "Quantitative methods for the analysis of economic and social consequences" (2021, Poland), "Statistical methods in socio-economic research – theory and applications" (2021, Republic of South Africa), etc. (Todorov, 2022)

Some methodological provisions used in the preparation of the article were proposed to the Government of Ukraine and the UN Secretariat in Geneva.

In particular, in the analytical note, "Methodological approaches to assessing the degree of physical destruction of construction objects located in the territory affected by the aggression of the Russian Federation, their cost and the funds required for restoration," and materials sent to the UN Secretariat in Geneva (Yeshchenko, 2005).

## 7. Conclusions

Therefore, it is necessary to pay attention to the fact that, in accordance with the set goals and objectives, the theoretical and methodological foundations in the field of theoretical interpretation of the essence and forms of manifestation of the processes of modernization (internationalization) and integration of the Ukrainian economy into the globalized economic system of the Euro-Atlantic space have been studied and formed. Therefore, approaches to the study and analysis of the economic aspects of such a union are being put forward.

Based on the main results of the study, the following conclusions can be drawn:

1. For the first time the taxonomy of categories "internationalization", "economic integration", "inclusiveness", "globalization" was carried out.

2. It is proved that, in accordance with the generally accepted laws of dialectics, the internationalization of productive forces, capital and labor

will be replaced by globalization, which is fundamentally different from the previous one in that it creates the necessary foundations for the destruction of state borders and provides the main aspects for the establishment of a new, global society.

3. For the first time, based on the analysis of the characteristic features of the unions (international economic and full integration), it is proved that the latter requires research, analysis and, as a result, the implementation of a common monetary, fiscal, credit policy, etc.

4. It is proved that a striking example of international integration is the European integration, that is, the creation of the European Union. It was emphasized that by establishing economic relations with Ukraine, the EU makes considerable efforts to create equal and decent conditions for business.

5. The research allowed to conclude that one of the essential characteristics of the ability of any country to "join" the international system is the compliance of the development goals of such a country with the economic behavior of its government with international standards.

6. The concept of inclusive development proposed by the OECD in accordance with the general integration standards is studied and analyzed. The results of the study reflect the state of inclusive development of Ukraine and other European countries and the world as a whole: Ukraine ranked 78th overall out of 103 countries in terms of inclusiveness.

7. The study notes that according to the results of the analysis of the level and dynamics of inclusive development, the main priorities for the growth of the state economy of Ukraine should be: reducing deformations in macroeconomic processes and improving the relationship between wage growth and productivity growth, etc.

**Acknowledgements:** The article was written within the framework of the two grants: 1) Project of the Ministry of Education and Science of Ukraine for young scholars titled "The Post-Pandemic Paradigm of Socio-economic Development of Ukraine in the Coordinate System of the Digital Economy" (2021–2023) (Ukrainian state registration number 0121U109496); 2) grant received by the authors at the University of the Western Cape (Republic of South Africa), namely the Department of Statistics and Population (the relevant decision was approved by the Joint Committee of the Senate and the Council on Appointments and Promotions (SA2022/5) on 14 June 2022.

## References:

Association Agreement between Ukraine, on the one hand, and the European Union, the European Atomic Energy Community and their member states, on the other hand. Available at: <https://www.kmu.gov.ua/diyalnist/yevropejska-integraciya/ugoda-pro-asociacyu>



- Belarus, O. H. (2003). *Economic system of globalism*. Conceptual principles of theoretical identification of time boundaries of globalization. Kyiv: KNEU, 357 p. (in Ukrainian)
- Belarus, O. H., Lukyanenko, D. H. and others (2001). *Globalization and development security*. Kyiv: KNEU, 733 p. (in Ukrainian)
- Belarus, O. H., & Lukyanenko, D. H. and others (1998). *Global transformations and development strategies*. Kyiv: VIPOL, 415 p. (in Ukrainian)
- European integration of Ukraine: the Russian factor. Analytical report of the Razumkov Center (2020). *National Security and Defense*, vol. 1-2, pp. 3–6. Available at: [https://razumkov.org.ua/uploads/journal/ukr/NSD181-182\\_2020\\_ukr.pdf](https://razumkov.org.ua/uploads/journal/ukr/NSD181-182_2020_ukr.pdf)
- Castells, M. (2011). Information technologies, globalization and social development. *Social globalism: education. manual*. In E. A. Afonina, V. D. Bondarenko, A. Yu. Martynova (Ed.). Kyiv: Education of Ukraine. (in Ukrainian)
- Filipenko, A. S. (2022). Economic stability in the context of institutional logic. *Econ. theor.*, vol. 3, pp. 45–56. DOI: <https://doi.org/10.15407/etet2022.03.045>
- Friedman, J. (1989). *Oligopoly Theory*. Cambridge: Cambridge University Press.
- Grazhevskaya, N. I. (2008). *Economic systems of the era of global changes*. Kyiv: Znannia, 431 p. (in Ukrainian)
- Bilorus, O. H., Lukyanenko, D. H., Honcharenko, M. O., & Zlenko, V. A. & others (2001). *Globalization and security of development*. In O. H. Bilorus (Ed.). Kyiv: KNEU, 733 p. (in Ukrainian)
- Lieutenant, A. M. (1994). Formation of the economic mechanism of integration of Ukraine into the system of the world economy. Kyiv, 36 p. (in Ukrainian)
- Lukashevich, V. M. (2005). *Globalistics*. 2nd ed., supplement. and edit. Lviv: New World-2000, 440 p. (in Ukrainian)
- Mantsurov, I. G. (2014). Institutional planning in the system of state regulation of the economy. Kyiv: NDEL, 457 p. (in Ukrainian)
- National Accounts Statistics: Main Aggregates and Detailed Tables, 2015. Part I–V. U. N., N. Y., 2016.
- North, D. (1997). *Institutes, institutional changes and functioning of the economy*. Moscow: Nachala, chapter 1, 9–11. (in Russian)
- New Approaches to Economic Challenges (2012, May). A Framework Paper, OECD, Paris.
- New Approaches to Economic Challenges: A sustainable and inclusive growth agenda. OECD Yearbook 2015. Available at: <https://www.oecd.org/naec/>
- Pakhomov, Y. N. (1998). Paths and crossroads of modern civilization. Kyiv, 226 p. (in Russian)
- Pirozhkov, S. I., & Khamitov, N. V. (2016). Civilization project of Ukraine: from ambitions to real possibilities. *Bulletin of the National Academy of Sciences of Ukraine*, vol. 6, pp. 45–52. Available at: [http://nbuv.gov.ua/UJRN/vnanu\\_2016\\_6\\_9](http://nbuv.gov.ua/UJRN/vnanu_2016_6_9) (in Ukrainian)
- Scholte, J. A. (2000). *Globalization. A critical introduction*. London: Palgrave, 361 p.
- Soros, J. (1999). *Crisis of world capitalism. Open society is in danger*. Moscow: INFRA-M, XXVI, 262 p. (in Russian)
- Stiglitz, J. (2003). *Globalization and its burden*. Kyiv: Ed. House "KM Academy", 252 p. (in Ukrainian)
- Styglitz, J. Yu. (1997). *Economy of the public sector*. Moscow: Moscow State University, INFRA, 639 p. (in Russian)
- The potential and dangers of globalization. Thematic review of the IMF*. Dated April 12, 2000. Available at: <http://www.imf.org/external/np/exr/ib/2000/rus/041200r.htm>.= (in Russian)
- Todorov, I. Ya. (2022). The security dimension of international relations in Eastern and Central Europe in the context of Russian aggression. *Political life*, vol. 1, pp. 138–144. DOI: <https://doi.org/10.31558/2519-2949.2022.1.16>
- Tymoshenko, O. V. (2016). *Economic security of the national economy in the conditions of globalization*. Kyiv: "Nash Format" LLC, 384 p.
- Ukraine to be the first non-EU member state to chair EU Strategy for Danube Region (EUSDR) in 2022. Danube Region Strategy. Available at: <https://danube-region.eu/ukraine-to-be-the-first-non-eu-member-state-to-chair-eu-strategy-for-danube-region-eusdr-in-2022/>
- Yeshchenko, P. S., & Palkin, Yu. I. (2005). *Modern economy*. Kyiv: Vyshcha Shkola, 325 p. (in Ukrainian)

Received on: 14th of October, 2022

Accepted on: 28th of November, 2022

Published on: 30th of December, 2022