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## ***ПЕРШИЙ КРОК У НАУКУ***

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## **ECONOMIC CRISIS IN UKRAINE AND SOME WAYS TO OVERCOME IT**

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Today Ukraine has been “trapped in chronic crises”. In the country's economy for a long time there were negative processes of deindustrialization, prevalence of raw low-tech production, loss of scientific potential and outflow of professional personnel, an increase in the moral and physical depreciation of fixed assets.

Accordingly, in the structure of exports goods and services with a low value-added predominate, while the share of high-tech products and services is only 5.5%. The high level of import dependence is caused by the inability of the national economy to satisfy adequately domestic demand for non-food products and energy at a high capacity of this market.

Against the background of limited access to financial resources the formation of rather low investment activity has become typical for Ukraine. The share of the gross accumulation of fixed capital in GDP of Ukraine in 2015 was the lowest during the entire period of independence (13.5%), which is almost twice less than the level of individual European countries. Such a level impedes the modernization of the economy, reduces the return on capital of production equipment and does not contribute to the maintenance of productive capacity capable of creating a competitive product.

At the same time, inefficient economic activity leads to an increase in technogenic load on the country's ecological system and, consequently, to the gradual destruction of the environment.

In addition, ongoing economic depression is accompanied by job losses, the economic decline of many settlements and massive labor migration of the economically active population to other countries.

In 2014-2016 all above mentioned systemic negative processes intensified as a result of the occupation of the Autonomous Republic of Crimea, as well as a protracted military conflict in the eastern part of the country.

The current situation cannot guarantee sustainable growth and accelerated overcoming on this basis the gap in GDP per capita between

Ukraine and the most developed countries. However, it is possible to suggest several ways to get out of such a difficult economic situation:

1. The improvement of conditions for doing business, including simplification of the procedure for administering taxes and fees, establishment of simple and transparent taxation rules, creating a favorable investment climate.

2. The introduction of incentive measures for priority economic activities that meet at least the following criteria: they have high added value, export potential and are innovative.

3. The creation of incentives for intensification of technical modernization and innovation activity, including paying special attention to sectors with high added value and labor-intensive sectors.

4. We need the development-oriented policy that promotes productive activity, creating of decent workplaces, entrepreneurship, creativity and innovation, and encourages the development of micro, small and medium-sized enterprises.

5. The increase of the efficiency of innovative development of regions, achievement of high level of their economic development that will promote unity of economic space, expansion and deepening of interregional economic ties, development of internal commodity markets.

6. The creation of incentives for implementing rational consumption patterns on the basis of sustainable development and prevention of deterioration of the environment.

This is, of course, an incomplete list of reforms that should be carried out in our country, but I think, that observance of these recommendations will help Ukraine to get out of the economic crisis. And I believe that our country will overcome all the difficulties.

1. National Report 2017 “Sustainable Development Goals: Ukraine” URL: <http://www.un.org.ua/ua/publikatsii-ta-zvity/un-in-ukraine-publications/4203-2017-natsionalna-dopovid-tsili-staloho-rozvytku-ukraina-iaka-vyznachaie-bazovi-pokaznyky-dlia-dosiahnennia-tsilei-staloho-rozvytku-tssr>

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