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UKRAINE AND THE EU. PROBLEMS AND PROSPECTS OF COOPERATION

Cherep A.V., Rudnik O.R., Lepokhin O.V.

Zaporizhzhia National University Ukraine, 69600, Zaporozhzhia, Zhukovsky str., 66 cherep.av.znu@gmail.com, rudnik20032001@gmail.com ORCID: 0000-0001-5253-7481, 0000-0003-4817-5742

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The article examines the main problems and prospects of Ukraine's cooperation with the countries of the European Union, highlights the ways of positive and negative influence of the European Union on the formation of the competitiveness of the Ukrainian economy. The authors reveal the large-scale influence of globalization processes on the formation of relations between countries, examine the process of integration of Ukraine and the EU, analyze the conditions of international relations with EU countries. Special attention was paid to the prospects of Ukraine in cooperation with the EU. The main problems of Ukraine's integration relations with the European Union are noted in the work. The article provides examples of the positive and negative impact of the European Union on the member states of the organization and suggests assumptions about the negative impact of the EU on some sectors of the Ukrainian economy. The result of the study is the development of a vector of Ukraine's further cooperation with the European Union, the justification of the main threats facing Ukraine as a future EU member, and the provision of proposals for Ukraine's achievement of European standards. The authors expand the directions of integration with the EU, which, unlike the existing ones, are supplemented by the involvement of schools and higher education institutions in the expansion of the list of joint educational and cultural programs with European countries, the involvement of European investments for the purpose of the post-war recovery of Ukraine through foreign programs.

УКРАЇНА ТА ЄС. ПРОБЛЕМИ ТА ПЕРСПЕКТИВИ СПІВРОБІТНИЦТВА

Череп А.В., Руднік О.Р., Лепьохін О.В.

Запорізький національний університет Україна, 69600, м. Запоріжжя, вул. Жуковського, 66

Ключові слова:

співробітництво, європейський союз, інтеграція, економіка, науковий потенціал, сталий розвиток У статті розглядаються основні проблеми та перспективи співпраці України з країнами Євросоюзу, виокремлюються шляхи позитивного та негативного впливу Євросоюзу на формування конкурентоспроможності економіки України. Авторами розкривається масштабний вплив глобалізаційних процесів на формування зв'язків між країнами, досліджується процес інтеграції України та ЄС, аналізуються умови міжнародних відносин країнами ЄС. Особливу увагу приділено перспективам України співробітництві з ЄС. В роботі зазначаються основні проблеми інтеграційних відносин України з Європейським Союзом. У статті наводяться приклади позитивного та негативного впливу Євросоюзу на країни-члени організації та висуваються припущення щодо негативного впливу ЄС на деякі галузі господарства України. Результатом дослідження виступає розробка вектору подальшої співпраці України з Європейським Союзом, обгрунтування основних загроз які постають перед Україною як майбутнього члена ЄС та надання пропозицій щодо досягнення Україною європейських стандартів. Авторами розширюються напрями інтеграції з ЄС, які на відміну від існуючих доповнені залученням шкіл та вищих закладів освіти до розширення переліку спільних освітньо - культурних програм з країнами Європи, залученням європейських інвестицій з метою післявоєнного відновлення України через закордонні програми.

Formulation of the problem

Ukraine's cooperation with the European Union cannot be considered unequivocally. There are certain conditions of entry and further cooperation, which are not always beneficial for the member state. The discovery of new opportunities can cause a global restructuring of the entire economic system of the country, provoke changes in the social and political life of society.

Analysis of recent research and publications

Many scientists were engaged in the study of the problems of Ukraine's integration interaction with the European Union, in particular Y.A. Zhalilo, Ya.B. Bazylyuk [1], who studied the competitiveness of the Ukrainian economy in the conditions of globalization, I.M. Bezzub [2], who analyzed the current state and prospects of Ukrainian European integration, O.O. Fedoryshyn [3], which examined the main problems of Ukraine's integration into the European Union and A.V. Todoshchuk. [4], which focused attention on the advantages of Ukraine joining the European Union.

Formulation of goals

For a detailed assessment of this problem, it is important to pay special attention to foreign experience. Namely: how EU membership can affect the country, what difficulties it faces now, what it will have to give up and sacrifice for successful economic integration, and finally, analyze what awaits an uncompetitive country in the process of active cooperation with leading countries within the European Union.

Presentation of the main research material

After the declaration of independence of Ukraine in 1991, the EU recognized it as its partner in international relations. The formation of a new stage in the development

of Ukraine's integration relations with EU countries was ensured by the normative document – "Partnership and Cooperation Agreement", which was signed on June 14, 1994 and entered into force on March 1, 1998. The main purpose of the agreement is to activate economic cooperation and support economic dialogue [8]. Taking into account the existing studies, we propose to supplement the directions of Ukraine's integration into the European Union (Fig. 1)

The directions of cooperation between Ukraine and the EU listed above are caused by the desire of Ukrainian society to reach a modern level of development, to free itself from outdated methods of managing the economy, and to promote the expansion of economic and cultural borders. The reasons for the need for cooperation with the European Union can be divided into 4 blocks: economic, political, social and cultural, which are listed in the Table 1 [4].

Thus, the listed needs of Ukraine in the conduct of common economic, social and cultural policy condition adherence to new standards for the ability to maintain a competitive position in the European community. It is undeniable that the integration of Ukraine and the EU will have many positive consequences, because it becomes a stimulating factor for the modernization of the entire structure of the country's management. I propose to consider the main advantages of cooperation with the EU, which were expanded and supplemented by us taking into account the globalization processes in the world (Fig. 2) [2].

We emphasize the importance of investment from the EU. It is worth noting that after the reforms regarding the protection of investors' rights, Ukraine has become more attractive for international investment. According to the results of 2020, it ranked 64th in the world according to the "Ease of Doing Business" ("Index Doing Business") [6]. In addition, European investors are no less attracted by:

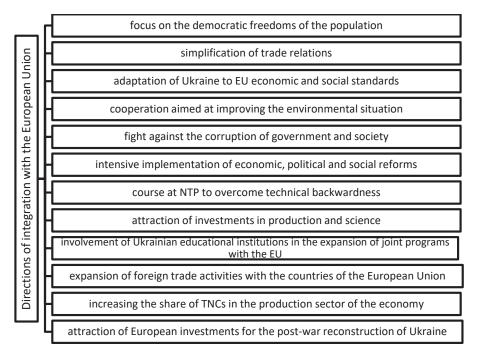


Fig. 1 – Directions of integration with the EU

Source: improved by the author based on [8]

Table 1 – Directions for the formation of cooperation between Ukraine and the EU

Direction	Main goals
Economic	Modernization of the economic system Stimulation of technological development Expansion of international markets of goods and services Creation of new jobs Attracting foreign investments Using the experience of European countries in business methods
Political	Overcoming corruption in state power Ensuring peace among EU member states Development of diplomatic relations
Social	Development of democratic features of society Social security New educational opportunities for young people Possibility of internship abroad Development of new specialties
Cultural	Unification of society into a single entity Support of creative (creative) activity of the individual Activation of assistance to novice artists Expansion of cultural boundaries Willingness to follow modern standards and values

Source: improved by the author based on [4]

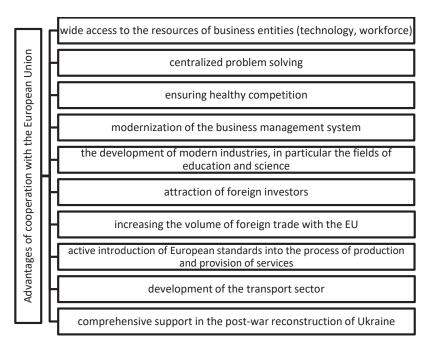


Fig. 2 – Advantages of cooperation with the EU

Source: improved by the author based on [2]

low labor costs; high qualification level of specialists; development of the domestic market; geographical position (main transport routes between Europe and Asia); growing number of tourists; scientific research potential.

As it was mentioned, cooperation with the EU cannot be unequivocally beneficial for all member countries. This process of global integration into European society can be called a challenge for the country, which it must accept in order to overcome the negative consequences and avoid future upheavals. Possible negative consequences for four spheres of life in Ukraine were finalized by us and presented in the Table 2 [4].

We have reason to assert that the accession to the European Union must be confirmed by a strong economic

and social base of the country. The countries that took this decisive step felt the influence of stronger countries and faced external risks that significantly affected the further functioning of the state.

The European Union takes an active part in the development of education in Ukraine, working on such goals as improving the level of education, increasing access to student academic mobility, rethinking the concept of education in modern conditions of development. Thus, within the framework of cooperation in this direction, it is worth noting the active involvement of Ukrainian representatives of education in the EU international cooperation program "Erasmus+". No less relevant for improving educational methods is the "House of Europe"

Table 2 – Negative consequences of cooperation with the EU

Scope of activity	Negative consequences
Economic	Due to the large number of oligopolies and monopolies, free competition cannot exist for long
	Restrictions on conducting a nationally oriented economic policy
	Dependence on more developed countries and their economic system
	Reformatting of the farming system
	Destabilization of the financial sphere
	Shifting the production of labor-intensive types of products to developing countries,
	which deals a serious blow to the country's traditional industries
Political	Dependence on the political decisions of the representatives of the leading countries
	The dominance of a separate group of EU countries
	Developed TNCs put their interests above those of the state
	The role of states is weakening and management is passing to supranational organizations and associations
Social	Strengthening of migration movements
	Society's rejection of a large number of migrants
	Unemployment due to the replacement of traditional methods of production (use of modern technologies instead of
	manual labor)
Cultural	Contradiction between national ideas
	There is a desire of countries to preserve their uniqueness
	Adoption of the traditions of neighboring countries, which gradually supplant urban traditions
Ecological	It is possible to place harmful productions on the territory of Ukraine
Production	Reformatting of the sphere of production
	Loss of part of the capacities due to high competition in the European markets
	Closing a share of domestic enterprises and reformatting them into branches of foreign companies
	Displacement of domestic products from the market due to the formation of European TNCs on the territory of Ukraine
Transport	Dominance of European carriers and gradual displacement of domestic ones

Source: improved by the author based on [4]

program, which works in the following areas: Creative enterprise Ukraine, Creative business academy, Active citizens camps, European youth camps, International residences, University exchanges, Cultural leader academy, Literature for export, Extra sound [7].

As we can see, there are currently many scientific and cultural programs for the development of the scientific and creative potential of Ukrainian youth, which enable the modern generation to more actively integrate into the developed society and exchange experience. Many Ukrainian scientists present their work at the European level. At the moment, research into alternative sources of energy, national security, environmental protection, modern education standards, computer technologies and medicine are relevant areas of Ukrainian-European cooperation.

An equally important step towards the development of cooperation with the EU in the field of education and science can be the implementation of the following programs in Ukrainian schools and universities:

- "Creative business academy", with the aim of forming basic knowledge in the field of creative industries and the basics of conducting business among students and schoolchildren;
- "Camps of European youth", which will be expediently held in the summer for the purpose of socializing education seekers in the European space;
- "Literature for export", which will make it possible to reveal creative potential among Ukrainian youth and provide an opportunity for further development in the field of writing;
- "Extra sound", with the aim of attracting schoolchildren and students gifted in the field of music to show their potential in Europe.

Therefore, we can state the perspective of the development of youth educational programs and research developments of Ukrainian scientists in the space of the European Union.

In our opinion, alternative sources of energy can be a profitable area of cooperation between Ukraine and the EU. They are the ones who can bring Ukraine's energy sector closer to European standards. Ukraine has experience in using alternative energy sources. Since 2019, part of the Ukrainian business has purchased electricity at a "green" tariff, that is, at a special price at which electricity from natural sources (solar and wind energy, water energy, biofuel) is purchased. Unfortunately, the war caused damage to natural sources of electricity in Ukraine. But, despite this, thanks to experience and intellectual potential, Ukraine is able to restore bioelectric power plants, which can become a reason for effective and mutually beneficial cooperation between Ukraine and the EU.

To restore Ukraine after military aggression by the Russian Federation, it will be necessary to attract investment capital from foreign countries, mainly from the European Union. Joint projects on the reconstruction of Ukraine can be an effective manifestation of integration cooperation with the EU. By combining the efforts of Ukrainian and European construction companies, our country will be able to build European-style cities and attract foreign capital for their further development and operation. Regarding the search for funding sources that should be directed to postwar reconstruction, it would be no less effective to adopt Poland's experience in grant funding. An example of this approach to financing can be Poland, which in this way received 106 billion euros for agriculture and domestic

projects for 2014–2020 [10]. Poland used the experience of structural funds, which made it possible to bring the country's infrastructure to a high level of development. Such experience, including its shortcomings, can be used to plan the reconstruction of Ukraine after the war with the Russian Federation. Before joining the European Union, Poland received funding through three programs – funding instruments [10]:

- PHARE (assistance in the restructuring of the economies of Poland and Hungary);
- SAPARD (agricultural sector restructuring program and assistance to rural areas);
- ISPA (infrastructural projects in the fields of ecology and transport).

As for the distribution of funds, it remains a rather difficult issue, primarily due to the corruption of the Ukrainian government. In this case, when distributing funds, it would be advisable to use blockchain – technologies that will help build a transparent picture of the movement of funds within the country. Therefore, by focusing Ukraine's attention on cooperation with the EU and other partner countries, forming a strong social base within the state, defeating corruption in the government of Ukraine and working hard, using new approaches and technologies, the economic recovery of Ukraine after the war with the Russian Federation will proceed at an

intensive pace. at that time, strengthening the integration processes of Ukraine into a developed society.

Conclusions

The article focuses on the priority areas of cooperation between Ukraine and the European Union, which can be divided into 4 blocks: economic, political, social and cultural. Basically, they are based on the introduction of new technologies in all spheres of production, democratization of society, overcoming the corruption of the authorities and improving the environmental situation in the world. It is concluded that the competitive positions of Ukraine are an integral element of cooperation with the EU, which includes many strong, technically developed countries, because only a country with a stable competitive base can maintain a decent position on the market of goods and services and get maximum benefits from economic relations. In our opinion, alternative energy sources, investments in postwar reconstruction, scientific and technical cooperation, and joint programs for the development of modern youth can be profitable areas of cooperation between Ukraine and the EU. Only by bringing the country closer to European standards can the vector of development of economic processes be changed and Ukraine established as a hightech state. The available intellectual and scientific and technical potential gives reason to count on it.

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