

**International Economy**

Oleksandr SHAROV

**TRILEMMA OF THE STRATEGIC CHOICE  
OF UKRAINE IN CONDITIONS  
OF ECONOMIC GLOBALIZATION**

**Abstract**

Analysis of the criteria of choice of integration direction of Ukraine's economy development within the framework of modern globalization is conducted. Some of issues of the problem were considered by the number of authors, such as I. Burakovskiy, A. Veselovskiy, A. Goncharuk, K. Hryshchenko, S. Tolstov, A. Shapovalova, R. Shpek etc. The author indicates the subjective and objective requirements regarding the different integration strategies and makes a conclusion concerning lack of options of Eurointegration direction, which is understood not as an aspiration to obtain a EU full-membership but as a provision of correspondence of European standards to the internal conditions of economic activity.

**Key words:**

International economic integration, free trade area, EU, EurAzEU, acquis communit.

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Sharov Oleksandr, Dr. of Economic Sciences, Prof., Ternopil National Economic University, Ukraine.

Without doubt, a famous Ukrainian multi-vector nature is stipulated by the paradigm of national thinking, which was formed within the years, under the influence of two defining factors: history and geography. It is interesting that the same logic connection is specific for our meridian neighbors. Thus, Turkish scholar and politician (Minister of Foreign Affairs) A. Davutoglu wrote that «international behavior of the country is defined by its geostrategic position, and historical «background»<sup>1</sup>. The similar statement about history and geography as two main reasons of all Russian problems was written by M.M. Karamzin.

In our case, the modern geographical distribution between Europe and Asia was corrected by means of historical factors, as a consequence of which the political understanding of such distribution was considerably close to its initial meaning. The fact is that the initial definitions of the words «Europe» and «Asia» were used only for the distribution by the seas (Mediterranean-Black-Azov) for the East and West coasts of the ancient waterways<sup>2</sup>. It would seem that on the waterways of the Dniester, (Tyras), the Southern Bug (Hypanis), the Dnieper (Borysfen) and the Don (Tanais) such distribution lost its significance. But not only the water boundary had taken place there, but also an air boundary, which corresponds to the isotherm of January: in the east of it the medium temperature in January is negative, in the west – positive. Not only air flows but human flows come across there: in this region, three world religions meet, throwing Kyiv Kagan Volodymyr into a dilemma. After that, on the same line of January isotherm the two powerful flows of agricultural and nomadic civilization have met. A great collision caused a great disruption: south-western areas did not accept the Asian dictate and were integrated into European feudal society, at the same time when north-eastern territories visa versa, did not accept the European mode of life and preferred the union with Mongol Empire.

Surely, it can be nostalgia for the lost Big Motherland but during the life everybody lost something. The question is what we obtain instead of it.

Carl the Great also combined West-European ethnos into the unique country which after his death was covered with quarrels and after the three decades it stopped its existence. It was divided among his grand children. French and Germans emerged instead of Francs. Later on, these countries were separated into new smaller states and nations. The above mentioned allowed to obtain that cultural variety which we observe nowadays, bearing such notion as human rights,

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<sup>1</sup> Source: J. W. Walker «Architect of Power» – The Journal of International Security Affairs, No.18, Spring 2010.

<sup>2</sup> «Europe» – from Phoenician `ereb – «place where the sun is», and «Asia» – from the name of the swamp land, which entitled the small West-Anatolian country at the east coast of the Mediterranean Sea.

which was logically crystallized from the primeval right of kings, then dukes, counts and barons, nobility, of the separate lands and cities, craft guilds. All above noted was impossible in the totalitarian state, which is grey and gloomy. All West-European nations reached a high level of development because they had a possibility to build their house independently.

But it fell out that we are not just inclined to the distribution. The history shows that Ukrainians always aims for unity with its neighbors but at the same time refused from this idea. As a result, there was a «water-parting of outlooks» on our territory: indeed in XVII century, Ukraine was in the situation of the country, «in the east of which was a country with absolute Orthodox humanity and in the west of which – with absolute Catholic<sup>3</sup>». And in Ukraine these outlooks were mixed as waters of Indian and Atlantic oceans.

It seems that distributing margin, which crosses our territory and depicts in our social life, in tendency to simultaneous joining to the communities which exclude each other, conclude to the disjoining of Ukraine. «Uncertainty is not limited by the foreign policy (geopolitical) sphere but is present in it and it is naturally in the foreign-economic (geoeconomic) sphere, because the majority of big international economic projects are the continuation of fundamental geopolitical conceptions»<sup>4</sup>.

In this context, the doubts of Ukrainian society, concerning the determination of the direction of our self-identification in the global structures of today's world is understood. Unfortunately, as experts admit nowadays, we can say that within the last 20 years our country did not realize any of integrated strategies, existed in different times and under different social and economic conditions»<sup>5</sup>.

Figuratively saying, Ukraine is standing on the crossroad, reading the inscription on the big stone: « If you go to the West, you will lose Russian market. If you go to the East, you will lose the perspectives of modernization. If you are at a stop, you will lose time again».

In economic situation such trilemma can be described as follows.

There are three probable variants of response of Ukraine on the globalization challenges (if we consider only those, which are close to the nearest decades): European integration, EU joining and attempts of «running voyage», in other words, the further development of its economy behind the existed integrative communities.

<sup>3</sup> Gudzyk K. «Grzech świata chrześcijańskiego» – W ks.: «Wojny a Pokój» – Ed. L. Iwyszyna, Kijów, 2004, s.160.

<sup>4</sup> Олексій Гавриш «ЄврАзЕС і європейський вибір України» – <http://www.db.niss.gov.ua/docs/polmil/113.htm>.

<sup>5</sup> Гончарук А., Усенко О. Регіональна торговельно-економічна інтеграція України та ЄС: стан, проблеми і перспективи // Міжнародна економічна політика. – 2011. – № 12, 13. – С. 98.

For better understanding of the essence of trilemma, it is necessary to explain something, taking into consideration the psychologists' advice: «If researchers want to be sure that they speak about the same, they should agree concerning definitions».

So, let us make an agreement that «*European integration*» does not mean joining to EU. EU membership should be the objective of this logic process, but in its development will be «recognized» under conditions of achievement of full/sufficient adaptation to the values and standards, adopted in EU countries (the question is about the *acquis communautaire*, and principle of supremacy of law, professional codes of behavior and moral values). The confirmation of such achievement can be its recognition sideways EU by means of signing of accession agreement or official invitation on accession or actual recognition of full adaptation (creation of the free trade zone, introduction of non-visa regime, or even accession to Schengen zone, etc). In such a way, «European integration» can be the result of achievement of the status of such countries as Switzerland or Norway. What about Eurasian choice, the situation is differs. The question is that both the integral part of the former USSR and Russian Empire, Ukraine a priori corresponds to the necessary and sufficient requirements of recognition as a entity of this Union. In other words, although Ukraine juristically did not enter EurAzEU, our values and standards are completely/ sufficiently adapted to the values and standards, adopted in the countries-founders of EU. But unlike Euro-integration in given case, the problem can not be considered as solved inasmuch as one of the values of this integration community is full support of «managerial solutions», which requires the public demonstration of their loyalty. Therefore, the accession to Eurasian Union is more important requirement than correspondence to the absolute majority of values and standards. Only for such demonstration the main sponsors of EurAzEU are ready to provide the trade preferences and conduct strategic investments.

At last, it should be considered that the variant of further economic development out of integration communities does not mean the transition to autarchy, full self-provision of economy and its closedness concerning external world. It is quite understood that autarchy does not correspond to the expectations and intentions of Ukrainian society (political factor) and in case of excised structure of national economy can not provide the even the low level of national economy development (economic factor).

Having defined the main notions, let us analyze the possibilities and perspectives of choosing of direction of the further economic development of the country.

Researchers define three factors of EU attractiveness for the new members: economic background, privilege of legal principles and democratic charac-

ter of adopted solutions. «Such original combination of pragmatism and principles helps EU to overcome crisis, maintain unity and objectives»<sup>6</sup>.

Let us clarify what exactly values and standards should be considered, while speaking about Eurointegration, are they desirable for the economy and society in general. Firstly, the researcher pays attention on the macroeconomic criteria of EU membership. As it is known, Copenhagen criteria, which stipulate the possibilities of joining to EU, include political and economic requirements.

«Group of **economic criteria** has two components – existence of active market economy; possibility to overcome the market forces and pressure of competitive environment within EU – the fulfillment of which is estimated on the basis of analysis of the range of factors.

1) Existence of active market economy:

- Establishment of equilibrium between demand and supply should be reached as a result of free interaction of market forces; liberalization of prices and trade;
- Lack of considerable for market entry (establishment of new enterprises) and withdrawal from it (bankruptcy, liquidation);
- Availability of corresponding legislation, including regulation of property rights; adhering to the laws and fulfillment of contracts;
- Achievement of macroeconomic stability, including corresponding stability of prices, sustainability of public finances and balance of payments;
- Availability of broad consensus concerning basics of economic policy;
- Sufficient development of financial sector for promotion of accumulated costs and savings on the production investment.
- Inasmuch as the above mentioned factors are the basis of any market economy, the fulfillment of this component of economic criteria should be conducted before the beginning of negotiations on entry.

2) Ability to overcome the market forces and pressure of competitive environment within EU:

- Availability of active market economy with the level of macroeconomic stability which is sufficient for economic entities to adopt solutions in conditions of stable and predicted climate;
- Enough number and proper price of human and material resources including infrastructure (energy supply, telecommunications, transport

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<sup>6</sup> R. Shpek «Ukraine- the EU from Cooperation to Integration» – Transition: Visions and Reality, Warsaw, 2001, p. 225.

etc), education and research, and prospects of activity in these spheres;

- The level of influence of government policy and legislation on the competitiveness by means of trade policy, policy of competition, provision of state assistance, support of small and medium enterprises;
- Progress is reached in restructurisation of entrepreneurship;
- Level and rates of trade integration of country-candidate from EU on the eve extension (volumes and structure of trade with member-states);
- Sufficient share of small firms in the structure of economy thanks to the fact that small firms as a rule obtain more profit because of simplified market entry and because of the fact that the domination of big firms can mean more inertia in the adjustment to the market conditions»<sup>7</sup>.

If we pay attention on the requirements of the «first packet», we can say that they correspond to the generally proclaimed values of Ukrainian society. The level of fulfillment of these criteria is very different: if the availability of broad consensus concerning the basics of economic policy can be ascertained even now, the achievement of the market equilibrium or macroeconomic stability still requires the strenuous work. The necessity of provision of the lack of considerable obstacles in the establishment of entrepreneurial structures is accepted in high street. But in practice, the attempts of simplification of regulatory requirements are ended by means of return to the old rules or even intensification of the *red tape*. And the reasons of the above mentioned can be not only the corporative interests of the numerous administrative apparatus but also disinterest of monopolistic market structures in the intensification of competition sideways small and medium business. In this case, it is necessary to consider such social values as the role of the country in the economy and the role of the middle class in the life of the country. As a consequence of historical traditions of the deceased generations, which K. Marx admitted as «a nightmare weighs on the mind of living beings»<sup>8</sup> we can not refuse from the excessive universal paternalism in the relations with the country, recognizing *de facto* its full economic dependence from the administrative apparatus, which is called as «hired labor power of taxpayers». This happens because of there was no political power in the country, which actually was interested in the foundation of the middle class. As a result, the share of the small and medium business in the general volume of the produced goods and services in Ukraine decreased to 14,2 % at the same time when the

<sup>7</sup> Копенгагенські критерії. – Дніпропетровська обласна універсальна наукова бібліотека. Центр Європейської Інформації. – Дніпропетровськ, 2007. – С. 5–6.

<sup>8</sup> Маркс К. Вісімнадцяте брюмера Луї Наполеона / Маркс К. і Енгельс Ф. Твори. – Т. 8. – С. 115.

achievements of the middle European indicators requires its increase fourfold. Unfortunately, such tendency is specified not only the actual priorities of the power, but also the lack of «social demand» for the foundation of the middle class, which in its turn, prefer not active struggle but escape in the shadow or abroad.

Actually, the institution development of capital market remains in its initial stage within hundreds of years. Its principal component – stock market – can not be transformed from more or less attractive speculative playground into the national mechanism of investment resources involvement. As a result, Ukrainian corporations, using the holding of the companies, registered abroad, float their stocks (IPO) mostly in Warsaw, Vienna or London. In 2011 in such a way, 3 billions of US dollars were involved, in 2012 – 4 billions of US dollars are expected to involve. Implementation of IPO at Ukrainian market in 2012 is planned to begin only. At that, all experts have come to the consensus only concerning one question: there is money in Ukraine. There is lots of money in Ukraine. The mechanism of their accumulation and transformation into investment capital is not managed to develop. The serious conflict of interests prevents the above mentioned: the existed market works in the reversing service, allowing creating opaque estimations concerning security sales abroad, as a consequence of finding a way of capital out of Ukraine.

But above mentioned problems are discussed and we can expect that the general social interest with the years will cause the essential changes and solution of these problems in the form, accepted from the point of view correspondence to Copenhagen criteria. However, the problems of property are out of bounds active economic discussions. At the same time, for our economy this problem is of vital value. The question is about the legal nihilism concerning property rights, which is stipulated by the historical development of the country. Taking into consideration the experience of development of communist society, which is based on the full objection of the private property and consequently its absolute confiscation, we first of all, should do the same, what all post-socialistic countries «of European orientation» have done – to conduct restitution of private property. The procedure is unpleasant, from the point of view of short-term political perspectives but absolutely necessary, taking into consideration long-term perspectives. In any case, it is hard to lay account with the respect to the new owners. The numerous raider histories speak about this fact. What about the «second packet» of criteria, the situation is better (we can speak about the latter after the fulfillment of home-task, provided by the «first packet»), and the lack of serious objections concerning perception of these values and standards.

In such a way, we can make a conclusion that the policy of Eurointegration (in the sense of adaptation of realities of economic life to the main EU standards) in whole corresponds to the actual interests of Ukrainian society irrespective of possibilities and necessity of further steps of full membership in EU. The conflict of interests concerning these standards are specific not for all society, but only

the part of its business community. But these contradictions are not of long-term character, inasmuch as after the transition of the entity of conflict to the new higher stage of development, there is an objective need to adapt the relationships in the corresponding branches to the European standards. In such a way, the achievement of the full harmony in Ukrainian and European system of values in the economic sphere is a matter of time.

The situation with Eurasian integration is not the same. In this case, the question is not about the necessity of correspondence to some kind of criteria, inasmuch as the task is to «overcome the tendencies of artificial disintegration...» In other words, «in regards to EurasEU, it is better to speak not about the formation, but about the renewal of CES – Common Economic Space<sup>9</sup>.

The attention should be paid to the fact that the necessity of the renewal of the broken cooperation ties, which were built among the enterprises in the times of USSR, is the adherent of such restoration. It is considered that from 25 to 50 % the slump in production in the countries of the former Soviet Union happened in consequence of breaking of such ties. At that, in the first years of CIS existence, there were no administrative and political reasons for breaking of such cooperation ties. Moreover, the government of Ukraine, for example, adopted special solutions concerning different financial events in the system of calculations and crediting, which were channeled on the support of such ties. The main reason of their breaking was economic inexpediency, which in many cases was understood in Soviet times: irrational schemes of raw materials, energy and spare parts supply, as well as migration of labor force were the subject of critical speech in mass media and governmental meetings. At that, within the framework of administrative and planned system, the development of economically proved ties was basically impossible. At the same time the market forces very rapidly cause the full destruction of old cooperation ties and development of the new system of labor distribution. Moreover, under the market conditions (on preservation of which the adherents of EurasEU creation emphasize) there are no barriers for international cooperation, which is successfully develops among the enterprises of Ukraine and enterprises of EurasEU, and other countries of the world.

Taking into consideration the above mentioned, the given argument can be referred to the so called propagandist component of the project EurasEU. The same cannot be said of the whole complex concerning actual curtailing of internal market regulation aimed at:

- Formation of the general market of goods on the basis of decisions of the national organs of regulation, on the basis of the decisions of the

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<sup>9</sup> Глазьев С. Ю. Евразийская экономическая интеграция в условиях глобализации. Тезисы к докладу / Материалы Международной конференции «Риски экономической дезинтеграции и поиск новых форматов взаимодействия между Украиной и Евразийским Союзом», Киев, 11.04.2012.



national organs of regulation, coordinated within the framework of customs union (cancellation of custom and technical barriers, including export duty, non-tariff trade restrictions etc);

- Creation of the general market of services which provides the assignment of the national regime to the service rendering enterprises – residents of the Soviet Unions, unification of requirements, mutual recognition of certificates and licenses, etc;
- Conducting of the single antimonopoly policy, including questions of natural monopolies and provision of the free movement of intellectual property rights;
- Provision of the free movement of labor force, which requires the regulation of the legal status of citizens of the one country-member of Soviet Union, which permanently reside on the territory of another country-member of Soviet Union, as well as free access to the education and professional training and mutual recognition of the diplomas on education;
- Formation of the single capital market, which means not only the free access to the sources of financing, but also harmonization of the norms of currency regulation, including creation of the single currency market and transition to the calculations in national currencies;
- At last, the logical conclusion of such restoration should be the unification of the regulation norms as well as formation of institutes of conducting of the single economic policy.

As the adherents of such project admit, «Eurasian economic commission should obtain powers concerning initiating and adoption of solutions without compulsory consultation with national governments»<sup>10</sup>.

«One more element of Common Economic Space, on the opinion of researchers, – can be the creation of the single currency system and preservation of the unchangeable national currency exchange rates (...) Such variants cause the decrease of Belarus and Ukraine export and increase of their import with other countries, in other words deterioration of balance of foreign trade»<sup>11</sup>.

If taking into consideration the experience of the previous negotiations and attempts of renewal of Common Monetary Area at the beginning of ninety years, we admit that in a quality of logical end of using of national currencies in calcula-

<sup>10</sup> Глазьев С. Ю. Евразийская экономическая интеграция в условиях глобализации. Тезисы к докладу / Материалы Международной конференции «Риски экономической дезинтеграции и поиск новых форматов взаимодействия между Украиной и Евразийским Союзом», Киев, 11.04.2012.

<sup>11</sup> Украина и Таможенный Союз. Доклад № 1, 2012. – Центр интеграционных исследований. – СПб., 2012. – С. 16.

tions (transition to the single currency, not common but Russian), we may surely say that the result of such «renewal» will be the full loss of economic sovereignty be the member states of the Union. This is the real logical objective of the Soviet system restoration.

Thus, the simple willful provision of correspondence of internal rights and standards to the conditions, which exist in EurAzEU, without formal acceptance of obligations on their fulfillment (in other words EU membership), which on several occasions was offered sideways Ukrainian authorities (variant «3 + 1») is not accepted in the capacity Eurasian integration (unlike European). But if we seriously accept the statement that Eurasian Union intends to use the best practice of EU, the variant of willful provision of correspondence to the norms of EurAzEU should actually coincides with the provision of analogical correspondence to the norms of EU and in such a way will speak about the coincidence of European and Eurasian vectors of integration. Is it real or not depends on the adequateness of norms and standards of both Unions. The attempts of determination of technical standards, which will essentially differ from those, accepted in EU, speak about the fact that on this way there are lots of surprises. As a consequence, development and acceptance of specific technical standards in the individual industries of production should be in highlight of researchers, inasmuch as in details, the reasons of the future conflicts may be hidden.

We have to pay attention on the irreceivability of an argument concerning necessity of joining of Ukraine to EurAzEU and confirm the fact that Ukrainian products which is non-competitive at EU market, will easily find a market at EurAzEU market. It is obvious that such argumentation is likely propagandistic, inasmuch as marketing researches point out that EurAzEU market is the area of sharp competitiveness among the suppliers all over the world (including EU, the share of which in the external turnover of Russia exceeds 50 %) and commodity producers from the member states of EurAzEU have already modernized their production and steadily sustain competition at the world market. Competitive struggle at this market without doubt will become sharp, especially, taking into consideration the entrance of Russia into the World Trade Organization and probable creation of free trade zone between Russia and EU). Thus, considering the problems of Eurasian integration, we pay attention to the experts' advice, prepared as a consequence of European integration: «Structural peculiarities of Ukrainian external trade should be radically changed in the process of innovation renovation of Ukrainian economics»<sup>12</sup>. In such a way, the requirements concerning the necessity of modernization of Ukrainian production, as well as diversification of the assortment and increase of the quality exported goods, coincides under two probable directions of integration – European and Eurasian.

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<sup>12</sup> Strategy of the economic and social development in Ukraine (the years 2004–2015) «Towards European Integration»/ A. S. Galchynsky, V. M. Geyets and others. – Kyiv: NISS, 2004. – P. 319.

The attention should be paid to the fact that historical and geographical factors as well as political and economic do not leave little choice to Ukraine. Regionally, Ukraine can join only one of these Unions – existed EU or EurAzEU (which is in the stage of formation). In other words, joining of Ukraine to for example Organization of Black Sea Economic Cooperation is not considered in the context of alternative variant, but is an intermediate stage of integration in any direction. And of course, it does not object to consider such membership as obstacles of independent out of integration development of Ukrainian economy.

AS it was mentioned above, development out of integration should not be considered as attempts of isolationism but visa verse requires additional efforts concerning adaptation to the conditions of modern globalization. It is important to take into consideration the task, which was formed by the President of Ukraine in his Message to Ukrainian nation in June, 3 2010, and speaks about the necessity «of entrance into the number of the leading «top twenty» of the world, as a modern country with the competitive economy of XXI century»<sup>13</sup>.

The notion of the «leading twenty» is first of all associated with so called Group of twenty (G-20). The members of G-20 are Australia, Argentina, Brasilia, Great Britain, Germany, India, Indonesia, Italy, China, Canada, Chorea, Mexico, Russia, Saudi Arabia, USA, Turkey, France, RSA, Japan, and EU. But even the initial analysis of the composition of this group (founded in 1999, aimed at discussion of problems of global economy at the level of the Ministers of Finances and Heads of Central Banks) speaks about the fact that hardly all member states can be referred to the leading countries of the world. More likely, they by themselves represent the different groups of countries, including developing countries. From the one side, formally «G-20» does not include highly developed European countries (which as a whole are presented by European Commission). From the other side, small EU member states, whose economic potential does not allow them to pretend to entrance into «G-20», have such moderate representation in «G-20».

To estimate the level of economic development, the indicator of the GDP level per capita is used. But according to this indicator, such small countries as Qatar, Singapore, Brunei, Iceland, Bahrein etc, should be referred to «G-20»; at the same time Saudi Arabia (39 place), Argentina (51), Russia (52), Mexico (61), Brasilia (74), RSA (78), and Indonesia (122) formally does not enter it.

Ukraine places 100 position in this rating (according to different estimations 100–102 place according to the usage of GDP indicator – *nominal or according to the purchasing-power parity*). In such a way, Ukrainian indicator actually is even better than in one of the member of «G-20» – Indonesia.

Taking into consideration the above mentioned, we should speak about the indicator of the GDP overall volume according to which rating (according to

<sup>13</sup> Послання Президента України Віктора Януковича до Українського народу. – Офіційне видання. Національний інститут стратегічних досліджень. – Київ, 2010. – С. 8.

different estimations 100–102 place according to the usage of GDP indicator – *nominal or according to the purchasing-power parity*) the top twenty of the leading countries should include without doubt: USA, Australia, Brasilia, Great Britain, India, Indonesia, Spain, Italy, Canada, South Chorea, China, Mexico, Germany, France, Turkey, France, Japan. США. Depending on the estimation of the GDP volume, such countries as the Netherlands, Poland, Sweden and Switzerland can pretend to enter the G-20. The volume of GDP of the noted countries fluctuates from 15 trillion of US dollars to 500 billion of US dollars. Ukraine (with the indicator of 140 billion of US dollars) holds 51–53 place.

We can make a conclusion that according to the generalized indicator of GDP in case of enter the G-20 in 10 years, Ukraine should have the indicator of GDP volume at the level of 750 billion of US dollars or 15–17 thousands of dollars per capita. To reach such results it is necessary to provide the annual rates of growth of economy at the level of 8-9 % (in case that worldwide average will be 5–4 percents).

Such GDP indicators coincide with the estimations of the Noble prize winner, prof. M. Spence, who supposes that countries where 75 % of population of the planet lives, can reach the level of so called developed countries, on conditions of provision of GDP per capita in the amount of more than 20 thousand of dollars<sup>14</sup>.

Besides it, it should be taken into account that telling impact on the recognition of Ukraine as a «leading country» will be made by some other indicators of its development, particularly index of competitiveness, index of human capital development, effectiveness of social institutes' activity, etc.

In such a way, on our opinion, the ambassador of Germany in Ukraine Hans-Jürgen Heimsoeth rightfully mentioned concerning the **objective** of Victor Yanukovich to enter the top twenty of the most economically developed countries): «It is ambitious but it is possible to reach it. But there is one more objective – to reach higher in the ratings of economic and investment attractiveness, corruption struggle, etc. In this spheres the progress of Ukraine is not so big to move faster in comparison with another countries»<sup>15</sup>. The acceleration of movement in this direction can be reached by means of adaptation of the own economic system to EU standards. Even if such work from the formal point of view will not be directly connected with the efforts and plan of action concerning Ukraine's entrance EU. Moreover, development of Ukraine «out of integration» on the basis of Eurointegration «order of the day» can provide Ukraine the possibility to hold a place of that geopolitical «counterbalance», which will provide «strategic equilibrium as a chance for Ukraine in the multi-polar world»<sup>16</sup>. It is un-

<sup>14</sup> Road Map to an Economic Marvel. Interview with M. Spence. – The Ukrainian Week, # 3, (26) March 2012. – P. 24.

<sup>15</sup> Кравченко В., Силіна Т. Кнуха skarg I propozytsii // Дзеркало тижня. Україна. – 2012. – № 16. – 28 квітня. – С. 4.

<sup>16</sup> Грищенко Г. Стратегічна рівновага як шанс України у багатопольному світі // Дзеркало тижня. Україна. – 2012. – № 9. – 09 березня. – С.1.

derstood that if you are not able to develop the proper communication with the West of the East, now it is not an appropriate moment to become «communicator» between them<sup>17</sup>. Moreover, if Ukraine developed such relationships, the demand on the intermediary's services would be only in case if the East and the West «did not communicate with each other». Fortunately, the times of Cold War have passed and the world communication is taken place explicitly. Thus, «additional value», in the given case can emerge, if Ukraine managed to develop special relationships with those countries and regions, which could have «additional value» for EU, but not development of direct relationships between those countries and EU. First of all, it concerns some countries of BRICS group, namely Brazil and South Africa with a view of Angola and Mozambique, which are too risky for European business, but are successfully mastered by the Post-Soviet businessmen). Having provided serious cooperation with these countries today, tomorrow we can reckon on them while entrance «G-20» or pretend to get an invitation to the EU «club».

All above mentioned help us to make a conclusion that strategically Ukraine (under conditions of necessity of provision of transition of the country from the category of «developing markets» to the developed countries) has no alternative for the further social and economic development on the basis of functional and institutional standards, accepted in OECD countries and first of all in EU member states. At that, actions channeled on acquisition of membership in EU and EurasEU or saving of the «status quo» in the quality of «global player», which intends to refrain from deep integration during a large period of time within a framework of any regional community, will be of prime importance without changing the essence of reforms, which are necessary to implement.

In connection of the above mentioned, we can speak about so called D. Rodrik's «political trilemma of the world economy», which confirms that under modern conditions, in practice, none of the countries can provide the achievement of more than two designated objectives: «deep economic integration», «preservation of national sovereignty» or «provision of democracy». Thus the choosing of combination will correspond to the national interests and actual distribution of political forces in the country.

Summarizing the above mentioned, it is necessary to pay attention on the conclusion, which was made according to the results of the investigation of German experts in 1998. «Ukraine indeed is on the crossroad between the implementation of the systematic reform and market economy and between the possibility to return to the post-soviet conditions»<sup>18</sup>. Unfortunately, by virtue of subjective and objective reasons, the necessary and stipulated reforms are not finished

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<sup>17</sup> Павлюк О. Про модернізацію, євроінтеграцію, рівновагу та еквілібристику // Дзеркало тижня. Україна. – 2012. – № 14. – 14 квітня. – С. 5.

<sup>18</sup> Україна на роздоріжжі / За редакцією А. Зіденберга і Л. Хоффманна. – К. : Фенікс, 1998. – С. XIII.

hitherto. In such a way, the choosing of the integration way still depends on the choosing of market reform: the level of its sequence and completeness will define the attractiveness of one or another integration scenario for Ukraine depending on its readiness to hold a proper place in the global economy.

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