

**MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE**  
**KYIV NATIONAL UNIVERSITY OF TRADE AND ECONOMICS**  
**DEPARTMENT OF MODERN EUROPEAN LANGUAGES**

**THE SCIENCE OF THE XXI CENTURY: CHALLENGES OF THE  
CONTEMPORANEITY**

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# SECTION 1

## **STRUCTURAL CHANGES IN THE ECONOMY OF UKRAINE: REALITIES AND PROSPECTS**

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### THE EUROPEAN MODEL OF DEVELOPMENT OF SOCIETY AND ITS POSSIBLE USING IN UKRAINIAN REALITIES

The second half of the first decade of the 21st century affected Ukraine with rapid social shifts, ups and downs of mass expectations and disappointments, the period of birth and disintegration of ambitious social and economic projects. The fast growth of social activity and the opposition of the political forces of society have made tense on relations in the country. And as a result we have a key question for every citizen: what is the economy of the country functioning for, do we have its positive dynamics affects changes in the quality of life of citizens?

In today's conditions of geopolitical development European societies build their standards of living through rigid and sometimes cynical rules of rationality, thus imposing their world's "emotions, aspirations, and orientations on the expansion of human contacts at all levels and in all areas of social life. In this way, it is a necessary component of European culture, and for interstate relations it is as a kind of life." [2]

Today, civilization is on the verge of change, which may be more global and fatal than all previously experienced humanity. The centuries of the development of historical and philosophical science have shown that the most successful and correct in the predictive aspect are the concepts based on the division of history into alternating epochs that radically differ in their basic principles and relations.

The main and closest model for the development of modern society is the European system of development. The basic idea of the European model of social development, in accordance with the earlier approaches, is to adhere to the principle of social, political, economic and cultural equality (equality of opportunity for all citizens) as a factor in the effectiveness of the development of national states. Understanding in this perspective the essence of European integration raises the question, if it leads to the formation of a unipolar or multipolar world order [1]. At the same time, the fact that in Europe today



gradually formed a polycentric model that characterizes the "unity of diversity", which is fundamentally different from monocentral globalization. Contrary to this, the European model of development is not confrontational with the Orthodox world. And this is directly the fundamental difference between the Western European model of development from the globalist, which is oriented towards the monocentric construction of the world order and is accompanied not only by foreign economic expansion but also by the corresponding political pressure [3].

Investigating the problem of introducing a European model of social development in Ukraine, it is possible to deny individual politicians and sciences who insist that Ukraine is the periphery of Europe, and not its center, and therefore the European cultural model indirectly extends to it. In order to overcome the old standards of stereotypes of public opinion, effective ways of evolutionary Europeanization of Ukraine should be developed (with the exception of revolutionary techniques), since Ukraine has every chance today to become a "New Europe", or rather its organic component to be "Great Europe".

However, Ukraine's "self-orientation" towards Europe today is rather one-sided, which more likely suggests that it indirectly recognizes itself as an organic subject of the European community. In this opinion, the reality of this process can be said when the state fully accepts not only European cultural values, but also standards of social life. Only then, Ukraine will become European, otherwise it will be possible to confront the cultural confrontation between the states, which is especially evident in the conditions of globalization, when it is objectively impossible to avoid the corresponding processes.

At the present stage of development of Ukraine it is important to clearly define the main criteria that mentally distinguish our state from the other and, accordingly, try to coordinate them. We cannot allow "dreaming" in building a certain civilization standard, since this symbolize the advent of such a stage in the development of Ukraine, which contradicts its historical logic. If for the first side it is important the commitment to traditions, then for Europe is systemic modernism and tightening of individual states to certain modernization standards. In our opinion, the essential distinction between states within the European community is hermeneutical.

At the same time, it should also be noted that as a result of the use of certain standards in the European model of development in Ukraine, a situation was established simultaneously with the approval of two cultures: the traditional, declared archaic, and the new, which is recognized as progressively modernized.

An important problem, however, is only how to reconcile these two types of cultures, thus creating a new model of culture. However, it should be remembered

that the creation of a new culture naturally implies a certain negation of the previous one, which in fact can be traced today.

One of the primary ways of realizing the European model of development in Ukraine is to apply it within the limits of the life of a separate region of the state. In such way, it shows that the Europeanization of the state can begin from its separate region and then spread on the whole state. It should also be noted that various groups of the public, the political elite, and individuals, acting as a connecting link between the people and the civilization world, can play a particularly important role in the processes of Europeanization and European integration of Ukraine.

An important precaution, which should always be remembered, is the desire for Europeanization of culture, which naturally leads to a similarity of national culture to the culture of Europe. That is why it is impossible to allow the process of Europeanization to become the character of bureaucratic modernization, since it will negatively affect the preservation of its own national culture.

So as a conclusion, you will agree that the welfare of a society depends on many factors, but the main ones are the social, political and economic conditions of the development of society. Therefore, the main directions of implementation of creating an effective system of social development according to the economic point of view should be following. First of all, government should create an institutional environment for the development of fair competition. Secondly, we should have increasing of competitiveness of domestic consumer goods. Then, we have to improve organizational and economic principles and infrastructure of functioning of the internal market and trade. One more what should be done is to ensure the protection of the domestic market from low-quality products and guarantee their safety and quality, as well as market surveillance systems. And finally, our state has to bring the legislation in the field of consumer rights protection in line with EU legislation and to create a system of incentives for producers and sellers of high-quality and safe products.

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## THE LARGEST COUNTRY IN EUROPE: STRUCTURAL REBUILDING OF THE BRAINS

The Ukrainian SSR was the most important economic component of the Soviet economy after the RSFSR. Ukrainian heavy industry was able to supply many other unique equipment The Ukrainian SSR was the most important economic component of the Soviet economy after the RSFSR. Ukrainian heavy industry was able to supply many other unique equipment and materials to the rest of the republics of the former Soviet Union, and agriculture provided up to a quarter of the production of all-Union agricultural output[1].

Due to the privatization of the 1990s, by 1999, the gross of domestic product of independent Ukraine fell to 40% of the 1991 level. A number of reforms, initiated by the IMF, somewhat revived the economy and drew some important parts out of the shadow, despite the constant political turmoil between the Ukrainian president and the prime minister. Nevertheless, against the backdrop of the global crisis of 2009, there was a sharp drop in economic indicators by as much as 15%, and this was one of the worst results on a global scale. However, in 2010 the Ukrainian authorities managed to agree on substantial discounts on Russian natural gas supplies, which allowed for a slow growth in 2010-2013 despite the dominance of oligarchic clans in the economy. However, this did not help the country catch up with its neighbors or withdraw from the ranks of the poorest states in Europe [1].

The flight of President Yanukovich in 2014, the loss of the Crimea and the armed conflict in the Donbas, plunged the state into a crisis, because of which foreign exchange reserves fell sharply, GDP fell by 17%, and inflation reached 60%. The situation has been stabilized and some successes have been achieved, but the country faces a serious set of unresolved problems: combating corruption,

creating capital markets, improving the business environment and conducting further privatization of state property[1].

There is a dynamic process of forming a group of industries that provide R & D and have relatively high growth rates. It is well-known, they include chemical and petrochemical industry, nuclear power engineering, electronics and radio engineering, biotechnology, production of clean materials and materials of increased and advanced quality, microprocessors and computers, communication facilities, control and control devices, and others like that.

Changes in the ratio between extractive and processing industries in favor of the latter. Such a trend in the conditions of the NTP is decisive, since it allows to reduce the growth of extractive industries with a gain for the final social product. This is facilitated by the emergence of non-waste technologies, integrated processing of raw materials, energy-saving technologies, etc.

There are changes in intra-sector proportions. This is reflected in the increase in the proportion of finishing stages and operations (various types of enrichment and improvement of raw materials), which increases the quality of products.

The infrastructure of social production, the sphere of industrial and household services is dynamically developing - transport, communications, energy, information services of the national economy. The role of science and scientific services is growing significantly.

One of the most important structural problems has always been and there is a correlation between the two divisions of social production - the production of means of production and production of consumer goods. NTR modifies the effect of the laws of the predominant growth of means of production.

Fund-based and material-saving variants of economic growth make it possible to do without a forced, as before, increase in the share of so-called Unit I.

The most dynamic sector of the economy under the current conditions is the service sector. Today, an increasing share of GDP is being generated in this area and more and more workers are concentrated. According to the practice of industrialized countries, it is in the service sector that more than 70% of their labor resources are employed.

NTR causes a sharp decrease in the proportion of the primary sphere, and then, albeit much slower, - secondary in the dynamic expansion of the tertiary sphere. A new phenomenon in the conditions of scientific and technological revolution is the mass emergence and development of integrated economic institutions (economic structures), which combine science, production, service [2].

Along with this trend, another clearly shows itself - the growth in the number and proportion of the total volume of production of medium and small

enterprises, which is characteristic of all developed countries. It is generated in the conditions of the scientific and technological revolution in the development of so-called decentralizing technologies.

It is widely acknowledged that small business is one of the most effective tools for solving many economic and social problems. In particular, it contributes to the restructuring of the economy, strengthening the economic base of the regions. Therefore, small business in developed market economies occupies a significant place in the state's economic policy. In the world economic practice, small and medium-sized enterprises are employers for almost 50-60 percent of the able-bodied population. And the volumes of production in this sphere in different countries make up one third to two thirds of the gross national product. And here we are struggling with our Ukrainian mentality. For decades, Ukrainians were taught the ideas of socialism, democracy and equality, and for decades people tried to be "comrades" to each other and to think about themselves in the last turn. For decades, this was, surprisingly, a miserable process. But now it's another time. More and more capitalism penetrates the heads of Ukrainians, and more and more people begin to think about themselves and everything connected with them. In my opinion, this is definitely right.

We are accustomed to say that the word «egoism» is something a priori bad. This idea is simply destroyed by two authors: Ayn Rand and Theodore Dreiser. Drayzer in his "Trilogy of Desire" showed how the famous American millionaire Charles Tyson Yerks thought and acted. I quote: "The only thing that I do not like about you is your eternal one:" What people will say." "People" do not build your life. And my especially. First of all, think about yourself. You yourself must arrange your life. Will you allow that between you and your desire become what others think?"

Atlant, which was written by Rand, shows how important it is to be mercenary and useful. This book shows that we have the right to ourselves. We have the right to be rich and happy, the right to work for ourselves, and not to parasites, people who have not done anything in this life, they simply absorb everything that falls into the hand, but they do not give anything upside down. This is the essence of so-called socialism. Capitalism, in turn, teaches people to love labor, it is the best to take positions from above, and the worse - to occupy their legitimate place - from below.

Intelligent selfishness in the everyday sense is the ability to live their own interests, not contradicting the interests of others. Why am I all? To the fact that Ukraine needs entrepreneurs, Ukraine needs people who will be prone to rational selfishness, such people can care for the country, these people will lead to the rapid development of our country. Minimizing corruption, privatization and

decentralization are not fictitious. An economic miracle is not utopia. It is important to give freedom of thought to those people who want to work. Do not disturb entrepreneurs and they will do what they can do the best - make money, and as a result - rich and successful Ukraine.

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#### THE POWER OF ADVERTISING

Advertising is a means of communication with the users of a product or service. Advertisements are messages paid for by those who send them and are intended to inform or influence people who receive them. Now advertising has become such a routine of everyday life, so we rarely stop to think about its significance.

To understand completely the role of advertising in our lives we must, first of all, consider what advertising is and what can be classified as an advertisement. The Cambridge dictionary defines advertising as the business of trying to persuade people to buy products or services [1].

This definition of advertising links with the idea of branding and advertising method which involves labeling products with an image or product name in order to create a connection in the consumers mind between the product and certain qualities of the brand. Advertising provides a direct line of communication to your existing and prospective customers about your product or service.

The purpose of advertising is to make customers aware of your product or service, to convince customers that your company's product or service is right for their needs, create a desire for your product or service, enhance the image of your company, announce new products or services, reinforce salespeople's messages,

make customers take the next step (ask for more information, request a sample, place an order, and so on) and to draw customers to your business [2].

This business of persuasion may be implemented through any form of communication including visual and audio aids. In today's world, advertising uses every possible media to get its message through. It does this via television, print (newspapers, magazines, journals etc), radio, press, internet, direct selling, hoardings, mailers, contests, sponsorships, posters, clothes, events, colors, sounds, visuals and even people.

As the marketing industry has expanded dramatically since the rise of new technologies, advertisers and manufacturers have more opportunities and resources to communicate with consumers and promote their company and products. The rise of new technologies mainly refers to the expansion of mass media. Traditional forms of media such as newspapers, magazines and television extended to newer media such as the Internet CDs, DVDs, mobile phones, video games and others.

It is always present, though people may not be aware of it. The advertising industry is made of companies that advertise, agencies that create the advertisements, media that carries the ads, and a host of people like copy editors, visualizers, brand managers, researchers, creative heads and designers who take it the last mile to the customer or receiver [3].

A company that needs to advertise itself and/or its products hires an advertising agency. The company briefs the agency on the brand, its imagery, the ideals and values behind it, the target segments and so on. The agencies convert the ideas and concepts to create the visuals, texts, layouts and themes to communicate with the user. After approval from the client, the ads go on air, as per the bookings done by the agency's media buying unit.

Internet changed advertising today. Since the dawn of humanity we have used tools to communicate. Over time these tools have become more complex like in 2700 BC when the Egyptians started using pictures to represent sounds this later came to be known as the alphabet. Every time a new discovery is made it changes the way that we live but there is always some people who struggle to adapt.

At first we did not realize TV's potential too. But one day it dawned on us TV's a new kind of communication one driven by images and the use of images changed everything. Then along came this thing called the Internet. At first it was just email and banner ads but then it evolved into something much bigger. We used to come home to watch TV but now we watch TV on the Internet and not just that we search on the Internet. We read blogs on Internet, we upload pictures to the Internet, we update our status on the Internet, we share our lives and our experience on the Internet with the world. We are not on the internet as passive observers, we are on the internet to have a shared experience.

As these new forms of media were developed. Advertisers seize the opportunity to use these devices for promoting companies and products. A prime example of this is the use of the Internet a medium which has been around for approximately thirty years and is used by billions of users worldwide.

A large proportion of the sites found online are filled with advertisements reaching vast majorities of consumers daily. Making it easy for companies to attract the attention they desire.

Therefore advertising has a big influence on our life. We see it everywhere, passing it on the street, flicking through it in magazines and watching it on television.

We are now members of a society in which we live amongst advertisements. So advertising forces people to develop, think and improve. It is a real power.

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#### PROSPECTS OF THE TAX SYSTEM OF UKRAINE

The priority trend in modernizing the fiscal service of Ukraine is the improvement of the system of tax administering. It aims at creating more efficient mechanisms of tax administration, preventing corruption, encouraging tax payment, establishing partnership between the fiscal bodies and taxpayers, imposing fair taxes on all taxpayers and promoting sufficient contributions to various budgets. In this aspect, suffice it to recall the experience of the EU member states.

The improvement of the tax administration system should be aimed at increasing the level of tax ethics and tax culture of citizens. It means they should change their attitude towards their constitutional duty of paying taxes. Nowadays the



ordinary Ukrainian citizen is unwilling to fulfil his tax obligations. The reason for this is the absence of distinct relation between the paid taxes and the services obtained from the state in exchange of the paid taxes. The improvement of the tax administering system should begin with establishing partnership between the taxpayers and tax institutions based on the very different vision of a citizen's place in the state and tax administration, respecting his rights and interests. As a result, the attitude of citizens to their tax obligations will change from involuntary to voluntary.

In the conditions of flourishing corruption in the country, the reduction of tax burden and increase of penalties for violating tax legislation will not result in positive changes in the behaviour of economic agents. Therefore, the only way out of this situation is to reduce the level of corruption. For this purpose we propose the following preventive measures: minimize the direct communication of taxpayers with officials of fiscal authorities due to implementing computer technologies in the process of tax administration; equipping the premises of fiscal and tax services with transparent walls between the officials working with the public; teaching the staff of the fiscal bodies to avoid bribes and raise their understanding of being charged for corruptive activities (theme conferences, workshops etc.) [1].

Rates reduction is certainly attractive for businesses, besides, it should promote the shrinking of shadow economy, stimulate the development and business activity of business structures, which is the basis of the country's financial potential.

As for the VAT, we consider is reduction from 20% to 17 % is not economically substantiated, because this tax provides about 40% of tax revenue of the Total Budget of Ukraine, and the reduction of this tax by 3% will lead to considerable losses of budget revenue. Therefore, it would be sensible to take into Account the positive experience of the EU member states that apply differentiated tax system depending on the social value of goods and services. Therefore, we propose four tax rates:

- 0% remains for further export operations;
- reduced tax rate for buying and selling basic commodities (agricultural products, bread and other food products);
- increased tax rate for trading luxury products (jewellery, elite vehicles, genuine fur and leather items, technically innovative devices) ;
- the basic tax rate of 20% for other trading operations with goods and services.

Consequently, such differentiated tax rates will balance the budget revenues from administering value added tax and will comply with the principle of sociality of the tax legislation.

In addition, we believe that when collecting a personal income tax, it is worthwhile to apply the experience of the EU countries, in which the total family income taking into account all those who are on family maintenance, is the subject to tax levy. For example, in France taxpayers are assigned coefficients: coefficient 1 - for single persons without children; coefficient 2 - for married persons without children; coefficient 3 – a spouse with one child; coefficient 3,5 - married with two children; coefficient 4 - spouses with three children.

In this case, the tax on personal income is determined according to such an algorithm:

- 1) the total amount of family income is divided into an appropriate ratio;
- 2) the tax is calculated according to the rate defined for this level of income;
- 3) the amount received is multiplied by the same coefficient as in paragraph 1 [2].

Therefore, in our opinion, the improvement of the tax administration system should be performed in the following directions: establishing partnerships between fiscal authorities and taxpayers; reduction of the general level of tax burden; increasing the responsibility of both taxpayers and tax authorities for failure to comply with tax laws; eliminating corruption in the country; administration of the value added tax on differentiated rates; imposing a personal income tax on common family income; revision of the size and conditions of the provision of tax social benefits as a result of an increase in the subsistence minimum due to the increase of the cost of the consumer basket for meeting the basic human needs; strengthening control over the production and circulation of ethyl alcohol, other alcohol distillates and alcoholic beverages; Improvement of accounting of fiscal authorities; strengthening the automation of the tax administration process; improving the quality of taxpayer services, etc.

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## HAPPINESS RATING IN THE CONTEXT OF COUNTRY'S NATIONAL ECONOMY DEVELOPMENT

Happiness is a socio-cultural phenomenon, uniting a lot of aspects of social reality, each of which is important both for an individual and for society as a whole. At the moment, a powerful intellectual movement is formed in the world, connected with attempts to study happiness by scientific methods. Actuality of the problem is determined by the special significance of the concept under study, as well as in response to the appeal of the society, conditioned by both the natural desire of each person to be happy, and the need to improve social health and quality of life of the population [2]. Factors that contribute to the sense of happiness should be the priority of national policy. And this is not only the growth of GDP or the geopolitical role of the country in the world. This year's report looks at how people feel lucky in 158 countries around the world. In the future, these reports can provide a solid basis for developing global policy goals at the highest international level.

The first such report attracted attention as the first such analysis, which indicated that such a criterion as "happiness" could be a significant indicator in the assessment and development of national and international policy.

The main conclusion from the report is that national policy should strengthen of social norms and enrich the social empathy and compassion. In the future, "happiness" can become a central focus of expert research and a criterion for evaluating policies and practices [3].

The rating appeared at a time when international organizations in the comparative research of the achievements of countries began to pay more attention to the intangible components and development of views related to human development, ecology (the theory of sustainable development), etc.

The World Happiness Report is an international research project that measures the level of happiness in the world. The study is being conducted at the Columbia University by the The Earth Institute under the auspices of the United Nations within the framework of the Global Sustainable Development Solutions Network's Global Initiative to show the achievements of the world and individual regions. in terms of their ability to provide their residents with a happy life.

The ranking takes into account the following indicators of well-being, such as per capita GDP, life expectancy, civil liberties, a sense of security and confidence in future, family stability, employment guarantees, corruption, and indirect indicators of society, such as level trust, generosity and generosity. In addition to the statistical data and indirect indicators, a significant part of the study is the results of public opinion polls of residents of different countries about how happy they feel, conducted by the Gallup International International Research Center, which offer respondents in each country to assess their sense of happiness for special scale. A detailed description of the methodology for the formation of the Index and data sources for it is presented on the project site on the basis of the results of another comparative study[4].

The purpose of the study is to show the relative efficiency with which countries use economic growth and natural resources in order to provide their citizens with a happy life. The ranking authors emphasize that in those countries where the emphasis is on the development of production, and with it on economic growth, people, as a rule, do not become happier, as the economic theories that the authorities of these states adhere to have nothing to do with life of real people The index measures the indices of satisfaction of the inhabitants of each country and the average duration of their life in relation to the amount of natural resources consumed by them.

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## FREE TRADE BETWEEN THE EU AND UKRAINE

The European Union and Ukraine agreed to verify the Deep and Comprehensive Free Trade Area Agreement (DCFTA) on 19 July 2012. The scope of the agreement which the EU and Ukraine reached following their dialogue is much more extensive than that of a typical free trade agreement. It predict not only the lifting of tariff and extra-tariff barriers but also, more importantly, Kyiv adopting EU legal solutions and standards in this area[1].

Ukraine's bilateral relations with the EU are based mainly on the Cooperation Agreement (PCA), which was signed in 1994. Other significant bilateral agreements relate to trade in textiles and clothing (now fully liberalised), trade in steel products and cooperation in the field of controlled nuclear fusion. EU imports from Ukraine have benefited from the Generalised System of Preferences (GSP) since 1993. Currently, imports can be divided into three categories: goods imported tariff-free under the GSP (non-sensitive products), goods imported under GSP preferential tariff rates (sensitive products) and goods imported at MFN tariff levels. Overall, however, average tariffs on EU imports from Ukraine are already quite low; an EU–Ukraine FTA will lead to little additional market access for Ukraine through tariff reductions.

Many Ukrainian exports to the EU as well as to other countries have been subject to anti-dumping duties in recent years. The large number of successful anti-dumping procedures against Ukrainian exports is partly explained by the fact that during that period Ukraine had not yet been accorded market economy status by the EU. As a result, Ukrainian exporters found it more difficult to disprove allegations of dumping by EU special interest groups[2].

From the economic point of view, the implementation of the DCFTA agreement will primarily be significant for Ukraine. This is due to the huge disproportion existing between these two markets – the EU with 500 million consumers, the world's largest market, the nominal value of whose GDP in 2011 reached US\$17.6 trillion on the one hand, and the Ukrainian market, which is less than one-tenth times the size in terms of the number of consumers, and which generated a GDP at a level of US\$165 billion (54th in the world)[3]. Economic cooperation is much more important for Ukraine than it is for the EU. While for Ukraine the European Union is the second largest trade partner after Russia (in

2010, the EU accounted for 28.6% of the trade), Ukraine is of secondary importance for the EU (being only the 22nd largest trade partner, with a share of 1.1% in trade)

The improvement of investing conditions is essential because Ukraine has been evaluated as the country with the worst business climate in Eastern Europe and with the highest level of corruption.

Lifting the customs tariffs alone, without a deep and comprehensive legislative harmonisation, would have had a much weaker impact on the Ukrainian economy, given the trade preferences the EU has already granted to Ukraine (as part of the WTO and the Generalised System of Preferences). Economic integration with the European Union offers Ukraine access to the EU market, and may also provide it with greater opportunities for extending its exports to global markets (partly owing to the adoption of the EU standards in production and services). At the same time, this will boost competitiveness on the domestic market, which will be beneficial to Ukrainian consumers.

The legislative harmonisation with the EU will bring about a better operation of the Ukrainian legal system and will also curb corruption. It may also lead to an improvement in the business climate.

Implementing the DCFTA involves a need to make a great administrative effort and to spend the funds (by the state and firms alike). The Ukrainian government has not as yet publicised the precise and total costs of implementing the agreement.

The increase in production costs resulting from the introduction of EU standards may make Ukrainian entities less competitive at the initial stage of the agreement's implementation. This will be primarily a challenge for small and medium firms, some of which may face bankruptcy. The large corporations controlled by Ukrainian oligarchs will be affected less; these export their products to the EU market because they have already taken actions to adapt to EU standards (for example, production and ecological standards). However, this is not linked to the adoption of the DCFTA, but to their activity on the European market.

The DCFTA guidelines:

- lifting customs tariffs (import and export) on goods manufactured in the EU and Ukraine;
- removal of technical barriers to trade and import restrictions;
- Ukraine's adopting EU regulations, standards and laws in the area of trade;
- introducing the same rules for trade between the EU and Ukraine as those existing between the EU member states;
- equal conditions for doing business for business entities;
- protection of intellectual property rights and geographical indication;

- dispute settlement procedures;
- the energy sector;
- the dialogue instruments.

The agreement provides for the establishment of export committees and dialogue forums to handle individual areas of co-operation covered by the DCFTA.

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#### MODERNTENDENCIES, CONCEPTIONS AND PROBLEMS OF AN ACCOUNTING

Ukraine gradually comes to the European Union in all its criteria. Nowadays our government adopted reforms about the Accounting Law and the Audit Law, which lead to an improvement of our financial situation. Our country will have more financial transparency and opportunities for a private sector.

Until 1997 the accounting was a very important for the taxation and a tax inspectorate had a large influence on complex methods of research of the accounting. In 2000 Ukraine introduced national accounting standards which are based on International Accounting Standards (IAS) but it was done in advance. In the early years of independence, we had many economic difficulties, which were introduced in Transition Reports, issued by the European Bank for

Reconstruction and Development. Many state institutions were not yet formed and the process of privatization was on its top.

Ukrainian state educational institutions did not have enough money to publish magazines of the accounting. Although the accounting questions were widely covered in more than 30 magazines, newspapers, such publications focused only on practical issues and there is not a theoretical explanation.

The road to convergence of national accounting system and accounting system of the EU is characterized by long and slow harmonization of regulatory requirements.

In Ukraine a report on corporate governance have to be prepared by corporations which have to publish their financial reports, but in fact, it is only a formality. The report gives an exact condition of the development, operation and a description of the main risks with which it faces. It contains both financial and non-financial indexes of an efficiency connected with a certain activity, including the data about environmental and social problems.

Another important aspect in relation to convergence of audit in Ukraine and the EU is a compatible division of audit and non-audit services. Generally the Draft Law «On the audit of financial statements and audit activity» from 03.02.2017 contains an exhaustive list of services which comply the regulatory requirements of the EU.

Since the introduction of the Tax Code people who have an annual income near 20 million hryvnias charge income tax according to the accounting and financial statements. Those people who have the income over 20 million hryvnias can get some divergences with the size of a profit in the accounting and a taxable profit.

Specifically our country has two groups of taxes: direct and indirect. Direct taxes are imposed directly on the payer who pays them to the state budget. Such taxes include: corporate income tax, personal income tax, land tax, tax on owners of vehicles and fishing taxes. Indirect taxes are included in the price of goods and service. Their size for an individual payer does not directly depend on his income. Indirect taxes include: value added tax, excise duty, duty. Such taxes play an important role in our state and form the largest share of revenues of the State Budget of Ukraine.

In our domestic economy the indirect taxation plays an important role. The indirect taxes are not only the main source of filling the state budget but also an effective instrument for an impacting the social production. But operating system administration is not able to decide the problem of tax avoidance.



Respectively the tax system is not only economical but also a social development because it shows the interests of different social groups and political parties.

The Accounting is an integral part of a system of management and therefore the process of world economic, political and cultural integration of a modern society stipulated a necessity of its improvement. In many cases creators fill the document in the established form of accounting concepts as a new system of the accounting or reformed systems of the accounting. All accounting systems which were proposed by scientists have the only one purpose – an informatization of the system of management. Task which creators set before a strategic (forecasted) accounting can be provided by processing of methodological approaches for granting of the accounting reporting.

A social accounting determines providing information about staff, production and services. There can be used the meaning «ecological accounting» but it cannot be an independent accounting system.

A creative accounting is the accounting with non-standard result of a home keeping of an accounting policy. This kind of accounting is often perceived as a negative because of an appearance of economic corporations there is a separation of ownership from management.

A dynamic accounting is a system of «correctness» of a calculation. A term «correctness» means how approximate is a cost estimate in the calculation algorithm of the final result.

The current Accounting situation in Ukraine can be characterized as a combination of administration and market conceptions, national and international standards. Since at least two decades there have been changes in the system of the accounting, aimed at its harmonization with Europe standards. But these changes did not affect the organizational arrangements in areas such as statistics. The financial statements of business entities, despite a quite long period of reforming and improving the legal regulation of a domestic accounting still do not meet of international standards. The main problems consist primarily of the fact that the accounting system is largely subordinate to the tax legislation and therefore does not provide users with the necessary information for the adoption of effective business decisions.

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## PROZORRO. SALEAS AN INDICATOR OF TRANSPARENCY OF STATE SALES

In 2017, Ukraine did not take a quantum leap to success, but still achieved some progress in domestic and foreign policy. The country's achievements, as well as losses and missteps, should be assessed against internal and external conditions that have been affecting the state and society in recent years. These conditions could have hardly contributed to achieving notable success in any policy.

After becoming mandatory in 2016, Ukraine's online procurement system ProZorro continued to operate in 2017.[1]

ProZorro is a public e-procurement system and a symbol of dramatic reform of government procurement in Ukraine. The Ministry of Economic Development and Trade of Ukraine received support from European Bank for Reconstruction and Development with drafting of the new e-Procurement policies and legislation as well as implementing e-Procurement solution country-wide [2].

However, in 2017, top managers of several companies criticised the system's "transparency". Moreover, first lawsuits were filed in courts, and first complaints submitted to the Antimonopoly Committee. Nonetheless, 2017 marked positive changes in public procurement system.

In April, a system of e-auctions ProZorro sales was launched to sell the property of state-owned and communal enterprises, opening up the public procurement market to businesses.

Facilitating development of markets, especially in new and promising areas, is another important direction of institutional development. To this end, the government approved the Cabinet of Ministers' Resolution "On the implementation of a pilot project on the organisation of electronic auctions using the e-commerce system ProZorro.Sales", and the laws of Ukraine "On Electronic Trust Services" and "On Basic Principles of Ensuring Cyber Security" – these are essential for further development of e-commerce and e-banking markets. [1]

ProZorro.Sale is a system initiated by the Ministry of Economic Development and Trade of Ukraine, Transparency International Ukraine, the Deposit Guarantee Fund, the National Bank of Ukraine and the Ukrainian electronic platforms. The system is designed in accordance to the values and principles of the ProZorro family.

Corporate philosophy of ProZorro is based on three key principles:

1. Hybrid electronic system based on an open-source model.
2. "Everyone can see everything" – is the official motto of ProZorro.
3. Golden triangle of partnership – a unique form of collaboration between business, state and civil society where functions are split between different stakeholders to ensure independence and mutual control. Such partnership aims at promoting change, while maintaining high level of trust between principal stakeholders throughout the course of this reform.

Their goal is a transparent, fast and effective sales of state and communal property, as well as fighting against corruption by the means of equal access to data, public control and increasing number of the potential buyers

Objectives of reform:

- regular efforts applied to corruption prevention and eradication
- transparency of the auction process
- inadmissibility of discrimination and objective assessment of offers
- simple and easy in use application procedures
- transition to electronic document flow
- full reporting and analysis of public sales [3].

Currently, the normative and institutional base is being developed in Ukraine and its aim is to provide adequate regulation of the property sales mechanism through traditional and electronic markets based on the rules similar to the EU or USA.

Also, formal compliance to the norms of Ukrainian legislation does not ensure transparent, effective and fair procedures for property sale. Because of these

problems, state and communal property has been unsold for years depreciating their value and reducing the state budgetary revenues.

Misuse of the unsold property also leads to increased levels of corruption. ProZorro. Sale system is a project that integrates business trading practices into the public sector providing for the full control of the project implementation to society.

The practice of the pilot project (since 31 October 2016) demonstrates efficiency and effectiveness to all of the process's sides: state, business and society.

On June 13, in Hyderabad (India), ProZorro.Sale won the contest at final demo days as one of the best anti-corruption startups CitiT4IChallenge. The winning of ProZorro.Sale in CitiT4IChallenge is good evidence that in Ukraine we have a truly open and transparent system, which is really unique and it has no analogue in the world. This victory is especially important because it was competition among the anti-corruption startups. [4]

This reform has become one of the shocks to the fact that in 2017, Ukraine took 24th position in The Development of Open Data, according to the results of the Global Open Data Index, rising by 30 positions compared with the results of last year.

Conclusion. Since the launch of the first auction in October 2016, the project ProZorro.Sales has provided for a transparent sale of assets worth over UAH 8 billion. The initial goal of the project was to create a transparent system for selling assets of insolvent banks. Over time, the scope of activity extended to other assets - property of state-owned enterprises, lease rights, rights to advertise, utility assets, etc. At the pilot stage, the project team has worked out procedures and regulations, has accumulated experience in asset management, which allows transfer of the reform of state sales to a new level by creating the appropriate state institution.

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## MAKING EFFECTIVE MODEL OF ECONOMIC DEVELOPMENT OF SOCIETY

An economic model is a simplified description of reality, designed to yield hypotheses about economic behavior that can be tested. An important feature of an economic model is that it is necessarily subjective in design because there are no objective measures of economic outcomes. Different economists will make different judgments about what is needed to explain their interpretations of reality.

There are two broad classes of economic models – theoretical and empirical. Theoretical models seek to derive verifiable implications about economic behavior under the assumption that agents maximize specific objectives subject to constraints that are well defined in the model (for example, an agent’s budget). They provide qualitative answers to specific questions – such as the implications of asymmetric information (when one side to a transaction knows more than the other) or how best to handle market failures.

In contrast, empirical models aim to verify the qualitative predictions of theoretical models and convert these predictions to precise, numerical outcomes. For example, a theoretical model of an agent’s consumption behavior would generally suggest a positive relationship between expenditure and income. The empirical adaptation of the theoretical model would attempt to assign a numerical value to the average amount expenditure increases when income increases.

Economists use models as the primary tool for explaining or making predictions about economic issues and problems. For example, an economist might try to explain what caused the Great Recession in 2008, or she might try to predict how a personal income tax cut would affect automobile purchases.

An economic model is a simplified version of reality that allows us to observe, understand, and make predictions about economic behavior. The purpose of a model is to take a complex, real-world situation and pare it down to the essentials. If designed well, a model can give the analyst a better understanding of the situation and any related problems.

A good model is simple enough to be understood while complex enough to capture key information. Sometimes economists use the term theory instead of model. Strictly speaking, a theory is a more abstract representation, while a model is a more applied or empirical representation. Often, models are used to test theories.

The ultimate economic model has 5 characteristics:

1. Your cost of acquiring new customers is low relative to the cash flow that they generate for you once they become customers. This is a pretty simple idea, but really important to capital efficient growth. To grow, you generally need to invest cash against growing your go-to-market engine (some combination of sales and marketing) and that investment is returned by new customers giving you cash in the form of gross profits (customer revenue less the costs that you have to serve your customers). The better the return on investment per unit cash invested in new customer acquisition, the better your economic model.

2. Your existing customers have high gross profits. The more gross profits (again, customer revenue less the costs that you have to serve your customers) that you get from your existing customers, the better your economic model.

3. Your Customers stay with you for a long time and increase their business with you over time. The longer your customers stay with you and the more you grow your gross profits from them over time, the better your economic model.

4. You can get away with a small amount of R&D for your existing customer segments and still grow your competitive advantage to your current customer segments. Assuming that you are maintaining a reasonable competitive advantage over your current and potential competitors, the lower your R&D spending relative to your gross profits for your current customer segments, the better your economic model. This is a tricky point, as you do need R&D spending to maintain/grow your competitive advantage and make sure that new competitors can't easily come in and take away your market. Also, you may have R&D investments separate from the R&D spending associated with competitive advantage aimed at your current customer segments (that might open up new segments, help to improve aspects of your economic model, or be associated with some other benefit to your business).

5. You can grow in your current customer segments for a long period of time (the longer the better). The longer you can grow your current business with the same economic model performance, the better your economic model. Another way of saying this is that you want a large enough target market.

The most attractive economic models have low cost of customer acquisition, high gross margins, and customers who stay with you and build their business with you over time. In addition, the costs associated with running your business and

increasing your competitive advantage are small relative to the gross profits that you make as a business, offering you a great bottom line opportunity now or in the future. Finally, you have a market size that is large enough for you to grow for a long period of time. If you have all of these characteristics, you are all set. If you don't, perhaps there are some insights that you can identify that will help you to improve your business.

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#### EUROPEAN INTEGRATION PROCESS IN UKRAINE

In recent decades, due to Ukrainians integration in EU, with the expansion of its international relations with other countries and multinational population of Ukraine, a special theoretical and practical interest is paid to the problems of intercultural communication, especially in global business and complex international projects.

Intercultural communication refers to effective transmission of messages and priorities from members of one culture to another. Whether one works in academia, management, business, science, politics, culture, health, development, diplomacy or other fields, having effective intercultural communication is vital. Economic globalization means that it is not possible for one culture or company to function alone, but that every nation and organization needs successful interaction with the remainder of the world in order to thrive.

Among the most often cited barriers to conflict-free cross-cultural business communication is the use of different languages. It is difficult to underestimate the

importance that an understanding of linguistic differences plays in international business communication. Language mistakes can cause misunderstandings or conflicts between parties.

A key factor in the socio-cultural environment of the European integration process is the emergence and development of intercultural communication processes.

The European integration process leads to important changes in the construction of Ukraine's state policy at national and local levels and affect different spheres of society, including reforms in the economy, changes in political, social and cultural life of Ukrainian society.

The most common problem in intercultural communication is to think that only difference between countries is the language they speak. But there is much more.

It is important to know that human rights play big role in EU countries. This means that there is no discrimination allowed. Due to this principal you have to respect every person independently of his or her gender, nationality, religion etc.

In the cultural sector Ukraine there is a revival of cooperation with the EU, which aims to not only establishing cultural exchanges and dialogue, but also to change systems and management approaches in this field, which would be based on the principles of democracy, the recognition of cultural rights and freedoms.

The meaning of intercultural communication for the political dialog between Ukraine and EU.

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## INFLATION IN UKRAINE AND WAYS TO REDUCE IT

At present, inflation is one of the most important problems for the development of a modern market economy in many countries of the world, which affects all aspects of socio-economic life. It destroys the savings of people and enterprises, devalues the results of their work, impedes economic growth, destroys the national monetary system, causes a capital outflow from Ukraine, weakens the national currency, causes a decrease in financing of budget programs.

Inflation is an economic phenomenon in which the amount of money in circulation grows faster than production of goods, which leads to an increase in the general level of prices for goods and services. Inflation is one of the most dangerous processes in the economy, which has a detrimental effect on all spheres of economic life, from consumer spending and living standards of citizens to the monetary system of the country as a whole [1].

Inflation can be classified according to dozens of criteria, the most common of which is the classification by its causes, the pace of price growth, forms of manifestation, the ability of the state to influence inflation and the intensity of state intervention in the sphere of money circulation. It is measured as a percentage of the prices of the current period to the base period prices [2].

The main causes of inflation include both external and internal factors. External factors involve the global crises and the negative balance of export-import operations, which leads to an outflow of capital from Ukraine, increasing the demand for foreign currency and reducing the demand for the hryvnia. Among the internal factors, one should mention the high level of dollarization of the economy, increase of imports and increase of the savings of citizens in foreign currency.

In our country the problem of high inflation arose immediately after getting independence. Ukraine inherited from the Soviet Union a highly monopolized and inefficient economy, unable to adapt to the market system, and huge reserves of depreciated soviet rubles. The result was that in 1993 the inflation rate was 10256%. After the introduction of the hryvna in 1996, inflation slowed down significantly compared with the previous, remaining at 99-125%. The next shock to the economy was the 2014-2015 crisis, caused by military operations in the eastern part of the country, which accelerated the fall in volumes of production and construction work. Even in 2017, with the relative stabilization of the situation,

production prices continued to increase, in particular in mining (130%), meat products (129%), oil refining (142%), chemical industry (122%) and metallurgy (126%), which influenced the production volumes and competitiveness of Ukrainian goods in world markets [3].

Currently, in most leading countries of the world the inflation rate fluctuates between 0% and 5%, which does not harm the economy of the country, but rather stimulates the growth of the output [4].

The main methods of overcoming inflation by the state include the regulation of demand through increased taxes, reducing budget expenditures in certain areas, controlling wages and prices and indexing incomes. Today, the main task of anti-inflationary policy for Ukraine is the struggle with rising prices for food products and energy, the struggle with the influence of monopolies on pricing and the stabilization of the hryvnia against foreign currencies.

Thus, the main tasks of monetary policy nowadays are to ensure a correlation between the rates of improvement of living standards with real economic opportunities, the fight against unemployment, increased confidence of citizens in the national currency, the use of foreign currency only for import operations, the promotion of business conditions for more goods and market services and the use of market exchange instruments (interventions and antimonopoly measures) to normalize currency fluctuations. The correct use of these tools will provide the basic principles for stabilizing the national currency and switching to the regime of currency targeting. The correct use of these tools to provide the basic principles for stabilizing the national currency and switching to the regime of currency targeting, which in the main principles of monetary policy for 2016-2020 is defined as keeping inflation at a rate of 5 ( $\pm 1$ )% per year [5].

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## PROBLEMS AND SOLUTIONS TO UNEMPLOYMENT IN UKRAINE

The issue of unemployment is one of the most urgent problems that our country is facing nowadays. Rising unemployment rates cause a number of serious problems, both in economic and in social life of Ukraine. Firstly, people don't have enough money to buy any kind of goods or services and as a result the government budget loses its taxpayers. Secondly, the poverty appears in a society and the resources cannot be completely used.

Due to the rising unemployment in Ukraine, a lot of families are losing their incomes which can decrease the demand for different types of goods and services. In addition, the government incomes are decreasing too and this fact can prevent the implementation of social programs. Unemployment leads to such life-threatening things as crime and suicide. People appear in a desperate situation, and without having any funds to live, they can commit suicide [1].

If the unemployment rate rises by 1%, the GDP of the national economy reduces by 2-3%. The Government of Ukraine is taking steps to lower the level of unemployment and provide jobs for working-age population, but this *process* is proceeding *very slowly*. In recent years, a lot of people have migrated to European countries to find better jobs, which is caused by military actions in the east of our country and deteriorating economic situation since 2014 [2].

Today, about 800 million people, i.e. every third working person in the world, are jobless or have only seasonal earnings. The report about situation on the world labor market, prepared by ILO, notes that the situation has only worsened in recent years and the average unemployment rate will reach 10% in the coming years. All countries of the world are doing their best to overcome unemployment, but no one has succeeded in eliminating it completely.

According to the law of Ukraine, unemployed people are those, who are considered to be able to work, but due to some reasons they don't have any earnings and are registered as people who search for employment [3].

Nowadays, the situation on the Ukrainian labor market is bad. The issue of the effective use of labor and the provision of social guarantees should always

remain the focus of the government. According to forecasts, the expected unemployment rate in the near future will considerably worsen the situation.

It must be said that the situation on the labor market from 2012 to 2018 was quite tense. The unemployment rate in 2013 rose significantly by 7.7% compared to 2012. Due to the current economic situation in Ukraine, changes in its foreign economic policy and the war in the east of the country, the unemployment rate is expected to rise by 9.7% in the near future [4].

In order to solve the problem of unemployment, lots of employment centers have been created and state programs on reducing the unemployment rate have been developed [5].

In my opinion, the most effective steps to improve the situation on the labor market in Ukraine are:

- to hold an introductory lecture for entrants to inform them about the situation on the labor market, as well as inform them about which specialties are in a greater demand;
- to inform educational institutions about changes in the labor market;
- to retrain employees who have lost their jobs due to redundancy;
- to promote the development of small and medium-sized businesses (as in France, USA, Sweden, etc.)
- to solve the problem of redundancy not through dismissals, but at the expense of working time reduction or the transfer of an employee to another company connected with his specialization.

At present, the Ukrainian government is using two main mechanisms to overcome unemployment in the country: raising wages and creating new jobs. In January 2018 the minimum wage in Ukraine increased to UAH 3,723.

Of course, the unemployment rate in any country depends on the state of the economy. Therefore, while conducting economic and social reforms, Ukraine is making efforts to overcome unemployment. So the key to the solution of unemployment problems is to continue the reforms and not to leave the chosen way.

Undoubtedly, the problem of unemployment cannot be eliminated completely, but with the active work of mechanisms of state and social regulations, the labor market can provide relative social stability in the domestic labor market.

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## WAYS OF INVESTMENT INTO THE AGRICULTURAL SECTOR

**Formulation of the problem.** At the present stage of economic development, the agricultural sector is the locomotive of the Ukrainian economy. It develops in conditions of high energy consumption, difficult economic and political conditions, as well as brutal competition.

The industrial base of the agro-industrial sphere is based on the extensive infrastructure network and the system of scientific research support of its development. But the main problem of the development of agro-industrial complex is the attraction of a sufficient number of investments.

**The Goal.** The purpose of the work is to analyze the current state of agrarian entrepreneurship and determine the role and ways of investing in its development.

**Presentation of the main material.** Ukraine's agro-industrial sector and its leading industries have a good investment climate and are developing with positive dynamics. According to the State Statistics Committee, in 2017, the volume of foreign direct investment in the agrarian sector increased by 16.7% and amounted to \$ 586.2 million.

The ways of development of the agro-industrial sector of Ukraine provide balanced and interconnected structural reconstructions of all its branches, maximum introduction into production of the most important achievements of

scientific and technological progress, world experience, the most progressive forms of economy and organization of production on the basis of the priority solution of the actual problems: redistribution of land and property, including deepening of ownership of land and introduction of mechanisms for realization of the right to property; privatization of processing enterprises; restructuring of enterprises and forms of management; development of cooperation; introduction of market-based management methods - management and marketing; state regulation of the agrarian economy through more effective use of price levers, financial, credit and tax systems; development of markets for agricultural products, material and technical resources and services; intensification and diversification of foreign economic activity, etc. [1].

Investments in the agro-industrial complex can solve a number of problems and tasks of this branch:

- raising of the level of environmental safety and international standardization of products in the industry;
- raising of productivity and productivity of agricultural land;
- maintaining and stimulating the export of products;
- development of related branches of the economy: chemical, energy, transport, and others.

The main features of this industry attracting investors are the orientation towards food production (in the circumstances of population growth on the planet, demand for agricultural products will only increase) and the minimum level of significant investment risks (fluctuations in prices for final products, volatility of demand, etc.).

There are several ways to raise funds in the agro-industrial sector.

#### 1. Public funding from the budget.

The main areas of state support of the agro-industrial complex at the expense of the state budget are:

- direct budget support agricultural producers in the form of subsidies, grants, compensations, where funds were channeled to related industries, as well as an improvement the solvency of producers and improve their investment attractiveness;
- support of short-term monetary crediting of seasonal expenses of commodity producers of the agrarian and industrial complex on preferential terms;
- state support for enterprises and organizations of the agro-industrial complex with engineering products based on a long-term lease (leasing);
- specialized government support on specific areas: the development of farming, the creation of seasonal stocks of spare parts, centralized seeds funds and veterinary medicines and so on;

- state irrevocable capital investments in agriculture and investments in centralized within decentralized programs;
- irrevocable funding of investments within the programs carried out on a competitive basis and providing state guarantees for investment loans involved;
- financing of the development of the system of agrarian education and science [3].

In addition, according to the Law of Ukraine of 24.12.2015 number 909 "On Amendments to the Tax Code of Ukraine and laws of Ukraine to ensure the balance of revenue in 2016" from January 1, 2016, there are some changes in terms of special tax regimes for producers of agricultural products.

## 2. Foreign Direct Investment.

The European Bank for Reconstruction and Development (EBRD) is a unique financial institution for Ukraine. An extremely important direction of the Bank's activity is financial support for agribusiness. In 2015, within the framework of the 51st agreement, the EBRD invested 770 million euro in the global agro-industrial sector, 251 million of which was invested into the Ukrainian agro-industrial complex, and in 2018 it's planned to invest 1 billion euro in Ukraine.

The Bank offers various forms of financing, including long-term loans, replenishment of working capital, financing of multi-project facilities. Each way of financing is developed individually to meet the changing needs of agribusiness enterprises. EBRD staff regularly is engaged in political dialogue with the government, regional authorities and business to create a favorable financial and economic environment for agribusiness.

## 3. Own funds.

Given the developed countries of the world, own funds: accumulation in the form of a depreciation fund; the profit in that part, which is aimed at updating and expanding of production, are indeed the main source of capital investments. But in modern conditions, the own sources of financing of capital investments of Ukrainian agribusiness enterprises are rather limited [2].

In recent years, own funds of enterprises and organizations were the main source of funding. Their share in the structure of capital investments increased from 63.4% in 2013 to 69.4% in 2016. At the same time, according to the State Statistics Service, the level of agricultural production profitability decreased from 45.6% in 2015 to 37.3% in 2016 (including plant growing products from 50.6% to 44.3%). Profitability of agribusiness, which increased at the turn of 2015 due to sharp UAH depreciation and an increase in exchange earnings from exports, is now declining. The growth of import and domestic prices for inputs consistently narrows ability of enterprises to increase their investments in business development.

The investment structure shows that enterprises are actively updating equipment, as well as implementing delinquent demand. 97% of investments in the first quarter of 2017 fell on tangible assets. The largest share (23% of total capital investment) was invested in machinery and equipment, vehicles - 15%, engineering structures - 14%, non-residential buildings - 11%. Compared with the first quarter of 2016, investments in vehicles in the hryvnia equivalent increased by 96.1%, machinery and equipment - by 35.9%, engineering structures - by 8.9% [4].

**Conclusions.** The agro-industrial complex in Ukraine is a priority sector of the national economy. An important element of its development is an investment. Stimulating of the investment process and investment attractiveness of modern agricultural production is crucial for sustainable development of the industry. National producers of agricultural products have several ways of attracting investments: state financing from the budget, direct foreign investments, and own funds. Increasing funding for the agrarian sector will stimulate the development of the entire economy. Therefore, the priority task of the Ukrainian government should be: increasing state funding, providing tax incentives to farmers, attracting foreign investment and modernizing production.

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## GOVERNMENT INVESTMENT POLICY AS DRIVING FORCE OF STRUCTURAL SHIFTS IN UKRAINE

One of the main priorities of Ukrainian economic growth is structural reforms, the complexity of which has increased due to transition period since 1991. In order to overcome crisis and other economic difficulties it is essential for Ukraine to restructure a lot of its sectors and implement new technologies. Investment is a significant factor of economic and social growth. Therefore, government investment policy plays a crucial role in ensuring effective structural changes.

Government investment policy describes the parameters for investing government funds and identifies the investment objectives, preferences or tolerance for risk, defines how the investment programs are managed and monitored (GFOA). Regulation of investment activities is carried out through instruments such as taxation (tax benefits and rates), taking effective measures of monetary policy (providing government investment guarantees), provision of financial assistance in the form of grants, subsidies, public procurements, privatization and nationalization processes (Tkachenko A., 2014). The major objectives of Ukrainian government investment policy are:

- ensuring state support to investment activities in those sectors that are identified as growth points
- stimulating innovative activities connected with the development of science-intensive products, competitiveness in the national and world market
- facilitating the development of modern investment market infrastructure
- creating conditions for the development of the consulting services and information communication system
- ensuring financial stability of the social sphere
- encouraging the processes of integration into the world educational and scientific space in order to attract foreign investment and maintain close relations with other countries and international organizations.

The conception of regulation of investment activities in Ukraine defines the following priority investment areas for Ukraine:

- ✓ development of the energy sector and implementation of resource-saving technologies aimed at improving ecology
- ✓ development of the agricultural sector
- ✓ expansion of medical and microbiological industry
- ✓ development of transport infrastructure, taking into account the location of productive forces
- ✓ small business support
- ✓ investment in social sphere.

These sectors have the highest potential for economic and social growth in Ukraine and to achieve it, the structural shifts must be made through government policy.

One of the key goals of Ukrainian government investment policy that influence structural shifts and can lead to sustainable economic growth is attraction of foreign investment in the context of global partnership. Ukraine collaborates with many international organizations, such as United Nations, World Bank, Organization for Economic Cooperation and Development, the World Trade Organization and others.

For instance, in 2017 Ukraine joined the OECD Declaration of International Investments, which promotes the attraction of foreign direct investment to Ukraine, improvement of the competitive environment and elimination of restrictions in sectors in which foreign investment is prohibited (Ministry for Economic Development and Trade of Ukraine).

Cooperation with the World Bank is also quite important. The main direction of the Bank's assistance is to promote economic growth and increase the competitiveness of the country. The emphasis is on improving the business environment and attracting foreign direct investment in order to increase productivity and direct investment in the development of the most important sectors mentioned above (World Bank Projects).

So, it can be concluded that the government investment policy is one of the most significant control levers to manage economics and structural shifts in it. The right use of instruments of this policy leads to positive structural changes and prosperity of our country and is definitely worth paying attention to.

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## FUNCTIONING OF NATIONAL LABOR MARKET

Imbalance of demand and supply of labor leads to existence of unemployment. A number of the unemployed mainly consists of youth, who is an innovative material for each country. Moreover, it brings certain achievements in developing high employment level of people and growth of the national economy.

The very thing is the clear understanding of the impact on the labor market that can make other macroeconomic aggregates, such as: Gross Domestic Product (GDP), money supply, exchange rate of the national currency, interest rate, general price level, inflation rate. All these aggregates are interconnected, that creates coordinated work of the Ukrainian economy.

In accordance with the investigation made by students of Taras Shevchenko National University of Kyiv, there are three macroeconomic aggregates that have more effect on the labor market than others. Therefore, GDP, general price level and inflation rate indicate the direction of development on the labor market. It can be explained by the number of indicators that determine the level of wages: the increase of the general price level results in the growth of the wages, which mean that the offer of the labor will increase.

The inverse correlation between inflation and unemployment is easy to grasp. Based on the fundamental principles of supply and demand, inflation ought to be low when unemployment is high, and vice versa. However, this relationship is more complicated than it appears at first glance, and has broken down on a number of occasions over the past almost 27 years. As inflation and (un)employment are two of the most important economic variables that affect us in our daily lives, this is why it is important to gain an understanding of their association.

It is necessary to consider wage inflation, the rate of change in wages, as a proxy for general inflation in an economy. When unemployment is high, the

number of people willing to work significantly exceeds the number of jobs available, which means that the supply of labor is greater than the demand for it.

As a result, there is little need for employers to 'bid' for the services of employees by paying higher wages. In this scenario, wages will remain stagnant and wage inflation would be literally non-existent.

The next point for consideration is the reverse situation where unemployment is low, which means that the demand for labor (by employers) exceeds the supply. In such a tight labor market, employers will not hesitate to offer higher wages to attract employees, leading to rising wage inflation.

The rising size of the global workforce presents an opportunity to drive economic expansion and increase GDP, but it also presents many challenges, according to the newest research by the Worldwatch Institute for Vital Signs Online [1].

This growth is an opportunity to drive economic expansion and increase GDP, but a growing workforce also presents many challenges, says Elizabeth Leahy Madsen, senior research associate at Population Action International, in a new Vital Signs Online release titled World Labor Force Growing at Divergent Rates [2].

After exploring all these factors, it was found out that the employment level might be the second in the rate of importance of aggregates. Consequently, there arises the question, why the Government of the country does not make a proper attention to this. (Making conclusions from the level of minimum salary in Ukraine, which is 3723 hrivnas, that is equal to cost of living. At the same time in developed countries the minimum salary is twice as big as the cost of living.).

Therefore, the Government should assist in creation of new jobs in the regions in accordance with the specifics of their economic development, introduce an effective mid-term forecasting of the labor market considering the results of the forecasting, and introduce the state regulation of specialties of professions for correction of state orders and trade-oriented measures.

It goes without saying that the functioning of the national labor market has a huge impact on the development of the Ukrainian economy system. Discovered objective reasons of the present crisis of the Ukrainian labor market and proposed measures may be used for further research of youth employment, which will help not only to reduce unemployment rate and stop the outflow of young personnel abroad, but also to improve the Ukrainian economy.

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## THE ROLE OF SUSTAINABLE LOGISTICS STRATEGY IN IMPROVING UKRAINIAN LOGISTICS SYSTEM

It is not a secret that effective trade and transport logistics are key determinants for the success of any country. As for Ukraine, the development of logistics is especially important for us, as international trade forms a significant part of GDP, and the development of the transport sector is an integral part of the Association Agreement between Ukraine and the EU.

Unfortunately, transport capacities in Ukraine are not used enough. That's why, NTS 2030 was created. So, what is NTS 2030?

NTS - National Transport Strategy 2030, that keeps under its "umbrella" several complementary strategies. One of these documents is the Strategy for Sustainable Logistics, which was developed in the summer of 2016.

And as improving logistics is a challenging task for Ukraine that requires government support at the highest level, the World Bank, with the participation of the Ministry of Infrastructure, has presented a draft sustainable logistics strategy. It is clear that in order to create an effective strategy, a detailed study of Ukraine's transport infrastructure was carried out. It was also necessary to identify important export products and to develop an Integrated Strategy with a realistic action plan for its implementation [1].

However, researching only the logistics sphere cannot provide sustainable development, since logistics is an industry that covers a wide range of issues that can sometimes conflict with each other.

It comes clear from the foregoing that sustainable development is a concept that involves the need to strike a balance between satisfying the modern needs of mankind and protecting the interests of future generations, including their need for a safe and healthy environment.

However, exact research is not possible without qualified specialists. That is why, at the head of the commission, was the leading world expert in logistics, Prof. Lauri OJALA, professor of the logistics department in the School of Economics in Turku, Finland since 1997 [2].

His professional experience relates to the analysis of international transport and logistics markets from the point of view of "consumers" and "service providers". Mr. Laurie Oyala is the author of a number of articles on logistics and transport issues in international editions. Also, since mid-2006, he has headed three transport projects in the Baltic Sea Region with a financial contribution from the EU with a total value of 7.5 million euros.

Returning to the strategy itself, we need to take a closer look at what changes Ukraine expects within 5 years [4].

First of all, let's consider the sphere of road freight transport. Nowadays, this area faces several serious problems.

- 1) More than 70% of road haulage operators do not have licenses, which lead to illegal activities and tax evasion.
- 2) Flowering of corruption and low prices do not encourage more professional foreign operators to create logistics relationships with Ukraine.
- 3) Finally, the availability of skilled workers is decreasing, as the number of professional drivers and auto mechanics have declined from more than a million in 2011 to less than 850,000 in 2016, partly reflecting the transition to higher paid jobs abroad.

However, the biggest challenge may be poor road maintenance. In addition, more than 70% of freight vehicles on the road weigh less than 10 tons, three quarters of them have an age of more than 10 years, and about half of Russian and Ukrainian production. The result is low fuel efficiency, increased air pollution and excessive overloading of vehicles [4].

What are planned to improve the professionalism and efficiency of freight transport?

It is planned to control the introduction of operator licenses (which will meet the conditions of the EU Association Agreement), registration and a simple certification process for carriers at their own expense, attracting more resources for

inspections, as well as compliance with the legislation, while strengthening compliance with it in order to restrict corruption, will reduce illegal activity and improve control over the sector.

Priority is the fleet renewal. A reduction of 20% VAT on imported vehicles, payment of 200 euros for a technical certificate, a registration fee of 300-400 euros, along with the acceptance by the customs authorities of a genuine and properly documented purchase price of imported vehicles as a claimed cost, will facilitate the process of replacing trucks for owners [3].

The next area of transport logistics that needs a lot of attention is the railway.

PJSC "Ukrzaliznytsya" (UZ) has significant problems, including aging locomotives and rolling stock, a critically worn infrastructure that impedes the movement of transport in the most important places, as well as a sharp contraction of transit cargo from Russia. The preliminary survey of the logistics strategy for the Ukrainian railways (2016), prepared with the aim of studying the basis for this strategy, contains recommendations for addressing the main problems facing the railways [2].

The main goals for the rail system are:

- 1) Strengthening the railway network (including the expansion of intermodal transport and the creation of a logistics center in the west of Ukraine).
- 2) Construction of specialized terminals (for example, for servicing heavy and oversized cargo, mineral and building materials and dangerous goods).
- 3) Creation of customer-oriented trading and operations departments to provide services.
- 4) Acceleration of goods delivery.
- 5) Improved safety and freight insurance, as well as the establishment of competitive and transparent tariffs.

And lastly, the third area of logistics services that needs reforms is navigable.

Ukraine has 13 international seaports, most of which are characterized by restrictions on ship lay-offs and a lack of reserve areas. The total volume of cargo decreased by 13%, and transit traffic by more than 70% between 2012 and 2016 due to a decrease in trade with Russia [3].

Achievement of the purpose of the NTS 2030 - to ensure the inclusion of Ukrainian ports in the 100 best in the world by container transportation by 2030 as cargo-unloading capacities of Ukrainian container terminals are estimated to exceed twice as much compared to King Abdullah's port in Saudi Arabia, which now takes 100th place. However, only about a quarter of Ukrainian ports is used [2].

Therefore, urgent measures are needed to improve logistics services in Ukraine, as the industry suffers from low utilization of production capacities,

inadequate infrastructure and high costs. The key steps to achieve an adequate level of investment and efficiency include the provision of some service contracts, the fight against corruption in the port and road sectors. At the same time, in some areas regulation should be strengthened.

Harmonization of investments in domestic infrastructure with the development of major international transport corridors, development of competitive services in seaports (for example, improvement of handling and handling services for the processing of containers and rolled cargoes, improving their border crossing practices, using logistics centers and advanced IT systems, and attracting resources in the development of service products help to support demand for transit services.

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### FOREIGN INVESTMENT IN UKRAINE

Agricultural land in Ukraine is one of the best mid and long-term investment opportunities in the world. While many arable land plots worldwide get deteriorated by intensive conventional (chemical) farming practices, Ukraine's black soils, have managed to stay much less harmed by humanity's most dangerous and delusive "inventions": toxic pesticides and synthetic chemical fertilizers. Ukraine's diverse farming climatic zones provide an exceptional opportunity for fully-diversified, complete-cycle farming ventures with their own livestock, seed



production and premium field crops and row crops production of export-scale harvest volumes [1].

Following the Euromaidan, the annexation of the Crimea and the onset of warfare in Donbass, FDI inflows in Ukraine declined drastically, from \$4.5 billion in 2013 to \$410 million in 2014. FDI started to fall even before the events of 2014. Already in 2013, FDI fell by 46.4% (from \$8.4 billion in 2012), due to a slump in the demand for Ukrainian exports, the deteriorating political situation and economic uncertainty. A similar downturn occurred in 2009, when FDI fell by 56%, following the abrupt decrease in worldwide investment flows in the wake of the global financial crisis.

However, the tenfold drop in FDI in 2014 was unprecedented both for Ukraine and for neighboring countries. Despite a certain increase in 2015 (\$2.96 billion) and in the first nine months of 2016 (\$3.12 billion), FDI has failed to return to its 2013 or 2012 levels. Importantly, this increase is to a large degree explained by the recapitalization of banks with foreign capital, while the amount of greenfield investment remains low [2].

In 2016, Ukraine's major investors, accounting for 70 percent of investments included: Russian Federation (37.8 percent of FDI), Cyprus (9.7 percent), Great Britain (9.2 percent), the Netherlands (5.8 percent), Austria (5.7 percent), Italy (4.8 percent), Hungary (4.3 percent), the British Virgin Islands (3.2 percent), Switzerland (2.5 percent), and Turkey (2.3 percent). U.S. investment comprised 1.9 percent of FDI in 2016 [3]. Many Ukrainian and Russian enterprises continue to channel investments through Cyprus due to a favorable bilateral tax treaty. In 2012, Ukraine and Cyprus signed a Double Taxation Convention to replace the bilateral agreement dating from 1982. Under the new treaty, which was ratified by the Parliament in July 2013 and entered into force in August 2013, most income earned in Cyprus is taxed between 5 and 15 percent, reducing the tax gap between the two countries. While the Government of Ukraine announced plans to introduce a 12 percent tax on the operations of companies registered in offshore countries (in order to increase collections to the Pension Fund), Cyprus was not included on this list.

The agricultural sector is one of the promising sectors of Ukraine's economy, accounting for over 20% of GDP. Ukraine is among the five largest grain exporters globally and takes first place in the world in terms of export of sunflower oil (58%). The largest part of Ukraine's current agricultural output consists of a diverse combination of cereal and forage crops including wheat, maize, barley, sunflowers, sugar beets, tobacco, legumes, fruits and vegetables. Ukraine takes a leading position as a large producer of cereal grains, particularly wheat. The entire annual cereal crop can reach as high as 90-100 million tons.

Before entering the Ukrainian market, most foreign investors typically face the question of which legal form of business presence to choose. The two most common options for a foreign company looking to establish a business in Ukraine are a separate legal entity in the form of a limited liability company (“LLC”) or a representative office.

When it comes to choosing between an LLC and a RepOffice in Ukraine, there are a number of considerations to take into account. A RepOffice is usually established to carry out marketing, promotional, and other auxiliary functions on behalf of the foreign parent company. It is less clear whether a foreign parent company may also conduct trade or business through a representative office. However, “commercial” representative offices that serve as the equivalent of “branches” in most other countries are quite common in Ukraine.

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## SECTION 2 INTERNATIONAL BUSINESS IN THE CONDITIONS OF GLOBALIZATION

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### DETERMINANTS OF EFFICIENCY OF THE EQUIPMENT ENTERPRISES EXPORT OPERATIONS

In order to overcome the negative impact of competitive environmental factors that restrain the development of export activity, equipment enterprises face the need to choose effective management solutions. The complex nature of these processes, the significant risks of doing business abroad comparing to the domestic market, give rise to the need for integrated approaches which determine optimization the export business of the enterprise.

Theoretical, methodological and practical determinants of the EOE evaluation problem were studied in the works of domestic and foreign scientists such as O. Kuzmin [1], O. Melnyk [3], M. Kizim [2], G.Pukhtajevich [4]. Hence taking into account the processes of internationalization, globalization and the involvement of domestic producers as factors which determines the effectiveness of export operations, the methodological aspects of planning and integrated assessment of EOE requires additional consideration.

According to the works of domestic and foreign scientists the main methods of EOE evaluation include static and dynamic ones. Analyzing the accelerated scientific and technological progress, the continuous emergence of new products and production technologies, increasing of consumer demands and the rapid growth of other social, economic and cultural social transformations are significantly complicated by the reliable prediction of trends and conditions of the market environment and the definition of the parameters of the operation of the enterprise it should be noted that the static approach of the assessment does not allow to fully take into account the complex changes that are currently occurring in the economic sphere.

Difficulties that accompany the use of static indicators of estimation the activity of an enterprise has naturally led to the emergence of a large variety of dynamic approaches for establishing the specific content and composition of the results and costs that should be the basis for the definition of EOE. The main features of the dynamic approach for the assessment of efficiency should contain the consideration of alternatives (including - in the strategic aspect for long-term investments) functioning and development of the enterprise, as well as a significant expansion of the factors of financial results formation [1].

The logical reflection of the existing concepts of EOE assessment in the field of export operations became the emergence and spread of different approaches to determining the effectiveness of export activities, among which the following should be noted: cost, balance, comparative, indicator, balanced scores.

**Characteristics of approaches of EOE estimation of the enterprise**

	<b>Name</b>	<b>Content</b>	<b>Efficiency indicators</b>
1.	Cost method (T.Miroliubova)	The correlation of the equivalent (in national currency) of foreign exchange earnings from export operations and total expenditures of the enterprise for the output and marketing of exported products (including additional expenses on advertising, marketing, customs pro- insurance, etc.)	Absolute export efficiency; Efficiency of using operational and industrial assets; Profitability of export operations; Integral effect of foreign economic activity.
2.	Balance method (G.Pukhtajevich)	The correlation of economies of scale (national, entrepreneurial) to the production of export products (at a level of these costs below the world level) and savings from imports (at a level of import costs lower than the cost of own production of similar products (with consideration of the parameters of economic security, the system of critical constraints and resource needs, export specialization, production manufacture, etc.).	Budget export efficiency; The correlation of indicators for assessing export opportunities and the need for import resources; Producibility ratio; Currency efficiency of export;
3.	Comparative method (O. Kuzmin, A. Bosak, R. Darmits )	The degree of increasing the enterprise's income in the implementation of export supplies, determined on the basis of comparison (establishing correlation) of the efficiency of certain export operations (the sale of a certain product to non-residents) with	The basic rate of export efficiency.

		the corresponding parameters of the effectiveness of conducting similar (by quantity, quality and sales structure) operations in the domestic market	
4.	Indicator method (O. Melnyk, Yu. Logvinenko )	Creating of a matrix model, in which a generalization of indicators of absolute character (quantitative measurements of properties, state, development of export activity) is carried out taking into account the established norms (characterizing resource costs under the conditions of the most rational reliever range of business activity) and norms (regulated definition of norms)	The system of local and integral indicators of EOE estimation, the composition of which is determined depending on the established diagnostic goals, based on the generalization of the matrix of various groups of indicators (manufacturing, technological, property, social, general economics time, etc.)
5.	Balanced Score method (M. Kizim, A. Pylypenko, V. Zinchenko)	It proceeds from the priority of the goals of export activity, which are described by a set of indicators that allow to evaluate efficiency as a measure of approximation in during the performance of certain functions to the desired result	The system of indicators of operation and development of the enterprise, grouped according to the directions, reflecting the priorities of strategic and current planning of export activity

Source: made by author on the basis of [1, 2, 3, 4].

An assessment of the EOE of an enterprise can be based on the following approaches: cost, balance, comparative, indicator, balanced estimation. The described approaches represent the various aspects of the process of formation and evaluation of export efficiency, but do not fully cover the specified subject area. In order to carry out a comparative assessment of the EOE and the conduct of rating ranking of products in the formation of an economic export portfolio of the enterprise, it should better use a generalized indicator that can be calculated as a coefficient of development of multidimensional objects.

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## PROS AND CONS OF GLOBALIZATION IN INTERNATIONAL BUSINESS

People around the globe are more connected to each other than ever before. Information and money flow more quickly than ever. Global Manufacturing Goods and services produced in one part of the world are increasingly available in all parts of the world. International travel is more frequent and international communication is commonplace. Globalization is an economic tidal wave that is sweeping over the world. It can't be stopped, and there will be winners and losers. Let's consider some of the general cons and pros of international business in the conditions of globalization.

### Advantages of Globalization

#### 1. Wider Markets

Globalization offers larger markets to domestic producers. Domestic firms can export their surplus output. They can understand the nature of foreign markets through direct and indirect marketing channels. Domestic firms can realize higher prices from foreign markets. Global operations help to improve public image which is helpful in attracting better talent.

#### 2. Rapid Industrialization

Globalization helps in the free flow of capital and technology between countries. Global firms can acquire finance at lower cost of capital. Free flows of capital and technology from advanced countries help the developing countries to boost up their industrialization. Industrialization of developing countries leads to balanced development of all the countries.

### 3. Greater Specialization

Globalization enables the domestic firms to specialize in areas where they enjoy competitive or comparative advantage. By focusing on the functions or products of their core competence domestic firms can compete successfully in the international markets. Specialization also helps to save resources and promote exports of the country.

### 4. Competitive Gains

Globalization increase competition for domestic firms through imports and multinational corporations. Domestic firms learn about new products, new technologies and new management systems. They are under pressure to increase efficiency, introduce innovations and reduce costs. The domestic entrepreneurs who fail to learn from their foreign rivals suffer in the long run.

### 5. Higher Production

Globalization leads to spread up o manufacturing facilities in different countries. Firms with worldwide contacts can outsource funds, technology, distribution and other functions from anywhere in the world. They can negotiate subcontracting to remain focused on areas of their core competence

### 6. Price Stabilization

Globalization can reduce price differences between countries. Free trade and international competition help to equalize price levels in international markets. Countries with a high degree of globalization can attract greater foreign investment which supplements domestic funds, brings in foreign and improves balance of payments.

### 7. Increase in Employment and Income

Globalization creates job opportunities in developing countries and the incomes of people increases due to increased industrialization.

### 8. Higher Standards of Living

Lower prices, better quality and higher incomes help to enhance consumption and living standards of people particularly in developing countries. Moreover, increased economic development enables the governments of these countries to provide better welfare facilities like education, health, sanitation, etc. There is all round increase in welfare and prosperity of public.

### 9. International Economic Cooperation

Globalization improves economic cooperation between nations in the form of trade agreements, international treaties, standardization of commercial procedures, avoidance of double taxation, intellectual property protection and so on. International cooperation also helps countries to harmonize their macroeconomic policies for their mutual benefit.

#### 10. World Peace

Globalization promotes cultural exchange and mutual understanding among different nations. International cooperation and brotherhood contribute to peace and prosperity in the world.

#### Disadvantages of Globalization

##### 1. Interdependence

Globalization increases interdependence between nations of the world. As a result, economic sovereignty and control over the domestic economy are reduced. There is a danger of foreign economic dominance over the developing economies.

##### 2. Threat to Domestic Industry

Globalization leads to the establishment of manufacturing and marketing facilities by multinationals in developing countries. The domestic firms in these countries fail to face the onslaught of multinationals. As a result, they sell out to foreign firms. Cheap imports from China and other countries also kill domestic business particularly in the small sector. Availability of high quality foreign products reduces the demand for domestic products and domestic production is eroded.

##### 3. Unemployment

Globalization leads to restructuring of industry. Technology upgradation and focus on areas of comparative advantage create unemployment and underemployment among low skilled workers. As a result, inequality, poverty and social unrest may increase.

##### 4. Drain of Basic Resources

Globalization results in exploitation of natural resources and basic raw materials in developing countries. These countries are often the sellers of agricultural and other inputs and buyers of finished products. Talented human resources are also transferred to developed nations which offer better remuneration and career prospects. Economic underdevelopment of poor countries is the result of exploitative character of international trade.

##### 5. Technological Dependence

Globalization offers readymade foreign technology which scuttles domestic research and development. Foreign technologies are available at a high cost and often are not adaptable to local conditions. Developing countries become technologically dependent on developed countries.



## 6. Alien Culture

Globalization promotes consumption patterns and lifestyles which are inconsistent with the local culture and values. It may lead to shift in the industrialization pattern contrary to the national priorities.

Now after looking at Globalization from both supportive and contradicting point of view; we can now take a stand on whether the claims against globalization are sustainable or not.

Based on the above points, we can firmly say that globalization is not responsible fully for the global economic situations. It might have played a part in the crisis, but it did not start the fire.

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## TRANSNATIONAL CORPORATION AS A SUBJECT OF INTERNATIONAL BUSINESS IN AN ENVIRONMENT OF GLOBALIZATION

Due to the intensive development of the society, technology, and international relations, our planet has been in the active phase of globalization since the end of the 20<sup>th</sup> century. It includes integration and unification of occurrences and processes in the fields of politics, economy, culture, business, and information on the planetary basis. Globalization is characterized as the process of creation of the wide network of the interdependent connections between its participants that often leads to their merger. The main aim of this merger is to implement a difficult objective or to solve a problem which no one of the participants can solve alone.

As the result of such processes, the system of the international business has changed a lot because the integration processes in politics and economy lead to the emergence of new and changing old approaches to the organization and conduction of international trade.

The main factors which cause the globalization processes in the field of international business are:

- The desire to reduce production costs with the aim of increasing profitability of the business. At the current stage of development of international business, there is a tendency for many companies to find cheap labor. Often, this search ends with the transfer of factories and plants from highly developed countries to the territory of developing ones.
- The development of technology. As the Internet and cellular connection had been invented the convenient environment for effective international collaboration was made by simplifying the process of communication and interaction between the participants.
- Implementing of challenging objectives in the field of international business and economy. In the conditions of globalization, a lot of countries and organizations combine their efforts and resources for achieving some economic and business aims. As the example of foregoing, we can consider the free trade area between countries which is created for the exchange of goods and services without restrictions with the aim of increasing the living level of these countries.
- Searching for new markets. As the time flows the national markets become saturated with a particular kind of goods or services - it often leads to the stagnation and degradation of a lot of organizations - so a lot of companies try entering into foreign markets. Such markets are often characterized as the markets with the low level of competition that creates a lot of opportunities for selling your product or service to a large number of new consumers.

As the result of the globalization at the end of the 20<sup>th</sup> century, the new form of international trade appeared – Transnational Corporation.

A transnational corporation is an organization that operates international production of industrial products on the basis of foreign direct investments and has direct control over its foreign affiliates. They are international in terms of the specifics of their activities because they own or control the production of products (or services) outside the country of origin, in different countries of the world, with their branches there operating in accordance with the global strategy of the parent company.[1]

The formation of TNCs is due to the fact that it gives great advantages in the field of international trade, allowing to successfully overcome numerous trade and political barriers. Instead of traditional exports that are facing numerous customs and tariff barriers, TNCs use foreign subsidiary companies as their external springboard within the customs territory of other countries from which they penetrate their domestic markets freely.[2]

The TNC has a special organizational structure for its branches, which consists of the country of origin (the country in which the TNC's headquarters are located) and the host countries (foreign countries in which the TNC opens its branches, subsidiaries and representative offices created on the basis of foreign direct investment). This structure is based on a clear division of production and organizational responsibilities between the parts of the TNC, which contributes to a significant increase in profits and labor productivity.

TNCs operate on the basis of several important principles:

- FDI (in order to create production capacities abroad).
- The use of different forms of international division of labor (subject, partial, technological specialization), which allows placing different parts of the production process in different countries of the world.
- Development, transfer, and use of advanced technology within the framework of a closed corporate structure that allows the most efficient use of research and development costs.
- Intra-corporate trade, which is carried out between separate units of TNCs using transfer prices. Transfer prices are set by TNCs at a level that is significantly different from market prices, that is, significantly higher or lower than the prices for the same goods in the world market.
- A global approach to management - optimization of the corporation's activity as a whole, rather than its individual components. This principle means the need to subsidize the development of individual units in order to maximize profits on the long-term basis.[1]

In the period of globalization, the activities of TNCs contribute to the dissemination of scientific achievements in different areas of the world economy. It established the economic preconditions for the emergence of international production with a single market and information space, the international capital, labor market, scientific, and technical services.

In the last decade and a half, global TNCs have emerged and established with the following distinctive features:

- the planetary vision of markets and competition on a global scale; the division of world markets with a few of the same global TNCs;

- coordinating the activities of its affiliates on the basis of new information technologies;
- flexible organization of each individual production site;
- the same organization of accounting and auditing;
- merging branches, factories, joint ventures into a single management network, which in turn is integrated with other networks of TNCs;
- prevailing participation in high-tech industries;
- Ensuring high profitability by timely changing geographical distribution and sectoral structure of TNC integrated business;
- the integration of global companies in the form of so-called strategic agreements or alliances.[3]

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#### INTERNATIONAL BUSINESS IN THE CONDITIONS OF GLOBALIZATION

The world is evolving, and with it trade and businesses are undergoing huge changes. Goods and services from any country are easily available all over the world. Globalisation can be defined as the easy availability of goods, connectivity amongst nations, and also access to trade rights in any country.

However, after the industrial revolution the phenomenon called globalisation was fully born. More and more businesses selling essential items were set up. Globalisation was thus born with a new face .

International business is a world rife with possibilities as well as cut-throat competition. In order to compete it is very important that the products or services of a particular business are better than its competitors. Globalisation thus has opened up the world of opportunities as well as created a host of other factors that an organisation has to consider if it has to survive in this new world.

### ***How globalisation influences the International business***

If we look at the current market situation we can easily see that those countries who adopted an open approach towards international brands, and opened up their markets to compete with foreign products, have gained a lot from globalisation. Their economies have received an upward thrust.

A very important factor that has boosted globalisation is the stupendous growth in the field of technology. Technological development has resulted in rapid development of many aspects of our civilisation. The kind of technological advancement that has been achieved has not only made many important discoveries, but also led to a technology-enabled lifestyle. In this scenario, it is only natural that the products and services need to be better with each passing day, otherwise they will be immediately replaced.

One of the major advantages of globalisation is its ability to promote international co-operation such as the creation of the World Trade Organisation (WTO) .

#### ***Why do we need international business?***

There are a few important aspects to this –

#### ***Acquisition of resources***

The acquisition of resources that will benefit the company and also help it to do better than its competitor is an objective for any business.

#### ***Increase in market base***

The production of goods and services is dependent on demand, and the larger the market the greater the demand.

#### ***Minimising the risk factor***

The sales and profit of any product undergoes the cycle of demand and supply. If a business is limited to just one country, then the periodic shift in demand may affect its profitability. To negate this, it is essential that the risk be spread over as wide an area as possible.

#### ***How is international business done?***

There are various ways through which the world of international business operates. It is quite important to note that all these ways have something in common, and that is the urge for global outreach.

### ***Import and export of merchandise***

Merchandise means tangible goods that are brought in from a foreign country or that are sent over to a foreign country for sale.

### ***Import and export of services***

Services are intangible or non-merchandise products. They include transportation and tourism. Note that international business services are generally more restricted by local regulations than tangible goods are.

### ***Investments***

Foreign direct investment is used when the company wants to gain a controlling interest or the sole ownership of a business. Portfolio investment is a form of non-controlling interest.

Globalisation has brought people and businesses much closer, therefore, the impact on international business is huge as well as remarkable. Globalisation and international business are very interrelated. International business has both taken advantage of globalisation and contributed to its development. The idea of globalisation is making everything available at places hitherto considered difficult for business, as well as the utilisation of resources that are useful, but are not easily available. Are there any disadvantages? Not for businesses, if they can cope with the increased competition, they gain from global markets and resources, but for the rest of us it makes the world increasingly identical with the same international brands such as MacDonald's, Starbucks and Coca-Cola wherever you are in the world!

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## INFLUENCE OF OFFSHORE ZONES ON ECONOMIC DEVELOPMENT OF NATIONAL ECONOMIES OF THE WORLD

There are more than 70 offshore financial services in the world. An Offshore is a type of free economic zone characterized by preferential tax treatment for non-residents (low or zero tax rate on profits), a certain level of banking or commercial secrecy, and a minimum (or complete absence) of reserve requirements of the central bank or restrictions on convertibility currencies [1, p. 50-51].

Creating a free economic zone in any country has both positive and negative consequences. On the one hand, they, firstly, contribute to the intensification of international financial flows and the acceleration of the turnover of financial assets on an international scale. Secondly, offshore stimulates economic activity by reducing the tax burden, and thirdly, they contribute to the prosperity of the states (in which they are located) and to increase the living standards of the population living in the offshore area. On the other hand, it is part of the shadow economy, the promotion of capital outflows, the accumulation of significant funds in offshore areas, especially speculative ones.

According to various estimates, since 1991, about \$ 148 billion had been withdrawn from Ukraine. Business uses offshore to legally reduce the tax burden and to avoid currency conversion. Offshore status of the country creates favorable conditions for doing business. In addition, due to favorable conditions for business, it is possible to attract assets from other countries [2].

The leaders in the ranking of the "cheapest" offshore zones of the world are offshore areas such as Seychelles and Belize: the cost of business registration is only \$ 900, the subsequent annual payments range from \$ 900 to \$ 950. For these jurisdictions, there are quite loyal conditions for doing business for non-residents (the main requirement is to register a head office in Seychelles and Belize, and the main prohibition is cooperation with local entrepreneurs). But the scheme of business organization with the help of offshore zones of the Seychelles and Belize does not provide for preferential tax rates for repatriation of income [3].

Table 1

## Classification of offshore zones [3]

View	Characteristics	Example
Classic offshore zones	Countries where the law allows you to completely relieve offshore companies from taxation (the firm pays only a fixed fee for extending the license to operate). In many classic offshore, financial reporting requirements and the provision of documents to the authorities are either totally absent or minimal.	Panama, Bahamas, British Virgin Islands
Low Taxation Countries	Countries in which offshore companies enjoy significant tax incentives. Financial reporting by offshore companies is mandatory.	Cyprus, Hungary
Other zones	Due to the peculiarities of the legislation of some countries, and subject to the development of sound financial schemes, the company can minimize taxes payable. However, there is a need for accounting for offshore companies.	The United Kingdom

Table 1 shows that there are different types of offshore. In this way, a country can choose for itself, as a classical type of offshore zone, and a view that only some industries will benefit from preferential taxation. One of the important areas of export of services is the IT sphere, which only in 2017 paid UAH 16.7 billion. taxes to the Ukrainian budget, which is almost 10 billion UAH. more than a year earlier. "The contribution of the export IT industry to the country's total GDP is 3.34%. In general, IT companies operating in the territory of Ukraine, paid 16.7 billion USD taxes ", - said in the text info-graphics [4].

The introduction of a preferential tax system for certain areas with high added value can help the national economy to improve its economic situation and stimulate business. In addition, it will stop the outflow of capital in offshore areas. The escape of domestic capital into an offshore zone is conditioned by unfavorable local investment and tax climate. Economic and political instability, rapidly changing legislation, distrust of government, as well as underdeveloped financial market infrastructure make Ukraine unprofitable business and investment attraction. As a result, investors prefer the placement of funds in the business environment of other countries, which are characterized by more favorable conditions.



Consequently, on the one hand, offshore contributes to the prosperity of the states in which they are located and reduces the tax burden, and on the other hand, they contribute to uneven distribution of capital and involve the country in the shadow economy, and as a result, an offshore country is often accused by other countries in facilitating capital outflow and shadow business. Some countries, for example, UK, introduce preferential taxation only for certain industries, which is quite profitable for doing business in certain areas, while not making the country a participant in offshore schemes.

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#### TYPES OF INTERNATIONAL BUSINESSES AND CAUSES OF ITS DEVELOPMENT IN THE CONDITIONS OF GLOBALIZATION

There are big differences in running an international business and being in business in a single country. Aspects, that are not noticeable by national entrepreneurs, get more significant in international conditions. That is why there is a necessity to explore all the special features of conducting and managing of an

these companies. Nowadays, globalization is apparent because of activation of multinational enterprises and appearance of the most developed corporations – global enterprises.

There are a lot of types of international businesses, the most broadened are:

- exporting;
- licensing;
- franchising;
- contract manufacturing;
- turnkey contracts;
- foreign direct investments.

Exporting is the practice of shipping goods from the domestic country to a foreign country. Export of commercial quantities of goods normally requires the involvement of customs authorities in both the country of export and the country of import. The advent of small trades over the internet such as through Amazon and eBay has largely bypassed the involvement of customs in many countries because of the low individual values of these trades. Nonetheless, these small exports are still subject to legal restrictions applied by the country of export.

Franchising enables organizations a low cost and localized strategy to expanding to international markets, while offering local entrepreneurs the opportunity to run an established business.

In contract manufacturing, a hiring firm makes an agreement with the contract manufacturer to produce and ship the hiring firm's goods. It is a form of outsourcing. In a contract manufacturing business model, the hiring firm approaches the contract manufacturer with a design or formula. The contract manufacturer will quote the parts based on processes, labor, tooling, and material costs. Typically a hiring firm will request quotes from multiple CMs. After the bidding process is complete, the hiring firm will select a source, and then, for the agreed-upon price, the CM acts as the hiring firm's factory, producing and shipping units of the design on behalf of the hiring firm.

Foreign direct investments is practiced by companies in order to benefit from cheaper labor costs, tax exemptions, and other privileges in that foreign country.

An agreement under which a contractor completes a project, then hands it over in fully operational form to the client, which needs to do nothing but “turn a key”, as it were, to set it in motion.

Higher form of international business is kind of enterprise that is called joint venture. It is a situation when two or more persons come together to form a partnership for the purpose of carrying out a project. International joint venture is a

cooperation form for partners from different countries concerning investing, managing, manufacturing goods, distribution of income and risks.

Activities of multinational joint ventures bring several benefits for the country, in which they are located. For countries, where parent enterprise is located, forming of joint venture is profitable, because it gives a possibility to solve several political, resources and general economic problems.

The most known examples of international businesses are: “Coca-cola”, “Nestle”, “Ford” etc. There are also Ukrainian representatives of international enterprises: “Roshen”, “Ukrainian automobile corporation”, “System capital management”.

There has been growth in globalization in recent decades due to the following factors:

- Technology is expanding, especially in transportation and communication.
- Governments are removing international business restrictions.
- Institutions provide services to ease the conduct of international business.
- Consumers want to know about foreign goods and services.
- Competition has become more global.
- Political relationships have improved among some major economic powers.
- Countries cooperate more on transnational issues.
- Cross-national cooperation and agreements.

Nowadays, there are certain weight of studying international business by all the students.

The international business standards focus on the following:

- Raising awareness of the inter-relatedness of one country's political policies and economic practices on another;
- Learning to improve international business relations through appropriate communication strategies;
- Understanding the global business environment – that is, the interconnections of cultural, political, legal, economic, and ethical systems;
- Exploring basic concepts underlying international finance, management, marketing, and trade relations;
- Identifying forms of business ownership and international business opportunities.

By focusing on these, students will gain a better understanding of political economy. These are tools that would help future business people bridge the economic and political gap between countries.

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#### COMPETITIVENESS AS BASIC CONSTITUENT OF EFFECTIVE ACTIVITY OF ENTERPRISE

Today activity of enterprise depends on influence micro- and macrofactors, because of this creation of competition and competitive advantages play an important role.

A competitiveness is one of main constituents of successful activity of enterprise. In the conditions of globalization of economy, the competition of enterprises are globalized too. Actually, it is a competition with well-known world enterprises and manufacturers. Today a manufacturer have to create a product that will have a number of advantages and satisfy the necessities of consumers. It will provide to him the high level of competitiveness at the market.

A competitiveness was investigated by foreign scientists-economists. For example A. Smith, A. Cournot, G. Azoyev, D. Ricardo and other. Among the Ukrainian scientists the studies of competitiveness occupied: L. Balabanova, I. Dolzhansky, S. Shevelev, T. Zahorna, A. Mazaraki and other.

Objective: determination of competitiveness as basic aspect of effective activity of enterprise.

Plenty of enterprises abandons a today's market. Namely because they can not stand on end in competitive activity. Enterprises that withstood at the market found the number of advantages of the commodity and satisfy the necessities of consumers. Due to creation of advantages the competitiveness of enterprise is arrived at.

A competitiveness of enterprise is possibility to dispose of own and loan resources in the conditions of competition market effectively, basic attention is spared to the financial side of activity of enterprise, marks Azoyev G.L. [1].

The Ukrainian scientists-economists I. Dolzhansky and T. Zahorna understand the competitiveness of enterprise as ability to produce and realize products quickly, in a sufficient amount, at technological high level service and as possibility effectively to dispose of own and loan resources in the conditions of competition market [2].

A competitiveness is possibility of enterprises to offer a commodity that satisfy the certain requirements of customer, in a necessary amount, for more advantageous terms, than competitors offeres. To estimate the competitiveness of enterprise use SWOT-analys, an analysis of strengths and weaknesses of enterprise. Also the level of competitiveness depends on the competitiveness of country. The increase of level depends on:

- an acceptance of administrative decisions on an enterprise;
- government policy and support in relation to the increase of competitiveness [3].

To promote a competitiveness an enterprise can due to the enormous amount of factors, for example: improvement of quality of commodity, price abatement, producing of absolutely new assortment and other...

Thus, a competitiveness is an important indicator of successful enterprise; possibility of enterprise to make products that has пріорітетним demand for consumers, at carried out effective activity. The competitiveness of products (number of certain descriptions that satisfy consumers is responsible) contributes to the increase of competitiveness of enterprise.

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## THE DEFINITION OF GLOBAL ECONOMY

**The goal of this research** is to explain the definition of Global economy.

**The aims of this research are:** to observe the definition of Global economy, to give the arguments for explaining the definition of Global economy.

The **world economy** or **global economy** is the economy of the world, considered as the international exchange of goods and services that is expressed in monetary units of account (money).

Also the global economy is the system of industry and trade around the world that has developed as the result of globalization.

National trade with one another for the same reason that individuals and business firms within a country trade: both sides expect to benefit from the transaction.

They benefit because trade enables them to exchange things they don't need (their surplus goods and services) for the things they do need and want. Some areas can produce things that other cannot. Because of its warm climate and the type of soil it has, Florida grows oranges but not wheat. The people in Florida and Kansas would like to have wheat and oranges, and so each specialize in one of those crops and trades its surplus with the other.

Manufacturing is the production of merchandise for use or sale using labor and machines, tools, chemical and biological processing, or formulation. It can also be performed more efficiently in some parts of our country than in other. Natural resources, an adequate labor supply, and transportation facilities have promoted the development of certain industries in particular regions of the country. For example, the computer industry is concentrated in northern California, the steel industry developed in western Pennsylvania, and the large automobile factories were first built in southern Michigan.

In a true market economy, the government plays no role in the management of the economy, the government does not intervene in it. The system is based on private enterprise with private ownership of the means of production and private supplies of capital, which can be defined as surplus income available for investment in new business activities. Workers are paid wages by employers

according to how skilled they are and how many firms wish to employ them. They spend their wages on the products and services they need. Consumers are willing to spend more on products and services, which are favoured. Firms producing these goods will make more profits and this will persuade more firms to produce these particular goods rather than less favoured ones.

Thus, we can see that in a market economy consumers decide what is to be produced. Consumers will be willing to pay high prices for products they particularly desire. Firms, which are privately owned, see the opportunity of increased profits and produce the new fashionable and favoured products.

The economy adjusts automatically to meet changing demands. No planners have to be employed, which allows more resources to be available for production. Firms tend to be highly competitive in such an environment. New advanced products and low prices are good ways to increase sales and profits. Since all firms are privately owned they try to make the largest profits possible. In a free market individual people are free to pursue their own interests. They can become millionaires, for example. Suppose you invent a new kind of car. You want to make money out of it in your own interests. But when you have that car produced, you are in fact moving the production possibility frontier outwards. You actually make the society better-off by creating new jobs and opportunities, even though you become a millionaire in the process, and you do it without any government help or intervention. But in a market economy there might be minimal control on working conditions and safety standards concerning products and services. It is necessary to have large-scale government intervention to pass laws to protect consumers and workers.

Changes in the state of the economy affect all types of business, though the extent to which they are affected varies. In the recession of the early 1990s the high street banks suffered badly. Profits declined and, in some cases, losses were incurred. This was because fewer people borrowed money from banks, thus denying them the opportunity to earn interest on loans, and a rising proportion of those who did borrow defaulted on repayment. No individual firm has the ability to control this aspect of its environment. Rather, it is the outcome of the actions of all the groups who make up society as well as being influenced by the actions of foreigners with whom the nation has dealings.

Absolute Advantage. Nations will gain because of differences in terms of climate, natural resources, labor supply, capital and technology. These differences make it sensible for them to specialize in the production of some products and to buy the other things they need from other countries.

Despite the many advantages of trade between nations, most countries, including our own, often restrict that trade in a number of ways.

Tariffs. A tariff is a duty, or tax, on imports. There are 2 basic types of tariffs. Revenue Tariffs are levied as a way to raise money. Protective Tariffs are levied to protect a domestic industry from foreign competition. The goal is to make the foreign product more expensive than a similar item produced in the United States. Then people will stop buying the foreign made item and purchase its domestic counterpart.

Quotas. Restrictions on the numbers of certain specified goods that can enter the country from abroad are called quotas.

Other tactics. There are a number of other devices that directly affect the flow of trade among nations.

Selling the same product for a lower price abroad than at home is called dumping.

Still another tactic that has been used to restrict foreign trade can be classified as "administrative red tape".

**Conclusion.** So, Global growth is expected to be sustained over the next couple of years — and even accelerate somewhat in emerging market and developing economies (EMDEs) thanks to a rebound in commodity exporters. Although near-term growth could surprise on the upside, the global outlook is still subject to substantial downside risks, including the possibility of financial stress, increased protectionism, and rising geopolitical tensions. With output gaps closing or closed in many countries, supporting aggregate demand with the use of cyclical policies is becoming less of a priority. Focus should now turn to the structural policies needed to boost longer-term productivity and living standards.

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## ROLE OF STRATEGIC PARTNERSHIP IN TRADE AND ECONOMIC SPHERES IN TERMS OF GLOBALIZATION

In terms of integration and globalization processes countries seek new ways of cooperation in order to strength its competitive position and increase influence on the global market. In such conditions, it is quite evident that country cannot function on its own and should have partner, so implication of strategic partnership in such conditions is the best option. Strategic partnership is one of the most important foreign policy instruments that is increasingly being used by leading countries and integration associations since it can increase the effectiveness of their actions on the international scene.

Primarily we should clearly define the essence of notion «strategic partnership» because there are many different points of view of national and foreign scientists who distinguish «strategic partnership» in various ways.

E. Lisitsin determines the essence of the strategic partnership through the concept of partnership as itself. He considers the partnership between the states as a special form of relationships that involves the participation of states, the common goal and is issued in a special agreement. Strategic partnership, in his opinion, should have strategic implications, follow a single strategic goal. Author argues that in an agreement signed by strategic partners (and it is obligatory), the content of the partnership should be clearly defined. Such a document should reflect what contribution to achieving the stated partnership goals must make each side of the transaction [5, p.1205].

According to A. Zlenko, strategic partnership is a higher form of cooperation which involves a high level of interaction between partners in order to achieve concrete goals both in bilateral relations and on international market. The components of such interaction should be mutual understanding, mutual support partners, definition of strategic interests, a common position focused on achievement of the set goals. The author also notes that strategic partnership should be based on respect to the policy of each partner, the chosen path of development, national status, as well as the equality and supported balance of relations between the partners. The level of development of such a partnership should be determined directly by the parties depending on the depth of these relations [1].

O. Bilorus sees the basic principle of strategic partnership as effectively protecting its own national interests. The strategic task of the foreign policy course, in his opinion, is the achievement of a high level of competitiveness of the state and society. The principles of building a strategic partnership are effectiveness and profitability of foreign policy [3].

V. Zamtin believes that strategic partnership can only be realized in the case of a genuine strategy. Not only foreign policy but also economic, security, when there is a vision of countries' own future and their own opportunities. In his opinion, in a country where the foreign policy is clear there cannot be too many strategic partners whose interests are determined sometimes diametrically opposed [2].

To sum up, it can be concluded that strategic partnership is higher level of relationships between countries that have common interests and goals in order to promote economic development of cooperated countries and provide stable functioning of these states due to using benefits of such intensive cooperation.

In order to make partnership with the strategic orientation a political, economic and social international environments are created that promote the development of competition, mutual complementation and the dynamics of various social forms of management that are directed to become the strategic direction of economy transformation. Strategic partnership is used to achieve internal transformations of higher level in order to bring the domestic economy to the next, the highest standard of world development. This direction helps to mobilize the maximum of available resources, make use of various production opportunities - from industrial to post-industrial, make expansion of all forms of entrepreneurship - from small business to large capital [4].

At the same time, strategic partners should take into account a number of circumstances related to the geopolitical and geo-economic interests of other partner-countries. Among the components that define the essence of the strategic partnership are the following:

- the high degree of cooperation and trust;
- transparency of relations which means broad interaction in international affairs and non-orientation towards third countries;
- the breadth of partnership not only in the economic sphere but also in the political;
- close coordination of foreign policy steps in all key areas of world and bilateral development issues;
- the nature of relations with the partner country as a self-sufficient amount that is not subject to opportunistic influences;

- the obligatory long-term relationship, since it contains a set of political and military guarantees [4].

Among the key areas of the strategic partnership we can distinguish the following: economic area, energy area, political area, cultural area and military-technological area.

The strategic partnership in trade and economic spheres are relationships of countries that include export and import operations, investments operations, realization of joint projects and exchange of technology.

The role of strategic partnership changes depending on the state of factors of internal and external environments of the country.

In terms of stable economic development strategic partnership is used as an additional mechanism of cooperation between countries. The process of deepening relationships is slow and countries do not implement radical policies.

In terms of rapid economic development when changes are not predictable and global processes cover all the countries strategic partnership is used as the main tool to promote economic development of the countries, insure the countries from risks of external environment and to provide the basis on which both participant-countries will gain benefits.

In conclusion it can be defined that, strategic partnership in trade and economic sphere is not the same as traditional bilateral trade between countries and some investment operations. On the modern stage of development, strategic partnership is higher level of cooperation where countries import and export goods and services but in the spheres that are the most favorable for economic development of the countries. Investments are directed on realization of highly technological projects or joint ventures in the spheres where «money will work». Secondly, another side of strategic partnership is obtaining benefits, for example, the partner-company can help another partner-company to have positive decision in international institutions on some important issues for this company. Strategic partnership in trade and economic sphere is one of the most important sphere as it has the greatest influence on economic development of the country, competitive position of the country and all another spheres

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## PECULIARITIES OF INTERNATIONAL BUSINESS NOWADAYS

International business is an entrepreneurial activity associated with the use of capital in various forms and the benefits of increased business activity. This is done for the purpose of gaining profit and extending of the international economic sphere. International business includes any business transactions carried out by two or more countries. The economic essence of international business should be defined as the phenomenon and process of international economic relations.

As a phenomenon of international economic relations, international business is a form of interaction between subjects of international economic activity which is aimed at obtaining benefits from international cooperation.

As a process, international business is a existence of a specific type of interaction of entities, which is characterized by a certain structure, technique, conditions and rules of running.[3]

Subjects of international business are real participants of the business as a process of interaction. The main features of the subject of international business are the presence of its inner motives, determination, desire and ability to act for achieving its own strategic goals. According to such criteria, the subject of international business can be individuals, enterprises, multinational structures, international organizations and associations, integration (regional) groups and states.

According to the Law of Ukraine, the subjects of international business in our country include: physical persons, legal entities, associations of physical, legal, physical and legal persons, structural units of economic entities of foreign states (subsidiaries, branches, representative offices), joint ventures (which have a permanent placement in Ukraine).

Globalization is an objective social process, the content of which is the growing interconnection and interdependence of national economies, national policy, social systems, national cultures and the environment.[1]

Internationalization of business and management is a combination of efforts of national and international companies of different countries in the implementation of various business operations.

The main forms of international business include: export (import); licensing; management contracts; joint ventures; multinational corporations.

Export is the simplest form of international business and represents the sale of goods or services to other countries. Foreign trade activities make up more than 80% of the volume of international business in modern conditions. Exports are the least risky, but also the least profitable form for international business. These features compel international business participants to modernize exports. The most common forms of such modernization are local warehousing and sales.

International corporations become part of a triangle in which local firms and other international competitors operate in the process of globalization.

Each corporation has to compete in three directions: with the local competitor of the given country; with a foreign competitor in a given country; with foreign competitors in foreign markets. International corporations offer but local firms do not take their own actions for companies, but a whole set of proposals in order to succeed. A. Rohnen substantiated this idea. According to this idea, the real progress of business for effective production of goods and services requires a complex of a "package of development", which includes: capital, technology, information, qualification and competence of staff, advertising and consulting support, sales network.

However, achieving world-class production processes is slowing down. In this case, it is worth paying attention to the effectiveness of the implementation of "development packages" of the international corporations "Mc Donalds", "Coca-Cola", "Lukoil".

Globalization of economic activity is one of the main trends in the development of contemporary world. This has a significant effect not only on economic life but also has political (internal and international), social and cultural-civilizational consequences and threats.

The first threat due to globalization appears due to the fact that its benefits will be unevenly distributed. In the short term, changes in the manufacturing industry and in the service sector lead to the fact that the sectors that benefit from foreign trade and the export-related industries are experiencing a larger influx of capital and skilled labor.

Many consider deindustrialization of the economy as the second threat. Since global openness is associated with a decline in employment in processing industries. In fact, this process is not a consequence of globalization, although it proceeds in parallel with it. Deindustrialization is a normal phenomenon generated by technological progress and economic development. The share of manufacturing industries in the economy of industrialized countries is sharply declining, but this decline is balanced by the rapid growth in the share of services, including the financial sector.

The third threat is due to a marked increase in gap of wages between skilled and less skilled workers and rising unemployment among the latter.

The fourth threat is the transfer of firms from countries with high labor costs part of their production capacities to countries with low wages. Exports of jobs may be undesirable for the economy of a number of states.

Workers of foreign affiliates and workers of the parent company are not serious competitors, they rather help each other. If an enterprise opens its affiliate in another country, this does not mean that it does so only at its own expense and bears irreparable losses. Often, the parent company gets the opportunity to increase its output through the capacity of its branch, as well as take advantage of other benefits. Such connections are an important element in the relationship of new partners.

The fifth threat is associated with labor mobility. It also talks about the free exchange of goods, services and capital, and less - about the freedom of movement of labor. Negative consequences of it have long been recognized as a potential danger. Therefore, almost all states have introduced certain forms of control over the free movement of labor. [2]

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### SOME REASONS FOR DEVELOPING GREEN MARKETING

Green marketing has been a trend in recent years. One of the main parts of this movement is the orientation towards renewable materials, which are used in the manufacture, packaging, and transportation of goods. It is no secret that many products are packed with technology and materials that are a threat to the outside world and the environment. The price of such products is optimal for the manufacturer, so many companies choose a cheaper, but environmentally hazardous way of packing the goods. Nevertheless, the ecologically friendly packaging is an innovative and extremely relevant solution for preserving the environment. For example, cardboard, cornstarch, and biodegradable plastic are among the many materials that give the product a fashionable appearance and are not a threat to the environment. Eco-friendly packaging and labeling not only helps protect the environment, but also is an indicator that the company is making efforts not just to make a profit, but also cares of buyers.

This work is an overview of the current ways of packaging the product and the potential threats that are associated with it. Packaging is characterized by many features: the delivery of a specific product to the buyer in a better appearance, preserving the corporate style and image with the help of original packaging, providing the best product quality and delivering necessary information to the buyer. For example, the snack chip bag has a bright appearance, preserves the freshness and quality of the product and indicates to the buyer the necessary information about the product, the date of manufacture and the terms of use, nutritional value and much more. Undoubtedly, the packaging is a part of the manufacturer's costs, so many companies choose a cheaper option. On the other hand, the use of non-degradable materials is a threat to the environment and global warming on the planet. Therefore, the optimal solution to this problem is the preference for eco-friendly packaging and labeling. This type of packaging is

characterized by choice of materials that can decompose and do not harm the environment. Moreover, companies that use these technologies create the image of a quality and safe, eco-friendly brand. A relevant example is a manufacturer of sportswear and footwear Puma, which uses a single removable cardboard frame and a reusable bag, which do not harm nature and significantly reduce the use of plastic.

Necessary information about the use of eco-friendly packaging and labeling is the backdrop for several arguments. The choice in favor of environmentally friendly materials also acts on the psychology of buyers. For example, if the manufacturer uses a cardboard, corn starch or biodegradable plastic, it seems that the company takes care of the environment and reduces the impact of global warming. Consequently, the brand cares for all of humanity and the buyer is inclined to notice the attention and reliability of this manufacturer. It has also been proven that packaging directly affects the perception of the entire brand image [1]. Moreover, the ecological compatibility of the packaging is noticeable due to the similar signs and materials, which are perceived as safe. From this, I can conclude that eco-friendly packaging of the goods is the best solution to enhance the reputation of the brand.

Green marketing does not mean that materials should be green. To "go green" means to live a lifestyle that is more harmonious with one another and the earth [2].

The reason for this decision is the notorious global warming. It is no secret that the process of manufacturing, packaging and transporting goods has a risk of contributing to this destructive process. This concept includes the use of non-renewable energy sources, non-degradable materials (plastic and polyethylene) and the release of hazardous gases into the atmosphere. Fortunately, the trend of using modern and environmentally friendly technologies and materials is popular at the moment and has an increasingly applied nature [3]. Many of the world's leading companies have abandoned the use of hazardous materials and prefer biodegradable packaging methods. An essential aspect of this process is the company's advantage, which consists in using only renewable resources [3].

Another argument in support of eco-friendly packaging is reducing the price of transportation. Many forms of transportation (such as traditional, gasoline-engine cars) contribute to climate change by releasing hazardous gases into the atmosphere [4]. I consider this problem to be fundamental and relevant for this research, since following green marketing only when packaging goods is incorrect and does not adequately reflect the struggle for the preservation of nature. Consequently, in my opinion, companies need to assess the prospects for using



environmentally friendly vehicles (electric cars or bicycles) to complement the overall policy of maintaining environmental standards.

Paper is one of the options for the optimal replacement of foil and other harmful materials. It is logical to assume that the paper is lighter than plastic and looks more presentable in the form of a package. Consequently, the transportation of goods that are packaged in a paper wrapper is made easier because of light weight and a more compact shape compared to other materials [5]. It is no secret that modern enterprises use paper for packing food products (pizza, cakes, pies or vegetables). The most appropriate use of this type of packaging is products with a short time [6]. In this case, the benefit is present for all parties. On the one hand, the manufacturer pays tribute to the struggle to preserve the ecology. On the other side, the buyer receives a quality and fresh product with an attractive appearance and also notices the environmental friendliness and integrity of the manufacturer.

There are also several types of materials that do not carry the danger of ecology. Nevertheless, a review of the literature shows that such materials are a lot and their number is continuously increasing. For example, the use of cereals as a material for packaging, bags and other products is a practical and environmentally friendly way to replace dangerous substances. Moreover, such a resource is totally renewable and does not require the significant expenditure for the manufacturer. I can note that the cost of renewable resources is still higher than, for example, plastic [6]. Nevertheless, market research has shown that the cost of eco-friendly packaging will decline, so companies will increasingly switch to this type of production.

The presentation on eco-friendly packaging and labeling became the basis for my arguments about the dangers of non-degradable materials in the manufacturing process. It is worth noting that eco-friendly packaging is the innovation even in the modern world and companies are just beginning to switch to similar packaging methods. It was proved that the buyer subconsciously considers the brand as a quality and reliable if the packaging uses biodegradable materials. Moreover, the use of non-renewable resources is a threat to enterprises due to a limited number. Therefore, the use of environmentally friendly materials in the packaging means that the company can count on a long-term perspective. I believe that a package of paper or paperboard is a more attractive and concise way of promoting the brand, as it creates a favorable impression of this appearance.

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## DEVELOPMENT OF THE PROMOTION COMPLEX FOR FOREIGN MARKETS. STRATEGY OF INTERNATIONAL ADVERTISING

In order to attract customers and maintain positions in foreign markets, enterprises must apply modern effective mechanisms for the formation and maintenance of the image of goods / enterprises, in particular, by improving advancement.

Promotion policy is the information-psychological connection between market actors (consumers, suppliers, intermediaries, etc.) that are established to ensure their economic activity in order to maintain long-term mutually beneficial relations between them in the process of creating certain values. It is worth noting that when choosing the method of product promotion it is necessary to select an appropriate strategy, which is divided into two types: adaptation and standardization

The strategy of adaptation of promotion involves the development of its tools to take into account the specifics of a foreign country and the application of individual marketing communications policy. Legal adaptation is related to the legal requirements regarding advertising practices. For example, in Italy it is prohibited to show children food [1].

The most common are the problems of cultural adaptation. For example, the company that exported to US dishwashers in America and advertised them as

machines that store the time and energy of housewives for more interesting leisure was not successful, because the Swiss consider it their duty to work at home as much as possible to keep the family in perfect comfort and cleanliness. Therefore, the company created a new advertisement, which explained to housewives the possibility of dishwashers in terms of sanitation, which fully met women's mentality. Adaptation of advertising is most often due to the difficulties of translation. For example, the Chevrolet Nova car was not sold in Mexico, because "no va" in Spanish - "do not go". The application of an adaptation strategy leads to increased costs, an increase in the cost of production, but one can expect to conquer a larger market share and obtain higher returns [2].

The strategy of standardizing promotion is to demonstrate advertising without adapting to national markets. Such a strategy is suitable for universal goods for any country. Firstly, it is a product of constant demand, for example, "Hugges" diapers, tea "Lipton", drinks "Coca-Cola", cigarettes, etc. Second, it may be products of special demand, where national values and traditions are also minimal. For example, cars, computers, video equipment, etc. Standardization strategy is also appropriate for goods from the category of luxury goods (perfumes, clothing, jewelry). Thus, the advertising of "Miss Dior Cherry" and "J'adore Dior" perfumes was shown in Ukraine and other countries without any adaptation. The standardization strategy allows the company to reduce the cost of its development and production, it allows to create an international image [2].

It is advisable to bring interesting German company Mast-Jägermeister AG, which produces well-known herbal liquor Jaegermeister from 56 grasses in 1935 and supplies it to more than 90 countries today. The logo of the company depicts the head of a deer. In 1999, the company's management found that the target group of the "aged" drink was favored by consumers aged 50 and over. The company decided to "rejuvenate" the brand: positioning the product as a youth drink for parties. In European countries, advertisements have been shown, as two deer Rudy and Rudolf spend time with young people at discos. The parties also offered free cocktails with herbal liquor. The company has changed the design of the home page on the Internet and sponsored a number of concerts of famous rock bands. As a result of the promotion campaign, Lierger Jaegermeister has become associated with such values as self-confidence and mischief. In two or three years, Jaegermeister has become popular with young people, ranked first among grass cocktails in many countries. Today, his main target group is young people

Consequently, the successful promotion of the international brand depends on the factors that directly affect the dynamics of demand in national markets. Before choosing a strategy to advertise their products, the company needs to analyze in detail: legislative regulation of advertising practices of the country; the

level of its economic development and the national-cultural differences of the foreign market. On this depends the perception of advertising and the behavior of consumers when choosing goods.

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#### IMPACT OF GLOBALISATION ON INTERNATIONAL BUSINESS

Globalisation refers to the process of interconnection among firms, people and governments of different countries [1]. Every country's economy will become closer and interrelated through globalization as foreign countries which are a source of both production and sales for domestic companies. It is obvious that the globalization has linked with international business. International business consists of all commercial transactions which take place between two or more countries such as sales, investments and transportation.

Globalisation brings both positive and negative impacts on international business. There are rise in the competition and rise in investment levels; whereas, the negative impacts on international business are the culture effect and also create more social problems - child labour and slavery as well as environmental issues.

Firstly, globalization leads to rise in the competition. This is because when companies expand their business to different countries this creates competition for domestic businesses in terms of the price, cost and quality of goods and services. This type of competition act as an opportunity for domestic companies to

manufacture good quality of products and services and work efficiently in order to conduct business on a global scale.

This will not only benefit the international business by increasing its market share but will also benefit the host country (foreign country where the company invests) as now people will have variety of products and services of good quality and affordable price due to rising competition. The domestic market of the country will become strong due to foreign company establishing in the country and contribute to economies GDP rate and growth.

One of the examples of company that establishes and contributes to economies GDP rate and growth is General Motors (GM). GM is a multinational company which produces vehicles in the United States. They had expanded their business in 125 countries including China. When GM expanded its business to China in 2010 and its sales had grown approximately 50 percent in China and 15 percent in the United States [2].

Secondly, globalization also affects the investment level in both host countries and home countries. Foreign Direct Investment which is also known as FDI refers to the long term investment owned by investors which can show the flow of capital between countries. FDI of both host countries and home countries will increase by expanding businesses to other country through globalization. [3]

FDI gives positive effects to host countries in several ways such as technological effect, employment effect and income effect. With FDI, people able to conduct business with new technologies and management skills; this is because FDI enables technology to transfer from developed countries to developing countries.

On the other hand, FDI will benefit the home countries by increasing capital in the balance of payment account. Expanding business from one country to other countries, the revenue from the foreign direct investment of the firm will increase the capital of the home country. For example, Toyota expands their business to Malaysia and the profit that Toyota gains from the foreign direct investment in Malaysia will send back to Japan as a capital in balance of payment.

However, globalization also views as threats for international business. That is one of the reasons that globalization enables people to share their culture. It is crucial for international business to understand the culture of other countries so that they can increase the productivity of their business. However, it is very difficult for international business to understand every culture of different countries as it is too broad; for instance, in Malaysia, besides of Malaysian culture, there are also other sub-cultures as Malaysia have many ethics.

People are usually used to their own cultures. For example, a Swedish company deals with suppliers in Brazil, the Swedish company is unsatisfied with

the attitude of suppliers in Brazil as they always delay the delivery which is urgent for the company. At the end, the Swedish company had no choice. They have to give penalty to the supplier in Brazil so that they can be more punctual.

Another difficulty that faced by global business is the communication style. Every country has different style of communication either direct or indirect[4]. Scandinavia and United Kingdom is one of the examples that show different communication style. The communication style in Scandinavia is direct which means they talk openly and straight to the point in the business whereas the communication style in United Kingdom is indirect where they respect their business partners and they don't reject obviously. Therefore, it is difficult for businessman to identify the disagreement among British partners.

Moreover, globalization also causes an increase in social problems such as child labour and environment issues. The main purpose of doing business is to gain high profit, some of the businessman doesn't care whether it is ethical or not. In order to save costs, some of the international businesses will recruit young children as labour and slaves [5].

In conclusion, globalization can be seen as opportunities as well as threats for the international business. International business is able to expand its business in other countries around the world meantime it is helping foreign countries to improve their living standard by providing variety choices and enhancing the quality of goods and services. Moreover, international business is also able to contribute to home country by increasing the profit of inflow of foreign direct investment through globalization. On the other hand, globalization also causes the international business to face cultures issues in term of attitudes, personal styles and communications. Besides, social problems are also one of the threats for international business. In order to gain higher profit, some of the international businesses will conduct illegal activities such as recruiting child labour or slavery to minimize costs.

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## IS BITCOIN A BUBBLE?

Crypto currency such as bitcoin has become a true phenomenon of the last decade. It causes a constant increased interest of Internet users. The history of bitcoin is inextricably linked with the name Satoshi Nakamoto, who first informed the world about the creation of a new monetary system [1].

2009 is considered the year when bitcoin appeared. In January of this year the bitcoin application was launched for the first time. The starting money block in this system was generated by Satoshi Nakamoto - the bitcoin creator. A few days later was made the first operation of transferring the bitcoin from the account of one user to another.

There is a natural question: how much did bitcoin cost when it appeared, and where did these monetary units come from? It turns out that bitcoins were generated by users on computers. The bitcoin's rate in the end of 2009 fluctuated in the range of 700-1600 units for 1 dollar. It was published on the resource NewLibertyStandard. The scheme of its calculation was primitive before the outrage. People built upon on the average power of the computer processor, multiplied by the price of electricity in the US and divided by the number of bitcoins that were generated by the site's creator.

In my opinion, this is a little less than completely like a bubble, because the cost of bitcoin grows due to the growth of the cost of its mining, creating a sense of growth of its value [2].

But most importantly, there is no sense in attacking the miners one on another, because an attempt to break will result in an instant drop in the cost of bitcoin.

In the bitcoin network perform from three to four transactions per second at a theoretical maximum – seven.

For comparison, Visa conducts 2 thousand transactions per second, at peak values - 50 thousand.

It follows that the network of bitcoins is completely unsuitable for making payments, either by processing speed or by cost.

So what we have:

- mining bitcoins is a meaningless job;
- the price of bitcoin is determined, firstly, by the costs of its extraction (meaningless work);
- The cost of conducting transactions in the bitcoin network is about \$ 70.

Goldman Sachs' analysts have compared bitcoin's growth to the disastrous 17th century tulip mania, saying the situation has now moved beyond "bubble levels" [3].

The investment group pulled no punches insisting it does not believe the currently reigning cryptocurrencies will hold onto their values in the long run.

Goldman Sachs wrote in a statement: "The price moves in cryptocurrencies and in the share prices of companies with new cryptocurrency or blockchain affiliations reminds us of a comment made by a Dutch historian, Theodorus Schrevelius.

He wrote, in 1648, 11 years after the collapse of tulip prices, that 'our descendants doubtless will laugh at the human insanity of our Age, that in our times the tulips had been so revered'."

The banking group underlined bitcoin is a slow, costly and volatile digital token, but there is hope in the underlying blockchain technology for faster, cheaper and more secure money transfers.

Transaction costs have skyrocketed and frequent icing has wiped out entire wallets of their bitcoin holdings."

But the good news is that a major collapse of bitcoin should have no spillover effects on the rest of the global markets, according to the group.

Bitcoin's detractors are also glad to know that Goldman Sachs does not conceive a scenario where the token will ever compete with the US Dollar as a global reserve currency.

So, in my humble opinion, bitcoin with its growing price is a classic bubble, beautifully wrapped in a mysterious for most of us and in some places promising technology block.

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## INTERNET MARKETING TOOLS

In today's world, internet marketing has become an integral part of any enterprise. However, it is impossible to achieve internet marketing goals and objectives without using special instruments, the most effective and modern of which are:

1. Social Media Marketing;
2. Viral Marketing;
3. Content Marketing;
4. Video Marketing;
5. Search Engine Optimization Marketing.

We are going to consider each of them.

Social Media Marketing (SM-marketing) is an art of attracting people with the help of social networks. Your business can be advertised through social networks in different ways. First of all, it is necessary to choose the best platform to promote your business online. Then your company's page, group, profile, etc. should be created to attract the customer's attention, for example by frequent publishing interesting enthusiastic posts. It is believed that at least 4-6 posts a day should be published to support a page / group / profile. In social networks there is also a possibility to organize a blog and to work with famous bloggers. It is also necessary to establish a feedback and to be able to respond to messages and comments on a regular basis – the sooner it is done, the better the rating of the enterprise page in the network is. To do this the latest trends of this year – chat bots – can be used.

Viral marketing often includes creative videos, which quickly gain the popularity and influence the subconscious of consumers. Viral marketing also includes a variety of pranks, short films or just very moving videos. Anyway, the main purpose of such videos is to evoke the emotions and to capture the

customer's attention. It is noted that viral marketing is represented not only by video clips. For instance, it can be a vivid action or unexpected movement.

Content marketing involves using interesting information for selling products. Blogs can be mentioned as an example of content advertising. It can include both video blogs and blogs in social networks, specialized websites or forums. Also, content marketing involves virtual communities (with the same interests), including chats, virtual networks, games, and virtual worlds. Content marketing usually causes little irritation, creates image of the product and the company, greatly affects the speed of the site's search, but it takes too much time and human resources.

Video-marketing is also a widespread tool for marketing activities in the Internet. There are several ways to use these ads:

- Create your own thematic channel on the video hosting and display it in the top videos on it;
- Place your short commercials before, during or after the popular video.

According to recent studies, such ads can increase the attraction of potential customers and significantly increase brand awareness compared to the same advertising on television. However, it must not be forgotten that when placing your ad on someone's videos, it is necessary to make them as short as possible and at the same time informative and unique, so that it does not cause indignation of users watching the video. If an entrepreneur has decided to choose the strategy of creating his own channel on YouTube, he must pay attention to the fastidiousness of viewers – as well as social network visitors, they are spoiled by a variety of information.

Search Engine Optimization (SEO) Marketing is connected with the website of an enterprise. This kind of Internet marketing allows to rank the website at the top of the search results page using keywords, or search terms, and accordingly makes it more visible. There are three ways to promote websites:

- Influence on external factors;
- Influence on internal factors;
- Influence on behavioral factors;

SEO allows you to combine and effectively use all of them. In order to use the opportunities of SEO marketing, it is needed to know the rank of website in the search network, to build a comprehensive system of links to the site, to remove duplicates, to use instructions for search engines (for example, robots.txt, sitemap.xml), to work exclusively with authored content, to use server response codes, W3C standards, and general analytic. Only then it will be possible to freely write down the necessary words and phrases to bring the website to the first pages

of search results. SEO improves traffic on the website, it requires only one-time additions and leads to potential customers, but the term of the results is usually quite long, moreover, this method requires special knowledge or involvement of specialists.

Thus, there are five modern and effective tools of Internet-marketing. Of course, the other methods exist, but we chose only the best of them. The proper use of the tools mentioned above can improve the activity of the business and increase its profit.

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#### THE WORK OF BLOCKCHAIN

**The goal of this research** is to represent the blockchain and its work as a revolutionary invention.

**The aims of this research are:** to analyse the work of blockchain, to show the blockchain technology, to represent the work of Bitcoin.

The blockchain is a revolutionary invention – the brainchild of a person or group of people known by the pseudonym, Satoshi Nakamoto. Blockchain tech is actually rather easy to understand at its core. Essentially, it's a shared database populated with entries that must be confirmed and encrypted. Think of it as a kind of highly encrypted and verified shared Google Document, in which each entry in the sheet depends on a logical relationship to all its predecessors. Blockchain tech offers a way to securely and efficiently create a tamper-proof log of sensitive activity (anything from international money transfers to shareholder records).

Blockchain's conceptual framework and underlying code is useful for a variety of financial processes because of the potential it has to give companies a secure, digital alternative to banking processes that are typically bureaucratic, time-consuming, paper-heavy, and expensive.

Blockchain is a public register in which transactions between two users belonging to the same network are stored in a secure, verifiable and permanent way. The data relating to the exchanges are saved inside cryptographic blocks, connected in a hierarchical manner to each other. This creates an endless chain of data blocks - hence the name blockchain - that allows you to trace and verify all the transactions you have ever made. One of the greatest advantages of the blockchain is the high degree of security it guarantees. In fact, once a transaction is certified and saved within one of the chain blocks, it can no longer be modified or tampered with. Each block consists of a pointer that connects it to the previous block, a timestamp that certifies the time at which the event actually took place and the transaction data. Blockchain is an incredibly versatile tool. It's capable of touching a wide array of industries, each one very different from the others. People use Bitcoin in guiding finance (77%), securing identity (54%) and securing title deeds (38%). Blockchain will obviously continue to be applied in insurance and finance, but those aren't the only places where the technology can be used. Let's take into consideration, for example, the automation and manufacturing sector, where this technology can help the parent company produce an article, for example, to communicate with the suppliers of its various components for their delivery, payments and receipts.

The most known and discussed application of the blockchain technology is called Bitcoin. Bitcoin has been called “digital gold” and for a good reason. The total of bitcoin is 21 million coins and no more. A digital currency that can be used to exchange products and services, just like United States Dollar (USD), Euro (EUR), Chinese Yuan (CNY), and other national currencies. One Bitcoin is a single unit of the Bitcoin (BTC) digital currency, just like a Dollar it has no value by itself, it has value only because we agree to trade goods and services in exchange for a higher amount of the currency under our control and we believe others will do the same. Many people say that bitcoin is a bubble, but it can replay traditional money in the future. [1]

To keep track of the amount of Bitcoins each of us owns the blockchain uses a ledger, a digital file that track of all Bitcoin transactions. The ledger file is not stored in a central entity server, like a bank, or in a single data centre. It is distributed across the world via a network of private computers represents a “node” of the blockchain network and has a copy of the ledger file. If David wants to send Bitcoins to Sandra, he broadcasts a message to the network that says the amount of

Bitcoins in his account should go down by 5 BTC, and the amount of Sandra's account should go up by the same quantity. Each node in the network will receive the message and apply the requested transaction to their copy of the ledger, thus updating the account balances. In order to be able to perform transactions on the blockchain, you need a wallet, a program that allows you to store and exchange your Bitcoins. Each wallet is protected by a special cryptographic method that uses a unique pair of different but connected keys: a private and a public key. The Bitcoin network allows you to generate as many wallets as you like. This allows you to receive payments on different wallets that cannot be linked together. [2]

The Bitcoin network orders transaction by putting them together into groups called blocks, each block contains a definite amount of transactions and a link to the previous block.

A way to balance the deflationary nature of Bitcoin due to software errors and wallets password loss, a reward is given to those that solve the mathematical problem of each block. The activity of running the Bitcoin blockchain software in order to obtain these Bitcoin rewards is called "mining" - very much like mining gold. This reward is the main incentive that pushes private people to operate the nodes, thus providing the necessary computing power needed to process Bitcoin transactions and to stabilize the blockchain network. [3]

**Conclusion.** To sum up, cryptocurrencies can change financial system in the near future and we should know how it function, because we will use that in daily life.

1. Most banks are exploring the use of blockchain technology in order to streamline processes and cut costs. However, they are also looking to leverage additional advantages, including increased competitiveness with fintechs, and the ability to use the technology to create new business models.

2. Banks are starting to narrow their focus, and are increasingly honing in on tangible use cases for blockchain technology that solve real problems faced by their businesses.

3. Regulators are taking an increased interest in blockchain technology, and they're working alongside major banks to develop regulatory frameworks.

4. Blockchain-based solutions will start to emerge in different areas of financial services. The most successful solutions will solve specific problems for banks and attract a large enough network to create widespread benefits.

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## CHALLENGES OF OPERATING A BUSINESS IN A GLOBAL ECONOMY

Even as a small business, you operate at some level in the global economy, and the fate of world economics may ultimately impact how you do business. While the world faces global environmental issues, your small piece of the environmental infrastructure plays a role. Foreign competition impacts local competitiveness, and security is a priority that challenges every business owner. To maintain your viability in the increasingly global marketplace, you must consider the challenges and how you will address them.

Whether you are a small business shipping homemade handbags through a website or a consulting firm offering your services to multinational corporations, you must understand and follow various rules and regulations that govern your goods and services. You must comply with the tax laws of different countries as well as statutory export regulations. Some countries have strict policies about the types of business practices allowed in their countries that often include human resource and pension restrictions and rules if you hire a foreign workforce[1].

One of the advantages of a global economy is that more small businesses can compete competitively. However, few small businesses are prepared to handle the customer service calls from China, Vietnam and other emerging markets key to the success of a global competitor. If your sales are increasingly going overseas, you have to find ways to navigate the language barriers that may crop up in emails and

phone calls. At the same time, cultural differences can play a big role in your success in the global market. For example, in China, the color red is a symbol of luck, while in other countries, it represents a warning sign. Religious and cultural boundaries must be understood to run effective marketing campaigns abroad.

Recycling is rapidly becoming a common practice in most U.S. companies as business leaders realize the impact their behavior has on global environmental issues. You may be challenged to incorporate successful recycling programs because they may be cost-prohibitive or just inconvenient. Energy-saving devices such as compact fluorescent light bulbs make a dent in world energy consumption, but they may not be viable for your office. Challenges abound for developers looking to build new factories or office space. Food, energy and transportation companies all face environmental pressures to use fewer natural resources and offer products made with recyclable materials[2].

One of the biggest challenges facing globally competitive marketplaces is the communication issues that crop up when technology doesn't keep up in every sector. When your company relies on disparate systems that can't communicate with each other, your bookkeeping gets bogged down, and orders slow or cease. Access to vital information may be compromised when technological systems are not standardized. You've got to rely on translations and reports from foreign staff members instead of using a centralized system when the technology you rely on to run your business isn't compatible with the technology used by your buyers, foreign offices and global sales force[3].

To sum up, the theme of the development of world business involves a huge number of complex complex processes. The trends we describe are just a part of the list of new and actual phenomena in the international business environment. However, I am convinced that globalization, the development of information technology and the emergence of a new paradigm of management are the most important factors in the global evolution of business. These trends should be studied not only by theoretical scholars, but also by business practitioners, because knowledge of the trends of world business makes it possible to develop and implement an adequate strategy of the company and promotes an effective search for business development.

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## FEATURES OF INVESTMENT FLOWS OF THE WORLD WITH DIFFERENT LEVEL OF ECONOMIC DEVELOPMENT IN GLOBALIZATION: REGIONAL ASPECTS

The country's prosperity is impossible without the local economic development, which in turn depends on the available capital and the flow of investment into a particular territory. The issue of foreign direct investment is a lot of scientists and researchers: Blank I.A., Gaydukskiy P.I., Gubsky B.I., Prajko Y.M., Chervanov V.V, Melnyk V.V. However, their interests are more in the field of macroeconomic orientation and are related to the national climate, legal protection of investments, risks, finances, attractiveness of the market, industry, enterprises. I propose to consider investment in the context of local economic development, which is still insufficiently studied and substantially related to investment.

The science of local economic development began to evolve in the second half of the 70s of the last century and began in the United States. Developed countries have passed three stages of international economic development [1]. The need for this process is due to the high rates of development of individual countries and the high concentration of capital in certain areas and cities. The high mobility of capital and the natural market aspiration of the economy to balance led the flow of capital from some territories (cities, regions) to others, from one country to



another. In the present time of the development of the world economy, this applies to all countries.

The impact of foreign investment on the local economy has a multiplier effect. They improve the activities of local small business and business partners, suppliers and contractors, establish new standards of competition, enhance the image and business rating of the territory. There is a direct, consistent link between the dynamics of population welfare growth, economic development and investment volume; the growth rates of investment and the quality of the business climate. Countries with high levels of well-being are characterized by favorable investment and entrepreneurial environments. In the world market for investment flows, the most attractive for foreign direct investment are transition economies and developing countries. According to the United Nations Trade and Development Organization, they account for 42% of the world's volume of investment flows, amounting to one-third of the GDP of these countries, and the growth rate of FDI in these countries exceeds the growth rate of developed countries [2]. The biggest successes in attracting investment have come from Ireland, the Czech Republic, Slovakia, where the size of FDI per person exceeds 5-6 thousand euros, then Estonia, Lithuania, Poland, 2 - 3 thousand euros.

In addition, the territorial communities of countries that are dynamically developing and in which the position of the state is focused on serious economic shifts, actively compete for investment. Using all possible tools of modern territorial marketing, they build their own strategies for their development plans, formulate appropriate systems that ensure the sustainability and quality of the local investment climate. That's what Ireland and the Czech Republic did - world leaders in attracting investment [3]. Irish "economic miracle" - an example known in the history of the international economy, arose due to the developed and implemented integrated strategy for the formation of a healthy business and investment climate.

Thus, in the current conditions of global competition, territorial communities must engage in territorial marketing. For this purpose, it is necessary to create and develop an investment product of interest to the investor - suitable land parcels, territory profile, investment passport, prepared algorithm of permit procedures, center for working with an investor, a positively adjusted community, high-quality utilities, roads, "brand" and "attraction". Products and many other things from" educated resources "that position the territory, form a certain image of it and are the subject of participation in competition for investments in international markets.

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## NEGATIVE ASPECTS OF INTERNATIONAL BUSINESS IN THE CONTEXT OF GLOBALIZATION

Globalization is an ambiguous term. It is a new stage in human civilization that goes beyond national borders. Globalization provides an opportunity for countries to interact with each other, because this process arose as a consequence of the international division of labor. The first age of globalization had occurred from 1880 to 1914, roughly contemporaneous with the classical gold standard, while the period from 1989 to 2007 was the second age of globalization (Rickards J., 2012).

This paper is aimed at analysis of the international business influence in the context of globalization and understanding of the phenomenon of currency wars, which are popular nowadays with developed countries.

There are many instruments by which globalization is being promoted and enhanced. The most important instruments are: the multinational companies, which possess huge capital and assets; and new information technology, which is a product of the industrial revolution (Abo Gazleh Mohammad, 2015).

Globalization is not only a positive process, but also a negative one. The main negative aspects of the globalization are:

- great job losses
- 'currency conflicts'

- tax evasion
- neglecting the rules of trade.

The most straightforward advantage of financial globalization is having a greater supply of external financing available at lower costs. On the other hand, financial globalization can also entail important risks. As countries become more intertwined with the international financial system, adverse shocks in foreign countries can threaten domestic stability through contagion effects, potentially making countries prone to crises (Caprio G., 2012).

A currency war is one of the most destructive and feared outcomes in international economics. It is a result of globalization, which gave a chance to developed countries to manipulate their currency in order to get an unfair price advantage. The goal of currency wars is to increase exports and to decrease imports. Gross domestic product (GDP) includes four basic components:

- Consumption (C)
- Investment (I)
- Government spending (G)
- Net exports, consisting of exports (X) minus imports (E).

This overall growth definition is expressed in the following equation:

$$GDP = C + I + G + (X - E).$$

From this equation follows that the higher the net exports are, the higher the GDP is. That is why the 'currency war' is a mechanism that provides a false increase in GDP. For example, the Great Recession 2008-2009 is also a result of the 'currency conflict'.

At the heart of every currency war there is a paradox. While currency wars are fought internationally, they are driven by domestic distress. Currency wars begin in an atmosphere of insufficient internal growth. The country that starts down this road typically finds itself with high unemployment, low or declining growth, a weak banking sector and deteriorating public finances. (Rickards J., 2012).

It is necessary to supply everything mentioned above with the example of 2005: the United States accused North Korea of organizing massive counterfeiting of the US dollar, which was classified as an 'act of aggression' as it threatened national security. As a result, sanctions against the Chinese bank were implemented in Macao. As the result of the struggle between China and the US, the yuan and the dollar now occupy the major place in world finances, and it is the main front of the third currency war.

Participation in 'currency wars' today is no longer confined to the national issuers of currency and their central banks. Involvement extends to multilateral and

global institutions such as the IMF, World Bank, Bank for International Settlements and United Nations, as well as private entities such as hedge funds, global corporations and private family offices of the superrich (Rickards J., 2012).

Another negative aspect of globalization is tax evasion. The governments try to provide high taxes for businesses that pollute environment and use unsustainable materials while manufacturing finished goods. Entrepreneurs have found a way out of this situation: they started to replace their businesses from the developed countries to the developing ones in order to avoid taxes.

Tax evasion shows that harmful businesses are not closed, but just transformed to the another country. Therefore, we help one country and spoil another one in the context of globalization.

To sum up, globalization is a process that helps people to avoid some problems and to develop the other ones. Taking into account the information analyzed in the paper, it should be concluded that there are many negative aspects of the international business nowadays, but the 'currency war' is the most terrible one. In order to avoid such conflicts in the 21<sup>st</sup> century, our politics and international organizations should start to control the financial system all over the world.

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## FOUR THINGS TO LEARN FROM 2017 RESULTS

Danone is a French multinational food-products corporation based in Paris and founded in Barcelona, Spain. The company is listed on Euronext Paris where it is a component of the CAC 40 stock market index[1].

French dairy giant Danone, which owns Activia yogurts, dairy alternative Alpro and Evian water, has returned a positive set of full-year 2017 figures as synergies kicked from its acquisition of US natural and organic foods business WhiteWave Foods. But that's not the full story.

The announcement by Danone on the 14<sup>th</sup> of February (two days before its full year results were published) that it was selling 14% of its 21% stake in Japanese probiotics drink firm Yakult might be viewed as a pre-emptive strike.

The divestiture of the 14% could be worth around US\$1.9bn to Danone, it is suggested, and investors seemed to greet the news positively.

Indeed the stock was up 1% at EUR64.53 (US\$79.68) in Paris in the morning of the announcement, confirming Jefferies analyst Martin Deboo's view there would be a positive reaction from the market.

Whether the action was bowing to pressure from activist investor Corvex Management, the US-based fund that reportedly bought a shareholding in Danone last year, is open to debate but analysts are accentuating the positive of a move that brings in a wedge of cash but sees Danone remain Yakult's largest shareholder.

Deboo said Danone has been "under pressure around [its] capital allocation discipline" following its acquisition of US-based dairy and dairy alternative group WhiteWave Foods (a deal announced in the summer of 2016 but finalised in April last year)[2].

Then, the company, hit the ground running going into its 2017 results announcement on Friday (16 February). Furthermore, a positive set of results they were too, by and large. Sales were up 2.5% on a like-for-like basis at EUR24.67bn (US\$30.91bn).

Danone's sales growth sped up in the second half, with like-for-like sales in the first half having inched up by only 0.4% year-on-year. Full-year operating income was up 27.7% on 2016's figure at EUR2.92bn and net income was up 42.6% at EUR2.45bn.

On a like-for-like basis, Danone's recurring operating margin increased by 70 basis points to 14.36%, with the company pointing to factors including its rising sales, "significant productivity gains" and more than US\$50m in synergies had been delivered in 2017 from the integration of WhiteWave into the business.

On the whole, analysts seemed pleased with what they were hearing even though sales growth of 2.5% was down from 2016's 2.9% and significantly down on the 4.4% growth achieved in 2015.

Those challenges come from Danone is a lactic business and trying to work through the problems lactic as a facing sector.

Its premium dairy sales "declined strongly" in the fourth quarter and continued to suffer severely from the impact of industry over-supply of organic milk.

By stark contrast, Danone's big winners in sales terms on a year-on-year basis were specialised nutrition (+9.3%), which was supported by "continued positive market dynamics in China" and waters (+4.7%) while EDP (essential dairy and plant-based) International was down 1.3% and EDP North America down 2%.

Danone says, in yogurts, it continued to outperform the broader US retail market in the fourth quarter and recorded additional market share gains[3].

Oberhuber at MainFirst highlighted as a positive the gradual improvement Danone has seen with its brand Activia, with signs of progress in some of the bigger countries where the brand is present (France, Spain, UK and Italy). The performance of Activia has been affecting Danone's fresh dairy sales for a number of quarters even after a relaunch of the brand in Europe in 2016. Towards the end of that year, Danone acknowledged the relaunch of Activia had not gone entirely smoothly and spent part of 2017 making a series of further changes.

However, Oberhuber pointed to a negative in the shape of the 6.1% volume decline in Danone's EDP International business in 2017, mainly due to issues in Brazil, a market where a number of companies have struggled amid challenging economic conditions.

Over a shorter time frame, the sales from Danone's dairy and plant-based products in Europe (excluding Alpro, the key brand in the region acquired through the WhiteWave deal) remained negative in the fourth quarter. However, the company said "the sequential improvement has continued since the second quarter, with turnaround results coming at a different pace from one country to another"[3].

In Europe Danone also continued to expand its portfolio of "young and local-heritage" brands, including Light & Free in the UK and Les Deux Vaches in France.

Sales of Alpro rose nearly 10% in the fourth quarter, driven by what the company describes as "robust demand for nut-based beverages and plant-based

alternatives to yogurts". Alpro is the market leader in its top four countries: the UK, Germany, Belgium and The Netherlands, which together account for nearly 80% of its sales.

Danone said that, generally, plant-based food and beverages delivered a meaningful growth improvement in the fourth quarter, driven by a "steep rise" in its Silk nut-based beverages and continued strong growth of the Vega brand and So Delicious frozen desserts, three other products attained through the WhiteWave deal[3].

"The biggest issue that many investors have had with Danone over the last two years is the EUR11bn acquisition of WhiteWave," Wood said[4].

"WhiteWave averaged +11% LFL growth from 2011-2015 but growth fell in 2016 (+5%). This slowdown did nothing to convince doubters that WhiteWave had been a good deal, although Danone argued that it was partly due to, one, disruption in the business in H2 following a prolonged closing period and, two, a declining US market. Another issue for investors was that WhiteWave was combined with Danone's Fresh Dairy business to create 2 new business units: EDP Noram (broadly 50:50 Danone/WhiteWave) and EDP International (broadly 90:10). Nowadays, this makes it virtually impossible to track progress in WhiteWave"[4].

Thus, in this paper, the author presents, Danone taking a chance get a positive reaction from the market. The stock was up 1% on the morning of the announcement, sales accelerate in H2, underlying margins rise. More generally, a steady recovery in Danone's top-line growth, along with consistent margin growth and good free cash flow progress should drive strong EPS growth.

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## DIVERSIFICATION AS A BUSINESS STRATEGY IN THE CONTEXT OF GLOBALIZATION

The diversification strategy allows the business to assess the current state of existing directions and develop potential additional courses for more successful operations or more rational use of resources. The topic is actual, as the current market competition strategy diversifies business lines determines a more precise analysis of the market, allows one to identify and reduce the impact of risks and achieve a better way to meet the needs of consumers. Moreover, this diversification makes it possible to reduce the likelihood of a drop in demand in the context of economic difficulties or a change in the orientation of buyers in the industry. Therefore, the apparent advantage of this strategy is the increased stability of the enterprise. Nevertheless, diversification is a complicated process that requires a detailed assessment of the market environment, internal resources, and analysis of customer purchasing power and preferences. There are several types of diversification strategies: horizontal, vertical, concentric, conglomerate and international. Each of these ways of diversification requires a different approach but is designed to improve the profitability of the business. Moreover, the strategy is not a novelty of the companies' activity and has been applied by many representatives of different industries with different success. Undoubtedly, this approach to the operation is not universal for any enterprise and requires careful analysis and preparation for assessing the potential progress of the implementation. It should be noted that the article will also evaluate the expressions of the authors of the publication on the strategy of diversification. While diversification is a potentially fruitful way to improve profitability and strengthen the market position for the company, it is necessary to conduct detailed assessments of available resources and trends in the industry, and a critical analysis of existing enterprises determines the advantages and disadvantages of both the strategy and the subtlety of preparation for implementation.

A diversification strategy is a marketing tool that allows an enterprise to evaluate current operations and the success of introducing new lines of business. It is worth noting that the procedure is especially important in the face of fierce market competition, as it offers companies to expand or optimize the product or service, identify and assess potential risks and achieve higher profitability [1]. The



strategy can be a successful way to maximize the activities of an enterprise in the context of the economic crisis, as it gives the right to maintain efficiency, maintain demand and increase profits. It should be noted that although the strategy is evaluated as potentially successful, it requires precise and thorough planning of future actions, analysis of resources and market trends. Therefore, theoretically, the costs of research can be a financial problem if the study is negative and the introduction of the concept is rejected. In practice, such a strategy usually means expanding the range of goods and services, but in different ways. There are several types of diversification that many companies have followed.

- The strategy of horizontal diversification presupposes the output of products, which is linked by a single target audience, marketing plan, and method of implementation and advertising, but differs in composition, manufacturing method and price policy [2] . This method can be evaluated as the least risky, as the company is guided by the existing sales rates and customer needs. Expansion of products by adding new items does not mean danger. On the contrary, the assortment will become more extensive and will be able to satisfy more narrow groups of the population.
- Vertical diversification or integration takes place when the company decides to move up or down the production chain. It is the primary difference in principle with horizontal diversification, because in this case the company not only expands the existing assortment but goes to a different level of activity, often fundamentally changing the product or service. Moreover, vertical integration also means creating a business that operates in parallel to the main one and performs auxiliary functions
- Concentric diversification has much in common with vertical since it takes place under similar circumstances. The concept of the strategy provides for the creation of an additional product (often produced under a different brand) for more rational and complete use of available resources. The new product has similar features, such as production method, advertising, promotion and target group, but released as separate from the primary production [2] . To create a context, one needs to point to a specific example.
- All the types of diversification presented earlier have a similar feature - the company's products are linked by some criteria or principles. Nevertheless, there is a conglomerate diversification, which is unique in that it does not follow this aspect. Conglomerate diversification is a concept in which products or services are not connected by such features as production technology, marketing, advertising, target audience and others [2]

Moreover, in parallel created businesses operate autonomously, not having a relationship to each other and often not pursuing common goals.

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### IMPACT OF GLOBALIZATION PROCESSES ON INTERNATIONAL BUSINESS FUNCTIONING

Under the influence of globalization processes, the international business on the modern stage of development of the international economy has become an inclusive phenomenon of modern civilization.

Contemporary international business is an objective basis formation of the system of international management and system planned measures for the coordination of economic transactions firms, organizations of different countries, so studying trends and specifics modern international business are extremely important for the future specialists in international economic relations.

The prevalence of international business has increased significantly during the last part of the twentieth century, thanks to the liberalization of trade and investment and the development of technology.

The purpose of the report is to identify the main regularities of the operation of international business at the present stage in the context of globalization of the world economy.

What is international business? International business is commercial transactions between two or more countries.

International business is a collection of business operations related to the crossing of national borders and traffic of goods, services, capitals, employees; technological information and data transfer, as well as, management.

The specific benefits of international business are related to obtaining greater profit taking into account the following factors:

- 1) access to foreign labor markets (price, qualification);
- 2) access to deposits of minerals and raw materials;
- 3) the aspiration of new markets;
- 4) increase production volumes and reduce the cost of products (scale effect and experience curve);
- 5) reduction of currency risks.

The most common form of international business is the implementation of export-import operations, leasing, various intermediary, consulting and marketing services.

The main types of international business are licensing, contract management, creation and operation of joint ventures, etc.

Contemporary international business has the following features:

- a significant increase trade turnover under the influence of scientific and technological progress;
- internationalization deepening;
- the global nature of the international business is the most important feature: it covers the global system of information business exchanges, global financial market and global structure of technological innovations;
- deepening of the international division of labor;
- changing the structure of goods and services in world trade (increase of the specific weight of goods, reduction of raw materials);
- the occurrence of dependence of some subjects of international business from foreign partners;
- account in the business of a cultural factor, that is, a set of requirements and constraints that are superimposed on the culture of this country on those who are in (or with) the business;
- debugging under the influence of Scientific and Technological Process (STP) (profound technological connections between subjects of world business);
- acceleration of the objective process of international labor division - goods in international trade are the same intermediate products, not end products.

One of the main features of the modern development of the world farms are deploying processes of globalization, which perform significant influence on the system of international economic relations, transform directions and determine the trends of development of national economies.

Globalization is a "continuously functioning, steady process of integration markets, sovereign states and technologies that allows individuals, corporations and sovereign states function faster with minimal cost and set deeper contacts with partners around the world.

The growth of international business in recent decades has increased significantly. There are two main reasons for this phenomenon: strategic needs of companies which influence the process of globalization and the changes in the environment of international business.

Particularly significant impact on international business is shown by globalization, which manifests itself in changing the technological environment and political factors.

The present stage of development of the world economy is characterized by the comprehensive expansion and deepening of international economic relations in the production, trade, financial and investment spheres. Under the influence of processes of transnationalization, there is a qualitative transformation of the world economic structure with the transition to global accumulation and redistribution of resources.

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#### TRANSNATIONAL CORPORATIONS IN THE GLOBALIZATION

Transnationalization is one of the key places among the processes that are taking place in the global economy. It acts as an objective process, due to the international unit division of labor, and generates transnational forms of co-

operation. Transnationalization is a qualitatively new stage in the internationalization of economic life characterized by increasing the role of external factors in developing and creating of transnational capital.

The globalization processes of the last decades relate to the activities of transnational corporations (TNCs), that objectively act as a powerful force in the development of the world economy. The expansion of the TNC extends beyond the scope of the parent company's activities. Currently, the MNC is the driving force behind research activities. That is, because of its activities, the world's leading companies progressively develop the social life of humanity. The amount of TNC expenditures for innovation research activities as of 2014. amounted to 160 billion dollars The USA, which compared to 2004 - 106.4 billion dollars. increased 1.6 times. The research activity of TNCs is primarily aimed at profit making, but in this case, the paradigm does not always work: "The more you invest - the more we get." The need to find new ways and tools for financial management in innovation is one of the keys to success.

Strengthening the expansion of TNCs and globalization of the world economic space is a hallmark of the twenty-first century. in comparison with the development of the processes of the twentieth century. To date, TNCs have ceased to be just economic giants, which form a significant share of the world's GDP, it has gained more influence than most of the countries, and the results of their activities can change the world order in accordance with their own ambitions. The peculiarity of the modern stage of transnationalization is the high level of capitalization and wide coverage in the spatial dimension. It is this feature that researchers point out as one of the main distinguishes TNCs of the 1990s, when the main quality feature was the high level of management efficiency in the company compared with the state [2]. At the same time, the new source of foreign direct investment is increasingly TNCs with the participation of the state, which in the world there are 550, and more than 15 thousand foreign affiliates with foreign assets worth over \$ 2 trillion. In 2013, the volume of FDI of state-owned TNCs was more than \$ 160 billion. [12].

Despite a small share in the total number of TNCs (less than 1%), their share in global volumes of FDI is 11%. In the world there is a heterogeneous distribution both spatially and in terms of development of countries, in particular, 56.3% of these companies are based in developing countries and countries with economies in transition. The main motives for acquiring state assets of foreign assets were access to natural resources and strategic assets (technologies, intellectual property, trademarks) [1]. Despite the growth of the number of TNCs in the world, whose activities are aimed at socio-economic development of the countries, there is a significant difference in their role in different regions and

types of activities. The uneven distribution of FDI for the level of development of countries is illustrated by Table 1

*Table 1*

**FDI distribution according to the level of development of countries,  
2015-2017 (billion USD)**

FDI distribution according to the level of development of the country for 2015-2017 (billion dollars)					
Regions	FDI inflow			FDI export	
	2015	2016	2017	2015	2016
Developed countries	984	1032	1050	1185	990
Developing countries	752	646	740	297	341
Transition economies	38	68	75	73	54

The impact of TNCs on the world economy is dualistic. On the one hand, TNCs are a consequence (product) of international economic relations that are dynamically developing, and on the other hand, they are themselves a powerful mechanism for influencing them, forming new ones and modifying existing ones [3].

According to FORBES GLOBAL 2000, the main fields of activity of TNCs are, in 2016, banking (279 TNCs); Electricity (85 TNCs); real estate (83 TNKs); investment services (80 TNCs); oil and gas extraction (79 TNCs); chemical industry (59 TNCs); telecommunications (58 TNCs), construction services (50 TNCs), insurance (46 TNCs) and pharmaceuticals (45 TNCs) [4]. After analysing the world experience of the operation of TNCs, one can conclude that this form of business carries an unsustainable development and economically beneficial cooperation for the countries of the world. Despite the small share of the world market, TNCs form a significant part of world GDP with their activities. Also, the activities of TNCs in the markets of the countries creates several the above-mentioned advantages.

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## DEVELOPMENT OF ECOLOGICAL ECONOMY IN UKRAINE

Ecological economics is a growing transdisciplinary field that aims to improve and expand economic theory to integrate the earth's natural systems, human values and human health and well-being. In conventional economics, the primary goal is to increase goods and services produced by human industries, and the gross domestic product (GDP) is a national measure of the total value of goods and services produced annually. Conventional economics assumes that ever-increasing GDP is desirable, possible, and that everyone benefits.[1]

The USSR was one of the first regions of the former USSR, where the ecological economy began to develop in the 1960's. as a branch of knowledge. The main scientific schools formed in Sumy, Odessa, Kiev, Lviv, Voroshilovgrad (now Luhansk). Scientific developments made it possible to put into practice the principles of nature management. In 1988-89 in Sumy, for the first time in the country, an experiment was conducted on the implementation of payments for the use of natural resources and environmental pollution, after which the system was extended to other regions. Ukraine, the first of the post-Soviet countries, at the legislative level has approved the economic mechanism of nature use as a component of state environmental policy (Law of Ukraine "On Environmental Protection", 1991). Currently, economic mechanisms of nature use are regulated by more than one hundred legal acts of the national level. Ukraine is a leader in post-socialist countries with the development of appropriate methods of provision, it has a strong scientific and production potential for the development of the national economy based on the principles of the ecological economy. There are prerequisites for testing and implementation in the world markets of competitive

environmental products: monitoring of the system, treatment equipment, meters, resource-saving technologies, genetic engineering products, recreational services, organic agriculture, ecotourism, educational services, etc.

The criterion for the effectiveness of any production activity should be not the maximization of profit, but the maximization of the integral ecological-economic effect, which is depicted on the coordinate system. On the X axis the ecological effects are deposited, on the Y axis - economic effects. And you look, we can get profit at  $y_1, y_2, y_3, y_4, y_5$ . Suppose 100 million UAH. But, if for the firm the same, at which point these 100 million - in the first or fifth - are not the same for society. The businessman took his money and then he was not interested in anything. But if he got these 100 million at the point  $y_1$ , he pulled the state at a loss of 4 million. The state instead should pay for the restoration of benign conditions of the natural environment of 4 million UAH. The society and us with you are unevenly working as a territorial economic (production) system. Therefore, it is legally necessary to introduce such a method of production, when the estimates of production activity move from the point  $y_1$  to the optimal level - the OR vector, which adequately reflects the interests and nature of the economy and society. Discriminator NM is the line of division between the positive and negative integral ecological and economic effect.[2]

If we aim at achieving sustainable development, then the results of any production can not be lowered below this line. There are many new official documents that give us the basis for improving the ecological economy and for forming a new way of thinking. For those who are deeply interested in the problem, I recommend to read: Decree of the Presidium of the National Academy of Sciences of Ukraine "On the scientific principles of ecological economy" (08.10.2003); "Global Program of Action for Education for Sustainable Development" (UNESCO, 2013); Statement of the General Meeting of the NAS of Ukraine dated April 3, 2014 concerning the environmental consequences of Russian aggression; decisions of the United Nations Summit on Sustainable Development Goals by 2030 (September, 2015); "The Platform for Action" Education-2030 "is a UNESCO document, which states that" education is at the heart of the "Agenda for Sustainable Development to 2030" (November 5, 2015).

Particular attention should be paid to the Paris Agreement on Climate Change, which involves reducing greenhouse gas emissions. The agreement was adopted in December 2015 and comes into force from November 2016. It is gratifying that it was ratified by more than 50 countries of the world, including Ukraine, in less than a year, and it took 8 years to ratify the Kyoto Protocol. Ukraine must take advantage of this document and take very serious steps in order to obtain appropriate international assistance for the reconstruction of the



destroyed environment, in particular in the Donbass. The decision of the Collegium of the Ministry of Education and Science of Ukraine No. 10 / 5-4 dated November 27, 2015 "On Environmentalization of Higher Education of Ukraine with the aim of training specialists for sustainable development" provides for "to include an ecological component in the content of educational disciplines in all branches of knowledge, to conduct seminars, trainings and organize the functioning "Green" student places on the example of the leading universities of the world ".[2]

Your colleagues, students of the United States, in 1972, went out into mass streets, began to clean garbage and, at the same time, pressed on business and the government in order not to pollute the environment. Since then, the American authorities have done a lot to improve the environmental situation. I think that, in the example of American students in Lviv, we can seriously raise the question of organizing a student movement for raising the ecological culture of the citizens of our city. Such a movement could be a gain for all Ukrainian universities. Think about it.

The ecological economy can not be distinguished from ethics. Our duty is to properly prepare the public opinion for the perception of the methodological principles of the ecological economy and gradually awaken in the masses a sense of shared responsibility for the state of the natural environment, which is a key factor in the formation of a society of sustainable development.

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## THE INTERNATIONAL COMPETITIVENESS OF UKRAINIAN ENTERPRISES IN THE CONDITIONS OF TRANSNATIONALIZATION

In the conditions of globalization and the course of Ukraine's European integration, the possibility of realizing national interests is determined by the level of representation of the state in the international arena, which provides the appropriate potential of self-preservation and competitiveness of the country, as well as contributes to its socio-economic and political development.

In a market economy, Ukraine faced a challenge not only to the effective functioning of enterprises, but also to the maintenance of the market among other similar organizations and enterprises. An effective method of achieving success in such conditions may be the very formation of a positive image.

The competitiveness of the country is manifested in the ability to achieve high rates of economic growth, to ensure a steady increase in real wages, to promote competitive firms on the world market, and to provide a strong competitive economy represented by high-performance clusters that improve the quality of goods and services and ensure the creation of new jobs in the future. The ability to adapt to changes taking place in the world market is based on economic factors such as investment, innovation, production capacity, etc. However, their action must be combined with political and social factors, which also affect the functioning of the national economy in the world market[1].

According to experts, one of the globalization conditions for Ukraine's involvement in international economic activity is an increase in the level of openness of the national economy, and the process of optimizing the level of openness of the economies of the countries is associated with the definition of the position of countries in international ratings

The global level of competitiveness is an indicator of improved systemic provision of international competitive advantages and the result of the emerging ability to create successful competition in any country of the world, relying on international standards as the basis for the continuous improvement of the quality and competitiveness of manufactured products, management and labor organization. The value of productive resources in enhancing the competitive advantages of commodity producers and the country is determined not so much by their stocks, volumes, cost, availability, structure, quality and efficiency of use,

speed of creation, improvement and application to the needs of the national and world economy.

As resources of non-renewable natural resources are gradually decreasing, the role of resource-saving technologies in ensuring international competitiveness is increasing. Most industrialized countries are actively using resource-saving technologies that contrast with predominantly resource-intensive technologies in Ukraine. In recent years, there has been no active transition to resource-saving technologies. The growth of prices for productive resources did not become a catalyst for accelerating the implementation of resource-saving programs at enterprises. On the contrary, the lack of awareness of the managers of enterprises in this matter does not provide opportunities to change the technology of production.

The main problem of Ukraine remains the inefficient use of its resources and insufficient implementation of the possibilities for their preservation. Outdated technologies and equipment result in a decrease in the number of educated personnel who understand the specifics of production, which leads to the production of low quality products and, consequently, to reduce demand for it. Innovations that need to be introduced into production require funding. The problem is the rational allocation of received funds. In this direction, we must fight corruption and theft[2].

In 2014, 144 countries were rated on a seven-point scale. In compiling the rating, the experts took into account a significant number of factors, including currency and stock markets, the work of the state apparatus, infrastructure development, the judiciary, business activity and the crime situation.

The weight of economic indicators in the general rating is about 25%, the factors of technological development and innovations - 50%, factors connected with the quality of public and state institutions - the remaining 25%. Ukraine ranked 76th in this ranking. For a year, our state has risen to eight positions, having received 4.1 points. The best in the world - 5.7 points - has Switzerland, which took the first position in the ranking. It is based on Singapore, the USA, Finland, Germany, Japan, Hong Kong, the Netherlands, Sweden and the United Kingdom. China - 28th, Kazakhstan - 50th, Russian Federation - 53rd, Moldova - 82nd[3].

Thus, it can be argued that the level of competitiveness of Ukraine is at an acceptable level in comparison with some countries of the world, but since we are lagging behind the best indicators, one must pay attention to the key problems that hinder the transfer to higher places. Ukraine will look more competitive if the expert researchers see it in accordance with certain models, recognized by world experts and rated by the highest scores for all factors.

Ensuring the competitiveness of enterprises in the international market has become of great importance in our time, as the process of globalization is accelerating, and the dependence of the economies of the countries on the external market is intensifying ever more. Thus, the development of global competition requires the development of an economic strategy aimed at increasing the competitiveness of firms in the international market.

Certain Ukrainian enterprises in the international markets consistently withstand competition. Ukraine has the potential to produce competitive products. The task of state economic policy is to bring the bulk of enterprises to the market of world standards and mass consumers.

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#### CRYPTOCURRENCY ANALYSIS AND MARKET OVERVIEW

The goal of this research is to represent the comparative characteristics of the most popular cryptocurrencies.

The aims of this research are: to analyse the most popular cryptocurrencies, to find the criteria for their comparative characteristics

Modern world is full of technology and none of us can even imagine life without internet, phone, computers, credit cards etc. Thus any of our actions closely related with gadgets. In 21st century every man has made some financial operations by credit card, internet banking, or phone apps to meet personal needs. Money that we use is under the control of a central bank, which means that the government manages and issues money. Thereby, every man wants to be financially independent. That's why some people created something "magic", something that is independent of world financial system, and this is called "cryptocurrency".

When you think about cryptology, the first thing what you mention is bitcoin. But apart from bitcoin, there are more than a thousand different crypto foreigners. The popularity of the currency is estimated by the capacity of the market - the amount of money that has already been invested in cryptology. According to the CoinMarketCap website, the total market crippled market - \$ 334 billion [2].

In Table 1 it can be seen that bitcoins occupy 44% of the total market value. But recently, investors, for whom bitcoins are too expensive, prefer other cryptic crypto currencies.

Table 1

**Comparative characteristics of the most popular currencies**

Criteria for comparison \ Name cryptocurrency	Bitcoin BTC	Ethereum ETH	Ripple XRP	Litecoin LTC
% Of total market cryptocurrency	44%	16%	7%	3%
Number of currencies	more than 16 million units	more than 98 million units	more than 39 billion units	more than 55 million units
Cost at the time of writing the article	\$8 704,25	\$537,63	\$0,658148	\$164,47

In 2013, the founder of the magazine Bitcoin Magazine - Vitalik Buterin proposed to complicate the bitcoin system. That's how Ethereum appeared. Funds for implementing the project were collected through crowdfunding - where everyone could invest in the project. Ethereum started in 2015. The new cryptographic currency is often referred to as Bitcoins version 2.0.

The main difference between the ether and the bitcoins is that this crypto currency operates on the principle of "reasonable contracts".

Similar contracts are designed to completely exclude the human factor and intermediaries. The intelligent contract is concluded between the two signatories. The signature is a numeric key. Blockchain itself works as a guarantor – if the contract conditions are met, both parties receive their purchases.

For example, smart contracts and broadcast will be able to take on the responsibilities of bookmakers. You have been arguing with one of the fighters - boxer Floyd Mayweather or MMA fighter Conor MacGregor, wins the match. You specify the terms of the agreement in the smart contract, the rates are written and stored in the blockchain. When the match ends, the system checks the results and transfers the winner to the winner.

And although in bitcoins there is a primitive form, that is in the ether system that the proper use of "intelligent contracts" began.

Most cryptographic currencies are derivatives from bitcoins: the code is taken from bitcoin, improved or slightly changed and on the basis of created a new cryptographic currency. But not in the case of Ripple - its code is written from scratch, under the order of various venture funds.

Initially, the idea of such a payment system was invented in 2004 by Ryan Fugger. Then a closed system was created for a small company. The system was launched for the first time in 2012.

The main function of Ripple is to increase the speed of transactions between banking operations. Ripple also allows you to save on transactions. The calculator on the official website Ripple shows: if the bank's turnover is \$ 5 million, then you can save \$ 3.5 per transaction. And this is an economy of \$ 3.5 million annually.

Ripple technology is already used by big banks: Bank of America, HSBC, and Western Union "experiments" with Ripple protocols.

Another difference from Bitcoins - the Crypto Currency Ripple can not be used in the usual sense of the word. This is a centralized system where all the digital money is owned by the same company Ripple Lab. Currently, there are about 38 billion cryptographic units, and the founders of the system are going to continue to issue up to 100 billion units.

But this does not mean that the company is simply distributing the cryptic currency.

If you do not like the fact that when extracting bitcoins and ether, computers should spend computing power on fictitious tasks that are of no use, then with Ripple, the company "leases" the power of your computer to handle huge amounts of scientific data.

For the processing of a small piece of information, the user receives a reward in the form of currency Ripple.

There are many types of cripples, but one of them is an investment leader and is called Bitkoy. Bitcoin is the first decentralized digital currency and the most famous among other digital money. Bitcoin is a new electronic cash system based on scientific logic. This logic comes from the mathematical bases and the protocol on which the bitcoin is built. The bidders do not want the blank doors to be built into the protocol, or to allow banks or governments to get any access to their money - this is the entire point of the bitcoin.

Conclusion. Bitcoins and other types of crypto currencies are the future for new investors, for creating a new business, for the future, independent of the influence of other people on it, but it is very dangerous if it is not used correctly. The Bitcoin platform has increased dramatically, but the price of a crypto confusion is very unstable. However, it has many opportunities and threats to people and / or the state. In my opinion, we must more research the cryptography to have a great deal of knowledge that can help us in the future.

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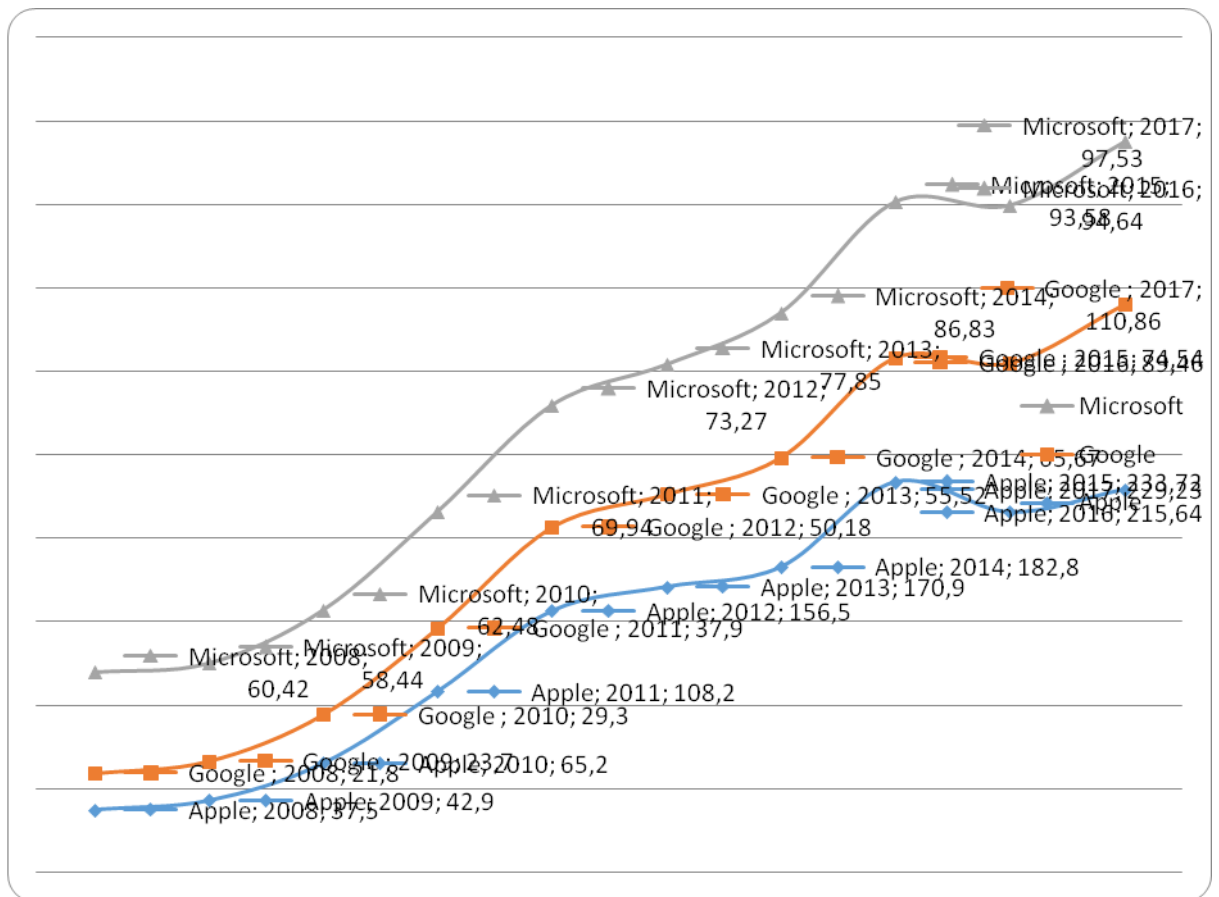
## THE FOURTH TECHNOLOGICAL REVOLUTION AND ITS EFFECT ON GLOBAL ECONOMY

History of humanity is indissolubly connected with technological revolutions, each of them has changed the world dramatically, destroying whole industries but replacing them with something much bigger. Nowadays we are about to witness the “Fourth technological revolution” and a lot of researchers claim that it will go in a new, before unknown way.

There are already some factors indicating that this technological breakthrough is absolutely different from what we have seen before. The first of such indicators is its speed which has no historical precedent. We can see that tendency from the graph №1 which shows the change in the revenue of the most powerful internet companies.

Table 1

**Revenue comparison of Apple, Google and Microsoft in billion U.S. dollars**



Here we see that during 10 years these companies managed to augment their profits at nearly 500 %. It is also notable that activities of the said companies cover all sectors of economy and nearly all the countries in the world. For example Google was established in 2004 as a search engine, but now it has developed into a variety of spheres from self-driving cars and smart houses (Alphabet Nest) to medical researches aimed on gaining immortality (Alphabet Calico).

Like the revolutions that preceded it, the Fourth Industrial Revolution has the potential to raise global income levels and improve the quality of life for populations around the world. However these ambitious projects may cause a lot of troubles due to their innovative nature.



Traditional question asked about any business innovation is its affection on the global labor market. Traditionally a technological progress destroys the whole spheres of industry which results in a wave of dismissals. Though the newly created industries provide a net increase in safe and rewarding jobs. But this tendency might soon be changed. For example the WPP (one of the biggest advertising companies) earned 100 thousand \$ of profit per 1 in 2016. In the same year Facebook managed to show the 1 million \$ profit per 1 employee working in advertising. If such technologies will spread worldwide about 90% of advertisers may lose their job. With the other jobs losses may be even heavier. For instance introduction of the self-driving car technology might lead to the extinction of such a job as a trucker therefore putting about 28 millions of Americans on the dole.

A problem that never existed before is the tax issue. Due to some specific features of their operational process of the internet companies their activities can't be linked to a specific place. For example Facebook earns approximately 40 billion each year by gathering and depositing information all around the world, that means technically it has to pay taxes all around the world, which is practically impossible. Another changes are expected in the economical system itself. Forming new patterns of consumer behavior, growing transparency of the markets, facilitating the production and distribution. All these and many other changes will completely change the today's image of the market and certainly will provide new possibilities for the ones who will be the fastest to adapt to new conditions.

In conclusion we can say that the fourth technological revolution will be a challenge both to the governments and practitioners. But the ones fast enough to adapt to a new environment will receive enormous benefits.

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## DEVELOPMENT OF START-UPS IN UKRAINE AND IN THE WORLD

**The goal of this research** is to show the development of start-ups in Ukraine and in the world as well.

**The aims of this research are:** to observe the evolution of start-ups in Ukraine and in the world; to demonstrate their advantages and disadvantages.

This topic deals with the advantages and disadvantages of opening and running a business in Ukraine. Today, you can observe a rapid increase in new companies, which are often called start-ups. The modern economy, the transition from the industrial revolution to information, has given the chance to show itself to the whole world even to the smallest companies that have an interesting idea and concept. A start-up company is an entrepreneurial venture which is typically a newly emerged business that aims to meet a marketplace need by developing a viable business model around the product or service. The author of the book "Lean Startup" Eric Rees notes that a startup can be called an organization that creates a new product or service in a highly uncertain environment [3]. The creator of the methodology of customer development American entrepreneur Stephen Blank identified start-ups as temporary structures existing to search for a reproducible and scalable business model [1].

The term was first used in Forbes magazine in August 1976 and Business Week in September 1977. The rapid growth of new technology companies against the backdrop of the decline of traditional business was due to a number of factors: a reduction in the threshold for entry of new companies into the market, free access to information that ensured the development of the global network, and a change in the consumption pattern in the years after World War II. For example, the low cost of launching an Internet start-up and the ability to quickly deploy an Internet service based on a cloud infra-structure made this area one of the most competitive. Globalization created conditions for easy entry of companies into foreign markets, and companies such as Google or Amazon provided consumers with unhindered access to information about goods and services.

The newest time has given the prosperity and popularity of the startup industry to be supported by the media, investors, special accelerators and state programs. In the 20th and 21st centuries, a number of ecosystems were formed for the rapid and comfortable development of such companies. Despite this, many

enterprises can also fail and cease to operate altogether, an outcome that is very likely for startups, given that they are developing innovations which may not function as expected and for which there may not be market demand. To prevent the closure of young companies around the world, ecosystems have been created for start-ups. These zones help businesses grow, learn the basics of doing business and survive. For example, Silicon Valley is a region in the southern San Francisco Bay Area of Northern California, which serves as the global center for high technology, venture capital, innovation, and social media.

The Table 1 shows a list of the largest ecosystems:

Table 1

<b>Ecosystem</b>	<b>Estimated cost of ecosystem, billion</b>	<b>Number of active startups</b>	<b>Financing start-ups</b>
<b>Silicon Valley</b>	264	13000-16000	762
<b>New York</b>	71	6300-7800	568
<b>London</b>	44	4300-5900	451
<b>Beijing</b>	131	4800-7200	682
<b>Boston</b>	30	2900-3900	495
<b>Tel Aviv</b>	22	2200-2700	509
<b>Berlin</b>	31	1800-2400	483
<b>Shanghai</b>	42	1800-2700	255
<b>Los Angeles</b>	30	3700-4600	450
<b>Seattle</b>	13	2000-2600	332

Unfortunately, in Ukraine conditions for start-ups are not created and accordingly there are no ecosystems. Although there are a lot of projects founded by our fellow citizens, but most of them are registered abroad. This trend is due to many factors: the lack of an ecosystem for startups, if many countries in Europe, the Americas create comfortable conditions for young companies, certain development areas. Inadequate legislation and requirements for newly established enterprises, business complexity, taxation system (for example, in the state of Delaware, the company pays a tax of \$ 300 per year, and the annual turnover does not exceed 1 million).

**Conclusion.** The startup policy of the United States and Ukraine is incredibly different, the main factor is that in the foreign market the new company has the opportunity to operate freely, without excessive bureaucracy, without government interference, while the company is small and growing. It is unlikely that Ukraine will be able to catch up and redeem lost information startups, but the world is constantly in need of change, solving new problems. For sure, Ukraine

needs drastic changes in the entire judicial, political, social and legislative system. Also, pedagogy and culture play a great role in the development of the economic environment. Only our attitude towards our company, our clients and ourselves will be able to change our country.

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### SECTION 3

#### LAW AS THE BASIS FOR THE FORMATION OF THE LEGAL CULTURE

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#### CHINA'S NEW ENVIRONMENTAL LAW: POLICY CHALLENGES

In 2015 a new environmental protection law (EPL) took effect in China. It is the nation's first attempt to harmonize economic and social development with environmental protection.

The EPL is perceived as the most progressive and stringent law in the history of environmental protection in China. It details harsher penalties for environmental offences – for example, for acts of tampering and falsifying data, discharging pollutants covertly and evading supervision. It contains provisions for tackling pollution, raising public awareness and protecting whistle-blowers. It places more responsibility and accountability on local governments and law-enforcement agencies and sets higher standards for enterprises.

However, it may face some challenges [4]. First, the power of the new law is limited. The EPL can be trumped by other legislation such as the specific agriculture, forestry, grassland and water laws, which are aimed at protecting these

resources. Consequently, the departments responsible for managing these natural resources could challenge EPL provisions.

Many countries have enacted basic environmental-protection legislation to avoid this situation. For example, in 1969, the United States formulated the National Environmental Policy Act, which placed legal obligations and liabilities for environmental protection on all federal agencies [3]. In 1993 Japan replaced its Basic Law for Environmental Pollution and its Natural Environment Preservation Law with a comprehensive Basic Environment Law [5].

Second, enforcement of the EPL will be hampered by the fragmented and overlapping structure of environmental governance in China. At present the environment and natural resources are overseen by several agencies, including the Ministry of Environmental Protection, the ministries of water resources, land and resources, and agriculture, the State Oceanic Administration and the State Forestry Administration [2]. China's carbon-tax and emissions-trading systems, overseen by the National Development and Reform Commission, are not included in the law.

Other countries practise independent and unified environmental supervision. In the United States, the Council on Environmental Quality, which reports to the president, coordinates federal agencies and implements environmental policies at the federal, state and local government level. Meanwhile, the Environmental Protection Agency is responsible for overall environmental governance representing the federal government and working through independent law enforcement [5]. Italy's Ministry of the Environment, Land and Sea takes overall responsibility for protecting the country's land, ocean, rivers, wetlands and forests. Other examples include Germany's Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, and Brazil's Ministry of the Environment.

Third, despite increasingly damaging pollution in China, the new EPL fails to acknowledge citizens' basic right to an environment fit for life. So far, 149 developed and developing countries, including Russia, South Korea and the Philippines, have acknowledged in their constitutions a substantial right to environmental quality [1]. Although China's new law clearly gives citizens, civic groups and non-governmental organizations (NGOs) the right to obtain environmental information and participate in environmental governance, these parties (with the exception of NGOs that fulfil certain criteria) are not allowed to bring lawsuits against the government if there are, for example, serious lapses in air or water quality. A public environmental litigation system is needed to provide cost-effective redress for those affected.

Fourth, enforcement and implementation of the law may be foiled by a lack of capacity and by conflicts of interest. Environmental governance in China is

mainly exercised locally by environmental protection bureaus. The environment ministry primarily provides guidance to these bodies, but does not have sufficient authority over them. Local governments (which are often more interested in economic growth) keep a firm grip on the staffing and financing of the environmental protection bureaus and hence on their decision-making [2]. This means that, in effect, the protection bureaus do not have the power to impose severe penalties on companies or individuals in breach of environmental statute, nor do the bureaus face legal or other consequences of failure to do so.

In October 2014 the Central Committee of the Communist Party of China decided to establish a recording, communication and accountability system. This is intended to limit judicial intervention by government officials, and to integrate promoting the rule of law into the remit of officials at all levels. The system could restrain officials, and indeed the party itself, from advising judges on how to decide on court cases, including those pertaining to the EPL.

Fundamentally, as Alex Wang, an environmental law specialist at the University of California, Los Angeles, has written, environmental protection in China needs to be raised to “a level of priority previously reserved only for the most important party-state mandates, such as economic growth, social stability, and the one-child policy” [6].

Effective environmental governance needed a new law. Now it requires robust implementation mechanisms, accountability regimes and institutional arrangements.

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## THE IMPORTANCE OF PROFESSIONAL ETHICS FOR MODERN SPECIALISTS IN THE FIELD OF LAW

If lawyers like most people, are generally rational then over time we would expect to see them engaging in professional activities.

Legal ethics plays an important part in ensuring that the conduct of lawyers meets the requirement of a fit and proper person and protects the public from unprofessional and unethical lawyers. Legal ethics should also play a significant role in guiding the lawyer to avoid the pitfalls or possible reasons (as listed above) for not being a fit and proper person. If legal ethics plays a role in helping a person to be fit and proper, what role does a moral compass have? In order to explore the relation between legal ethics and the moral compass, we need to explore what each is [ 1 ].

A moral compass, in relation to legal ethics, is also necessary in that it signifies certain qualities or traits of character which will not only keep a lawyer or a law student fit and proper for the mere sake of being fit and proper, but also for the sake of helping him to pursue his dreams or goals – whether of being a selfless servant of the public, an advocate, a revered Constitutional Court judge, a Member of Parliament, an academic or a lecturer.

Legal ethics is a term used to describe a code of conduct governing proper professional behavior, which establishes the nature of obligations owed to individuals and to society. In order to maintain a license to practice law, attorneys agree to uphold the Rules of Professional Conduct, adopted by the American Bar Association (ABA) in 1983. The ABA's rules have been adopted by the bar associations of all U.S. states except California, which has a similar code but with a different format (see California Rules of Professional Conduct for details) [ 2 ].

If your attorney has violated any of these rules, or you have reason to believe your attorney has not acted in a professional manner, you should consider filing a complaint with the corresponding state bar association. For more serious violations, particularly when poor counsel results in an unfavorable outcome for your case, you might consider filing a legal malpractice lawsuit.

### **Terms to know**

- **Commingling:** Act of mingling funds of one's beneficiary, client, employer, or ward with his or her own funds; generally considered a breach of the attorney's fiduciary responsibility.

- **Fiduciary:** One often in a position of authority who obligates himself to act on behalf of another (as in managing money or property) and assumes a duty to act in good faith and with care, candor, and loyalty in fulfilling the obligation.

- **Confidentiality:** The relation between lawyer and client which guarantees any information shared by the client is treated as private and as such cannot be divulged to third parties without the client's consent.

### **Common Violations of Legal Ethics**

The ABA's Rules of Professional Conduct are numerous, some less obvious than others. In fact, lawyers often violate some of these rules on accident (such as commingling funds). The following are some of the more common legal ethics breaches:

- **Neglect and Lack of Communication:** Attorneys must respond to and remain in reasonable contact with their clients, keeping them properly informed and fully explaining matters that are crucial to their respective cases.

- **Commingling:** Attorneys must keep their clients' trust accounts separate from their personal or other accounts. Violations of this sort usually are due to negligence or mismanagement.

- **Solicitation:** Attorneys may not be misleading, fraudulent, or deceptive in their advertising (for instance, lawyers may not use statistics or client testimonials, and must refrain from guaranteeing specific outcomes for cases).

- **Malpractice:** Although these claims are very difficult to prove, lawyers may be sued if no reasonable attorney would have made the same errors (and those errors caused injury).

Legal ethics is importance

- Ethics in any profession are *crucial*, and it is perhaps *more pressing* in the legal profession where lawyers especially are *viewed with suspicion*. Thus an enforced code of conduct is vital in ensuring the credibility of the practitioners and legal system as a whole.

- Often lawyers and other legal practitioners are faced with *conflicting interests* from the clients they *represent*, *society* at large and *personal interests*. Legal ethics are therefore important in helping the lawyer to navigate the delicate balance of these interests and work to promote the greatest good.

- Ethics also serve to safeguard the interests of the client *being represented* and *ensure* they receive service without discrimination [ 1 ].



- Legal ethics refers to the code of conduct regulating and instructing behavior of persons within the legal profession. This definition covers not only the nature of the interaction of the lawyer with the client, but is recognized to include the duty owed to the wider population.
- The duties and obligations also extend to legal educators who are charged with the mandate of offering legal education to the public without discrimination, paralegals and private investigators.

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#### TERRORISM AS A HUMAN RIGHTS THREAT: THE GLOBAL PEACE INDEX

Terrorist acts threaten human rights. It is difficult to imagine that human rights can be observed when the life of a person is clearly under the sight, which directly or indirectly leads to injuries, illness, suffering, destruction and death. In times of massive terrorist attacks that continue in the world continuously for several years, every human right is adversely affected.

That's why most countries of the world have been focusing their efforts to protect themselves from the terrorist threat. So saving human life and health, providing a civilized way of existence is one of the most important tasks of any modern state.

V.P. Yemelyanov gives a very meaningful definition of terrorism: terrorism is publicly-occurring dangerous acts or threats aimed at intimidating the population or social groups for direct or indirect action to approve or reject any decision in the interests of terrorists [1, c.133]. We agree with this definition and want to add, that

the result of terrorism is the mass deaths of people, the violation of the diplomatic activities of countries and increasing contradictions in the social and economic sphere.

The basic right violated during terrorist acts is the right to life. The right to life is a fundamental human right that ensures us natural existence in the world, the right to realize the opportunities that we have as a result of belonging to the human species, the right to inviolability, provided by national and international law.

The statistics of recent years about terrorism activity in the world are shocking. The geography of terrorism is rapidly expanding: in 2016 95 countries suffered terrorist attacks, while in 2017 - 106.

According to the results of the Institute of Economics and Peace Research in 2017, only 41 countries of the world were not affected by this phenomenon in their social and economic life, including: Vietnam, Cuba, Lithuania, Latvia, Mongolia, Norway, North Korea, Romania, Slovenia, Singapore, Namibia, etc [2].

The number of victims of terror is increasing. If in 2000, 3329 people were killed in terrorist attacks, then in 2017 this number increased to 25673 people [2]. Therefore, countries should try to solve this problem.

While the intensity of terrorism in many countries has decreased, terrorism continues to spread to more countries. In 2016, deaths resulting from terrorism decreased by 13 percent to 25,673. However, overall the index deteriorated because the countries that deteriorated did so by a much larger degree than those that improved. Ukraine ranks 83 place According to the results of the Global Terrorism Index.

An analysis of the current world situation gave an occasion for creating the concept of a positive world. The Global Peace Index (GPI), produced annually by IEP, ranks 163 independent states and territories according to their level of peacefulness and stands as the world's leading measure of global peacefulness. The GPI is composed of 23 qualitative and quantitative indicators from highly respected sources, covering 99.7 per cent of the world's population. The index gauges global peace using three broad themes: the level of safety and security in society; the extent of domestic or international conflict; and the degree of militarization [3].

Human beings encounter conflict regularly – whether at home, at work, among friends, or on a more systemic level between ethnic, religious or political groups. But the majority of these conflicts do not result in violence. Conflict provides the opportunity to negotiate or renegotiate to improve mutual outcomes, and as such can be constructive, providing it is nonviolent. This report describes how Positive Peace can reinforce and build the attitudes, institutions and structures that either pre-empt conflict or help societies channel disagreements productively.

Thus, the Positive Peace framework draws out the aspects of societies that prevent these breakdowns, based on their statistical association with the absence of violence [3].

Measure for determining the index of positive peace:

1. **Well-Functioning Government.** A well-functioning government delivers highquality public and civil services, engenders trust and participation, demonstrates political stability, and upholds the rule of law.

2. **Sound Business Environment.** The strength of economic conditions as well as the formal institutions that support the operation of the private sector and determine the soundness of the business environment.

3. **Equitable Distribution of Resources** Peaceful countries tend to ensure equity in access to resources such as education and health, as well as, although to a lesser extent, equity in income distribution.

4. **Acceptance of the Rights of Others.** Formal laws guaranteeing basic human rights and freedoms and the informal social and cultural norms that relate to behaviours of citizens serve as proxies for the level of tolerance between different ethnic, linguistic, religious, and socio-economic groups within the country.

5. **Good Relations with Neighbours.** Peaceful relations with other countries are as important as good relations between groups within a country. Countries with positive external relations are more peaceful and tend to be more politically stable, have better functioning governments, are regionally integrated and have lower levels of organised internal conflict.

6. **Free Flow of Information.** Free and independent media disseminates information in a way that leads to greater openness and helps individuals and civil society work together.

7. **Low levels of Corruption.** In societies with high corruption, resources are inefficiently allocated, often leading to a lack of funding for essential services. Low corruption can enhance confidence and trust in institutions.

Positive Peace can be described as the attitudes, institutions and structures that create and sustain peaceful societies. IEP does not specifically describe them, as these will very much be dependent on cultural norms and specific situations. What is appropriate in one country may not be appropriate in another [3].

The concept of Positive Peace includes state of human protection. Although there is no direct reference to this criterion, I believe that it is impossible to create a Positive Peace in the face of a massive threat of terrorism.

IEP has created a list of countries with the highest index of positive peace. According to it, the first place ranks Sweden and Switzerland, Finland, Norway. Ukraine ranks 83 place. We compared this data with the statistics of countries that

have not been subjected to terrorism during their last year and realized that most of the countries with a positive global index did not really feel any terrorist attacks.

All this information testifies that violence and conflict continue to thwart efforts to meet humanitarian goals and tackle major challenges such as climate change or poverty reduction.

We need to remember that state of human protection depends on us. And that the world is still full of weapons, probably forgetting that no one war had no winners.

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#### UKRAINIAN LAW ENFORCEMENT AGENCIES AS THE SUBJECT OF CYBERCRIME COUNTERACTION

The sphere of using computer instruments develops sweepingly in our national law enforcement agencies, but unfortunately, the massive amount of our achievements is not used in counteraction with crime. That means that law enforcement agencies, particularly operational arms of National police in some tactical situations don't have opportunities for solving their actual problems. We should also notice that there is not enough attention to methods of operative-research activity. There is a necessity of engaging National police employees to take part in scientific events that concern preparing specialists to combat with crime. To my personal opinion, modern informational technologies are not only

supposed to be used in well-timed and qualified crime detection, but must be used certainly. We live in a developing country, and such an important aspect as detecting of crime plays a solid role, and it mustn't stay aside. World's governmental institutions make specialized units for analyzing and collecting computer technics and its amount increases all time. This function is also done by countless number of special laboratories for forensic examination. The experience of many countries shows us that computer crime are supposed to be detected only by qualified law enforcement agencies employees that have appropriate skills and who were trained corresponding to the standards [1].

In our modern world, as well as in Ukraine, internet keeps developing readily. And during the last five years the amount of regular internet users increased thrice, in numbers it is about 20 million of people in Ukraine and 5,5 billion of users in the whole world.

Statistics shows us that our country is one of the leaders in the list of the most cyber attacked countries in the world. We occupy the "honorable" fourth place after Russia, Taiwan and Germany.

Concerning the National police system, the main problems of forming departmental cyber infrastructure are:

- 1 The absence of clear strategy of origination and developing specialized units that would struggle against cybercrime
- 2 The absence of appropriate representation experts on scientific events
- 3 The absence of the training and retraining personnel centers against cybercrime [2].

### **USA Informational Technologies**

According to the general politics, functioning infrastructural base and the practice of governmental administration of USA there was created a system of governmental arms that implements activity in the sphere of informational safety. There had been created new special agencies and widened authorities and goals. One of the main presidential administration subdivision that was created especially for solving problems that concern informational safety is Committee on *National Security Systems*, CNSS).

Also in the system of executive power there were established new separated federal agencies, whose main priorities are solving problems concerning governmental and informational safety:

1. Department of Homeland Security, *DHS* (Established according to the act of internal safety from 25<sup>th</sup> of November 2002);
2. Office of Homeland Security (Established by presidential decree №13228 from 8th of October 2001);
3. Homeland Security Council (Established by decree №13228.

The United States of America is one of the most distinguished countries in the sphere of Informational safety. Talking about finances that are put into this, we found out that in 2003 administration submitted a request on developing informational technologies in total about 25 billion of dollars [3].

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#### OBLIGATION IN CIVIL LAW

The urgency of the research topic is that the necessity of studying civil law is especially important in our time when the market system takes place in a country, a new legal basis is created and the necessity of corresponding knowledge becomes of special significance.

Civil law obligations form a separate important institution of civil law. They are devoted to the book of the fifth Civil Code of Ukraine, entitled "The right of obligation", as well as other codified acts, current laws and regulations. The norms of the law institute right of obligation regulate the relations of property turnover in a society that arise between entities in the transfer of property, the provision of services, the performance of works, damage, the unjustified acquisition of property, etc., i.e. when the transfer of material and other goods from one person to another. Civil law relations governed by the rules of right of obligation called

obligatory legal relationship. From the foregoing it can be concluded that the obligatory legal relationship is a separate specie of civil legal relations.

Analyzing foreign law, we came to the conclusion that there is no single approach of this institute. In the Roman-Germanic legal system, right of obligation is one of the fundamental institutes that can not be said about Anglo-American law, in which there is no concept of "the right of obligation," but there are only two independent institutes: "law of contracts" and "law of torts".

Even there is no single definition of the term "obligation". The French Civil Code does not define the concept of "obligation" by the French legal doctrine, the definition of an obligation was derived from the Art. 1101 of the French Civil Code, which defines notion of contract. Obligation shall be a legal relation where one party (a debtor) shall be obliged to perform an action to the benefit of the other party (a creditor) or to abstain from a certain action.

In the continental legal system, the obligation is considered as the duty of the person (debtor) to give something to another person (the creditor), to commit or refrain from committing certain actions in the interests of the latter. It may arise directly on the basis of the law (for example, the obligation to alimony in family law), on the basis of a contract and even in some cases from unilateral acts of a person. The obligation also arises from delict and a quasi-delict, when the person is obliged to compensate for the damage caused by it or objects for which it corresponds [2]. In accordance with the provisions of the German Civil Code, an obligation is a legal relationship in which the creditor has the right to demand from the debtor execution of actions that fulfill the obligation, or refrain from carrying out a particular action. In the German legal literature, the obligations are also considered in the broad sense, mainly as bilateral, relative legal relationships, which are usually of a long-standing nature and consist of the duty of execution (the debtor) and the possibility of applying compulsion to perform (the creditor) certain actions. In any case, according to the German doctrine, the basis of the legal relationship is the "arrears" (taken over by the debtor) services, that is, that he is obliged to perform, and therefore should endure increased attention from him by the creditor; they are directly subject to the obligation to indemnify.

The norms of the institute of the right of obligation compared with the norms of the institute of the law of property, which mediate the statics of property relations, regulate relations with regard to the dynamics of property in society.

Thus, the obligation to be a right in the dynamics naturally reflects on all the latest trends in business turnover. The evolution of obligations moves by creating lighter forms for their circulation.

The result of scientific analysis in order to streamline the whole set of relevant norms and obligatory legal relationships that are in civil law is the establishment of a obligations system.

Right of obligation system consists of two divisions:

- general provisions on obligation;
- certain types of obligations.

The general part contains norms relating to all obligations. The special part is divided into two sub-divisions: contractual obligations and non-contractual obligations.

Art. 509. An obligation shall be a legal relation where one party (a debtor) shall be obliged to perform an action (to transfer property, to do a job, to render service, to pay money etc.) to the benefit of the other party (a creditor) or to abstain from a certain action (negative obligation), while the creditor shall have the right to claim from the debtor to fulfill his obligation. Obligations shall emerge from the grounds specified in Article 11 of this Code. Obligations must be based on the principles of good faith, sense and justice [1].

The disadvantage of the proposed definition of a commitment is that one party to the obligation (the creditor) has rights, and the other (the debtor) is a duty. Such obligations with the simplest legal relationship are rarely encountered in practice (for example, in a lending agreement, in a gift agreement, lifetime maintenance, and also in compensation obligations). The most common occurrence is the interrelation of the parties' obligations with rights and obligations. An example can be a sales contract where the seller must give the buyer a certain thing and thus in the same respect he acts as a debtor. He has the right, in the form of a claim against the buyer, to pay the purchase price, and in the same respect he is the creditor. In turn, the buyer is also a creditor.

The obligation has the same elements as civil relations:

- subjects;
- objects;
- content.

The subjects of the obligation can be both physical and legal persons, which the legislator calls the creditor - the authorized party and the debtor - the party obliged. It is precisely as subjects of binding relationship, these denominations express their particular legal position. But it should be said that parties who are not parties can take part in the obligation. According to the current civil law, they are called third parties.

The legal object of the obligation is certain actions of the debtor, that is, obligated person. They can be both active (committing or executing certain



actions) and passive ones (refraining from certain actions). Also, sometimes the object of an obligation is determined by money, services, things, but it should be said that they are only a material object of the obligation. There is both a legal object and a material object in the obligation.

The content of the obligation is a set of rights and obligations of its subjects. Where the right is in the form of a claim, and the duty is in the form of a debt. However, as noted in the literature, the content of the obligation is not always limited to the right to demand the commission of exclusively actions of property character (or refrain from committing such actions). The lender also has the right to demand the commission and actions of a non-property nature.

According O.S. Joffe has a prominent place among the elements of the obligation is a sanction - coercive measures applied in the event of violation of the obligation or non-fulfillment by the debtor of the obligation of good will, the creditor is entitled to enforce enforcement. To a certain extent, civil claim is an important form of sanction in its broad interpretation.

Consequently, the obligations and legal relations have as general features that are inherent in all legal relations, as well as special features, on the basis of which they can be regarded as a separate form of civil-law relations. Obligatory legal relations have their own structure and features.

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#### THE CONVENTION ON THE CHILDREN'S RIGHTS AS A BASIC DOCUMENT FOR THEIR PROTECTION

Human rights apply to all age groups; children have the same general human rights as adults. In 1989, however, world leaders decided that children needed a special convention just for them because people under 18 years old often need special care and protection that adults do not. The leaders also wanted to make sure

that the world recognized that children have human rights too. The Convention on the Rights of the Child (CRC) is the first legally binding international instrument to incorporate the full range of human rights—including civil, cultural, economic, political and social rights. The Convention articulated, for the first time, that children also possess innate rights, equal to those of adults: rights to health, to education, to protection and to equal opportunity.

The Convention on the Rights of the Child is the first legally binding text that protects the rights of children. That means that it establishes an obligatory force to the body of all the rights it stipulates. That implies that the States that ratified the Convention are obligated to respect and to ensure that all rights it establishes in the name of children are respected. This Convention represents the most comprehensive international text that exists in terms of children's rights protection. Even though other international instruments, such as the International Pacts and the international adoption Convention guarantee children's rights, the Convention is the only text to address all aspects of children's rights [2].

The Convention comprises 54 articles that establish the body of all children's civil and political rights, as well as their economic, social and cultural rights. It also advocates the protection and promotion of the rights of special needs children, of minority children and of refugee children.

This Convention establishes 4 principles that must govern the implementation of all the rights it advocates:

- Non-discrimination
- Best interest of the child
- Right to life, survival and development
- Respect for the views of the child.

The Convention was completed in 2000 with two Protocols and in 2011 with a third one:

The optional Protocol regarding the involvement of children in armed conflicts.

The optional Protocol regarding the sale of children, children prostitution and children pornography.

The optional Protocol regarding the complaints procedure before the Committee on the Rights of the Child.

The Convention advocates, in part II, that its implementation be monitored by a committee of experts. It is the Committee on the Rights of the Child which oversees that all participating States respect the Convention as well as the two additional Protocols [1].

The Convention on the Rights of the Child sets out the rights that must be realized for children to develop their full potential, free from hunger and want,

neglect and abuse. It reflects a new vision of the child. Children are neither the property of their parents nor are they helpless objects of charity. They are human beings and are the subject of their own rights. The Convention offers a vision of the child as an individual and as a member of a family and community, with rights and responsibilities appropriate to his or her age and stage of development. By recognizing children's rights in this way, the Convention firmly sets the focus on the whole child. The Convention and its acceptance by so many countries has heightened recognition of the fundamental human dignity of all children and the urgency of ensuring their well-being and development. The Convention makes clear the idea that a basic quality of life should be the right of all children, rather than a privilege enjoyed by a few.

Children suffer from poverty, homelessness, abuse, neglect, preventable diseases, unequal access to education and justice systems that do not recognize their special needs. These are problems that occur in both industrialized and developing countries. Children have a right to express their opinions and to have their views taken seriously and given due weight. But children also have a responsibility to respect the rights of others, especially those of their parents. While the Convention on the Rights of the Child is addressed to governments as representatives of the people, it actually addresses the responsibilities of all members of society. Overall, its standards can be realized only when respected by everyone—parents and members of the family and the community; professionals and others working in schools, in other public and private institutions, in services for children, in the courts and at all levels of government administration—and when each of these individuals carries out his or her unique role and function with respect to these standards.

The Convention specifically refers to the family as the fundamental group of society and the natural environment for the growth and well-being of its members, particularly children. Under the Convention, States are obliged to respect parents' primary responsibility for providing care and guidance for their children and to support parents in this regard, providing material assistance and support programmes. States are also obliged to prevent children from being separated from their families unless the separation is necessary for the child's best interests [3].

Under the Convention, State Parties have an obligation to amend and create laws and policies to fully implement the Convention. As a result, the Convention has inspired a process of national legal implementation and social change in all regions of the world. Local and national governments have amended laws to take into consideration the best interests of the child and adopted social policies that promote realization of children's rights. Individuals, including children, and communities have actively voiced their views and called for change. Governments

are obliged to recognize the full spectrum of human rights for all children and consider children in legislative and policy decisions. While many States are beginning to listen seriously to children's views on many important issues, the process of change is still in its earliest stages.

That is why, changes, both at the legislative level and in the practical, must begin with ourselves. Once awareness of the problem comes to the masses, the mentality will change at the international and national level. And only then can we see positive and accelerated changes.

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#### COMPARING ETHICS EDUCATION IN MEDICINE AND LAW: COMBINING THE BEST OF BOTH WORLDS

In contest of new medical reform and reform in legal education in Ukraine the topic of professionalism becomes the subject of a renewed focus in last period. Although much has been written about professionalism in both medical and legal literature, little effort has been expended in comparing and contrasting how students of medicine and law are inculcated with the values of their professions. Each profession has a different strategy for professional ethics education, with different results. A comparison of these strategies and outcomes provides an opportunity to enhance professional ethics education by combining the effective mechanisms of each profession. Considering the importance of both formal and

informal educational influences in shaping professional identity, we are going to examine how students in these two fields are "professionalized."

Becoming a professional is not only an intellectual process but also a social and moral process. Professionalization typically starts in professional school where students are exposed to various oaths, codes, and rules that the profession has developed to regulate its members.

Education at any level involves formal and informal influences. The formal curriculum is the educational content that a school's faculty creates, prioritizes, and organizes with the explicit goal of students mastering the material. The informal curriculum is a separate set of ideas and values that are imparted to students tacitly and often unintentionally. Exploring ethics and professional responsibility education in medicine and law requires exploration of both formal and informal educational influences.

For instance, legal clinics are an effective means of enhancing professional responsibility education, but only for the students who choose to participate.

After the first two years of basic science education in medical school, medical education is largely based on an apprenticeship model of clinical education. While clinical education is supplemented by lectures, a medical student's clinical performance is still a fundamental aspect of his or her grade on a given rotation. By the time a student graduates from medical university, he or she will have cared for scores of patients, may have delivered babies, and performed minor surgical procedures. Legal education, by contrast, follows a more academic educational model, whereby students take required courses their first year and electives thereafter. These courses typically involve reading cases out of a casebook, taking an exam, and perhaps writing a paper for an upper-level seminar.

For the most part, legal ethics instruction today occurs in one of three basic formats: the pervasive method, a mandatory formal course, and a combination of the pervasive method and a professional responsibility class.. There are advantages and disadvantages to each method of formal legal ethics education, and the method used has subtle effects on the ultimate education that students receive. [1]

The faculty's implicit or explicit disregard of legal ethics only serves to undermine any institutional effort to emphasize the importance of moral responsibility. Critics of curricular integration cite two main concerns: first, integration runs the risk of providing an unsystematic and uninformed coverage of ethics; and second, a majority of faculty members lack expertise in ethical issues.

Informal influences on professional responsibility are important in legal education, but are less pervasive than in medical education. Law students spend the vast majority of their time in the traditional classroom setting. Some students participate on moot court teams, edit legal journals, or gain practical experience

through opportunities such as legal clinics or clerkships. However, these activities are optional and are not a standardized part of legal education. A student who works directly with clients in a legal clinic or as part of a clerkship with the public defense or prosecution offices has some sense of how to work with clients. However, many students simply do not have these experiences. Clerking for a large firm or a judge often involves research and writing experience and presents a challenging academic environment, but provides little client contact. The human component, social aspects, and responsibility for consequences are all lacking from these experiences.

In some ways the law school experience is sterilized, kept separate from the moral dilemmas of practice where conflicts can be examined in isolation and ideally resolved. When law students discuss ethics and social responsibility they explore conflicts related to their future roles as client advocates, officers of the court, and agents of justice.

Medical education typically begins with two years of classroom-based basic science courses, followed by two years of practical clinical experience. After graduation, physicians receive three to five years of additional clinical training in residency. Thus, medical students spend relatively little time in the traditional lecture setting. Informal education is a fundamental component of medical education, often referred to as the "hidden curriculum". [2]

Extra important tool in education is professional socialization. Professional socialization is the process by which professionals learn the customs and social skills essential to the practice of the profession. It is the transformation of students into professionals as they adopt the behaviors and habits that are common to practicing professionals. This is the process by which students decide what it means to be a "good doctor" or a "good lawyer."

Students are largely socialized by observing and absorbing the environment where they are trained to be professionals. Modeling and mentoring are important in the development of ethics and professional principles and practices. An important part of professional socialization occurs through student-teacher interaction. Thus, some of the fundamental differences between legal and medical educators affect how students develop into practicing professionals. Much of medicine is taught clinically, while much of law is taught by accomplished academics. Clinical medical teachers are often selected based on the quality of their research or their esteem as practitioners, again without particular attention to their teaching skills. This has important implications for the messages students receive.

Another factor of professional socialization that affects the way students internalize the formal and informal ethics lessons in training is the educational

atmosphere. Students absorb professional respect, the appropriate scope of professional behavior, and professional etiquette from the professional environment in which they train. The style of professional education itself (for example, the use of the Socratic method or requiring public speaking performance) influences the way students construct their perceptions of their future role as a professional. Law school encourages competition, and critics claim the process of legal education is dehumanizing and results in immoral or amoral professionals. Students may come to law school hoping to have a positive effect on society and to promote social justice, but many often graduate disillusioned, believing that lawyers have little effect on improving society. [3]

In general, formal influences play larger role in the development of law students' notions of professionalism as opposed to medical students, who have much greater access to practitioners who act as either positive or negative role models. While law students would benefit from greater structured interaction with practicing lawyers who are sensitive to issues of ethics and professionalism, medical students would benefit from having ethics and professionalism issues framed as professional ethics issues that could potentially be resolved with the careful inclusion of certain texts (such as codes of ethics) into the curriculum. The purpose of this exploration of the informal influences in professional development is not to conclude that young physicians and lawyers are inherently cynical as a result of their education. In fact, many members of both professions maintain an admirable degree of idealism throughout training and practice. Only by recognizing these influences and exploring them can educators make any meaningful change in the way young professionals are taught about professionalism.

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## STATISTICS OF FEMALE CRIME

In recent years, there has been a tendency in Ukraine to increase the total number of crimes, among which a significant place is committed by crimes committed by women. Crime women differs from Crime men in scope, the nature of crimes and their consequences, means and instruments of implementation, an area in which they take place, role performed while women choosing victims of criminal assault, the impact of their offenses family home and related circumstances.

The criminality of women has certain characteristics that are determined by the socio-psychological and biological status of women. From Crime men that dominates almost all indicators of overall crime, female criminality different quantitative indicators, especially the structure and nature of crime, the role of women in crimes committed with men, methods and instruments of crime. The ratio of crimes committed by women to the level of crimes committed by men is 1: 7.

Unfortunately, official statistics on the structure of women's crime does not exist, so we can rely only on social oligarchic investigations of places of deprivation of liberty. Yes, theft make up about 32%, intentional murders and heavy bodily injuries damage - 23%, robbery and robbery - 11%, economic crimes us - 15%, crimes related to the illicit trafficking of narcotic drugs substances - 16%. The aggression of the female part draws attention criminal environment: 35% of convicted women have been punished precisely for violent crimes that are often committed in a family-household sphere. The motives of murders and severe bodily injuries Jen become the desire to resolve permanent conflicts, mists, jealousy, sometimes good.

Female crime is different from the male and quality indicators. Two areas of public life, where women commit crimes, can be called. First, this is the sphere of life, where women are mostly pushed into a crime negative circumstances of family-marriage, family and neighborly relations. In this area, mostly women commit violent crimes: murder, including his own newborn child, bodily injury, disorderly conduct and more.

Second, this is where the woman works, performs professional functions related to the possibility of free access to material assets. For the most part, it is a



branch of trade, catering, agriculture, light industry and food industry. Here, women often commit such mercenary crimes as theft of property by theft, appropriation, embezzlement, or abuse of office, etc.

The Criminal Code of Ukraine provides for only one crime (Article 117), a special subject of which is only a woman (the deliberate murder of the mother of his newborn child). As a rule, such acts are committed by young women, yet poorly adapted, that is, they do not have a family, sufficient material support, their homes. The murder of a child occurs, as a rule, as a result of early sexual life, due to inadequate living conditions for the upbringing of the future child. All this contributes to the fact that a pregnant woman is trying to make an abortion, and if that fails, then she makes a kidnapping. This topic is rather actively covered by domestic mass media. For example, in Germany women are offered to get rid of unwanted newborn babies. The place where you can leave the baby is hidden from someone else's eyes and surveillance cameras. Cubs are placed on a ridge, which smoothly through the hole in the wall lowers the child to the heated crib. An alarm signal warns social workers about the emergence of a new subterfuge only when the mother had plenty of time to disappear. This method is practiced in Ukraine too. In many areas, the "windows of life" work. These are special points in which women can anonymously leave their unwanted infant [1].

Consequently, it can be concluded that, despite the fact that women are more than men, women's crime is several times less than men's crime. However, women's crime at the moment has faster growth than men, which can't but cause concern in society. Manifestations of female crime are the highest in the areas to which women are most involved - family-friendly and among professions that are traditionally considered "female". At the same time, women who have gone through places of deprivation of liberty, the process of re-socialization is harder given. All these factors need to be taken into account in further developing the problem and in introducing programs to prevent and overcome the consequences of female crime.

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## SOCIAL AND EDUCATIONAL METHOD OF LEGAL TRAINING

A specific regulator of civilized relations in society and international communication is legal education in secondary schools and legal culture of each individual as its result. Corporate Culture - part a manifestation of the spiritual and cultural identity - is based on the idea of harmony and integrity of the modern world, the unity of the natural, social and spiritual human environment, historical and cultural traditions [1]. The problems associated with legal education, has long attracted the attention of philosophers, lawyers, teachers and psychologists. It is reflected in the philosophical, cultural and legal aspects in the writings of Aristotle, Plato, Kant, N. Bakhtin, V. Soloviev, P. Florensky, S. Golovatogo, O. Skrypniuk, S. Crimea, L. Shkliar, A. Schweitzer, T. Gulls and others. The issue of legal education, legal culture studied and researched V. Dubrovsky, G. David, V. Orzhehovskoyu, M. Podberezskym, N. Tkachev, M. Fitsuloyu et al. Researchers focus on the problems of education justice, humanistic highly moral behaviour, preventive education, considered in harmonious unity of law and morality, leads to the conclusion that justice as a spiritual value. The aim of the paper is to examine the methods of legal education students in the rural environment of an educational institution as a way of developing a legal culture. Legal education of students should be aimed to achieving the following objectives: first, to ensure the formation of the necessary legal ideas of students, education based on knowledge of legal respect for the law, understand the need for compliance; secondly is to help deter students from unstable moral and legal views on the implementation of negative behaviours and crime. In the first case, the object of legal education are all students. In the second - legal education is aimed at those students which are characterized by behavioural problems [2, p. 107]

In law, dealing with younger students is important to use such forms and methods of educational work, which would allow to draw on their own experiences of students and promote new experience through their inclusion in the special pedagogical situation. It is important to consider that giving examples of illegal behaviour, violations of laws, rules of human coexistence , remember that a negative attitude to any immoral manifestations and is carried out in parallel with the accumulation of positive social and legal experience. Understanding the inadmissibility of violations of the law becomes a personal view, if the moral and

legal consciousness were formed stable views on the substance of the rules. For the purpose of legal education and upbringing, crime prevention and crime members must regularly conduct monthly legal knowledge which occurs during a meeting with employees of Juvenile Services, the criminal police, justice, neurologists. You can organize film screenings on legal and ethical topics, including "Crime and Punishment", "Child in Need - how to help her"? "Among the white day", "Children of the gang". In summing up the month should choose the winning class and the student - the best experts in the law. One of the most effective forms of sociopedagogical influence on students is a form of indirect influence, which provides them possible influence and cooperation under certain unifying idea.

In law dealing with younger students used different methods and forms of work. Among them there are verbal methods (explanations, stories, conversation, reading of literature and others). The most common method is explanation. This method is essentially clarifying legal concepts, facts, and events. This method is often resorted to when students should be informed about the content of new legal concepts for them , to discover their essence, attributes, relationships, practical meaning. The purpose of the explanation is - to reveal the social, spiritual, moral, ethical, aesthetic content of certain events, actions, help students form a correct evaluation of behaviour and human relationships [3]. An effective method of legal education of primary school children is a story - oral, verbal notification of the teacher about someone or something new. The effective method of legal education is a conversation that may have a different purpose. Thus, conversation messages intended to give children information about the history of certain legal norms and rules, to acquaint with legal standards on various areas of law, constitutional laws and responsibilities of citizens; Conversation - order aims to give students the algorithm of actions to use legal knowledge at an elementary stage of legal concepts and skills of behavior in various situations, provides making sites and rules of behaviour. In discussing of the legal facts and events important to be able to provide an active part in this discussion of students, use pedagogical tact correct incorrect and inaccurate statements of students, direct the conversation in the right direction to achieve the correct conclusions.

The basis of legal opinion is legal knowledge. To operate legally, first you need to know how to behave, anticipate consequences of behavior. We need to know the moral principles, the rule of law and morality, society demands of its members. The content depends on the legal knowledge and range of convictions. In legal knowledge accumulated special research and person's life experience, her world view.

Thus, to ensure the unity of content, forms and methods of legal education is the foundation of formation of legal culture of younger pupils, totality deep and

many-sided legal knowledge and skills, active law enforcement, which implemented knowledge of law and respect for it, which reflects the level of spirituality of the individual, its common culture, value orientations and social maturity. Prospects for further researches in the context of the problem may be the analysis of pedagogical approaches to forming the content of legal education, formation of legal culture of personality as a condition of socialization.

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#### DEFINITION OF THE MOMENT OF ACQUISITION OF INDIVIDUALS

The main elements of the legal status of individuals (people) as subjects of civil law are legal capacity, capacity and place of residence. These elements are in the private law of all countries. The only exception is the United States, where the law uses the only concept of "legal capacity". However, in this country as a result of the use in judicial practice and doctrine of categories of passive and active legal capacity, in fact, institutions operate as the capacity in the literal sense of the word and capacity [1].

Civil legal capacity is an opportunity recognized by an individual to have civil rights and carry civil duties. The content of legal capacity is the set of civil rights and obligations that individuals may have. Articles 24-29 of the Civil Code of Ukraine of 16.01.2003 do not provide a list of civil rights and obligations of an individual in the norms of legal capacity [4].

However, it is very relevant to determine the moment at which a person acquires legal capacity. According to Part 2 of Art. 25 of the Civil Code of Ukraine, the moment of occurrence of legal capacity is associated with the fact of the birth of a child. The birth moment is determined according to the medical data. However, in civilist literature, the birth of a child is evaluated differently. For example, L. Enneccerus noted that legal capacity arises from the moment of the end of birth [2]. A child in the womb is not the subject of law. Pre-revolutionary civilists have noticed that a child should not be stillborn. Sometimes the presence of physiological signs of a person, that is, the absence of pathologies, is added to this list.

However, according to Sukhanov Y.O., viability for the emergence of legal capacity does not matter: the very fact of the child's appearance on the earth means that she had legal capacity, even if she was alive for only a few minutes or even seconds [3].

Also, de facto, a fetus can acquire the capacity yet to be born, but only to conceive, since in Part 2 of Art. 25 of the Civil Code of Ukraine, states that, in the cases established by law, the interests of a conceived but not born child are protected.

Legislation of different countries defines the moments of the emergence and termination of legal capacity, as a rule, linking them with the birth and death of a person. For example, by virtue of § 1 of the German Civil Code, the legal capacity of a person arises from the end of his birth. Also, civil legal capacity of an individual arises from the moment of birth. Conceived a child in order to protect his rights is considered as born, if he "has a human body and will live for 24 hours from the moment of separation from the mother organism" [2].

The provisions of legal sources influenced the formation in the science of civil law theory of "conditional capacity" of the human fetus. In Hungary, Slovakia and the Czech Republic, the definition of legal capacity in civil codes includes the condition - "if" is born alive. The word "if" indicates the necessary condition for the birth of a child alive. Similarly, in Ukraine, however, civil rights have arisen from the moment of birth, and from this moment the child has civil rights and responsibilities, and in the analyzed countries, if the child was born alive, then there is no doubt when it began to have civil rights and responsibilities, that is, from the moment of conception, the rights of the unborn child are guaranteed [5].

As in many other countries, in Japan the legal capacity of an individual (a person) arises from the moment of his birth. Birth from the standpoint of private law means the complete separation of the fetus from the mother, only from this moment the newborn becomes lawful. Even if the child soon dies, this will not

change the fact of birth in a legal way, however, if the child is stillborn, the fact of birth is absent.

Although under Japanese law, the fetus has no legal capacity and the future mother can not exercise representation, the relevant civil law in special cases, mainly to protect the interests of the future child, gives him a certain legal capacity, which is important in relation to inheritance. In such cases, sometimes it speaks of "partial legal capacity of a unborn child".

Section 2 of the General Provisions of the Civil Law of the People's Republic of China contains provisions on civil legal capacity and legal capacity, which in general do not differ from the similar provisions of the Civil Code of Ukraine.

According to most lawyers, the above rules do not give the human germ by subjective rights: a person becomes the subject of law only if it is born, and born alive. At the same time, lawyers believe that the conceived child (tsitsuurus) is endowed with conditional civil capacity, while others tend to the fact that the law simply protects the future rights of the citation, without recognizing it as a capable person. This position was followed by VM Khvostov, VI Serebrovsky, Ya.R. Webers [5].

Consequently, in the current legislation regarding the acquisition of the legal capacity of an individual, there is no clear indication of the acquisition of legal capacity of an individual. "Since the birth of a child" is very blurred and not clearly indicated, which entails the blurring of the current legislation, and may not entail the possibility of resolving certain cases in legal practice. Exit from this is quite simple, to propose changes to Part 2 of Art. 25 of the Civil Code of Ukraine, enter a clear moment in acquiring legal capacity. Possible options: a newborn child will acquire legal capacity from the very end of the birth, either from the moment they start, or after full separation from the mother organism.

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## ROLE OF LEGAL CULTURE IN MODERN SOCIETY

What, exactly, is “culture” – legal or otherwise? “Culture” is often a broad, catch-all term for an array of complex beliefs, symbols, and patterns of behavior. Attempting to define it in a way that permits measurement will inevitably invite the objection that the definition is faulty, that it doesn’t really capture “culture”, but only public opinion, religion, language, or whatever other element is used. And, this objection is basically correct.

The legal culture of society is a part of a common culture that is a system of values accumulated by mankind in the field of law and relating to the legal reality of this society: the level of legal awareness, the rule of law and order, the state of legislation, legal practice, etc. The legal culture is present at each particular point of legal reality, does not completely coincide with it, but exists in it as an integral part that is able to act as a characteristic of the level of development of this reality. Culture of the society is the result of socio-legal activities of individuals, groups and other entities. It is the starting point, the basis for this kind of activity and, in general, for the legal culture of the individual.

The problem is, without trying to narrow culture down to more manageable, observable components, the concept is too broad and multifaceted to be useful. Tellingly, there is no consensus definition among social anthropologists, despite the fact that their well-established field takes “culture” as one of its primary objects of study.

The problem is further illustrated by other branches of the social sciences that have tried to use “culture” as an explanatory variable. These fields, like anthropology, have not succeeded in developing a generally accepted,

operationalizable definition of culture, and this has hindered research on the impact of culture on other important social phenomena. In the field of political science, to take one example, the use of “political culture” as an explanatory variable has gone through cycles of ascendance and decline. When it is neglected, scholars sense that they are omitting something important, but attempts to introduce cultural variables into the analysis of politics have not succeeded in generating a sustained, systematic research program, largely because scholars have trouble coming up with a definition that is comprehensive and useful. The study of political culture then drops away until a new wave of scholars “discovers” the omission of cultural variables, and the cycle begins again.

Legal cultures can be examined by reference to fundamentally different legal systems. However, such cultures can also be differentiated between systems with a shared history and basis which are now otherwise influenced by factors that encourage cultural change. Students learn about legal culture in order to better understand how the law works in society. This can be seen as the study of Law and Society.

What effect does law have on culture? The causality problem is related also to the question of cultural change. There is often an implicit presumption, in both policy discussions and scholarly literature, that culture is slow to change. This may often be the case. In some countries there is evidence that legal modernization is of marginal importance relative to traditional patterns of business behavior, and there is also evidence that the transplant of a “foreign” legal system tends to be less successful than practices that are developed indigenously, suggesting that existing legal culture is resistant to simple reform. But there are also numerous examples of quite rapid change – sometimes within a generation, and sometimes even faster – in what were thought to be enduring patterns of legal culture. For example, though Western-style civil courts were (and are) considered by many to be incompatible with the cultural traditions of much of the non-Western world, in many places the introduction of such courts led to rapid changes in attitudes and practices of dispute settlement.

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### CRIMINAL LIABILITY OF MINORS

Persons who, by the time of committing a crime, are 16 years of age, are subject to criminal liability.

Persons who have committed a crime at the age from 14 to 16 years are subject to criminal liability for the following crimes:

- intentional murder;
- attempt on the life of a public or public figure, an employee of a law enforcement agency, a member of a public formation for the protection of public order and the state border, or a serviceman, judge, people's assessor or a jury in connection with their activities related to the administration of justice, counsel or representative a person in connection with activities related to the provision of legal aid, a representative of a foreign state;
- intentional grave bodily harm;
- intentional moderate bodily injury;
- sabotage;
- terrorist act;
- seizure of hostages;
- rape;
- forcible satisfaction of sexual passion in an unnatural way;
- theft;
- robbery;
- extortion;
- intentional destruction or damage to property;
- damage to communication routes and vehicles;
- the abduction or capture of a railway rolling stock, an air, sea or river vessel;
- illegal possession of a vehicle.

A juvenile who committed a minor or moderate crime may be released from punishment if it is recognized that, as a result of true repentance and subsequent impeccable conduct, he does not require the imposition of a punishment at the time of sentencing.

In this case, the court applies to such a compulsory educational measure to a minor:

- caution;
- restrictions on leisure and the establishment of special requirements for the behavior of a minor;
- transfer of a minor under the supervision of parents or persons who are replacing them, or under the supervision of a pedagogical or labor collective with his consent, as well as individual citizens at their request;
- placing on a minor who has reached the age of fifteen and has property, money or earnings, the obligation to compensate for the property damage;
- sending a minor to a special educational institution for children and adolescents to correct it, but for a period not exceeding three years.

The following basic types of punishment may be applied to minors, who have been found guilty of committing a crime

- a fine that applies only to minors who have independent income, own funds or property at the expense of which may be collected. The amount of the fine is determined by the court depending on the severity of the crime and taking into account the property status of the minor in the limits of up to five hundred tax-free minimum incomes of citizens established by law;
- public works that can be intended for a minor aged between 16 and 18 for a period of from thirty to one hundred and twenty hours, and consist of the performance of minors in the free time of study or work. The duration of this type of punishment can not exceed two hours a day.
- Corrective work that can be directed to a minor aged 16 to 18 at the place of employment for a period of two months to one year. From the earnings of a minor sentenced to correctional work, a deduction to the income of the state in the amount established by a court sentence is made in the range of from five to ten percent;
- arrest, which consists in the presence of a minor who at the time of the sentence has reached sixteen years of age, in isolation in specially adapted institutions for a period of fifteen to forty five days.
- imprisonment for a certain period for persons who have not reached the age of 18, can not be appointed for more than ten years, and for a particularly grave crime combined with intentional deprivation of life of a person - more than fifteen years. Juveniles sentenced to imprisonment serve him in special educational

institutions. Imprisonment may not be imposed on a minor who first committed a crime of minor gravity [1].

In addition, extra penalties may be imposed on juveniles in the form of a fine and deprivation of the right to occupy certain positions and engage in certain activities.

Punishment in the form of imprisonment is imposed on a minor:

- for repeated crimes committed of minor gravity
- for a period not exceeding two years;
- for a crime of moderate gravity
- for a term not exceeding four years;
- for a grave crime
- for a term not exceeding seven years;
- for a particularly grave crime
- for a term not more than ten years;
- for a particularly grave crime, combined with the deliberate deprivation of human life
- for up to fifteen years [2].

Minors may be subject to additional penalties in the form of fines and deprivation of the right to occupy certain positions or engage in certain activities.

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#### DEFORMATION OF A LAWYER'S PERSONALITY

Today a set of professional knowledge and skills, concerning exclusively the jurisprudence is not all a person needs to be successful within their career and outside it. Graduates of modern Ukrainian universities are acting in the conditions of tough competition on the labour market; they should be aware how to “sell themselves”, be well received by an employer and business partners, integrate into

professional community, and prove to be a promising employee. Graduates' experience from university curriculum shows that excellent academic performance does not guarantee A- level of success in practical professional activities (that is a treasure for an employer and necessity for us). It often happens that former A-students holding honour diplomas encounter problems as they seek to get employed, eventually taking up entry-level positions, perform ministerial duties with low or average income. However, at the same time C-students who did not show any significant academic results make brilliant careers, start their own businesses and take up managerial positions. I do not think that is all for the reason of accumulating time or experience. Simply, do not forget about your human capital. So, apparently, social realization of a graduate does not depend exclusively on theoretical knowledge and practical skills they mastered as students. There are some other factors that influence our social realization. Among the disciplines that study these factors are psychology and acmeology of professional activities, psychology of professionalism, occupational psychology and legal psychology (as it pertains to lawyers). For example, acmeology is a science that studies the development of a person at the stage of adulthood and the achievement of a peak in this development as a natural being (individual) as an individual and as a subject of activity (mainly as a professional). Therefore, acmeology in conjunction with pedagogy must solve a very difficult task: to find out what features a person's micro-atmosphere should possess at each stage of his life's path, which he must achieve in order for his great acme to take place.

Remember, that professionalism is not only new highest level of knowledge and one's total result in a certain field; it is a certain system that characterizes organization of one's mind, one's psyche [1]. Legal knowledge itself is not all a modern lawyer needs to practice law efficiently. Auspicious social realization requires communication skills, good command in modern methods of search and analysis of information, high level of self-organization and other skills. Under the current conditions professional competency of a lawyer is a complex of several professional competencies that help realize one another. So, being a professional lawyer nowadays means to be able to perform successfully in any sphere.

I would like to observe legal mind as a main factor of professional adoptability of a lawyer. Because legal mind consists of professional legal knowledge, person's attitude to law and especially his thoughts about law's role in the life of the Ukrainian civil society. To my mind, legal mind of a lawyer is created because of two main factors: special education and practising law.

Talking about lawyers' legal mind we cannot but forget about general acmeological invariants of professionalism:

1) power of personality (various volitional powers and ability to assume liability);

2) advanced anticipation (ability to predict accurately and reliably, forestall development of situations that arise in the course of professional activities);

3) high level of self-regulation (ability to manage one's condition, high performance ability, resistance to stress, readiness to take urgent actions, ability to mobilize one's resources when it is necessary);

4) ability to make decisions (courage in making decisions, reliability of decisions made, their timeliness and accuracy, uniqueness and efficiency);

5) creativity (manifested not solely in high creative potential, but in ability to accomplish professional tasks efficiently through non-standard solutions);

6) being highly and adequately motivated to achieve.

As for me, professional deformation is a negative modification of person's mind because of which he begins to fancy law inadequately. The term "deformation" is used in jurisprudence to characterize negative changes of a person's mind that lead to illegal behaviour or to negative attitude towards law itself [2].

There are lots of types of deformations of the legal mind. There are two opposite extremes: legal idealism and legal nihilism. Legal idealism means that a person thinks that law is super phenomenon and is able to solve any problem if the laws are properly made. Legal nihilism is an opposite phenomenon, a person with such deformation doesn't believe in the possibilities of law and its values for the society and, as a result, he doesn't want to obey the laws. There are some different deformations. For example, legal infantilism – a person knows almost nothing about law but he is sure he knows everything. Or legal subjectivism – a person is correlating any law with his own profit and ideas, he just ignores the real meaning of legal concepts.

According to E.F.Seer, professional deformations can be detected on four levels:

1. Common deformations. These are specialties of behaviour, which can be watched on the most of long time working people. For example, for doctors the syndrome of «compassionate tiredness» is typical. It is expressed in emotional indifference to pationate's sufferings. Workers of law enforcement-bodies often consider everyone as a potential criminal. This is called «asocial perception»

2. Special professional deformations are being created during the specializations in profession. Every profession unites several specializations, and each has its own professional deformations. So, investigator acquires legal suspicion, an operative worker – aggressiveness, an advocate – professional resourcefulness, and a prosecutor – accusation.

3. Typical professional deformations are caused by co-existence of individual-psychological specialties of a person (temper ability, character) and psychological structure of professional activities. For example, professionally oriented deformations (distortion of motivate activity, sceptical attitude towards new workers); deformations, based on talents: administrative, communicative, intellectual, etc. (complex of superiority, hypertrophied level of pretensions, overstated self-appraisal, psychological hermetizations, narcissism, etc).

4. Individualized deformations are caused by the individual personal specialties of workers of different professions. During the process of long-term accomplishing professional activities some talents can be even developed. As a result of psychological unity of the personality and profession some features can be transformed into accentuations. For example, overresponsibility, superhonour, hyperactivity, labour fanaticism, professional enthusiasm [3].

Unfortunately, professional deformations of lawyers are still not well explored.

In conclusion, I would like to express my belief that the main reason of all troubles is deformation of a lawyer's personality. Summarizing everything mentioned above, we can conclude that the obstacle for normal legal regulation, the creation of legal space, adequate perception of legal validity is the deformation of the lawyer's personality. Therefore, as future specialists in this field, we need to find sufficient means to counteract this negative phenomenon, which has bad consequences not only for our individual mental characteristics, but also for the environment that we step by step are trying to create.

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## SECTION 4

### CURRENT ISSUES OF PEDAGOGY AND PSYCHOLOGY

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#### FAMILY ENGAGEMENT IN EDUCATION

**The goal of this research is** to study the family powerful effect on the children's future.

**The aims of this research are:** to highlight the family engagement in education, to underline the powerful effect on the children's future.

The family role in education is an ocean. It's not a mistake, it's true, because it's really the essential work. We could begin by saying that the family is indispensable for education. We could also say the family is the most important source of education. We could even say there is no real education without the family. What we need to do, therefore, is to be more specific as to how the family and education are related [1].

The members of family have a powerful effect on his or her future for some years. Even after those crucial years are past, children must overcome a variety of social, emotional, and academic challenges to reach adulthood prepared for a successful life.

Family Engagement means the participation of parents and family members in regular, two-way, and meaningful communication involving student academic learning and other school activities, including ensuring:

- That parents play an integral role in assisting their child's learning.
- That parents are encouraged to be actively involved in their child's education.
- That parents are full partners in their child's education and are included, as appropriate, in decision-making and on advisory committees to assist in the education of their child. [2]

Let's look at the results of the study by a researcher at Harvard University, Nancy E. Hill. In the series of studies and a new book, Hill makes the case that both research and policy initiatives aimed at promoting parent involvement fail to take into account the distinct needs of adolescents, a group of students that seems biologically driven to break free of parental vigilance. Hill said having parents

involved in a field trip is not wholly consistent with what the adolescent wants. Moreover, studies are beginning to show that such activities may not be nearly as important for promoting educational success as other things parents might be doing at home at this stage in their children's development. When disentangled, the studies geared to middle schools showed that, while parent involvement was still important to students' learning, the kind of activity mattered. Helping with homework, for instance, did not have much of an impact at all in secondary school. Visiting the school, volunteering, and attending school events seemed to be just moderately related to student achievement. Twice as effective as the things parents did at school were the efforts they made at home, apart from helping with homework, to support schooling. Better family-school partnerships might yield the biggest payoff. [3]

Over the past several decades, educational research has confirmed the connection between family engagement and student success. In *A New Wave of Evidence: The Impact of School, Family, and Community Connections on Student Achievement*, Anne Henderson and Karen Mapp found that students with engaged families are more likely to succeed. This is true no matter how you measure success. Students get better grades. They behave better. They have a more positive attitude. They are more likely to graduate. They are more likely to go to college. Schools also do better when they engage families and communities as partners. An influential study of Chicago schools identified strong “parent and community ties” as one of five “essential supports” for successful school reform. Without this critical pillar of support, the most well executed improvement efforts to turnaround schools are likely to fail.

Of course, all schools interact with families. Every school sends report cards home, holds open houses, and solicits volunteers. So what, exactly, do we mean by “family engagement?” A recent paper from the Harvard Family Research Project, *Beyond Random Acts: Family, School, and Community Engagement as an Integral Part of Education Reform*, offers this description: «Effective family engagement is a shared responsibility of families, schools, and communities for student learning and achievement; it is continuous from birth to young adulthood; and, it occurs across multiple settings where children learn».

Effective interaction involves responsibility for learning and achievement. First and foremost, sharing responsibility means working together and not pointing fingers. With this in mind, there are many ways schools can get started. A good first step is to make information about curriculum, instruction, assessments, and policies easily accessible. They should encourage families to learn about the school and to participate in learning activities. Educators must also reach out to families where they live and work in order to build trust, improve communication, and gain



a deeper understanding of the challenges different families face. In everything they do, schools and families must stay focused on improving student outcomes.

When we think about education, we usually think about classroom instruction. In truth, children only spend a small fraction of their lives sitting at a desk listening to a teacher. Research has shown that children who engage in learning activities outside the classroom often make gains, and children who don't, usually fall behind. One of the best ways schools can reduce achievement gaps is to fill every child's life with rich learning opportunities in school and out. There are many ways schools can facilitate learning outside the classroom. They can work with parents to align out-of-school-time learning with class work. They can provide families and students with expanded access to libraries and computers. They can offer supports like after-school homework help. They can also be a crucial link between families and community resources like public libraries, museums, and community centers. It takes more than high quality classroom instruction for all children to reach their potential; a truly outstanding educational system must take advantage of every opportunity to educate its children. Families, schools, and communities must share responsibility for the education of every child, from birth to young adulthood, in school and out. [4]

We all know the impact that a school and its teachers can have on a student's growth. However, as stated by The U.S. Department of Education, "Raising the next generation is a shared responsibility. When families, communities, and schools work together, students are more successful and the entire community benefits." According to DropOutPrevention.org, studies show that with more family engagement: [5]

1. There is greater student achievement.
2. Student attendance is higher.
3. Graduation rates are higher.
4. Alcohol abuse is lower.
5. Students from diverse backgrounds and who are farthest behind benefit.

**Conclusion.** Thus, we'd like to summarize our research. There are eight ways to involve the family in the opinion of Dabbs:

1. Engage Families in Their Elementary School First.
2. Create a Parent Advocacy Group.
3. Take School Information on the Road. (Meet families where they are rather than expecting them to always come to the school).
4. Utilize Your Local Businesses. Ask to set up and maintain a bulletin board in local markets, bakeries, and restaurants. Advertise an upcoming event or celebrate a student's accomplishments.
5. Find Out What Your Families Need.

6. Reach Out to Families Just to Build a Relationship. So many times we reach out to families because of discipline issues, but a little proactive positivity can go a long way in building trust and comfort between a parent and school.

7. Provide Trainings.

8. Host an EdCamp for Parents. Host an un-conference for parents that can involve staff, and even students, as well.

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#### GENDER DIFFERENCES: WE COMMUNICATE IN DIFFERENT LANGUAGES

The psychology of gender differences is a section of psychology that studies the differences between people due to their gender identity. The psychology of gender differences as a field of scientific knowledge concentrates on the study of psychological characteristics, social roles and peculiarities of the behavior of male and female representatives.

The problem of sexual differentiation can be distinguished in two periods in the history of studying: pre-gendering and actually gender.

Discussions on the determination of sexual differences were carried out within the framework of two alternative paradigms: sociocultural and sociobiological in the pre-gentile period (in the West - before the 1980s, and in Ukraine - until the 1990's).

According to the socio-cultural model, sexual differentiation is the result of socialization and cultural influences towards the development of specific social roles (traditional women's and men's roles).

According to the socio-biological model, anatomical-physiological differences between sexes are so obvious that psychological differences are due mainly to biological factors [1].

Today, when we all understand the importance of sexual differences, we still do not bring this to new generations. Many subjects are not very important in our schools or universities. But we don't study one of the most important teaching in our lives. And this, of course, gender differences. We often can not find a common language while studying, at work, or anywhere else. After all, we will have the desire to be married. We need to have good knowledge in communicating to have happy family. And why we have problems in communicating? Because, as the author of the world bestseller, "Men are from Mars, Women are from Venus" John Gray says, we communicate in different languages.

The language of men and women consists of the same words, but the words have different meanings. Some expressions are similar, but with different subtext or emotional color, so the likelihood of misunderstanding is very high. At such moments they need an interpreter. For example, when a woman says: "I have a feeling that you never listen to my words," she does not expect the word "never" to be taken literally. She uses it to express the frustration she feels at the moment.

Women resort to various poetic freedoms: various superlatives, metaphors, generalizations in order to more fully express their feelings. Men mistakenly take these expressions literally. And, as a result, misinterpreting the meaning embedded in them, react so that in their words and actions do not catch and a hint in support [2].

Unclear and unloving communication is the biggest problem in relationships. The number one complaint women have in relationships is: "I don't feel heard." Even this complaint is misunderstood and misinterpreted!

A man's literal translation of "I don't feel heard" leads him to invalidate and argue with her feelings. He thinks he has heard her if he can repeat what she has said. A translation of a woman saying "I don't feel heard" so that a man could correctly interpret it is: I feel as though you don't fully understand what I really mean to say or care about how I feel. Would you show me that you are interested in what I have to say?"

If a man really understood her complaint then he would argue less and be able to respond more positively.

When men and women are on the verge of arguing, they are generally misunderstanding each other. At such times, it is important to rethink or translate what they have heard.

Because many men do not understand that women express feelings differently, they inappropriately judge or invalidate their partner's feelings. This leads to arguments.

Correctly understanding the meaning of this complaint, a man will perceive it more peacefully and will be able to react much more positively. Once on the verge of a quarrel, men and women, as a rule, cease to understand each other. In such moments it is very important to think again or translate for yourself what he or she heard from the partner's mouth [2].

A deeper understanding of the differences between men and women will help create equal opportunities for all members of society, as well as provide more effective psychological assistance. The most important thing is to understand each other, to create the most harmonious relationship.

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#### THE PEDAGOGIC PSYCHOLOGY METHODS AT THE UKRAINIAN HIGHER LEARNING INSTITUTIONS

**The goal of this research is** to study the pedagogic psychology methods at the Ukrainian Higher Learning Institutions.

**The aims of this research are:** to highlight the pedagogic psychology methods at the Ukrainian Higher Learning Institutions. to give the general characteristic of these methods.

The Psychology during centuries is the companion of pedagogics, in fact in an educational process it is simply necessary to take into account psychological descriptions of students.

Task of psychology - to explain behavior of different people, describe the behavior features of different people age in different situations. And how to help people to develop, study, how to bring them up, that they became deserving people - by it already not psychology, and pedagogics, occupies in strict sense.

Basic maintenance of pedagogics psychology is made by psychological conformities to law the education processes and upbringing. *Education* – it is a process of the organized and purposeful affecting personality and behavior of child. *Educating*– it is a process of the primary purpose that consists of child developing flairs. *Education and educating* make the basic parties of pedagogical activity.

Every people generation solves three major tasks. Firstly, to master experience of previous generations, secondly, to enrich and increase this experience and, thirdly, pass them to his/her next generation. Public progress is possible when every new generation seized experience of ancestors, enriched it and passed it to the descendants. What pedagogics? Science, studying conformities to law of transmission by a master and youth generation activity of social experience that is necessary for life and labour, is called pedagogics.

The man's development is his/her personal evolution of external and internal influence, guided with social and natural control factors. Education in the wide sense is the developing process of intellect forming, physical and spiritual forces of personality, preparations of his/her to life, active labour activity in society. Education in narrow sense of word is the systematic and purposeful affect to the young people, bring them up, forming their purposes and attitude to the surrounding people and world phenomena. The pedagogics is a process of the directed development and forming of human personality in the conditions of his/her education, upbringing, gaining knowledge, or, more briefly, it's the people education as special society function.

Pedagogics psychology, using all three sources of activity, has the arsenal of scientific methods, such as a supervision, conversation, questionnaire, experiment, analysis of products activity, testing is a sociometry. Depending on the scientific cognition level, methods are determined as theoretical or empiric. Empiric methods are used in pedagogic psychology.

A biographic method is the study results of education and gain information, contained of biographic descriptions. Method of photo, is the picture and audio recording of the motioning study and results of pedagogic activity, reflected as a photo etc. A method of independent generalization description is an exposure and

analysis of education opinions and results, has taken from different resources. Method of literary study sources, documents is the pedagogics phenomena research and the processes of their contained descriptions in different sources and documents. Method of supervision, it is the method of the pedagogic phenomena study without their interference to their flow. A method is an experiment, and the experiment supposes the research interference with activity examinee with the purpose of the best terms result creation for the phenomena meeting study in the process of educating.

Paying attention to nowadays' conditions of the labor market, there is a fierce completion competition, which strict rules of selecting employees for vacancies, so students need to be assisted in skills mastering which will help them to independently adjust their approaches for choosing their own career opportunities.

The rapid transformations in the society life require constant changes in the system of higher education, which prompts the leadership of Higher Learning Institutions to optimize the learning process and introduce effective methods of teaching different subjects. In Ukraine there is not a simple situation regarding the provision of high quality knowledge to the future specialists in culture, industry, high-tech, art and other spheres, therefore, there are continuous dialogs between scientists and various spheres of society's life in order to solve these problems.

The students received the theory knowledge are used in certain situations, and not in everyday practical activity when solving important tasks. From here comes the vision that the large amount of theory material without communication and training makes no sense. Awareness of this fact by students reduces their motivation and interest to study subjects. If a student badly imagines why he/she studies a huge amount of non-practical theory tasks, so this does not significantly change his/her desire to be well prepared for professional activity. The need for training highly skilled personnel capable of high-quality provision of all spheres of society's life in Ukraine is quite high. Having a great experience of their training, the teachers are particularly interested in the specialists' achievements from different countries in the field of providing skilled educated specialists for spheres of scientific, culture, industry and art. They note that the most influential link in this process is education, which "... can provide international competitiveness by combining of three development spiral component – education, science and innovation" [3]. Considering that in most Ukrainian Higher Learning Institutions, teachers' training and their retraining is being carried out, "... the components of the "knowledge triangle" – education, science and innovations are divided by this time" [3]. The most suitable structures for transformations, within which

education, scientific and innovative projects are implemented, have become research universities with well thought-out professional students' training.

Nowadays, the sciences are convinced that in order to intensify research work at universities it is necessary to foresee in the curricula of specialists training the methodology study of science research, methods of science sources analysis, technology of writing science works and planning science research, generalization of the received science results. Another important point is the personal student's interest in solving science problems, carrying out joint research with teachers, increasing the students' work proportion in the execution of state budget, government and international projects, as well as giving teachers time for leadership the science circle, problem groups, students' trainings for taking part in competitions, conferences process of writing articles connected with teachers' individual curricula and teaching process [2].

An important innovative component of students' training is "research parks as forms of science integrated development, education and business" [4]. It is desirable to develop the students' research skills through the study coordination of their program material from specialized subjects with methodology knowledge, their involvement in the reflexive and communicative activities during research.

The students' research work requires solving problems connected with technical support of Higher Education Institutions, the possibility of using modern technologies and computer equipment. Some scientists believe that education programs which provide feedback are promising in this regard. As a result, it is possible to adjust the students' trainings during their studying at Higher Educational Institution [1].

The supplying research and education activities at universities is accompanied by innovations, to which can be include the teachers' innovative methods based on modeling, organization of non-standard lectures, trainings, renewing the additional studying, developing a new system of assessing knowledge; involve the computers, multimedia technologies [3]. This is motivated by the urgency of reforming and seeking new ways of disseminating interactive, e-learning with access to digital resources.

**Conclusion.** Higher Education in Ukraine is the basis of intellectual, cultural, spiritual, social and economic development of society, it must be acquired as a result of consistent, systematic, purposeful knowledge acquisition, ensuring the comprehensive development of the student's personality. Higher education developed and reformed mainly on the tasks of state development and was perceived as an integral structural element of the state system. It is worth remembering that it always combines students' education and training, so it has worked and works for the future

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## CURRENT ISSUES OF FAMILY THERAPY

Family therapy, also referred to as couple and family therapy, marriage and family therapy, family systems therapy, and family counseling, is a branch of psychotherapy that works with families and couples in intimate relationships to nurture change and development. It tends to view change in terms of the systems of interaction between family members. It emphasizes family relationships as an important factor in psychological health. [5]

The different schools of family therapy have in common a belief that, regardless of the origin of the problem, and regardless of whether the clients consider it an "individual" or "family" issue, involving families in solutions often benefits clients. This involvement of families is commonly accomplished by their direct participation in the therapy session. The skills of the family therapist thus



include the ability to influence conversations in a way that catalyses the strengths, wisdom, and support of the wider system. [5]

In the field's early years, many clinicians defined the family in a narrow, traditional manner usually including parents and children. As the field has evolved, the concept of the family is more commonly defined in terms of strongly supportive, long-term roles and relationships between people who may or may not be related by blood or marriage. [5]

### ***History.***

Formal interventions with families to help individuals and families experiencing various kinds of problems have been a part of many cultures, probably throughout history. These interventions have sometimes involved formal procedures or rituals, and often included the extended family as well as non-kin members of the community (see for example Ho'oponopono). Following the emergence of specialization in various societies, these interventions were often conducted by particular members of a community – for example, a chief, priest, physician, and so on - usually as an ancillary function. [1]

The formal development of family therapy dates from the 1940s and early 1950s with the founding in 1942 of the American Association of Marriage Counselors (the precursor of the AAMFT), and through the work of various independent clinicians and groups - in the United Kingdom (John Bowlby at the Tavistock Clinic), the United States (Donald deAvila Jackson, John Elderkin Bell, Nathan Ackerman, Christian Midelfort, Theodore Lidz, Lyman Wynne, Murray Bowen, Carl Whitaker, Virginia Atir, Ivan Boszormenyi-Nagy), and in Hungary, D.L.P. Liebermann - who began seeing family members together for observation or therapy sessions. [1,2]

From the mid-1980s to the present, the field has been marked by a diversity of approaches that partly reflect the original schools, but which also draw on other theories and methods from individual psychotherapy and elsewhere the approaches and sources include: brief therapy, structural therapy, constitutive approaches, solution-focused therapy, narrative therapy, a range of cognitive and behavioral approaches, psychodynamic and object relation approaches, attachment and Emotionally Focused Therapy, intergenerational approaches, network therapy, and multisystemic therapy (MST). [3]

***Family therapy uses a range of counseling and other techniques including:***

- Structural therapy identifies and re-orders the organisation of the family system
- Strategic therapy looks at patterns of interactions between family members
- Systemic/Milan therapy focuses on belief systems

- Narrative therapy restoring of dominant problem-saturated narrative, emphasis on context, separation of the problem from the person
- Transgenerational therapy transgenerational transmission of unhelpful patterns of belief and behaviour
- communication theory
- psychoeducation
- psychotherapy
- relationship counseling
- relationship education
- systemic coaching
- systems theory
- reality therapy
- the genogram

The number of sessions depends on the situation, but the average is 5-20 sessions. A family therapist usually meets several members of the family at the same time. This has the advantage of making differences between the ways family members perceive mutual relations as well as interaction patterns in the session apparent both for the therapist and the family. [5]

***Some key developers of family therapy are:***

- Alfred Adler (individual psychology)
- Nathan Ackerman (psychoanalytic)
- Tom Andersen (reflecting practices and dialogues about dialogues)
- Harlene Anderson (postmodern collaborative therapy and Collaborative Language Systems)

***What Problems Does This Specialty Specifically Address?***

Family psychologists treat the comprehensive issues of psychological health and pathology among individuals, couples and families with unique consideration to the interrelatedness of health and social context. Affective, cognitive, behavioral and dynamic factors are considered within the broader socio-cultural-historical and developmental contexts in which these manifest. Examples of problems addressed are family relationship issues, parenting challenges, caregiver burden, work-family stress, behavioral problems of children or adolescents, communication difficulties, coordination of individual treatment across social systems. [4]

***What Specialized Knowledge Is Key to the Specialty?***

Key to the specialty is a thorough understanding of general systems theory and the application of systemic concepts to human behavior. Family psychologists are also knowledgeable in developmental psychology, personality theory and psychopathology, group and organizational dynamics, ecological psychology,

communication theory, models of family functioning, methods and models of couple and family therapy, family assessment, family legal and ethical issues, and methods of family research. [4]

I emphasize that family psychology is a very important and necessary specialty in psychology. Because it helps family couples to solve their problems, they enable them to understand each other better. And in general, I think that this is a rather interesting part of psychology.

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## FEATURES OF FORMATION ETHNIC IDENTITY AT YOUTHFUL AGE

### **Relevance of a research.**

Economic and socio-political changes that happen over the last years in Ukrainian society have caused break of old social system and creation new society in which individual is compelled to adapt to changes that happen, to recover from crisis of identity, to find the answer on the question «Who I am?». Just as other countries which experience era of sharp social instability, in Ukraine bring in the forefront identification with such communities as ethnos and nation.

Considering that understanding by the person of own attachment to certain nation has rather important role in her life and influence on human relations (both on interpersonal, and on interstate levels), quite clear is a need to carry out psychological researches national identification of the personality.

Number of researches on this subject is not enough yet ( M. Boryshevsky , O.M. Vasylchenko , V.M. Pavlenko, T.G. Stefanenko , etc.) . So problem of formation of the I-image of modern Ukrainian youth as subject of national society remains a little developed.

Considering relevance of this problem and existence of "white spots" in her development, I have concentrated the attention on studying process of formation ethnic identity at youthful age.

The purpose of work consists in clarification features of ethnic identification during formation "an image I" persons at youthful age.

For achievement of the goal the following tasks have been set:

- to carry out the theoretical analysis of a phenomenon ethnic identification of modern teenagers and youth, to disclose sources, structure and factors of formation of their I-image in the course of ethnonational identification;
- to reveal features of formation of ethnic identity.

The facts and psychological conclusions formulated on their basis established in the course of research concerning features of ethnic identification can be the basis for the recommendations, it will form at teenagers and youth harmoniously developed national self-consciousness and increase efficiency of process understanding by young people themselves as representatives of a certain ethnic group.

There are various approaches and theories describing development of ethnic identity. T.G. Stefanenko allocates five stages of development of ethnic identity in the course of ethnogenesis: the first is characterized understanding by members of primitive community of the relationship by birth or to marriage (it is horizontal communication which arises at the time of their existence) ; the second arises when there is an awareness of the uniform origin by the public, presence of one general ancestor (vertical relationship); the third is marked by emergence of the idea about the general territory in which these people live, the fourth is characterized by emergence of feeling of society of historical destiny when the group realizes that it has history of the development, begins from life of far ancestors; the fifth demonstrates emergence and development of ethnic identity through identification by group of with language which she speaks, and culture which has been created by her for all previous period of ethnogenesis and continues to be created at this moment of existence [3, page 83].

According to M.I. Borishevsky, "an image I" is an integrated form of consciousness of the person, arises at a certain stage of her social development as a result of acquisition of life experience and achievement of a certain level formation cognitive and emotional structures of the personality. "An image I" play an important role in ensuring feeling of identity, identity of the person [1, page 46].

A.N. Vasilchenko's researches prove a role of ethnic identity in adaptation processes. Positive ethnicity within norm corresponds to the high level of adaptedness. But, the ethnic indifference is the successful protective mechanism which allows to support more or less positive level of the relation to own "I" [2, page 18].

Transformation of ethnic identity is influenced by the factors connected with changes in life of society. Major factors of development of ethnic identity in the individual is:

- 1) features of ethnic socialization in family, school, the immediate social environment;
- 2) specifics of an etnokontaktn of the environment (ethnic goma / heterogeneity);
- 3) status relations between ethnic groups.

Depending on a social context, border of formation of ethnic identity, even at children, can accelerate or be slowed down [4, page 168].

Ethnic identity we consider as understanding, perception and emotional estimations of experience of own belonging to ethnic group. Her development happens during all human life, and has a number of phases in the formation, directly connected with age stages of mental and physical development of the person. I will note that the ethnic identity is the dynamic, but not static phenomenon. At teenage and youthful age process of her formation doesn't come to an end. External circumstances can lead to transformation of ethnic identity of the person, cause reconsiderations of a role of ethnic origin by her in the life.

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## THE ACTUALITY OF COGNITIVE PSYCHOLOGY

Cognitive psychology is the scientific study of the mind as an information processor.

Cognitive psychologists try to build up cognitive models of the information processing that goes on inside people's minds, including perception, attention, language, memory, thinking, and consciousness [1].

Cognitive psychology became of great importance in the mid-1950s. Several factors were important in this:

1. Disatisfaction with the behaviorist approach in its simple emphasis on external behavior rather than internal processes.
2. The development of better experimental methods.
3. Comparison between human and computer processing of information.

The emphasis of psychology shifted away from the study of conditioned behavior and psychoanalytical notions about the study of the mind, towards the understanding of human information processing, using strict and rigorous laboratory investigation [3].

The cognitive approach began to revolutionize psychology in the late 1950's and early 1960's, to become the dominant approach (i.e., perspective) in psychology by the late 1970s. Interest in mental processes had been gradually restored through the work of Piaget and Tolman.

Tolman was a 'soft behaviourist'. His book *Purposive Behaviour in Animals and Man* in 1932 described research which behaviourism found difficult to explain. The behaviourists' view had been that learning took place as a result of associations between stimuli and responses [5].

However, Tolman suggested that learning was based on the relationships which formed amongst stimuli. He referred to these relationships as cognitive maps.

But it was the arrival of the computer that gave cognitive psychology the terminology and metaphor it needed to investigate the human mind. The start of the use of computers allowed psychologists to try to understand the complexities of human cognition by comparing it with something simpler and better understood, i.e., an artificial system such as a computer [5].

The use of the computer as a tool for thinking how the human mind handles information is known as the computer analogy. Essentially, a computer codes (i.e., changes) information, stores information, uses information, and produces an output (retrieves info).

The idea of information processing was adopted by cognitive psychologists as a model of how human thought works.

The information processing approach is based on a number of assumptions, including:

1. Information made available from the environment is processed by a series of processing systems (e.g., attention, perception, short-term memory);
2. These processing systems transform, or alter the information in systematic ways;
3. The aim of research is to specify the processes and structures that underlie cognitive performance;
4. Information processing in humans resembles that in computers.

#### *Mediational Processes*

The behaviorists approach only studies external observable (stimulus and response) behavior which can be objectively measured. They believe that internal behavior cannot be studied because we cannot see what happens in a person's mind (and therefore cannot objectively measure it).

In comparison, the cognitive approach believes that internal mental behavior can be scientifically studied using experiments. Cognitive psychology assumes that a mediational process occurs between stimulus/input and response/output [2].

#### *History of Cognitive Psychology*

- Kohler (1925) published a book called, *The Mentality of Apes*. In it he reported observations which suggested that animals could show insightful behaviour. He rejected behaviourism in favour of an approach which became known as Gestalt psychology.
- Norbert Wiener (1948) published *Cybernetics: or Control and Communication in the Animal and the Machine*, introducing terms such as input and output.
- Tolman (1948) work on cognitive maps – training rats in mazes, showed that animals had an internal representation of behavior.
- Birth of Cognitive Psychology often dated back to George Miller's (1956) "The Magical Number 7 Plus or Minus 2."
- Newell and Simon's (1972) development of the General Problem Solver.
- In 1960, Miller founded the Center for Cognitive Studies at Harvard with famous cognitivist developmentalist, Jerome Bruner.

- Ulric Neisser (1967) publishes "Cognitive Psychology", which marks the official beginning of the cognitive approach.
- Process models of memory Atkinson & Shiffrin's (1968) Multi Store Model.
- Cognitive approach highly influential in all areas of psychology (e.g., biological, social, behaviorism, developmental, etc.).

#### *Critical Evaluation*

B.F. Skinner criticizes the cognitive approach as he believes that only external stimulus-response behavior should be studied as this can be scientifically measured. Therefore, mediation processes (between stimulus and response) do not exist as they cannot be seen and measured. Skinner continues to find problems with cognitive research methods, namely introspection (as used by Wilhelm Wundt) due to its subjective and unscientific nature.

Humanistic psychologist Carl Rogers believes that the use of laboratory experiments by cognitive psychology have low ecological validity and create an artificial environment due to the control over variables. Rogers emphasizes a more holistic approach to understanding behavior.

The information processing paradigm of cognitive psychology views that minds in terms of a computer when processing information. However, although there are similarities between the human mind and the operations of a computer (inputs and outputs, storage systems, the use of a central processor) the computer analogy has been criticised by many. Such machine reductionism (simplicity) ignores the influence of human emotion and motivation on the cognitive system and how this may affect our ability to process information.

Behaviorism assumes that people are born a blank slate (tabula rasa) and are not born with cognitive functions like schemas, memory or perception [3].

The cognitive approach does not always recognize physical (re: biological psychology) and environmental (re: behaviorism) factors in determining behavior.

Cognitive psychology has influenced and integrated with many other approaches and areas of study to produce, for example, social learning theory, cognitive neuropsychology and artificial intelligence (AI) [4].

Another strength is that the research conducted in this area of psychology very often has application in the real world. For example, cognitive behavioral therapy (CBT) has been very effective for treating depression (Hollon & Beck, 1994), and moderately effective for anxiety problems (Beck, 1993). The basis of CBT is to change the way the persons processes their thoughts to make them more rational or positive.



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## THE ACTUALITY OF PSYCHOANALYSIS

Psychoanalysis is:

1) an any of a number of the theories of the human personality that attempt to examine a person's unconscious mind to discover the hidden causes of their mental problems [1];

2) a method of analyzing psychic phenomena and treating emotional disorders that involves treatment sessions during which the patient is encouraged to talk freely about personal experiences and especially about early childhood and dreams

In general psychoanalysis is based on the studying of the hidden content pushed out of the unconscious aspirations, mental diseases or the content of another nature.

The theoretical principles of psychoanalysis most precisely correspond to the formula "The fate of the individual - is his gender and his childhood", because it is the initial stages of psychosexual development, according to the opinion of the representatives of this study, which are decisive for all subsequent life.

Impressions of the first five years of a person's life are almost entirely belongs to the sphere of the unconscious, and the ratio of forgotten and displaced material

(descriptive and dynamic unconscious) is the basis of the constitutional tendency of human to the emergence of neuroses and other mental disorders. It is generally accepted that a difficult childhood is the cause of psychological and personal dysfunction.

Psychoanalysis sees the task in bringing to the client's minds the conflict situation associated with the rejection of unconscious thoughts. Awareness of unconscious impulses and conflicts is the way to solve problems. At the heart of the problem lies the unsuccessful displacement, from which the subject is unproductive, painfully protected, which also gives rise to its neurotic state.

The concept of “psychoanalysis” and “psychoanalytic approach” in the broad psychological (and cultural) use introduced by Sigmund Freud. He is considered to be the “father” of psychoanalysis.

Also the birth of psychoanalysis is considered to be the year 1880, when Josef Broer, a colleague and comrade of Freud, told him about his observations of the patient Anna O., who, speaking of herself, was cured from symptoms of hysteria.

The most distinctive of Freud's students were Carl Gustav Jung (1875-1961) and Alfred Adler (1870-1937) who created their own directions. The first called his psychology analytic, the second individual. At the end of the 1930's, neo-Freudianism had arisen, combining Freud's psychoanalysis with sociological theories. Among the most prominent representatives of neo-Freudianism are Karen Horney (1885-1953), Erich Fromm (1900-1980), W. Reich (1897-1957), G. Markuse (1898-1979), and others.

More than a century of its existence psychoanalytic doctrine has undergone many fundamental changes. On the basis of Freud's monotheistic theory, a complicated system has been formed that includes a variety of practical approaches and scientific points of view. Modern psychoanalysis is a set of approaches related to the general subject of analysis [2]:

- Modern psychoanalysis identifies three directions that are interrelated:
- The psychoanalytic concept that forms the foundation for a variety of practical approaches.
- Applied psychoanalysis, aimed at the study of cultural phenomena and the solution of social problems.
- Clinical psychoanalysis, aimed at providing psychological and psychotherapeutic assistance in cases of personality difficulties or neuropsychiatric disorders.

During Freud's works the concept of impulses and the theory of infantile sex drive were particularly popular, today the concept of object relations are the undisputed leader in the field of psychoanalytic representations. Along with this techniques of psychoanalysis constantly transforms.

Modern psychoanalytic practice has already reached far beyond the limits of the treatment of neurotic conditions. Despite the fact that the symptoms of neuroses continue to be considered as indications for the use of classical psychoanalysis, modern psychoanalytic doctrine finds adequate ways to assist individuals with diverse problems, ranging from the usual psychological difficulties and ending with severe mental disorders. The most popular branches of modern psychoanalytic theory are structural psychoanalysis and neo-freudianism [3].

Psychoanalysis usually deals with the treatment of mental disorders, neurotic (which in our time are sick, in one form or another, from 25 to 38%, humanity) to psychotic, which include diseases that are treated without the use of psychoanalysis exclusively in the closed departments of psychiatric hospitals. Psychoanalysis allows to deprive a person of not only a serious mental disorder, but also allows to avoid the traumatic situation of hospitalization in a psychiatric hospital.

Psychoanalysis and, in particular, group psychoanalysis show good results in the treatment of psychosomatic disorders, the causes of which are the stress caused by a powerful psychological shock: death of a loved one, loss of finance, divorce, childhood... At present, according to the estimates of the International Health Organization, 60% People who turn to a somatic doctor, need treatment in a psychotherapist, as psychosomatic patients, because the reason for their illness is a psychological conflict.

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#### CURRENT ISSUES OF DEVELOPMENT THE PEDAGOGIC

**The goal of this research is** to study the current issues of development the pedagogic.

**The aims of this research are:** to highlight the current issues of development the pedagogic; to give the general characteristic of development the pedagogic.

Pedagogic is a set of theoretical and applied sciences that study the processes of education, training and personal development. The general task of pedagogy is to identify, study and justify the laws and laws of the person's formation and development, improving the theory and methodology of education as a specially organized pedagogical process. In Ukraine, pedagogical thought at all stages developed at the level of the world. In Ukraine, the same processes of the birth of pedagogy took place in the depths of philosophical thought. Acquainted with pedagogic ideals and practice of youth generation education in the XIII-XVII centuries, it is worth noting that pedagogic sources, proverbs, sayings, songs, fairy tales and other folklore materials were originally the didactic rules. Many of them have the deep respect for the person's knowledge, science, skills. The top of Ukrainian folk pedagogy, modern scholars believe Cossack pedagogy, which embodies national psychology, character, legal consciousness, morality and other components of national consciousness, spirituality of the people.

The achievements of Ukrainian ethnopedagogy are high and indisputable. There are many bright figures of thinkers, educators have grown on its ground. Among them are Vladimir Monomakh, Petro Mohyla, Simeon Polotsky, Ivan Fedorov, Theophanes Prokopovich, Grigory Skovoroda, T. Shevchenko, Nikolai Pirogov, Anton Makarenko, Vasyl Sukhomlinsky and many others. By the way, in the second half of the nineteenth and at the beginning of the twentieth century, almost all cultural and art figures, literature and science focused on education and upbringing issues in Ukraine. Thus, it should be noted that all the outstanding teachers of the past achieved significant success due to the fact that their pedagogic creativity was built on the basis of folk pedagogy. The advanced countries of the world have achieved significant scientific cultural and economic progress by increasing and developing the national education and traditions of their people.

A prerequisite for the development of pedagogic science and practice, especially at the stage of reforming the education system, is the comprehension, reconstruction of the history-and-pedagogy process, the knowledge of its laws. In the current conditions, there is a need to consider the history of pedagogy in broad social and anthropological contexts, drawing attention to the historical roots of multidimensional processes taking place in the modern education space of Ukraine. The proclamation of a sovereign Ukrainian state gave impetus to the development of pedagogical creativity, intensified scientific research on the development of the Ukrainian national system of education. There are new types of education institutions, copyright schools, whose work experience requires study and

substantiation. This inspired the scientific and pedagogic community to create its own scientific and pedagogic center. Exposing the objective patterns of education and training, pedagogy, while being an applied science, outlines the ways of practical application of theoretical positions. The true mastery of a teacher, high art is always based on scientific knowledge. In turn, on the basis of the generalization of the advanced teachers', pedagogic science formulates the rules of education and training.

The pedagogic development is based on the following sources:

- Pedagogic heritage of the past. Many of the above mentioned eminent teachers of the past and now are topical.
- Modern pedagogic research. They enrich pedagogic thought with new ideas.
- Advanced pedagogic experience. Multi-faceted study and generalization of pedagogic experience allows to determine certain laws, laws that feed new theories, concepts, forecasts.

Thus, obtained in the process of studying the pedagogic experience of knowledge becomes a source of existence and development the pedagogic sciences. An important part in the process of state-building in sovereign Ukraine is the formation and implementation of one's own education policy. Its content is set out in the state national program "Education" (Ukraine XXI century.), The Law of Ukraine "On Education", where the humanization and democratization of all the constituent elements of our education and national orientation are the basis of the priority principles of the development of its system. The history of education and pedagogic thought of Ukraine helps to develop a creative critical attitude to the past, makes it possible to see the patterns of education development and pedagogic ideas, to compare them, to allocate general and partial, special and characteristic. In the process of analysis, historical facts reveal everything positive that has justified itself and use it in further research and in practical work.

Socio-economic development of Ukraine at the present stage determines the definition of new priorities and prospects for the development of a special school, and sets high requirements for the content of teaching children with peculiarities of psychophysical development, and the development of new technologies for pedagogic correction of the inherent violations for them. The recognition by Ukraine of the UN Convention on the Rights of the Child and the World Declaration on the Survival, Protection and Development of Children has increased the attention to the children's' problems with certain deviations in development and has led to the need for the development of targeted state actions to create the most favorable conditions for their integration into the modern system relationships. Recently, in Ukraine, measures are being taken to not only preserve

the acquired experience of special education but also to multiply it, to develop modern technologies of correctional and compensatory work with this category of children, to create conditions for the exercise of their right to choose the type of educational institution and content and forms education.

**Conclusion.** The new direction of search work, which reflects the requirements of the present and aimed at updating the content and developing the scientific and methodological support for the initial general education of children with disabilities in accordance with the State standard of special education, approved by the Resolution of the Cabinet of Ministers of Ukraine, was launched.

It should be noted that this was preceded by a long and hard work. As a result of profound scientific and theoretical analysis and multi-dimensional experimental research, the conceptual foundations of the development of the theory and practice of special pedagogy, which are reflected in such documents as: concept of rehabilitation of disabled children; the concept of special education for people with physical and mental disabilities in Ukraine for the coming years and prospect; the concept of the state education standards for children with special needs.

Strategic priorities for the development of special education should be: theoretical and methodological principles of teaching children with limited health opportunities in the general educational space and providing them with a spectrum of psychological, social and medical assistance; problems of psychological and pedagogical support of children with severe and combined violations of psychophysical development; the development of standards educational for preschool education and the main part of school education for children with disabilities of different categories of health; the development of an assistance system to parents in the care, education and upbringing the children with disabilities.

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#### STUDENTS' SELF -MOTIVATION AS A FACTOR OF BOOSTING PERFORMANCE

Nowadays, when the rate of unemployment in Ukraine among young people remains high and salaries remarkably lower than in Europe it is difficult to motivate students to demonstrate a high level of performance at the university. In addition, information technologies allow the students to obtain education without attending universities, choosing the subjects to their liking.

Yet, motivation is considered to be a key to success in any activity, especially study. The scientific literature differentiates between internal and external or self-motivation. Self-motivation is internal incentive to complete certain tasks, do better than others. However, nowadays modern beliefs in everybody's right to happiness and neglecting duties badly damage self-motivation, because the youngsters understand this belief one-sidedly. In this case we use the concept of entitlement which is used to describe the belief that people have a right to happiness rather than the duty to construct it for themselves. It is the idea that people are endowed with the right to have certain benefits and material goods whether they have been earned.

A. Bandura (2000) speculates that people with high- perceived self-efficacy tend to feel they have more control over their environment and, therefore, experience less uncertainty [1]. Individuals are more likely to select tasks and activities in which they feel competent and confident. They are apt to avoid those in which they do not feel that way. The higher the sense of self-efficacy, the

greater the intrinsic motivation and effort people put toward their goals. They will pursue their course longer and with more diligence than will someone who is not self-efficacious. Research also clearly indicates that people with a highly evolved sense of self-efficacy recover from failure and setbacks more quickly than do those who do not. Self-efficacy is bolstered when a student achieves something previously thought unattainable. Overcoming initial failure is a powerful incentive for further pursuits.

Self-motivation provides students with numerous examples of ordinary people who have become extraordinary by overcoming failure repeatedly. “Ought to” is a model for them how to learn from missteps and how to stay true to their goals. Students need help to understand that their efforts and their choices make a tremendous difference in outcomes. Motivation is not something we can give anyone or do to someone. It is not necessarily transferred from an enthusiastic adult to an uninspired student. The more accurate term of self-motivation is what ignites a learner; it is the internal voice that says, “I am an autonomous person who has power over my choices and my actions. I can affect positive changes in my life if I work for them.” In Ryan and Deci (2000) [4] concluded that if adults want to foster the most high-quality forms of enhanced performance, creativity, and persistence, they must design activities that give students a sense of autonomy, competence, and relatedness. They agree that the optimal state of self-motivation resides in the learner and must be fostered by the teacher. Oftentimes, a student’s sense of entitlement is at cross-purposes with the awareness of self-motivation. Here are 5 ways to tell student self-motivated learner who has what it takes to achieve incredible success in life. 1. You learn because you want to, not because you think you “have” to. Self-motivated learners tend to ask more questions and devote more time to discovering the answers. If student are the kind of person who actively pursues your personal interests, student should find it easier to naturally acquire the skills and knowledge student’s need to design a life that’s more in alignment with your goals and dreams. 2. Student’s are willing to admit don’t know everything. Self-motivated learners tend to have a deeper understanding of their own strengths and weaknesses. If student’s views gaps in their knowledge as growth opportunities, their shall be able to upgrade their skill set to achieve even higher levels of success. 3. They are willing to take bigger risks – and get bigger results. Self-motivated learners thrive on accomplishment and have more confidence in their abilities because they are able to achieve so much on their own initiative. If they are not afraid to leave their comfort zone and take big risks, they shall be amazed at how much they can accomplish. 4. Student’s more likely to finish what they start. When self-motivated learners experience challenges, they become even more determined to succeed! If they have a strong sense of personal



accountability, they should naturally be better at managing your time and avoiding distraction – and will see their projects through to completion faster. 5. They are always two steps ahead of the pack. Self-achievers refuse to wait for changing circumstances to force them to adapt. If they are continually learning, they should be able to anticipate new developments long before they happen and thrive in an ever-changing world no matter what life throws your way.[3]

Douglas J. Lynch, of Wichita State University, developed guidelines based on current research which he believes can help foster self-motivation in students. Lynch prefaces his guidelines, however, with a general warning against stigmatizing students by viewing motivation as a fixed trait and against the use of ‘extrinsic’ or external rewards. Students unmotivated by school work are often highly motivated by activities outside school. Lynch suggests that, for the most part, it is the way in which classwork is presented by the teacher and viewed by the student that determines the level of motivation. With respect to external rewards, he points out (and research confirms) that external rewards can interfere with internal motivation. External reward systems undermine the development of internal motivation by supplanting the goal of knowledge or skill acquisition with an extrinsic reward. Students need to believe that school work is worthwhile. Lynch suggests that although students may not think classwork is fun, they can learn to believe it is important and that they will benefit from it if they work. Lynch makes the following suggestions to teachers who want to increase their students’ self-motivation:

1. Provide success and closure on tasks. Select work appropriate to the student’s current level of proficiency. Tasks should challenge the student, but be of moderate difficulty so that he/she is able to succeed with reasonable effort. Tasks should be interrelated.

2. Use positive introductions for tasks. Introductions should point out the value and usefulness of the assignment.

3. Provide constructive feedback by making comments which explain to the students what they need to do in order to achieve success. Frequently, it is necessary to discuss a problem or concept with a student to discover the reason for a mistake. By revealing the cause of the error, a teacher helps the student avoid similar errors in the future. On many tasks, students should have opportunities to correct mistakes before a grade is given. In this way, they can feel successful as well as learn that it is their progress, their learning that teachers value and, indeed, which they should value.

4. Allow choice with responsibility.

Choice gives students control over their learning. Holding students accountable for their choices helps them develop a feeling of competency which is

so important for self-motivation. Lynch believes that teachers who use these techniques enable students to take control of their learning and become self-motivated[2].

Conclusions. Self-motivation can be boosted from inside and outside. Students' self-motivation is the prerequisite of their success in future careers and lives. It is also the factor of the social and economic prosperity, because successful people are those who do better than others, have appropriate competencies and earn more money for their work.

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#### THE PROBLEM OF EMOTIONAL BURNOUT IN A MODERN SOCIETY

One of the most urgent issues faced by modern society is the problem of emotional burnout caused by constant nervous overload, self-dissatisfaction, psychosomatic disorders and workplace stress. The syndrome of emotional burnout can be called the disease of the 21st century. However, it has both negative and positive aspects. On the one hand, it is connected with a series of psychological and physiological problems, but on the other hand, this syndrome is a protective mechanism that can be automatically triggered in stressful situations.

The term "syndrome of emotional burnout" was introduced in 1974 by american psychiatrist H. J. Freidenberger. According to H. J. Freudenberger, emotional burnout is the exhaustion of the energy of professionals in the field of social assistance when they feel overwhelmed by other people's problems [5].

C. Cherniss identified the syndrome of emotional burnout as a loss of motivation to work in response to excessive duties, dissatisfaction, realized in psychological leakage and emotional exhaustion [1]. C. Maslach defines the burnout syndrome as a response to chronic emotional and interpersonal stress in the workplace [6].

The analysis of scientific literature makes it possible to interpret the burnout syndrome as a state of emotional, intellectual and physical exhaustion as a result of continued stay under the influence of stress-inducing factors, which leads to a number of negative consequences, such as personality deformation due to psychologically stressful relationships in the "man-man" system, sleep disturbance, development of aggressive feelings, dissatisfaction with quality of life, etc. Especially people working in the "human-human" sphere are the most prone to emotional burnout.

The factors affecting emotional burnout include individual characteristics of the nervous system and of temperament. Workers with a weak nervous system and introverted character, whose individual characteristics do not combine with the requirements of "man-man" professions, have predisposition for a rapid burnout [2].

The lack of "discharge" – the release of negative emotions – stimulates the development of the burning-out process. At the initial stage of the burning-out syndrome a person has problems with communication as a result of constant tension. In course of time, psychological exhaustion gradually turns into a physical one, which slows down the performance of even the simplest tasks. Such fatigue prevents normal functioning due to the constant state of depression, apathy, discomfort, sudden outbreaks of irritation.

Emotional burnout is a very gradual process: the stage I (light burnout) lasts 3–5 years, II (prolonged) – 5–15 years, III (chronic) – from 10 to 20 years. On its background, the exacerbation of chronic diseases and the emergence of new ones is possible.

There are a number of common symptoms that are typical for people with the burnout syndrome. E. Maher (1983) highlights the following [3]:

- 1) fatiguability, exhaustion;
- 2) psychosomatic disorders;
- 3) sleep disturbance;
- 4) negative attitude toward clients;
- 5) negative attitude to the work;
- 6) scarcity of working actions;
- 7) chemical agents abuse (coffee, tobacco, alcohol, drugs, medicines);
- 8) overeating or lack of appetite;

- 9) negative I-Concept;
- 10) aggressive feelings (irritability, anxiety, anger);
- 11) bad mood and emotions associated with them: cynicism, pessimism, feeling of hopelessness, apathy, depression, sense of senselessness.

However, it is possible to escape the negative effects of emotional burnout. The best way is to contact a specialist who will help solve the problem. But you can try to cure yourself. To do this you need:

- use "technical breaks" for the purpose of physical and mental recovery;
- to master the ways of managing stress (building bridges between work and home);
- to absorb relaxation, visualization, autoregulation, self-programming;
- change the setting for life and its meaning; to perceive emotional extinction as an opportunity to express and redefine own life, to make it more productive for oneself;
- to maintain a good physical form (balanced nutrition, restriction of alcohol use, refusal of nicotine, correction of body weight, etc.) [4].

Thus, the problem of emotional burnout is very serious, but solvable. The most important thing is not to forget about emotional and physical relaxation. Nowadays we can observe a rapid increase in the number of patients suffering from burning out syndrome. It necessitates the creation of fundamentally new approaches to solving the problem, the development of innovative treatment methods, both individual and general. Therefore, the ability to protect yourself from stress-making factors is the basis of a healthy psyche.

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## FACTORS OF IMPROVING THE TEACHERS' LINGUISTIC COMPETENCE

**The goal of this research is** to study the factors of improving the teachers' linguistic competence.

**The aims of this research are:** to highlight the factors of improving the teachers' linguistic competence, to give the general characteristic of these factors.

The growth of scientific interest in the humanization of higher education in general, and technical in particular, is due to many factors. The modern concept of language education sets new tasks for the national science, the main among which is the provision of communicative and practical study of the language. In particular, higher education institutions should focus their efforts on forming a culture of professional broadcasting for future specialists.

The reform of the higher school, its focus on the humanization of education gives the opportunity to formulate a social order of society regarding the development of student's skills and abilities to communicate in the language of the profession, it is better to focus not only on production, but also in personal communication. A perfect, thorough knowledge of the Ukrainian literary language in everyday business reality is the responsibility of each specialist. Teaching linguistic disciplines in higher technical education institutions not only enhances linguistic education of students and promotes humanization of education, but also enhances the cultural level of the future Ukrainian intelligentsia.

Despite the urgency of such a direction of work, Ukrainian linguistic didactics has not been studied sufficiently. The general methods of forming the

language competence of students were developed by N. M. Bibik, L. S. Vashchenko, O. Ya. Savchenko, I. M. Zvarych and other researchers.

It is traditionally considered that competence is a norm of student's education, while the key competencies common role to all professions and specialties, universal in different situations, is initiated. A prerequisite for successful assimilation and further active usage of basic scientific and professional terminology, in our opinion, is the rational combination of the communicative approach and the professional context. The efficiency of terms assimilation and their active usage in oral and written Ukrainian professional speech depends in large part on the students' appropriate system implementation of preparation exercises and different tasks, consistently aimed at both translation and thoughtful learning of terminology, as well as the enhancement of speaking and listening skills necessary for practical application, acquired on the knowledge lessons of "Ukrainian language for professional orientation".

*It's about:*

- Formation of a conscious attitude towards the Ukrainian language as an intellectual, spiritual, moral and cultural value.
- Development of students' creative and intellectual abilities, their interest in studying the Ukrainian language.
- Mastering the ability to perceive, analyze, compare speech phenomena and facts, and evaluate them from the point of view of the correspondence of the situation of communication.
- Formation of research competence, improvement of skills and abilities of independent work with scientific text, various sources of scientific information, in particular electronic, search for innovative technologies.

The success of a communicative act will depend on the speaker's ability to interest the recipient. Consequently, for the success of a modern person need to have the art of communication, that is, have the appropriate communicative competence. The student must realize our proverb "on the clothes meet - in the mind of the wise" aptly and fully transmits the beginning and end of interaction, which is typical for direct communication between people: first, the students usually pays attention to the gender, age, physique and, of course, the clothes of the teachers, then, during a conversation, on posture, gestures, facial expressions, etc.

The following forms and methods of working with students will be expedient at the classes:

1. Review and heuristic interactive lectures, seminars, independent study of literature and implementation of individual communication tasks, provided by the curriculum, scientific work with reference resources.

2. Tasks for writing documents.
3. Tasks of research and retrieval, translation, correction and editing of texts.
4. Simulation of communicative situations.
5. Preparation of reports, reports, abstracts, scientific performances.

Summarizing the key concepts interpretations of the key of the scientific study in the scientific literature, in particular, "competence", "professional competence" and "speech competence", we will understand the professional competence of the future speaker as an integral ability of the student and his readiness to learn the regularities of the functioning of speech means in speech for perception, understanding and creating the statement during the professional activity.

The professional formation of specialists requires them to increase their linguistic responsibility, paying special attention to the organisation of the effective linguistic training. This is explained by the fact that professional language competence is one of the professional components of a modern specialist and determines his/her competitiveness and demand.

**Conclusion.** Formation of professional competence speech specialists is a complex process, effective implementation depends on methodical appropriate selection and combination of methods, techniques and study tools. The further research of communication system prosperities is development the exercises for communication that will strengthen the professional students' competence in the process of communication.

Consequently, for the success of a modern person need to have the art of communication, that is, have the appropriate communicative competence.

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## THE PROBLEMS AND EFFECTS OF AN OUTDATED EDUCATION SYSTEM ON THE STUDENT'S FUTURE

Have you ever thought about what a country is? In my opinion, a country is, first and foremost, the people living in it, and most of all the growing generation, which is the country's future. One of the most important roles in a child's upbringing and forming of personality is played by school education. The conditions in which the future generation is raised are very important for the future development of personality, but in modern Ukrainian schools, things are not as good as they could have been.

At this point in time, there are several major problems with school education:

- Years spent in school must help the child adapt to adult life, yet modern Ukrainian schools do not succeed in that task. Nowadays, in most cases, a child coming to school sees an old building with outdated equipment and teachers with outdated techniques. In such a situation, the child usually has no will to study. The environment a child grows up in will influence his or her worldview, cultural development, the movies and book he or she will watch or read, whether he or she will read voluntarily at all.

Unfortunately, school financing is extremely illogical. In fact, the education budget consists of leftovers from other government spending. Because of that, schools are often underfunded, and parents have to pay in the government's stead, even though they aren't always able to afford it. So the outdated school equipment often can't be brought up to modern standards. Students succumb to the overall atmosphere as a result, and completely lose the will to study.



- In addition, let us look closely at the teachers. In the EU, the teaching profession is fairly prestigious, and not everyone is fit to become a teacher, while in Ukraine, this profession has long lost its dignity. None of the current youth is interested in becoming teachers, as the pay is so abysmally low. Even those who have a talent in teaching avoid it, because they are aware of the poor working conditions in schools. So the schools are staffed by people who have already been teaching for several generations, all with the same decades old methods. Even though the textbooks are constantly being updated, many teachers still use techniques originating in the 19th century. They don't provide any motivation, only homework, and they give lessons based on a pre-written plan with no deviation. In modern days, the way people perceive education slowly changes – there are now some teenage students who study for their own benefit only, avoiding the arbitrariness of the system – but it could change much more rapidly if the education techniques were brought up to modern standards that motivate people to study for their benefit. The possibility of that change is very dependent on teachers and the school environment.
- In the overwhelming majority of schools in the EU, children study for 12-13 years, while in Ukraine the number is just 11. This negatively affects the pacing of study. In addition, the main goal of general school education is to help the student choose a path for further education. In Ukraine, the main task seems to be the memorization of as many different subjects as possible. The amount of subjects being studied is considered synonymous with quality. If a child could instead pick and choose subjects to their liking, motivation levels would certainly improve. After all, everybody has a different set of talents and preferences. Unification in schools is highly detrimental to students' future lives, as they often seem to despise education after graduation. Many students are dropping out of university because of inability to determine a suitable future for themselves. By changing priorities in education, most of these problems could be alleviated.

Based on these problems, we can see that contemporary Ukrainian schools do not fulfil the requirements for raising a modern person. In these conditions, a child graduating school doesn't know what he or she wants, and has no wish to learn something on his or her own, even though learning ability is an important job selection criterion. This risks making Ukrainians uncompetitive on the job market. So schools require changes so that they will be able to raise complete personalities for the betterment of the country.

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## THE HIGHER EDUCATION SYSTEM IN UKRAINE AND THE USA

**The goal of this research is** to study the system of education in Ukraine and Florida.

**The aims of this research are:** to highlight the advantages and disadvantages of the education system in Ukraine and the USA, to give the general characteristic of these two systems.

Education in different countries is somewhat different from each other. The teaching methods and the teaching approach are completely different. In order to compare the education systems of the two Higher Learning Institutions: the USA and Ukraine, we've selected the faculty of management in Central Florida University and Kyiv National University of Trade and Economics.

The University of Central Florida is American Research University in Orlando, state Florida. This is the second university in the USA by the number of students. In central Florida, there are 15 university buildings. The University has 573 full-time study programs and 99 programs for distance learning students. There are five referrals in this university. The most popular is business and management.

Management faculty conduct research on a variety of topics, such as

1. Business ethics;
2. Entrepreneurship;
3. Strategic management;
4. Human resource management;
5. Leadership and organizational behavior.

In most universities of the USA every student can choose a lesson with special categories of studying during a year.

Fundamentals of Oral Communication	3 hrs	Career Search Strategy	1 hr
Cultural & Historical Foundations	3 hrs	Legal and Ethical Environment of Business	3 hrs
Mathematical Foundations (6 hrs)		Introduction to International Business	
Computer Fundamentals for Business		Supply Chain and Operations Management	3 hrs
College Algebra	3 hrs	Business Interviewing Techniques	1 hr
Principles of Macroeconomics or	3 hrs	Executing Your Career Plan	1 hr
Principles of Microeconomics	3 hrs	Required Courses for Major	15 hrs
General Anthropology or	3 hrs	Performance Management	3 hrs
General Psychology or	3 hrs	Leadership Development	3 hrs
Introduction to Sociology	3 hrs	Organizations: Theory and Behavior	3 hrs
E: Science Foundations (6 hrs)		Conflict Resolution and Negotiation	3 hrs
2. Common Program Prerequisites		Teamwork, Collaboration, and Group Dynamics	3 hrs
Principles of Financial Accounting	3 hrs	5. Restricted Electives (12 hrs)	
Principles of Managerial Accounting	3 hrs	Restricted Elective Courses	9 hrs
Computer Fundamentals for Business	3 hrs	Moral Foundations of Business	3 hrs
Principles of Macroeconomics	3 hrs	Designing Dynamic Organizations or Strategic Human Resource Management or	3 hrs
Principles of Microeconomics	3 hrs	Human Resources Recruitment and Selection	3 hrs
Quantitative Business Tools I	3 hrs	Business Analytics in Human Resource Management	3 hrs
Concepts of Calculus and	3 hrs	Business Elective	3 hrs
Statistical Methods I	3 hrs	6. Capstone Requirements (3 hrs)	
4. Core Requirements: Advanced Level (45 hrs)		Strategic Management	3 hrs
Primary Core	15 hrs	7. Foreign Language Requirements	
Accounting for Decision-Makers	3 hrs	? Two years of one foreign language in high school, or	
Quantitative Business Tools II	3 hrs	one year of one foreign language in college (or equivalent	
Business Finance	3 hrs	proficiency exam) prior to graduation.	
Management of Organizations	3 hrs		
Marketing	3 hrs		
Secondary Core	15 hrs		
Introduction to Career Development and Financial Planning	2 hrs		
Career Research & Planning	1 hr		

Kyiv National University of Trade and Economics traditionally is among the leaders of the Ukrainian HEI's. The polling of 2015 proves again the high prestige and stability of KNUTE: University took the 11th place among the 30 best universities of Ukraine, is in TOP-5 of the league table of HEIs that trains the highest number of top-managers and in TOP-10 according to the university transparency league. The Faculties are a part of the Kyiv National University of Trade and Economics:

- Faculty of International Trade and Law
- Faculty of Economics, Management and Psychology
- Faculty of Trade and Marketing
- Faculty of Finance and Banking
- Faculty of Accounting, Audit and Informational Systems
- Faculty of Restaurant, Hotel and Tourism Business

KNUTE provides teaching English/French/German – as a first foreign language, and Polish/Spanish/ Modern Greek/Latin – as a second foreign language. Free of charge program of studying Japanese has been functioning for more than 10 years in KNUTE.

Activity of European Education Center is aimed at realization of academic mobility principles and creation of a possibility for students to get a double degree diploma. The highly qualified lecturers of EEC prepare second- and third-year students of KNUTE to pass DELF/DALF, IELTS, TOEFL levels B1, B2.

The students of KNUTE can't choose the lovely education subjects for studying because of the steady curriculum. They have the possibility to study these subjects:

1. Economic Informatics 7,5	19. Finance, money and credit 4.5	37.2. Risk Management
2.Science and Applied Mathematics 9	20. Commodity Studies 9	38.1 Self-management 6
3. Foreign language (by professional orientation) 19,5	21. Market statistics of goods and services	38.2. Psychology of management
4. Ukrainian language (for professional direction) 3	22. Economics and finance of the enterprise	39.1. Tax system of Ukraine
5. Safety of life 3	23. Management 6	39.2. Banking 4.5
6. History of Ukraine 3	24. Politics 4.5	39.3. Insurance
7. Physical education 12	25. Marketing 4.5	40. Management of the enterprise
8. Psychology 4.5	26. Electronic Workflow 3	41. Strategic Management 3
9. Fundamentals of	27. International economic relations	42.1 Innovation management
		42.2 Controlling 3

Economic Theory 6	29. Operational Management 4.5	42.3 Analysis of economic activity
10. Jurisprudence 6	30. Logistics 4.5	43.1. Business negotiations
11. Theory organization	31. Foreign economic activity	43.2. Public relations organization
12. Statistics 4.5	31. Foreign economic enterprises 4.5	43.3 Marketing researches
13. Macroeconomics 4.5	32. Labor protection 3	43.4. Behavior of consumers
14. Public administration and local self-government 4.5	33.1. Psychology of communication 3	44.1. Ethics of business 3
15. Sociology 3	34. Human Resources Management 4.5	44.2 Business security
16. Philosophy 4.5	35. Accounting 6	45. Modeling financial and economic enterprise activity
17.1. Commercial law 3	36. Second foreign language 7.5	
17.2. Labor Law	37.1. Administrative Management 4.5	
18. Microeconomics 3		

**Conclusion.** Looking at all the data, we can conclude that skilled specialists are being trained in both establishments, but the ways to gain knowledge have some differences. Studying the education subjects by US university students sets a goal at the state level - to pay maximum attention to understanding the cultures of national minorities. Textbooks and other education materials are sent to provide comprehensive ethnos coverage, as well as appropriate efforts are made to train teachers of a broad profile. That is why in the United States a lot of attention is paid to ensuring the professional activity of teachers and assists students in mastering a foreign language and different subjects.

A comparative analysis of the pedagogical assessment of the students' knowledge level quality in Ukraine and the United States convinces that, taking a positive from the American system of education, one must take into account the achievements of domestic pedagogy.

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## ANTYPEDAGOGIKA – WSPÓLCZESNY NURT EDUKACJI

Antypedagogika to nowy współczesny nurt edukacyjny, określany też jako filozofia życia i współżycia ludzi XXI wieku.

Antypedagogika to zniesienie wychowania - teoria przeciwna do pedagogicznej, nie jest negacją pedagogiki, lecz innym systemem bazującym na innym obrazie człowieka, a także synonim praktyki i sposobu życia ludzi wolnych od wychowania.

Antypedagogika jest szczególnym wkładem w ruch praw dzieci, stanowi na tyle pełny system i oznacza tak ogromny przełom w wychowaniu i pedagogice, że uważana jest przez swoich współwyznawców i zwolenników za podstawę nowych stosunków międzyludzkich.

Antypedagogiczny obraz człowieka zawiera przeciwstawne (do pedagogicznego) przekonania, że: „dziecko z pewnością jest zdolne już od urodzenia wyczuwać to, co jest dla niego dobre”. Natomiast pedagogiczny obraz człowieka prowadzi do postawy roszczeniowej: „ja wiem lepiej niż ty, co jest dla ciebie dobre”.

Antypedagogiczny dorosły postrzega siebie jako przyjaciela dziecka, a nie jego wychowawcę - jego mottem jest wspieranie zamiast wychowania.

Młodzi ludzie, którzy są pewni naszego wsparcia, wiedzą, że ich Ja jest bezpieczne, a ich suwerenność nie jest ograniczona (jak dzieje się w relacji wychowawczej). Mogą skierować całą swą energię na poznanie i badanie siebie oraz świata, zamiast tracić ją na obronę przed roszczeniem: wiem co dla ciebie jest najlepsze.

Antypedagogika odrzuca paraliżujące poczucie odpowiedzialności za dzieci przyjmując nowy rodzaj odpowiedzialności: - szanuję prawo do samostanowienia i odpowiedzialności za siebie, młodych ludzi i czuję się odpowiedzialny wobec tego prawa.

Antypedagogika uświadamia nam, że „Jesteśmy bowiem od samego początku odpowiedzialni za siebie i pełni samoakceptacji, potrafimy też akceptować innych”.

Zaufanie antypedagodzy uważają za podstawową wartość nowej relacji. Nowe zaufanie zaczyna się ode mnie samego. Zaczynam sobie wierzyć, ufać - co może przejawiać się w różny sposób: „lubię siebie”, „nie muszę się zmieniać”, „jestem pełen miłości i chętnie obdarzam miłością innych”.

Wszystko, co antypedagogika mówi o dzieciach dotyczy również dorosłych.

Antypedagogika umożliwia dorastać dorosłym do harmonijnego życia ze sobą samym i światem - tak uważają jej twórcy.

Dzieci powinny się czegoś nauczyć, lecz w formie, w której treści nauczania podawane są bez jakiegokolwiek przymusu. Młodzi ludzie powinni mieć prawo do kontrolowania swojej nauki i, to te dzieci będą chodzić do szkoły z wolnym od lęków nastawieniem: „nie musimy zdobywać dobrych ocen, jesteśmy po to by sprawdzić, co może nas zainteresować. Żaden nauczyciel nie może zmusić nas do nauki, chodzimy do szkoły z ciekawości i nikomu nie wolno nas straszyć. Lubimy się uczyć z nauczycielami, którzy nas akceptują i z tymi, z którymi możemy się dogadać”.

Nie mniej istotne jest to, w jaki sposób antypedagogika reaguje na sytuacje zagrożenia.

Antypedagodzy uważają, iż palenie i alkohol szkodzą, lecz nie ich sprawą jest narzucać innym, w tym również dzieciom i młodzieży swego zdania. Przy stosownej okazji mówią co sądzą o szkodliwości palenia, picia, czy narkotyzowania się. Jeżeli chcieliby coś się dowiedzieć na temat szkodliwości tych używek odsyłają do odpowiednich lektur, filmów itp.

Antypedagogika nie różnicuje ludzi na lepszych i gorszych. Nie dzieli na tych co błędzą, tych co zawsze mają rację, na tych co są w zgodzie z prawem i w konflikcie.

Studiowanie antypedagogiki czy nawet zetknięcie się z jej przesłankami, budzi dość sprzeczne uczucia: niepokoju i ufności, lęku i zachwyty, podziwu i przerażenia, ufności i niewiary. To nowa sytuacja związana z przechodzeniem od „pedagogicznego przymusu” do antypedagogicznej swobody - stwarza lub stwarzać może u pedagogów, nauczycieli, wychowawców poczucie niepokoju, braku stabilności.

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## METHODS OF PERSUASION IN SOCIAL LIFE

The research deals with the influence caused by persuaders.

The object of the article is persuasion in social life.

The subject of the article are persuaders and individuals who get persuaded.

The tasks of the article are as follows:

1. Indicate the definition of persuasion;
2. Describe the methods of persuasion.

The theoretical value of our research is determined by its contribution to social psychology.

The practical value of the paper implies that its results can be used for dealing with persuaders in everyday life.

When we talk about persuasion some people might think of advertising messages that urge viewers to buy a particular product while others might think of a political candidate trying to sway voters to choose his or her name on the ballot box. Persuasion is a powerful force in daily life and has a major influence on society and a whole.

As outlined in Dictionary of Social Psychology, persuasion is a method of changing a person's cognitions, feelings, behaviors, or general evaluations (attitudes) toward some object, issue, or person. It should be noted that persuasion requires a free choice.



Relevance of the abstract is that everyone gets persuaded nowadays by other people and usually the ones who get persuaded don't even know that they are influenced by someone.

Nowadays marketers nowadays use few principles of persuasion to get what they want. These six principles we can see in "Influence" by Robert B. Cialdini it is a book about human tendencies to get persuaded. Individuals who have read this book can secure himself against these methods if they aware of them.

As it was said before book is organized around six main methods of persuasion in social life. But with more research two additional methods were discovered:

- Reciprocation – willing to do a favor to whom who have already done a favor to you, even though *their* favor is much worse;
- Consistency – person set up their mind once into one behavior and not abandoning it until the end;
- Commitment – people are more likely to comply with a larger request after they have already complied with a much easier request;
- Social proof – people orient themselves to the others' behavior;
- Authority – with authority comes ability to persuade people who don't have it;
- Liking – making people tend to comply with others who they like;
- Scarcity - making people crave that which they cannot (easily) have;
- Contrast - Differences seem exaggerated when the different things are presented one after another.

To reciprocate, is to respond to an action with a similar action. Therefore, it can be viewed as a means for persuading someone by helping them with minor problems and asking for major help after. In most cases there won't be any resistance from them.

Permanent behavior is usually nice and has many positive moments. It is a good trait to stick to your convictions most of the time. Nevertheless, there are two types of situation where it's probably better to break consistency: when you don't really need to do something and don't want to, but feel an obligation. Moreover, when you have been in bad situation because of your consistency you will should prevent it from happening again and organize everything in different way.

If you want someone to do something and you feel that there will be resistance, it's better to start with a small request that's unlikely to be declined. That's how commitment principle works in relationships.

Social proof is the most common for almost every person. Best example is so-called witness apathy. When something bad happens and someone (call him a

victim) needs immediate help, everyone will just stand nearby and do nothing. The reasons are simple, person will think if victim need help or not (because (it would be embarrassing if he acted without any need for it), then he sees all those other people standing around and doing nothing. Mind consensus – no help is needed. But help is obviously needed. And as soon as one person helps, others participate. Helping is infective disease. It is now “socially safe” to do so.

It is easy to get persuaded by a person with authority and it’s not surprising a lot that other people tend to obey to these people.

It’s common trying to help people more when you like them. Main reasons are attractiveness and similarity. Even if you are not looking for a life partner, attractive person has a better chance of getting help. More you like person, more you get influenced by them.

Scarcity is the way most salesmen control your expenses. We feel a lot of pressure when we're made to believe that an opportunity would be lost a short time later. Scarcity also doubles when it meets rivalry. Best example is auction where you can buy rare stuff and you are not the only one who wants it. Price is getting higher and higher.

Salesmen using contrast principle to their advantage: offering high price product (like phone etc.) and then case for that phone which is obviously lower in price but contrast principle will make you exaggerate difference between them even more.

In conclusion, persuasion is a part of everyday life and it is important to realize that we persuade, and are persuaded. We cannot switch off our evolutionary baggage and programming, but we can be aware of it and keep it at bay.

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## CONFLICTS BETWEEN PARENTS AND CHILDREN

«Misunderstanding is a disadvantage of modern society, and misunderstanding between parents and children is a tragedy of two generations».

Relationships between parents and children can be attributed to a centuries-old problem. Nowadays, in XXI century, we can say that there is the richest variety of types of family relations compared with the previous centuries. In the category of "family relationships" we can definitely make a point about raising up children. It's common knowledge, that the incorrect methods of education can cause the problems and conflicts between children and parents.

There are many types of relationships between adolescents and parents. For example, in psychology there are classified as:

**Autocratic**, also called **dictatorial**, when a teenager is exposed to tyranny requirements and prohibitions, it is practically forbidden to independently decide something and especially to act on their own, and even express an opinion.

**Authoritative**, when the independence of a teenager is also substantially limited. However, he can participate in discussions relating to its problems, but the right to draw conclusions and make a decision belongs exclusively to adults.

**Democratic**, in which adults admit that in some areas of a teenager life he can act on his own. In this case, the teenager has the right to debate and express his own opinion; however, the final decision is always made by parents.

**The position of equality** - when adults and adolescents are included in the decision making equally.

**Liberal**, in which the teenager himself determines the circle of his friends and chooses activities he wants to participate in. Parents, of course, may have their own thoughts, but the final decision is always made by the teenager himself.

**The detachment position** - this type of relationship involves the "divorce" of parents with a teenager, adults refuse to take part in his life.

Modern psychologists are tending to choose the liberal method of education as the most effective and correct towards the relations between teenagers and parents.

As the problem in generation gap became bigger, psychologists divided the term «problem» on stages. A disagreement arises immediately and we can't escape

it. The «development stage» seems to be the most painful. It involves a change in the emotional tone between the two sides. During this period, the representatives of each side are experiencing the highest nervous tension. In a family, we can observe constant controversies between parents and children, in school - grudge of a pupil with a teacher or teacher with a student. This stage, apparently, is the longest in development of relations. And the longer it passes, the clearer the solution of the conflict.

The next step is to identify the conflict itself, although it is not mandatory. In such a situation, both from the younger and from the elder sides are people who are patient, restrained, educated. They cannot afford to break through and thereby show their negative sides. The conflict is a peculiar end to the problem situation, but the problem itself seems to never been solved.

Psychologists propose the main causes of conflict situations which can often be seen in modern families:

1. Insufficient attention or, on the contrary, excessive parental control in relation to the younger generation, the lack of a competent educational policy, unwillingness to listen will certainly lead not only to quarrels and scandals, but also harm the psychological development of the adolescent.

2. Clash of interests of the older and younger generations. Satisfaction of the needs and desires of one side without taking into account the interests and needs of the other leads to powerful emotional outbursts of negative energy.

3. Among the qualities of parents leading to conflicts in the family, it is possible to single out a conservative mentality, adherence to bad habits, and authoritarianism of opinion. Among children's qualities, conflicts lead to selfishness, disobedience, poor school performance, stubbornness, laziness and deceit. Such a contradiction will certainly find a way out in the form of a quarrel.

4. Lack of harmony in the family. If the hostility of the spouses is hostile to each other, then the level of psychological stress in the family will tend to increase. The atmosphere of constant hostility between parents can lead to mental disabilities in the development of the child.

5. Problems of domestic and social nature. Often parents transfer the negative from the burden of problems into communication with their children, which leads to the formation of complexes and feelings of guilt.

6. Inability or unwillingness of parents to limit children's extremely free behavior. The child, feeling his own impunity and permissiveness, begins to behave accordingly. And troubles come in the form of problems with the law, in relations with peers and parents.

7. Psychological immaturity of parents. The absence of the elder generation of wisdom of communicating with the child and elementary knowledge about the characteristics of upbringing are the causes of misunderstanding and disagreement.

8. Age component. Each period of the development of the child has its own characteristic nuances that parents should take into account when communicating with them.

Moving from generation to generation, the problem turns out to be eternal, but as the famous proverb says “there are no situations which cannot be solved”. Ideal relationships between "parents and children" mean understanding and attention from both children and parents. But it seems to me, that this is not always possible in real life. The older generation, wishing to help the younger, offers its method of solving a particular issue. Often based on personal experience and considering the proposed path to be optimal, they do not consider the individuality of human fate and, as a rule, gradually begin to simply impose their point of view. Proceeding from all of the above, parents should remember that the way they bring their children up, will define who their children become and what relations their family is going to have in the future. In most cases, the lack of mutual understanding and the desire to take into account each other's views are the main cause of family scandals. As a result, a happy family life turns into constant squabbles and conflicts between parents and kids. If you cease to be guided solely by your interests, then any situation can be solved so that all sides will be satisfied. This will help smooth out the conflicts, improve the psychological atmosphere in the family and establish relations between parents and children.

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## THE MEASUREMENT OF EDUCATION QUALITY IN THE USA

**The goal of this research is** to highlight the accreditation and education performance of higher education institutions in the United States.

**The aims of this research are:** to focus on the education quality measurement and accreditation of Higher Learning Institutions in the USA, to analyze their education activities.

The quality education evaluation of Higher Education Institutions in the United States depends on the certain indicators of measurement, in particular from accreditation of Higher Education Institutions and their education activity.

The accreditation of higher education institutions of the USA is carried out by: accreditation organizations, accreditation organizations determination, representatives of the federal government, and state government. Independent and qualified experts check the educational activities of a particular university, paying particular attention to the implementation of the approved program, as in the United States, not only the Higher Education Institution accreditation, but also the accreditation of the professional higher education program.

Judith S. Eaton, president of the Council for Higher Education Accreditation (CHEA), underlines that USA accreditation organizations are legitimizing themselves from colleges, universities and programs that are accredited, and not from the government [3]. It would be better to emphasize that the Council for the Accreditation of Higher Education (CHEA) is a private, national organization, but non-state. It covers more than 300 Higher Education Institutions and it is headed by a collegium of university representatives.

There are 60 accreditation organizations in the United States which are recognized by the Accreditation Board in the Higher Education System, because it is this United States Department of Education (USDE) that controls the activities of the accreditation organization. The US Department of Education (USDE) is an organization of the federal government that, within its authority, examines the capacity of accreditation organizations to ensure the quality of the education process in Higher Education Institutions, on the basis of which the Higher Learning Institutions are financed from the state budget. That's why the USA accreditation organizations consider their activity as providing services, rather than regulating education activities, since they largely carry out education functions, not

controlling. The main objective of the accreditation organizations is to help Higher Education Institutions to develop their professional program, promote its implementation, and not prescribe requirements and establish standards. The United States Accreditation Organizations provide some advice to representatives of Higher Education Institutions, evaluate the education activities of universities and engage in analytical work. That's why the USA accreditation organizations serve not only the state Higher Education Institutes, but also 125 other countries of the world [2].

The indicators of the Higher Education Accreditation are determined by certain criteria recognized by the regional authorities for accreditation of Higher Education. Accreditation indicators provide the opportunity for universities to receive scholarships from the state budget at various levels and funding from both state and commercial organizations, as well as graduates' diplomas recognize by the state employers. Almost all US Higher Education Institutions, including colleges, are accredited, despite the fact that this is the voluntary affair. The universities of particular specialty are not involved into the process of accreditation.

The indicators of the education activity of Higher Education include indicators developed and established by the states ruling circles where the university is located, or by the Higher Education Institutions administration. Education performance indicators of higher education institutions are used for: comprising education activities of state universities, funding Higher Education Institute from different sources, reporting to the ruling circles to improve the education process quality, the teachers' professional activities, in particular teaching subjects and assessing the knowledge quality as teachers and the students as well.

American researcher R. Birnbaum highlights that higher education quality in the United States depends on the measurement of meritocratic indicators, social, individual, in particular, meritocratic are based on the conformity of education with professional and scientific norms of teachers' professional activity, social - meeting the needs of society, individual - development the student knowledge level [1].

To the significant indicators of education activity in US Higher Education Institutions are included: the percentage of graduation / dropout of students, the percentage of graduates who have completed the certain Higher Education Institution for 6 years, the percentage of professional employment, the access level to Higher Education (the percentage of application enrollment for all ages, race), financial expenses (cost of training, financial assistance to students), the quality level of teachers' professional activity, in particular, subject knowledge and their

ability to teach students, the availability of a science degree, and amount of published articles [4].

The education quality measuring at US Higher Education Institutions is a complex process that involves making decisions on the tasks format, procedures for testing both as students and teachers as well, attracting additional material from the subjects and pedagogy to the group, building a portfolio, using the latest computer technologies. In countries with a centralized education system, there are significant differences in the goals definition of the measurement system and decision-making in determining the quality level of professional activity, in particular pedagogical competence.

In countries with a decentralized education system, in the United States particularly, determining the student knowledge level and assessing the teaching professional activity of teachers is carried out by individual states, counties that develop certain requirements and standards. If the assessment of the student knowledge level is carried out by the teachers, then, before determining the quality level of teachers' professional activity, engage experts who think over the whole process thoroughly, in particular regarding data collection, scoring, analysis of the evaluation process and the confidence formation in the feasibility of the results. The use of additional training materials or technical equipment will increase the validity of the measurement tools, but this may reduce their reliability as the standardization of the tests offered for diagnosis is complicated. Tests on the measurement of the teachers' professional activity, in particular pedagogic competence, include tasks that involve a detailed response, as well as a complex evaluation system. In the process of measuring quantitative and qualitative indicators of teachers' professional activity use multi-choice tests, where someone can choose one answer to the task out of several proposed. However, multiple-choice tests have certain disadvantages, because they do not reflect a lot of practical tasks, and teachers choose one of the suggested answers instead of offering their own. Therefore, multi-choice tests are offered, with tasks that include interpretation questions, and open responses. Such task formats include written responses, drawings, diagrams, charts, graphs or even the development of some models. The advantage of these tasks is that they allow you to measure much more results than just the task of multiple choice [5].

**Conclusion.** Based on the study of American experience, we came to the conclusion that education quality measurement is the necessary and disable process that should be directed to the improving of education activities and providing education services in order to become better the education quality at Higher Learning Institutions of Ukraine. Accreditation in Ukrainian Education Institutions should become a community value and be used more widely to determine the



rating among other universities, which in particular will have a certain impact on the increased funding of Higher Education Institutions from both as the state and as commercial structures.

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#### THE EDUCATION REFORM IN UKRAINE

**The goal of this research is** to study the current Ukrainian system of education.

**The aims of this research are:** to highlight the advantages and disadvantages of the education system in Ukraine.

The continuous science development is strongly influenced by changes in the area of education in Ukraine. There is a need to take into account the differences between the quality of knowledge received by students and the level of needs in the labor market. The guidelines for this case are the Act of Ukraine "On

Education" (2017), the Act of Ukraine "On Higher Education" (2014), "National Strategy for the Education Development of Ukraine until 2021" (2013), the Concept of Children's National Patriotic Education and the Youth Program (2015), the Program of Students' Patriotic Education in Ukrainian Education Establishments (2013), the National Qualifications Framework (2011), "Approaches to Ensuring the Priority Education Development in Ukraine" (2010), "Research University "(2010) and others. The Higher Education Reforms, conducting research and teaching activities in Education Institutions by scientific and pedagogical workers and students, and gaining significant results in the area of methods, techniques, technologies, the experience of other countries is important.

A special feature of education in Ukraine is the above-mentioned extensive network of educational institutions and, accordingly, a high proportion of the expenditures on infrastructure maintenance rather than the educational process itself. As a result, expenditures per student and teachers' salaries are very low even compared with the countries of Central and Southern Europe. The state spends about UAH10,000 per student a year (about \$380, compared with respective \$11,000 in the US). Meanwhile, the neighboring Hungary spends about \$4,900, Latvia, Estonia, the Czech Republic, Poland – about \$ 6,500, Slovenia – about \$8400 per student a year.

If we pay attention to education in Finland, we can see significantly differs from Ukrainian. According to the PISA international rankings, the Finnish education system is the leading one at present. We'd like to show the changes in this system of education. First, school infrastructure was improved; second, the school management was decentralized; third, teachers' wages increased; and finally, the teachers' training system improved. Teachers in Finland have very competitive wages but in order to become a teacher, one needs an MA degree, and the requirements of such a degree are quite high. The standards of teaching are equal throughout the country, no matter if the school is in the capital district or a in rural area close in the Arctic.

So parliament adopted the new wording of the bill "On education" to meet world standards under which Ukrainian children will study 12 years in secondary school as of 1 September 2018.

The main reason of introducing 12 years of schooling is need to have older graduates. It is very hard for a young person at the age of 17 – actually I think it's impossible – to make decisions about his/her future profession. The dynamics of university education, the very system of university autonomy and self-governance, and the mode of teaching called adult-learning is very hard to implement when the students are in fact kids. The university should be a community of adults (even if they are young adults). At the same time, the school curricula at present are

overloaded. My daughter, who is a seventh grader now, is already facing a problem of lack of sleep. She is an ambitious student who wants excellent marks. And this is just not right. Because of the school load she does not have time for hobbies, sport etc. We have to stretch the teaching over more years.

The new law is based on the principle of decentralisation. If the whole education system was to remain centralised, the Ministry of Education would be able to change the schoolbooks and school curricula with its decisions and introduce these changes with its orders. However, based on 25 years of experience, we decided that it would be impossible to introduce such important changes in this manner, as Ukraine is a big country. Therefore, we decided to introduce the principle of decentralisation, which means that decisions regarding school curricula will be made by school principals together with school councils and boards. School councils will include parents of the children who attend the school. The strategy is not without risks, which may attract some criticism in the future, as it will be possible for two schools in the same city to have different curricula. Moreover, schools will differ when it comes to education quality. It is easy to predict that in the near future we will have some very good schools in the countryside and some bad schools in the cities.

According to the bill primary education continues to last 4 years, then 5 years of a gymnasium, and an external final exam. Having passed the exam, a child may choose to enter a lyceum or a professional educational institution. This will be called subject-oriented training and will continue 3 years, after which the child may enter university or start working. Thus, getting a secondary education will take 12 years instead of 11.

At the last stage, children will be able to choose what is interesting for them and focus on these subjects, instead of studying the general curriculum, as it is now. During the first year in a gymnasium, a student may, if necessary, change a specialization. In fact, subject-oriented training should cover the first university year.

If a student decides to continue education and obtain a bachelor's degree, then he will spend only three years instead of the current four. That is, the total amount of time required to obtain a tertiary education will not change.

According to the law, reducing the time on the general curriculum helps move from memorizing information to gaining universal competencies: speaking the state and foreign languages, mathematical, general cultural and environmental competencies, enterprising, innovation, life-long learning.

Else teacher receives more pedagogical freedom: instead of implementing standard curricula, the law allows him to use his own plans and recommends him only to adhere to standards.

If a teacher seeks innovations in the teaching process and is ready to become a change agent, the state promises to pay him extra 20% of the salary. For this purpose, a teacher must undergo certification.

As before, teachers must confirm and improve their professional competence annually. However, now a teacher will be completely free in how to do this: training, courses, webinars, seminars, workshops. Theoretically, this can be done also through an online course. The state will even pay for the course if it is not free.

However, there is one big issue related to the new education law and it concerns language norms. Why did the government introduce compulsory instruction in Ukrainian?

The results of the external independent evaluation (centrally instituted national tests which must be passed to graduate from school) demonstrate that over 90 per cent of students taught in schools with the Ukrainian language of instruction pass the compulsory final exam in Ukrainian literature and language. At the same time, in Transcarpathia only 23 per cent of students in Hungarian schools and 30 per cent in Romanian schools pass this exam. This is a compulsory exam to get into university in Ukraine. These are catastrophic results. We have a situation where children graduate from public schools in Ukraine and do not speak enough of the state language to get a minimum passing grade in the final exam.

The new law institutes that primary schools will continue to teach in the language of their choice, but Ukrainian will be introduced gradually year by year into the curriculum, so that school graduates are able to pass all final exams in Ukrainian, and to enter university regardless of the language they speak at home. The law provides that all schools can continue to teach in any language of the European Union, but the role of Ukrainian in the school curriculum should be gradually increased from grade to grade.

Elementary school education in Ukraine forms the foundation of a child's schooling career. Ukraine's Law on Education states that provision of elementary schools must be made wherever there are students. Elementary or primary education acts to develop children's personalities, talents, formation of morals, working education as well as knowledge of the human body, nature, industry and society. This level of education is compulsory in Ukraine and is available at various types of institutions

Starting in September 2018, 12-year secondary education will replace 11-year which was mandatory before that. As a rule, schooling begins at the age of 6, unless your birthday is on or after September 1.

**Conclusion.** Thus, to solve many urgent problems in the system of education of Ukraine, the priority shall be given to enhancing the management

system thereof. In the first place it concerns the regulatory base which regulates the activities of educational authorities in regions. It is necessary to definitely solve the problem of decentralization of pre- school, general secondary and vocational technical education management. Higher education also needs some important changes. First of all, a decision shall be made on placing a great number of higher educational establishments training personnel for regional labor-markets under the regional administration authority, which will enable effective optimization of the system according to the actual needs. More advanced higher educational establishments, and universities in the first place, shall develop autonomously and through creating R&D centers at them, etc. An important aspect of improving the education management system is making management decisions considering the data from the education quality monitoring developed on the basis of the criteria of the EU member-states. Further development of Ukraine as a European state is not possible without improving the education quality based on the mechanisms existing in developed countries, having political will and making appropriate management decisions, and creating an efficient civil society.

A lot of people are angry about 12-year system of education but everybody want that it pushes Ukrainian young brains to new intellect level.

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## THE EDUCATION SYSTEM IN UKRAINE AND CANADA

**The goal of this research is** to study the system of education in Ukraine and Canada.

**The aims of this research are:** to highlight the advantages and disadvantages of the education system in Ukraine and Denmark, to give the general characteristic of these two systems.

Canada offers a wide range of higher education options and life-enriching experiences at its universities and colleges. System of Higher Education in Canada is built on the British model, which implies a high level of knowledge, individual approach to learning, students' constant communication with teachers, and focus on scientific research. Though among more than hundreds of universities and equated to them university colleges there exist their own leaders, it should be noted that there are no higher educational establishments with low quality of education in Canada, it means that all the universities and colleges permanently keep up the "high hurdle", and education in each of them meets the highest international standards.

### **McGill University**

McGill University is one of Canada's best-known institutions of higher learning and one of the leading universities in the world. With students coming to McGill from some 150 countries, the student body is the most internationally diverse of any research-intensive university in the country. McGill is recognized around the world for the excellence of its teaching and research programs.

Schools at the university include Faculty of Agricultural and Environmental Sciences, Faculty of Arts, School of Continuing Studies, Faculty of Dentistry, Faculty of Education, Faculty of Engineering, Faculty of Law, Desautels Faculty of Management, Faculty of Medicine, Schulich School of Music, Faculty of Religious Studies, and Faculty of Science.

McGill's Desautels Faculty of Management has eleven world-renowned academic and four completely unique and innovative executive programs. The programs operate under an integrated management philosophy or curriculum design. Since all courses at McGill University are taught in English, the level of ownership should be no lower than the Upper-Intermediate level, which corresponds to 6.5 points on the IELTS scale. Desautels houses numerous research

centers and academic programs at the undergraduate, masters, executive, and PhD levels. The curriculum is built on an integrated, interdisciplinary model that combines research, practice, and teaching.

The McGill BCom is one of the most flexible programs offered today, giving students the opportunity to match their career objectives. All options are highly flexible, allowing students to customize their program. Students in General Management acquire a strong business background by completing a minimum of two Concentrations or combining one Concentration with a Minor from another faculty. Choosing this option allows them to diversify their business background and to explore non-Management programs or electives. Here are some of options: Two Concentrations in Management and One Concentration with a Minor in another Faculty. Candidates coming from the Quebec CEGEP system apply to a three-year program whereas out-of-province and international students follow a four-year program depending on Advanced Standing Credits.

Core Curriculum includes a 90-Credit Program, which consist of twelve required Core Courses (36 credits): Macroeconomics Policy (3 Credits), Intro to Financial Accounting (3 Credits), Intro to Org Behaviour (3 Credits), Business Statistics (3 Credits), Managerial Economics (3 Credits), Information Systems (3 Credits), Introduction to Finance (3 Credits), Principles of Marketing (3 Credits), International Business (3 Credits), Operations Management (3 Credits), Social Context of Business (3 Credits), Strategic Management (3 Credits).

If you are coming to McGill directly from high school, or entering with 0-23 credits of Advanced Standing, then you will be a freshman student (U0), and you must complete the Freshman Program. Students must complete all U0 requirements (30 credits) during the freshman year which include the following components: Calculus for Management, Linear Algebra and Probability, Introduction to Management, Expressive Analysis for Management. A minimum grade of C is needed for all Required Freshman courses. Students with at least 3 credits of Advanced Standing credits may opt to take one of the following Management core course selected in conjunction with a BCom academic adviser: Intro to Financial Accounting, Intro to Org Behaviour, Managerial Economics, Principles of Marketing, International Business.

### **Kyiv National University of Trade and Economics**

Kyiv National University of Trade and Economics includes six Faculties such as Faculty of International Trade and Law, Faculty of Economics, Management and Psychology, Faculty of Trade and Marketing, Faculty of Finance and Banking, Faculty of Accounting, Audit and Informational Systems, Faculty of Restaurant, Hotel and Tourism Business.

The sphere of science in the University is an essential component of its innovative activity. The directions of scientific researchers are defined according to the nation-wide priorities of science and education development with respect to the activity profile of the University. Most of them are aimed at: solving the problems of the development of merchandise turnover, trade, consumer market development management; forming foreign economic policy of Ukraine; development of competitive environment in the conditions of innovative economic model; developing the hotel and tourism business market in Ukraine, quality assurance and product safety.

KNUTE provides teaching English/French/German – as a first foreign language, and Polish/Spanish/ Modern Greek/Latin – as a second foreign language. Activity of European Education Center is aimed at realization of academic mobility principles and creation of a possibility for students to get a double degree diploma. The highly qualified lecturers of EEC prepare second- and third-year students of KNUTE to pass DELF/DALF, IELTS, TOEFL levels B1, B2. Kyiv National University of Trade and Economics traditionally is among the leaders of the Ukrainian universities.

Studying at the Faculty of Economics, Management and Psychology is carried out according to the latest techniques in the classrooms with the most advanced equipment. The faculty uses the semester form of training organization and the credit-module system of educational process organization. The basis of the educational program for the preparation of economists, managers and psychologists is the discipline of the humanities, natural sciences and general economics and professional cycles. Along with normative disciplines, which make up more than 70% of the educational and professional training program, students study disciplines both at the university's choice and at their own choice. Elective disciplines provide flexibility and in-depth professional training of specialists.

The Department of Management carries out training of specialists in the following specialization of Management: Trade Management, Business Management, Human Resources Management, Business Administration.

Core Curriculum includes a 240-Credit Program which, in the average, consist of 45 obligatory subjects such as Economic Informatics (7,5 Credits) , Science and Applied Mathematics (9 Credits), Foreign language (19,5 Credits), Philosophy (4,5 Credits), Psychology (4,5 Credits) Statistics (4,5 Credits), Microeconomics (3 Credits) and Macroeconomics (4,5 Credits), Operational Management (4,5 Credits), Marketing (4,5 Credits), Logistics(4,5 Credits), Accounting(6 Credits), Management of the enterprise (3 Credits), International economic relations(4,5 Credits). The share, in percentage terms, of the disciplines of the mandatory cycle makes up 75%.



Twenty-five subjects are selective disciplines such as Commercial Law, Administrative Management, Risk Management, Psychology of management, Banking, Insurance, Innovation management, Analysis of economic activity, Business negotiations, Marketing researches, Behavior of consumers. They are selected by students depending on the specialty. The proportion of disciplines in the sample cycle makes up 25%. The term of study is 3 years and 10 months. Thus, by studying the above information, we can conduct a comparative analysis of obtaining education in Kyiv National University of Trade and Economics in Ukraine and McGill University in Canada.

The number of teaching disciplines of management specialization in Kyiv National University of Trade and Economics are 45 obligatory subjects, including for the freshmen - 11 obligatory subjects. At McGill University, there are 12 obligatory subjects and 4 subjects for the freshmen.

Kyiv National University of Trade and Economics offers for students the Core Curriculum that includes a 240-Credit Program, 78 Credits for Freshmen. McGill University offers for students a 90-Credit Program and 120-Credits Program, 36 Credits for Freshmen. For example, Macroeconomics at McGill University includes 3 Credits, Introduction to Financial Accounting includes 3 Credits, Operational Management includes 3 Credits and Mathematics includes 3 Credits, while in Kyiv National University of Trade and Economics Macroeconomics includes 4.5 Credits, Financial Accounting – 6 Credits, Operational Management – 4.5 Credits, Mathematics – 9 Credits.

The term of study at the undergraduate degree in Kyiv National University of Trade and Economics is 3 years and 10 months. McGill University offers a three-year program for candidates coming from the Quebec and other residents and international students follow a four-year program depending on Advanced Standing Credits.

Taking everything into account, we can make some important conclusions:

1) McGill University has a narrower educational program with in-depth study of specialization subjects. Kyiv National University of Trade and Economics in its turn, has a broader educational program, covering a wide range of disciplines, but it does not study the management very closely, as it is studied in a foreign institution, because many other subjects that are not related to management are studied.

2) McGill University provides the opportunity to individually select a subject and a teacher at will. There is also an effective system of evaluating the professionalism of teachers, professors, and doctors at the university. Students also have the opportunity to choose special courses in disciplines that are not relevant to the management of other faculties, but are interested in them and in-depth study

them. Kyiv National University of Trade and Economics offers additional study subjects to the student's choice, but the choice of subject is not individual and is selected by the group. The system of evaluation of the professionalism of teachers presents but still not very popular and did not go to that high level as at the McGill University.

3) In connection with the development of a market economy, the specialty "Management" is very relevant, and therefore it is also in high demand among students. Therefore, this specialty is popular on the labor market both in Canada and in Ukraine. In my opinion, both universities have a strong educational base, trained by highly skilled managers who know not only in the field of specialization management, but also in other important areas such as economics, law, business.

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#### STUDYING THE MARKET OPPORTUNITIES IN GEMANY AND UKRAINE

**The goal of this research is** to study the market opportunities in Germany and Ukraine.

**The aims of this research are:** to highlight the general market characteristic of Germany and Ukraine: to give the advantages and disadvantages of studying our students abroad

We all live in the era of post-industrial society. In the era when the world is ruled by ambitions, pure mind and money-commodity relations. But where we see the most vivid reflection of these factors? Of course the answer will be the market. The market is the driving force behind the whole economy of the state, it is an indicator of the authority of the country on the international arena. And now, We'd would like to compare the markets and opportunities of two states. The first will be one of the most developed country in the world, my favorite country. It is Germany. I will compare with our Ukraine, which has recently developed its market rapidly and is worried about its authority. It's the most important question about market developing. That's why, we try to compare the marker opportunities of Germany and Ukraine.

Firstly, Germany is one of the leading European markets for cross-border trade, both for consumer products as for business-to-business products and services. It has many opportunities for both commodities as high-quality goods. But selling in Germany requires a specific approach which may be different from the rest of Europe. This means also that the sales process can be longer than normal, with more contact points, and personal sales is still valued very much.

Germany is a manufacturing country with leading exports, including cars and parts of cars, machinery, chemicals and computer / electrical equipment. The German government is financially conservative and maintains a balanced budget that is evenly distributed across all sectors of the economy, which generates a high level of state development.

Germany is also one of the leading European markets for e-commerce cross-border trade. The fact that over 50% of these shoppers are already purchasing from international sites, again reiterates the opportunity Germany provides. In Ukraine e-commerce cross-border trade develops much slower, that is sad.

Germany is the third most popular destination among international students in the world. More than twelve percent of students at German universities come from abroad. Germany is an attractive place to study and German university degrees are highly respected by employers worldwide. In Germany, you can develop yourself better. Here you can develop your intellectual abilities and personal skills freely and reach your full potential. If you are out to achieve great things, you will find determination, motivation and commitment open many doors – both during your studies and after them.

However, one of the best qualities of the Germans, to our mind, is that they can be considered the masters of planning in many respects. This is a culture that

prizes forward thinking and knowing what they will be doing at certain time or on certain day. The German thought process is extremely thorough, with each aspect of a project being examined in great detail. Careful planning, in one's business and personal life, provides a sense of security.

Work and personal lives are rigidly divided, and Germans subscribe to the ideal that there is a proper time and place for every activity. Talking about personal subjects and politics should be avoided, and the focus should be on work-related things, even in the limited small-talk. We think this is the most important quality that always help Germany be one of the best.

*Now about Ukraine.*

We'd like to compare some opportunities in different sectors. The first and the best is educational market. With nearly 5.7 million students in a country the size of Texas, Ukraine is among the largest and most talented international student markets in Europe. There are some recommendations to explore the market and sub-sector with best prospects, that include:

- Higher Education (particularly universities offering business education)
- Secondary Education

Food Processing & Packaging Equipment - Harmonization of product standards with the European Union (EU) is underway and this, will fundamentally and positively affect Ukrainian trade in processed food. With increased trade and price competition, local producers will need to improve their competitiveness by upgrading and modernizing processing and packaging capacities. These changes will provide multiple opportunities for U.S. equipment suppliers. Sub-sector best prospects include:

- Vegetable products/processing (including oils)
- Confectionary products/processing
- Dairy products/processing
- Meat processing

Oil & Gas Equipment - Ukraine's oil and gas industry plays a significant role in the country's national energy security strategy, which aims to make Ukraine less dependent on oil and gas imports. The goal of increasing domestic production creates significant opportunities for U.S. companies in supplying equipment and technology. Sub-sector best prospects include:

- High-efficiency oil and gas exploration and drilling equipment
- Exploration and production services
- Reverse gas supply service

Of course Ukraine has many opportunities in agribusiness, we have large territories of fertile land but unfortunately and somehow we have not enough

equipment for processing land. Overall, 30 percent of agricultural machinery needs to be replaced. That is so sad.

So, we'd like to underline that each country and each market has both its advantages and disadvantages. However, the development of the state and the market does not depend only on the favorable economic or geographical position of the state. The state grows and develops only thanks to us, our actions. And you know, it's sad that Ukraine has such an incredibly lot of subsoil that is full of natural resources and we have such an unexpectedly low development. Why? Because of whom? Because of us! We are not Germans and we cannot fully understand their world comprehension.

**Conclusion.** We cannot develop our state like them. But we, the Ukrainians, we are a nation with many years of history. Nothing can prevent us from developing a country, because we are hardworking people. We should be more active, especially teenagers, because they are the future of the country. We should be interested in what's going on around, reading more and comprehensively developing ourselves and finally learning foreign languages. That is what we need. And not to go abroad, but to remain and to open your own business here in Ukraine. We believe that only after perception that "nobody except us" – our state will begin to develop. And at a rapid pace. We sincerely believe in the future, we do not know how close it will be, we can truly be proud of our country. It will be incredible.

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## THE HIGHER EDUCATION SYSTEM IN UKRAINE AND THE USA

**The goal of this research is:** is to examine the main distinctive and common features of the US and Ukrainian education systems, to study the positive features of American education, which will allow them to be used in the modern Ukrainian education system.

**The aims of this research are:** to compare the higher education system in Ukraine and the USA.

In the conditions of Ukraine globalization and integration into the world economy, it is important to maintain the level of education at the international level in order to successfully compete in the market. This involves studying foreign experience and implementing the most valuable achievements in the domestic education system. In this regard, in my opinion, there is an American experience, because in the US higher education system during the last decades there are significant transformations that are worthy of attention, as well as certain features that can be used in the educational space of Ukraine.

Education is the basis of any person's development. It should include not only the theory, but also practical skills. Today, in the West, realized that modern society needs not just a specialist - a "screw" in the system, but a stress resistant person who can quickly adapt to innovation, be able to work more than in one specialty. and be able to bring ideas from one sphere to another. It must be a person of an intellectual, highly intellectual and spiritually developed. According to these indicators, American education is considered one of the best in the world.

But this does not mean that our education is significantly inferior to the American one. Still, there are many educators, scientists and professionals in Ukraine who, unfortunately, go abroad. This means that our education is working in other countries.

In order to move in the direction of personal development, and not simply "stamping" of specialists, it is necessary to reform the system of education. After all, in recent years the financing of education and science in Ukraine has decreased by almost 15 times [1].

The first difference between these systems is the decentralization of education management. In essence, each state has its own system of higher education, which has its own peculiarities. Management of the system of higher

education is carried out at the state level. Their functions vary from state to state, but generally the support of higher education standards at the appropriate level, as well as funding for public higher education institutions and financial control of their activities. In Ukraine, there is a centralized management of the education system: national authorities reform the education system, allocate salaries to teachers and academics, and form the annual budget for the development of education and science. Conducting reforms in the centralized system of education management has a number of shortcomings, but one cannot but mention some advantages - their thorough preparation (theoretical study of the problem, carrying out of experiments, use of better, already tested experience), etc. [2; 4]

The second and, in my opinion, the most important difference is in the curriculum of the United States and Ukraine. In Ukraine, institutions of higher education are guided by the only document that acts in all higher educational institutions in Ukraine, both state and private ownership.

If a student starts studying in Ukraine, a group of 20-30 people, called a "class", who have one specialty and specialization, and accordingly one curriculum and who choose study subjects together, is formed [ 3].

On the contrary, in the United States, students are given the opportunity to tailor their curriculum individually, to select and attend courses of their choice. To this end, universities offer annual special catalogs with a list of training programs for the preparation of bachelors, masters and doctors of sciences in various specialties, which contain the names of the disciplines (and a brief description of their content), as well as the list of disciplines required for a diploma of a certain educational level. There is also a certain term during the semester, when the student can change the profile discipline.

The next difference is the availability of distance learning. It is most demanded in the United States and is characterized by low cost and, at the same time, affordability and comfort of the educational environment, student mobility, which can be studied anywhere in the world, the professional orientation of the contents of educational subjects, on the one hand, and their general value, from another, etc.

Particular attention deserves credit units. In the United States, credit units are an important part of education. They allow students to form their own educational process with an assessment of their complexity, calculate the teaching load of teachers, pay for educational services, control the quality of education, etc. A student can take at least 12 and no more than 18 credits a year. Rather, he can take more, but at an additional cost.

Although Ukraine also joined the Bologna process (in 1999, and it only intensified since 2003), our system of crediting is significantly different. This is

due to the fact that Ukraine introduced it only 15 years ago, but in Europe this process continues for decades, and in the United States for centuries and the centralized education system, that is, all credits are clearly defined by a single program. [2]

Credits, distance learning and self-selection of disciplines allow students to maximally constrict their learning process and complete a bachelor's degree not in 4 years, as is customary in Ukraine, and much faster.

An important feature of learning in the United States is also confidentiality and high competition. The results of tests, exams and other work are announced personally to the student, and not to the whole class, so as to not accidentally degrade the student's dignity. At the same time, the student's opinion is respected and very seriously treated as an individual property. Therefore, the greatest evil, which is punishable by exclusion from the university, is the write-off. Interestingly, students consider this type of punishment to be absolutely fair. There is practically no write-up in American educational institutions. [1]

**Conclusions:** From this work it is clear that higher education systems differ considerably from one another. First of all, it is connected with a different mentality, historical and economic development, as the basis for the development of education is funding. Of course, not everything that works in the US can work with us. But some differences in education can work, only the desire and means of their realization would be.

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## PSYCHOLOGY OF GESTURES

Psychology is a necessary and widespread science today which helps many people. It deals with our everyday problems, helps to solve communicational problems and understand other people's needs. We socialize all the time, even when we keep quiet there is something that we want to say. Studying human psychology makes it easy to see many things. Everyone at least once has been in a situation when he didn't know how to behave. Psychology is designed namely for understanding human behavior. We can point out verbal and non-verbal contact. Verbal type is easier to define, as it's connected with what people directly tell us. Non-verbal type is much more difficult to lead though. It's connected with body language, with our unconscious emotions and reactions. Body language is rather important in everyday life [2].

It has been suggested that body language may account for between 50 percent to 70 percent of all communication. Understanding body language is important, but it is also essential to pay attention to other cues such as context. In many cases, you should look at signals as a group rather than focusing on a single action [5, p. 34].

Here's what to look for when you're trying to interpret body language.

Here are some examples of body language. When a person tends to cover his mouth with a hand while speaking, it means he hides something or tries to lie. When a person strokes his chin, it might mean that he is in deep thoughts. Crossed arms may indicate a lack of trust or anxiety. Sometimes it indicates that a person wants to be left alone. Tight-lipped people with their hands on hips look threatening. Running fingers through the hair mean a person is unsure. Of course, it's not the whole list of gestures. There are many other body signs which tell us about someone's mood or attitude.

Think for a moment about how much a person is able to convey with just a facial expression. A smile can indicate approval or happiness. A frown can signal disapproval or unhappiness. In some cases, our facial expressions may reveal our true feelings about a particular situation. While you say that you are feeling fine, the look on your face may tell people otherwise [1]

Just a few examples of emotions that can be expressed via facial expressions include: *happiness, sadness, anger, surprise, disgust, fear, confusion, excitement, desire, contempt*

The expression on a person's face can even help determine if we trust or believe what the individual is saying. One study found that the most trustworthy facial expression involved a slight raise of the eyebrows and a slight smile. This expression, the researchers suggested, conveys both friendliness and confidence [4]

The eyes are frequently referred to as the "windows to the soul" since they are capable of revealing a great deal about what a person is feeling or thinking. As you engage in conversation with another person, taking note of eye movements is a natural and important part of the communication process. Some common things you may notice include whether people are making direct eye contact or averting their gaze, how much they are blinking, or if their pupils are dilated.

When evaluating body language, pay attention to the following eye signals:

- **Eye gaze:** When a person looks directly into your eyes while having a conversation, it indicates that they are interested and paying attention. However, prolonged eye contact can feel threatening. On the other hand, breaking eye contact and frequently looking away might indicate that the person is distracted, uncomfortable, or trying to conceal his or her real feelings.

- **Blinking:** Blinking is natural, but you should also pay attention to whether a person is blinking too much or too little. People often blink more rapidly when they are feeling distressed or uncomfortable. Infrequent blinking may indicate that a person is intentionally trying to control his or her eye movements. For example, a poker player might blink less frequently because he is purposely trying to appear unexcited about the hand he was dealt.

- **Pupil size:** Pupil size can be a very subtle nonverbal communication signal. While light levels in the environment control pupil dilation, sometimes emotions can also cause small changes in pupil size. For example, you may have heard the phrase "bedroom eyes" used to describe the look someone gives when they are attracted to another person. Highly dilated eyes, for example, can indicate that a person is interested or even aroused [2].

Mouth expressions and movements can also be essential in reading body language. For example, chewing on the bottom lip may indicate that the individual is experiencing feelings of worry, fear, or insecurity.

Covering the mouth may be an effort to be polite if the person is yawning or coughing, but it may also be an attempt to cover up a frown of disapproval. Smiling is perhaps one of the greatest body language signals, but smiles can also be interpreted in many ways. A smile may be genuine, or it may be used to express

false happiness, sarcasm, or even cynicism. When evaluating body language, pay attention to the following mouth and lip signals:

- **Pursed lips:** Tightening the lips might be an indicator of distaste, disapproval, or distrust.

- **Lip biting:** People sometimes bite their lips when they are worried, anxious, or stressed.

- **Covering the mouth:** When people want to hide an emotional reaction, they might cover their mouths in order to avoid displaying smiles or smirks.

- **Turned up or down:** Slight changes in the mouth can also be subtle indicators of what a person is feeling. When the mouth is slightly turned up, it might mean that the person is feeling happy or optimistic. On the other hand, a slightly down-turned mouth can be an indicator of sadness, disapproval, or even an outright grimace [2].

Facial expressions are also among the most universal forms of body language. The expressions used to convey fear, anger, sadness, and happiness are similar throughout the world. Researcher Paul Ekman has found support for the universality of a variety of facial expressions tied to particular emotions including joy, anger, fear, surprise, and sadness.

Research even suggests that we make judgments about people's intelligence based upon their faces and expressions. One study found that individuals who had narrower faces and more prominent noses were more likely to be perceived as intelligent. People with smiling, joyful expression were also judged as being more intelligent than those with angry expressions.

How we hold our bodies can also serve as an important part of body language. The term *posture* refers to how we hold our bodies as well as the overall physical form of an individual. Posture can convey a wealth of information about how a person is feeling as well as hints about personality characteristics, such as whether a person is confident, open, or submissive.

Sitting up straight, for example, may indicate that a person is focused and paying attention to what's going on. Sitting with the body hunched forward, on the other hand, can imply that the person is bored or indifferent.

When you are trying to read body language, try to notice some of the signals that a person's posture can send.

- **Open posture** involves keeping the trunk of the body open and exposed. This type of posture indicates friendliness, openness, and willingness.

- **Closed posture** involves hiding the trunk of the body often by hunching forward and keeping the arms and legs crossed. This type of posture can be an indicator of hostility, unfriendliness, and anxiety [4].

Understanding body language can go a long way toward helping you better communicate with others and interpreting what others might be trying to convey. While it may be tempting to pick apart signals one by one, it's important to look at these nonverbal signals in relation to verbal communication, other nonverbal signals, and the situation. You can also focus on learning more about how to improve your nonverbal communication to become better at letting people know what you are feeling – without even saying a word.

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#### ADVANTAGES AND DISADVANTAGES OF TEACHING ENGLISH IN UKRAINE AND DENMARK

**The goal of this research is** to study the advantages and disadvantages of teaching English in Ukraine and Denmark.

**The aims of this research are:** to highlight the advantages and disadvantages of teaching English in Ukraine and Denmark, to give the general characteristic of teaching English in Ukraine and Denmark.

The mankind occurrence in the third millennium is characterized not only by the view of the world community in the future, the reform of higher education, the modernization of Higher Learning Institutions, the demand for a higher level of specialists' training, but also significant changes in social, economic, political life of both countries: Ukraine and Denmark as well. Ukraine is an independent state building the future, reforming the education system, guided by the values of European civilization. The development of education in modern conditions, in particular the reforms in the education system that have taken place in Ukraine and Denmark in recent years, has shown that education as an important link of the national economic system should meet the needs of a particular state and society. That's why it is necessary to form a single mutually agreed system of specialists' training for the economy, taking into account the forecast of its development and the national cultural values of a particular country.

Provision of high quality education at all levels is essential to ensure competitiveness in today's global society but there are some differences between teaching them in countries.

Characteristic features of the education system include:

#### *Education for all*

The system of education in Ukraine and Danish has proximately the same education aims: to ensure that all young people acquire knowledge and competencies which will qualify them to take active part in the knowledge society and contribute to its further development. Education is open to all and generally free of charge.

#### *High standards*

The quality of Danish education is assured in many ways. It is mainly regulated and financed by the state, and all public educational institutions are approved and evaluated on an ongoing basis. But Ukraine has some problems in this question many regional schools are victims of Insufficient funding which have influence on level of education in this regions.

#### *Lifelong learning*

Lifelong learning is a key principle in Denmark. The idea dates all the way back to the 19th century Danish clergyman and philosopher N.F.S. Grundtvig, who argued that a prerequisite for active participation in a democratic society is education for all citizens on a lifelong basis. Otherwise Ukraine where your education way depends only from desire to learn Because very low attention gives to education promotion

#### *Active participation*

Treating pupils and students as independent people with a right to form their own opinion and a duty to participate actively in discussions is a matter of course

in Danish education. but this not work in Ukraine because as a rule, the teacher is at a level above the student and tries to impose its point of view.

### *Project work*

At all levels of the education system, pupils and students attend classes, however, they also carry out project work, either on an individual basis or in small groups. Interdisciplinary activities are also an integrated part of Danish and Ukraine education.

These two countries have something similar to each other but most of them are different in terms of learning.

First of all, otherness starts from relation to studying language. In Denmark education respects the principle of "learning for life " opposite our principles " put the level of knowledge of the language to be achieved and skip important information because the program does not fit into the time allocated to it"

Moreover, Denmark take one of the first places in the knowledge of the English language among the population, while the percentage of English knowledge among the population of Ukraine does not exceed 45-50 percent.

### Level of knowledge English language

Level/Country	Ukraine	Denmark
Above average	18%	60%
Average	24%	36%
lower	58%	4%

It depends on the teaching methods. We have essential problems in that question because in Ukraine teachers not give much attention to practice, unlike Denmark where all lessons built in practice. Specially to communicate with each other in English. Probably grammar tenses which in our schools we learning separately must be learned all together. So in this way pupils will be able to understand the difference between tenses and learning all together will help them not to forget. But all mistakes to my mind starts from teaching words, memorization of words from books not gives desired results but we can take the methodic which one using Denmark teachers, give words to pupils with some memorable associations. As well some differences between Ukraine and Denmark we can notice in home assignment. Denmark students get for homework some projects were they use creativity opposite to Ukraine were main place take memorization and small parts gives to creativity.

**Conclusion.** Thus, the continuous science development is strongly influenced by changes in the area of education in Ukraine. There is a need to take into account the differences between the quality of knowledge received by students

and the level of needs in the labor market. There are new contradictions between the person requirements of high-tech society and the level of professional training. The link between education and production as a component of scientific and technological progress is not sufficiently effective. This calls for the new technologies development of specialists' high-quality training who have the capability of influence into the modern economy development and social relations, social and cultural spheres of Ukrainian society life, which puts forward a number of vital tasks before the Higher Education Institution concerning the introduction of new educational standards, development of the new education quality criteria different from the previous ones but oriented to the indicators of those world countries which have high achievements in the area of education.

Despite for all disadvantages Ukraine education system is gradually changing and from September 2018 it is planned to study in a new system and already with re-qualified teachers. this should change the learning process a bit more interesting and developing because the learning process will focus on communicative skills development.

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## BEHAVIOURAL FEATURES IN CRISIS SITUATIONS

Adequate communication on crises is one of the most important aspects that can stop crises from escalating due to inadequate behavior of the population. To succeed, he needs to follow well-established best practices and guidelines in order to be successful and to prevent inadequate actions of the population: information about threats must be timely, specific, consistent, accurate and clear; public communication must begin before the crisis in order to build trust, information about the crisis situation can not be separated from the public, but to share it as honestly and openly as possible. It was found that socio-demographic factors (gender, age) and environmental (physical signals) and social factors (group dynamics) affect the individual response to an emergency situation. In addition, the public should be informed of the possible cascading consequences of a natural disaster (a power outage due to a storm) and the consequences of their actions.

It is important to take into account a maximum of elements to study crisis behaviors, two events that seems similar can bring about very different reactions. Between the tsunami that occurred in Fukushima the 11 March of 2011 and the other that occurred five years after, the 22 of November 2016, authorities and inhabitants reactions have significantly evolved. In 2016, The Prime Minister ordained to the government to give to people a precise and reliable information on the evacuation ways and means and the appeals to evacuate have been more much numerous, reactions have been generally strongly influenced by the experience lived five years earlier. Emotions such as fear or surprise can also have a strong influence on crowd movements as in the Nice attacks the 14 of July of 2016, which was a National Day in France. After the attacks, some people began to run without knowing where to go, several rumors have been spread in streets... These panic movements are very relied to danger perception and to the perception of the means that people have to escape; they also can worsen crisis consequences.

Here are crisis management systems, in particular, allow to predict accurately and as soon as possible the consequences of the crisis and its evolution in this territory. Before and after the crisis, people act in accordance with their own methods of learning and interpretation.. Warning systems are key elements in crisis management systems. They allow people to orient their behavior when a crisis is



declared, providing them with information before the crisis and orienting them on the interpretation of signals perceived during the crisis. A crisis approach from the analysis of behaviors is relatively complex and needs a good understanding of the mechanisms underlying collective movements. Consideration of laws and phenomena that affect human behavior in crisis situations seems to us an important area of research and reflection on improving these warning systems: warning broadcasts, crisis communications and the development of educational policies and focused awareness. An early warning is to provide timely and effective information that allows organizations and individuals to take action to avoid or reduce risk and prepare for an effective response. This is the main difference between WS and EWS, which provide alerts with sufficient time for people to act.

A complete and efficient EWS consists of four elements:

- Knowledge of risk: knowledge of the relevant hazard and vulnerability;
- Monitoring and Warning Service: technical capabilities for the continuous monitoring of precursors, forecasting of potential risks and prevention;
- Dissemination and communication of information: dissemination of understandable warnings with advance information on preparedness;
- Response capacity: knowledge of risks plans for preventive services and appropriate actions for persons at risk.

Before and during disasters, people often act according to their own interpretation schemes which are not always adapted to risk situations and can lead to dangerous reactions. Communication technology is a key element in EWS to improve behaviors; it provides common pre-disaster knowledge before disasters, and guidance to interpret cues during events.

Scientists identified twenty factors that influence human behaviors in crisis situations from researches in literature. They assembled them in two categories according to the objects they refer to, individual and environmental, and to the types of information sources that allow to characterize them.

- Civil status: age, sex, nationality, residence place, level of schooling, occupation.
- Personality: desires, moral principles, sociability, beliefs, religious or not, capacity to take decisions, mimetic reactivity.
- Motivation to escape/defend: motivations are strongly related with the experience, risk assessment, the current action and the physiological signals identified after.
- Responsibility: in the situation when a fire alert is given in a school for example, a teacher can have different reactions depending on whether he is alone in his office or he is in a classroom, teaching to a student group. He may have no reaction if he is alone, but he will be much well-disposed to evacuate with his

students in good conditions if he is responsible for them and has to set an example for them to follow.

- Emotions: joy, sadness, anger, disgust, fear, surprise, contempt.
- Experience: crisis faced in the past, objective ability to escape/defend, subjective ability to escape/defend.
- Explicated knowledge: general knowledge shared by the population, training followed, access to documents, access to knowledge sharing tools
- Risk assessment: objective assessment, subjective assessment.
- Perception of the EWS: we define perception as the process of collecting, organizing, and interpreting stimuli which may be information or knowledge coming from different sources [20].
- Current action: interaction, concentration and movement needed.
- Geographic zone characteristics [21]: zone extent, population density, poverty level, economic status, urban level, population pyramid, cultural characteristics: individual versus group orientation, trust in government.
- Interaction and mobility capacity: frequented area, smart-phone, access to transport.
- Perceptible signals of the crisis: indicators of perceptible signals depend directly of the type of crisis that is concerned. This is why we have defined three generic indicators: visual signals, sound signals, and olfactory signals.
- Period characteristics: day/night, number of hours from the crisis peak.
- Alerts / Transmitted information: quantity and quality of information transmitted, number of broadcasting channels [22].
- Entourage characteristics: density of population, presence of authority representatives, security level of the area, presence of close relations.
- Behaviors of the closest people: contagion level of the three dominant behaviors.

The contagion level of an agent varies according to the number of neighborhoods with similar activities

In our times it is very important to know all the subtleties of the psychology of behavior in crisis situations. At any time a person, organization or even a country can feel all the negative aspects of the crisis. Therefore, every person should be ready for this, know what influences the person's orders during this period and help others survive these times.

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## BULLYING: A SPEEDLY GROWING PROBLEM AND WAYS OF SOLVING IT

Bullying is unwanted, aggressive behavior among people that involves a real or perceived power imbalance. The behavior is repeated, or has the potential to be repeated, over time. In Ukraine the number of bullying scenes has reached 67% of all tennagers aged of 11 to 17 by the end of 2017.

Bullying is a real danger for mental health and may cause a difficulties in future. Researchers of Center for Disease Control and Prevention in USA looked at 1,420 children between the ages of nine to sixteen, and followed up with them when they were twenty-four and twenty-six years old. Each participant was surveyed four to six times during the study. Researchers were particularly interested in the impact on victims, bullies and people who were in both categories. All three groups were twice as likely to have problems with maintaining employment and actively saving money when they grew up compared to those who weren't involved in bullying. They are more likely to have financial problems as adults. In addition, the subjects had problems forming adult social relationships, meaning it was hard for them to have long-term friendships or good relationships with their parents. Kids who bullied were more likely to have childhood psychiatric problems and difficulties with their family, which may have accounted for their problems later in life.

Actually, there is no single factor that puts a child at risk of being bullied or bullying others. Bullying can happen anywhere – from big cities to small rural towns as well as victims can have minor or major differences from the accepted norm which was formed in society. But generally, children who are bullied have one or more of the following risk factors: perceived as different from their peers,

such as being overweight or underweight, wearing glasses or different clothing, being new to a school, or being unable to afford what kids consider “cool”, children that are perceived as weak or unable to defend themselves, depressed, anxious, have low self esteem or less popular than others. Moreover, representatives of different religions, people of color and LGBTQ-youth are at an increased risk of being bullied.

On the other side of act, there are two types of kids who are more likely to bully others: the ones, who are popular with peers, have social power and have a tend to dominate and the others, who are more isolated, less involved in a school or not identify with the emotions or feelings of others. Despite the difference between showed-up types of attackers, all of the bullers are in need of audience and attention when they abuse someone. This is their way to affirm themselves, raise self-esteem and feel their own superiority. In most cases, children become abusers because of little attention and low emotional support from their parents that makes them feel unloved. And the other cause is laid in toxic relationships between members of a child's family, that gives him a distorted pattern how to attitude with people.

The increasing level of technological progress have gaven humans an easier way to communicate but also a bigger platform for easier and irresponsible hurting. Cyberbullying is bullying that takes place over digital devices like cell phones, computers, and tablets. Harm can occur through SMS, Text, and apps, or online in social media, forums, or gaming where people can view, participate in, or share content. Cyberbullying includes sending, posting, or sharing negative, harmful, false, or mean content about someone else. It can include sharing personal or private information about someone else causing embarrassment or humiliation. Some cyberbullying acts cross the line into unlawful or criminal behavior. The main concerns of distant harming based on three characteristics: cyberbullying is persistent, permanent and hard to notice.

The problem is here and solving it by little steps may end it out. The main task is teaching children that bullying is bad and can be criminally punished and consolidate that victims are able to get support without fear. A safe and supportive climate in school and family can help prevent bullying. In school it can be reached by reinforcing rules like rewarding good behavior or maintaining reports in a way that shows emerging problems and patterns over time. Family members must support, talk, listen, help, be engaged into child's school life, be infromed about what happens with him or her everyday and what bothers their kid, be someone that child could fully trust. Furthermore, the goverment should review the school program and add lessons where children would be able to get information about bullying, how to be safe in the Internet, how can they defend themselves and who

ask for help. It is necessary to add more qualified psychologists to schools who could help solve conflicts, misunderstandings and prevent bullying in the early steels.

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### Section 5

#### LANGUAGE COMPETENCE OF A MODERN SPECIALIST

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#### LEGAL CONCEPTS AND THEIR USE IN PROCESS OF TRANSLATION FROM ONE LANGUAGE TO ANOTHER

Nowadays the English language has become the language of an international business and the operational language of many law firms and corporations in Ukraine. Interest in studying English legal terminology and legal translating has grown up. With growth of international commercial disputes, the problems of legal translating are very important.

Let us determine the unit of this terminological system. A term as a word or a word combination belonging to the specific field of usage, created or borrowed for determining a specific concept and based on a definition. In that way, “a legal term is a word or a word combination which stands for a general name of a legal concept, has a specific and definite meaning, and used in legislation and legal documents”.

Contemporary language of law makes several requirements relating to legal terms that should be taken into consideration in the process of translating. The legal term should meet the following important requirements:

- satisfy the rules and norms of a corresponding language,
- be systematic,
- correspond to a certain definition oriented to a certain concept,
- be relatively independent of the context,
- be precise,
- be as concise as possible,
- aim at one-to-one correspondence (within the certain terminological system),
- be expressively neutral,
- be euphonical [1].

The English legal language is characterized by a specific set of terms. First of all, there are many Latin words and phrases (ex. *lex loci actus*, *res gestae*, *corpus delicti*, *lex domicilii*, etc.). It also has words of the Old and Middle English origin, some of them are no longer in common usage (aforesaid, hereinabove, hereafter, whereby, etc.). Besides, the English legal language includes many words from French (appeal, plaintiff, tort, lien, verdict etc.). The language of law also uses formal and ceremonial words (I do solemnly swear, Your Honour, May it please the court...) Thus, the present English language of law is due to the influence of different languages.

Considering Ukrainian legal terminology, we should keep in mind that there are fewer borrowings in it than in the English one. Most part of legal terms is of a national origin including Old Ukrainian (for example, *позивач*, *відповідач*, *право*). This may be explained by the history of Ukraine and its legal system development. At the same time, contemporary the Ukrainian legal language has been enriched by the new law terms from English (*ЛІЗИНГ* - leasing, *АНТИТРЕСТОВИЙ* - antitrust, *КОРПОРАТИВНИЙ* - corporate, *ФАКТОРИНГ* - factoring etc.) Thus, English and Ukrainian legal languages are characterized by their own specific features which are explained by the historical, political, social and cultural influences [1].

Linguistic difficulties in translation arise from the differences found in the different legal cultures and legal systems. One of the main reasons why legal language is difficult to understand is that it is often very different from ordinary language. In legal language writing conventions are different, like: sentences often have peculiar structures, foreign phrases are sometimes used instead of ordinary phrases (e.g. *inter alia* instead of among others), unusual pronouns are employed

(the same, the aforesaid, etc.), unusual set phrases are to be found (null and void, all and sundry), technical vocabulary and others [2].

Dealing with the language of law implies two forms of transferring from one language to another- legal interpreting and legal translating.

Legal interpreting is meant for people who come before the courts and who cannot communicate in the language of legal procedures. According to the law, they have a right to speak their native language in court and use the interpreting services.

Legal translating first of all implies translating legal documentation (laws, acts, judicial decisions, legal rules, contracts, agreements). [3]

Faced with a legal text to translate, a legal translator must deal with the dual challenge of language and law, which he or she must reproduce as correctly as possible in the target language. This complex procedure of transferring from one language to another involves a number of risks inherent in language.

That is why it is rather difficult to transfer the entire message of the source text from one language to another. Legal translation requires reproducing both form and content of the legal text. The latter also implies transferring text from one legal system to another. Therefore, legal translating is subject to various difficulties of transferring a meaning of a legal term and a translator must strive for a functional equivalence.

It is obvious that the major drawback of traditional language training and document translation services currently available is that these organizations have little or no experience and knowledge of the law. In order to provide the effective communication in English about specific legal concepts and ideas it is crucial for legal translators and interpreters to have a good knowledge of the legal terminology in both languages [4].

The main requirements that provide excellence in legal translating (interpreting) in the process of international communication are.

1. A language proficiency which implies ample vocabulary, knowledge of standard grammar and stylistic components of legal language.
2. The high level of excellence requires up-to-date knowledge of the subject material and legal terminology in both languages.
3. Understanding of the procedures used in court and legal concepts is necessary [5].

Taking into consideration the aforesaid, we come to a conclusion that legal translators and interpreters should meet the essential requirements mentioned above in order to provide a complete and correct translation.

The legal translation has played a very important part in the contact between different people and different cultures in history and is playing an even more important role in our globalized world and that legal translation.

Deep knowledge of legal language and proficiency in legal terminology of both languages are the main factors providing the effective communication of legal professionals in the process of international cooperation.

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#### LANGUAGE COMPETENCE OF A TRANSLATOR

Modern translators are intermediaries in the process of communicating between separate people and entire states.

Dialogues, negotiations, conferences, seminars etc. would be impossible without the participation of translators.

The mission carried by the interpreter is feasible, but it needs to be prepared in advance and carefully.



For the preparation of modern translators it's not enough to study the works of theorists and practitioners of oral interpretation.

The modern educational institution should educate real professionals, effectively orient future translators, provide them with tips on effective and successful employment, inform about the requirements for translators in the market of translation, direct future translators to their potential employers.

In order to harmonize the requirements for the training of future translators, the European Commission has established a European Master's Program in Translation (EMT).

In the process of creating the program, more than one hundred universities and other stakeholders involved in the education of translators at the international conference in Brussels have agreed on the criteria that the curriculum must meet in order to obtain the quality mark of the European Master's Program in Translation.

Basic competences of the program:

1. Competence in providing a translation service
2. Language competence
3. intercultural competence
4. information competence
5. thematic competence
6. technological competence [1].

Professor L. N. Chernovaty says that the professional competence of an interpreter, or an expert system, requires a special formation that occurs in the process of specially organized training. The scholar distinguishes five competencies of the translator: bilingual, extra-linguistic, translation, personal and strategic.

The translator should be technically oriented specialist, to know on modern technical devices.

A technically-oriented translator is a model of a proactive global mediator between countries, societies, and cultures.

A translator of texts must take into account the features of English-language scientific, technical and academic writing (structural, grammatical, lexical, stylistic) [2].

The requirements for the preparation of an interpreter and a translator are different.

Due to the global interaction between the East and the West, it is necessary to take into account the linguistic features of their representatives.

Particular attention is required for the development of intercultural competence of a modern translator in the global world (ethics, political correctness, psychological stability, etc.)

The difficulties faced by beginner translators are the innovative terms of the latest branches of science and technology. In most cases, they do not have vocabulary equivalents.

So, future translators have to go through a hard way, constantly working on self-improvement, professional development, and lifelong learning. The progressive development of professional competencies of a modern translator is a precondition for future professional success. Future global intermediaries should always apply a holistic access to the translation process, where each competence complements the previous one [3].

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#### THE NATURE OF LEGAL ENGLISH

By means of written language national constitutions come into existence, laws and statutes are enacted, and contractual agreements between private individuals take effect. Spoken language is just as indispensable to the legal process. One need look no further than the courtroom, whether it be the interrogation of plaintiffs and defendants, the testimony of witnesses, the pleadings by attorneys, or the instructions from a judge to a jury. The legal implications of language continue to extend far beyond the courtroom – to interactions between police and suspects, to conversations between lawyers and their clients, to law enforcement's use of surreptitious recordings, and to such unlawful speech acts as

offering a bribe, or issuing a threat, or making a defamatory statement. A little reflection suffices to reveal just how essential language is to the legal enterprise. Yet academic research on the intersection of language and the law is a relatively recent phenomenon, with much of the work dating from the 1980s [2].

The mention of legal language tends to conjure up in the mind of the layperson ‘legalese’ – that often incomprehensible verbiage found in legal documents as well as an arcane jargon used among attorneys. To elucidate how this ‘special dialect’ came about and how it differs from ‘ordinary English’, researchers have turned to the language of the law as a linguistic phenomenon in its own right, tracing its evolution and noting the peculiarities of its vocabulary and sentence structure. In fact, one of the first scholarly publications about law and language that I consulted was David Mellinkoff’s monumental work, *The Language of the Law*, published in 1963, nearly two decades before linguists would turn to legal language.[1] Mellinkoff was not a linguist; he was a law professor at the UCLA School of Law, where he taught until his death in 1999. In his book he covers the historical development of legal English, beginning with its Anglo-Saxon roots and continuing on through the Middle English period right up to the present day, while acknowledging along the way the contributions from Latin and French. He considers too some of the grammatical features of this style of language as well as the social and cultural significances.

A more accessible account of the history of legal English is Peter Tiersma’s recent book, *Legal Language*.[3] Tiersma too is a professor of law, but he also holds an advanced degree in linguistics; hence, his text appeals to both linguists and law professionals. In addition to treating the historical developments, he thoroughly explains why legal language is so often difficult for nonlawyers to comprehend. It is full of wordiness, redundancy, and specialized vocabulary and it often contains lengthy, complex, and unusual sentence structure.

In an endeavor to counteract the negative effects of legalese, there has developed a trend toward ‘plain English’. It began as a consumer movement to simplify the language of the law so that the public can understand documents that they may be required to sign, such as apartment rental leases, insurance policies, or promissory notes.

The plain English movement has had a salutary effect as well within the legal process. Jurors do not always understand fully the instructions given to them by judges. To get at the root of this problem, Robert and Veda Charrow, psycholinguists, conducted several experiments [5].

They had a group of subjects, who were Maryland citizens eligible for jury duty, listen to a tape recording of jury instructions. The subjects were to paraphrase what they heard to the best of their abilities. Surprisingly, almost half of the

information was missing from some of the paraphrases. What exactly was causing the incomprehensibility? The difficulty was due, not so much to vocabulary items, but mostly to particular types of grammatical constructions, such as the occurrence of multiple negatives and the excessive use of passive sentences and of nominalizations. The experimenters then simplified the instructions by eliminating these complex sentence types and presented the revised versions to a second group of comparable subjects. Although the rewritten instructions did result in some improvement in the comprehension scores, it was also clear that it was highly unlikely that there would ever be complete understanding. A subsequent group of researchers then conducted some experiments to determine what exactly ought to constitute an acceptable level of comprehension.

They proposed two standards: the lesser one stipulated that for eight out of ten juries at least eight members of a twelve-person jury ought to understand any given point of law; the stricter criterion required for nine out of ten juries a minimum of nine jurors.

Nor should attorneys believe themselves to be immune from the plain English movement. They too must rethink how they write. Richard Wydick, a professor of law and author of a popular manual on legal writing, maintains that the best legal English is plain English, and he condemns that abstruse style so typical of many legal practitioners. He notes: We lawyers do not write plain English. We use eight words to say what could be said in two. We use arcane phrases to express commonplace ideas. Seeking to be precise, we become redundant. Seeking to be cautious, we become verbose. Our sentences twist on, phrase within clause within clause, glazing the eyes and numbing the minds of our readers. The result is a writing style that has, according to one critic, four outstanding characteristics. It is “(1) wordy, (2) unclear, (3) pompous, and (4) dull.”[4]

The critic was none other than Mellinkoff, who was an early advocate for simplicity and clarity in legal expression and was highly critical of any lawyer’s ‘defense of “legalese” ’[6].

The last, but not the least, have noted that specialized vocabulary and unusual sentence structure both contribute to the peculiarities of legal writing. These two elements, lexicon and grammar, are the fundamental building blocks of every human language. To know a language – to speak it, write it, or understand it – requires control of both components. Imagine you were learning a foreign language and had memorized all of the common words with their various meanings but had studied no grammar. To create a sentence you wouldn’t know in which order to place the words or what endings to attach to them. Conversely, if you were intimately acquainted with the grammar of a language (as many linguists are) but

had no vocabulary items to plug into the slots where nouns, verbs, and other parts of speech are supposed to occur, you would also be incompetent as a speaker, writer, or hearer of that language. It is around this twofold nature of language that the four chapters of this book are structured. The first two deal primarily, although not exclusively, with word meaning; the last two with sentence meaning.

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#### ENGLISH IN INTERNATIONAL BUSINESS

Modern society lives in the era of rapid economic, political and cultural changes. Humanity is going through the stage in the history of development, when the economies of different countries are becoming increasingly interdependent, and the rapid development of techniques and technologies gives an opportunity to erase territorial boundaries. The rapid destruction of most of these ethnic boundaries and barriers in the past decade, gradually leads the world to the fact that there was a need for a lingua franca, which English has rightly become.

English nowadays – the main language of science, academic conferences, diplomacy, books, magazines, sports, advertising and the Internet. And this is not a complete list of the spheres where it is used. Now the English language has become the fundamental element of the international business. After all, success in business is directly linked to such a word as “communication”, and most of it in the business environment is taking place in English[1].

Another key factor in successful business – organized system of communication with colleagues and partners. All this made a huge prerequisite for the becoming of the English language, as the language of business communications. Therefore, as future economists we must know the requirements for the English language knowledge in the labor market, because international economics demands professionals with language proficiency, especially in English. This causes the topicality of the research. The aim of the research is to define the role of the English language in international business and how it influences on recruitment strategies[1].

Progress and advance in business often depends on one important word – communication; and most of it happens in English. English now is the global language of business. More and more multinational companies use English as the common corporate language – Airbus, Google, Apple, Nokia, Samsung, Microsoft and others. In order to gain an advantage in your chosen field of activity you should be completely understood by the people with whom you collaborate [2].

Formation of a global language policy isn't so easy, and companies often face this problem. But to work successfully in a global economy, companies must overcome language barriers, English will almost always be the common language, at least nowadays. English is used by the 175 million people all over the world. There are 350 million native speakers in such countries as U.S.A. and Australia. There are 2 primary reasons for standing English as a corporate standard:

1) Competitive pressure - if you want to buy or sell, you should interact with different clients, business partners. Companies that don't have their own language policies, limit their opportunities for growth and competition in international markets, opposed to those companies that have a policy of using English.

2) Globalization tasks and resources - good understanding of the language gives workers more reliable information from first hand, which is important for decision-making process. The world is very large. The economic migrations of the past years have become close. Love it or hate it, we simply cannot ignore it. Big businesses require knowledge of English [3].

In practice, English remains the EU's lingua franca. It is spoken by 182m of Europe's 490m citizens today, and will still be 10m Europeans' native tongue post

Brexit, including in Ireland and Malta. English texts account for 77 per cent of all texts submitted for translation [2].

The business world is in a continuous development. Businesses are evolving and activating in a diversified environment that doesn't respect physical boundaries any more. Even more, due to accelerated globalization, we now live in a world where any type of business has the possibility to extend over borders. This made language proficiency a very important business skill that will boost anyone's career.

When a company wants to develop on a foreign market, it will first send the best managers to start the process. These people will be relocated and they will live in the targeted area for as long as necessary to get things going. However, many managers have to deal with language barriers that make the process more difficult.

By hiring people who are already proficient in a second language and training them to become future managers, you will remove this issue. This leads to a smoother penetration process in foreign markets. It's clear why big companies invest so much in having people prepared for globalization. Any developing company will definitely benefit from having a well-prepared, diverse team who knows how to handle language and cultural barriers.

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## GLOBAL BUSINESS SPEAKS ENGLISH

English has emerged as the global language of trade and commerce in the past few decades, affecting many key aspects of business in the modern world. The English language first spread as the result of colonial expansion, and has become the standard for all important official communications in an increasingly large number of countries with a wide variety of native languages. In the modern world, thanks to the Internet, English continues to spread as the major medium through which both small businesses and large corporations do business [1].

More and more multinational companies are mandating English as the common corporate language — Airbus, Daimler-Chrysler, Fast Retailing, Nokia, Renault, Samsung, SAP, Technicolor, and Microsoft in Beijing, to name a few—in an attempt to facilitate communication and performance across geographically diverse functions and business endeavors [2].

English is the first language of many countries and the unofficial second language of countless more. Learning, understanding, and being able to speak English open up a world of opportunities, especially in the globalized economy of today. To get a high paying job in any English speaking country, fluency in the language is vital, and a basic knowledge is necessary just for day-to-day life. Many people fear that learning English is too hard, but it is much simpler compared to certain languages like Chinese or Arabic.

Since English is such a widely adopted second language in non-English speaking countries, it is important to know when traveling abroad. Many foreigners can communicate effectively in English, even if one person primarily speaks Dutch and the other's first language is Japanese. In addition to traveling, English is also great to know for business. Many non-English speaking businessmen learn English because a lot of business is done with the US, Australia, the UK, and other English speaking countries. America alone is a large economic force in the world, and anyone doing international business is likely to find that English would come in handy more often than not [3].

Business English is a specialized area of English relating to the language used in business. Every year more and more people are studying courses in Business English to improve their chances of finding a job at home, career prospects and to be able to work in English speaking countries. If you've already



studied a General English course or similar, or your English is already quite good, you might be wondering if it would be useful to study Business English.

There you can find some of many reasons why Business English is important in the world today.

Nowadays English language is very important in every field of people's life. First of all, we need this language for work. The majority of English students study to improve their job prospects at home. Many companies like their staff to improve their English skills and send them to study at language schools. It may be worth asking your employer if it would pay for your course, while showing that it will have a benefit for the business.

There are many jobs that you can start after you have studied English to Advanced or Upper Intermediate level. You don't need to have studied Business English to work in a bar or restaurant, for example! For many office based jobs it is best to be able to understand English business terms and to have carried out business tasks before in English, such as presenting and writing. There are still some office based jobs you can apply for however, and learn Business English as you go. They usually require some clever job searching, but they are out there! In a later article we'll give some advice about how to find a job in the UK while you are still studying and after you've finished your course [4].

English has emerged as one of the major languages for doing business on the Internet. A website written in English can attract many customers and enable even small business owners in remote villages to sell items to people around the world. Well-written product and service descriptions in English are key for attracting new customers and keeping them up to date on any new product offerings [4].

In some industries, such as the airline and shipping industries, English is the official standard language. Therefore, an excellent command of English is required for key jobs, such as air traffic controller or ship captain. In addition, English has emerged as a major language for finance and the stock markets around the world. People wishing to do business globally need to have a good command of spoken English. The ability to clearly write in English is also key, as many forms of business communication, from emails to presentations and marketing to important business contracts, are written in English.

As mentioned before, business English is important for effective communication. You cannot deliver a presentation to your team or be in charge of a board meeting if you speak in your native tongue and if no one else in that room speaks that language. So you need to speak the "common tongue" well, so you can translate your thoughts and ideas into coherent (clear and logical) sentences that everyone can understand and respond to.

A good knowledge of English allows you to communicate effectively with international clients, helping them to trust you and your organisation resulting in strong and lasting business relationships. People who use English for their work on a daily basis need to be able to use English for a variety of purposes including in meetings and negotiations, for managing, writing reports, giving presentations and in social situations. Being able to communicate and negotiate successfully with clients who speak English makes your skill-set more attractive to companies who conduct business internationally meaning employees who speak English can often command higher salaries [5].

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## FORMATION OF FOREIGN LANGUAGE COMMUNICATIVE COMPETENCE OF MARKETERS

Communicative competence has a special significance in human life, so close attention should be paid to its formation. Communicative competence is understood as the ability to establish and maintain necessary contacts with other people, a set of knowledge and skills that provide effective communication. It involves the ability to change the depth and scope of communication, understand and be clear to the communication partner. Communicative competence is formed in conditions of direct interaction, therefore, is the result of the experience of communication between people. This experience is acquired not only in the process of direct interaction, but also indirectly, including from literature, theater, cinema from which a person receives information about the nature of communicative situations, the peculiarities of interpersonal interaction and the means of their solutions. In the process of mastering the communicative sphere, a person borrows from the cultural environment means of analyzing communicative situations in the form of verbal and visual forms.

The system of modern education leads to the updating of the content of training specialists of different profiles in the system of higher education, the search for effective ways of development in the aspect of the formation of their professional competence, an integral part of which is the formation of foreign language communicative competence.

Foreign language acts as an integral component of education, and its possession is not only an indicator of a high cultural level of personality, but also a guarantee of its successful professional activity. In view of this, the problem of formation of foreign-language communicative competence of students has become especially urgent. Knowledge of foreign languages is one of the requirements put forward by marketers, as it is an instrument necessary for solving certain professional problems[4].

The importance of forming readiness for communications of marketers is explained, first of all, by the fact that for them the main kind of activity is communication, solving communicative tasks. Therefore, for a specialist, the necessary conditions for successful professional activities are awareness of the features of the communication process, the possession of verbal and non-verbal

communication techniques, communicative strategies and communicative competence, which includes the ability to use a foreign language to achieve professionally meaningful goals[1].

The knowledge of a foreign language for a marketing specialist is a sign of his professional competence. This is not about general English, which can be studied at courses, but about the preparation of English-language professional-oriented communication of highly skilled professionals working in the field of marketing. It means English for special purposes, which has its own terminology and specifics that can not be studied in regular courses. Thus, the acquisition of skills of professional communication provides the communicative competence of workers employed in various areas of the market. One can not but agree that the possibility of career growth in the field of marketing is directly related to the knowledge of a foreign language and the fact that a highly skilled specialist with a professional knowledge of a foreign language will have a very high demand in the labor market [2].

Professional marketing activities related to the use of a foreign language for solving various tasks include: communication with foreign clients, negotiations, foreign market marketing, promotional tours, cooperation with airlines, presentation of firms at international exhibitions, presentations, conferences, special documentation (agreements, patents, plans, etc.), writing the necessary professional and business documentation, filling in forms and other types of documents, working with a business correspondent, reading professional literature requiring high knowledge of foreign languages [3].

Consequently, the need to speak foreign languages at the appropriate professional level of marketers is greatly enhanced by contemporary globalisation processes. Given this, only the specialist who speaks at least one foreign language, has developed skills of intercultural communication and possesses skills of foreign language competence will be able to adapt to the multicultural environment and realize his professional and personal potential. Now the task of specialists is, having proper personal and professional qualities, to successfully solve various professional tasks and needs of clients. Therefore, the factor of mastering foreign languages of marketers is one of the main tasks along with special knowledge.

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## THE FUTURE OF INCREASING YOUNG PROFESSIONALS LANGUAGE COMPETENCE IN UKRAINE

Nowadays there is an intensification of competition on the labor market. Staff requirements are growing significantly every year. Knowing of English is MUST for contemporary specialist. According to the realities of the present, university should provide educating of highly skilled specialists as the formation of professionals able to speak a foreign language at a rather high level is one of the aims of higher educational institutions of Ukraine. This in turn requires a qualitative system of professional foreign language training for future specialists[3].

The Ministry of Education and Science of Ukraine takes decisive steps to improve the competence of future specialists. One of them was the launch of external independent testing of English and other European languages for admission to the magistracy [2]. For future professionals, this is an incentive to learn a language, which will be a significant advantage to be hired. First of all, it increases its competitiveness, mobility in the labor market and the ability to establish business contacts with partners in the international arena [1]. For a higher institution, such an innovation enables the expansion of English language training programs, assessment the bachelor's level of language competence and making the necessary changes for further study of English.

This approach has promising opportunities for development – to attract international exams in foreign languages, such as First Certificate in English (FCE), International English Language Testing System (IELTS), and Test of

English as a Foreign Language (TOEFL) instead of external independent evaluation. Such an innovation opens up broader horizons and provides unbeatable prospects. In this case, we may have the following benefits:

- 1) Match to modern requirements and trends of language development;
- 2) Fair and transparent assessment of the competence of future specialists according to international standards;
- 3) Increased opportunities for international student exchange;
- 4) Admission of Ukrainian universities diplomas by European and world higher education institutions;
- 5) The growth of the Ukrainian young specialists' competitiveness in the world labor market.

In the light of European integration, raising the level of language competence of young professionals becomes an extremely important task for our country. The compliance of the English language proficiency with international standards will enable the new formation of Ukrainian professionals to worthily present our country on the world and European markets.

The mentioned approaches to the forming of a professional who can speak a foreign language will allow building a new qualitative system of professional foreign language educating of future specialists. Ways of development of the issue are worth attention from representatives of educational structures.

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## LINGUISTIC COMPETENCE OF A MODERN STUDENT

In recent years, the labour market has seen an aggravation of competition struggle. Staff requirements grow every year. According to the realities Higher School of the present day should ensure the training of highly skilled specialists, in particular, the economic profile, able to adapt to the socio- economic transformations.

The process of language training specialist the economic profile implies a high level of professional formation linguistic competence, which increases its competitiveness, mobility in the labour market and the ability to establish business contacts with partners.

Questions of linguistic competence were actively interested in our country recent years, especially after the accession of Ukraine to the Bologna Process.

Successful educational systems of different countries in globalization era are characterized by several factors:

- 1) ability to view needs of the students of different age groups during the period of their study and further education on the life-long basis;
- 2) application of educational standards relevant for several countries;
- 3) technological support of the distant learning systems;
- 4) unified system of competences assessment;
- 5) shrewd management in the sphere of education [1].

Language competence is a broad term which includes linguistic or grammatical competence, discourse competence, sociolinguistic or sociocultural competence and what might be called textual competence. The specific learning outcomes under “Language Competence” deal with knowledge of the language and the ability to use that knowledge to interpret and produce meaningful texts appropriate to the situation in which they are used. Language competence is best developed in the context of activities or tasks where the language is used for real purposes, in other words, in practical applications.

Speech competence – a general range of issues of speech activity, which implies the availability of relevant knowledge, skills, experience. Speech competence, based on linguistic competence, includes a system of speech skills (to conduct dialogue, to perceive, reproduce and create oral and written monologues and dialogical expressions of different types, types, styles and genres) and the

skills of using oral and written literary language, the richness of its expressive means depending on the purpose of the statement and the sphere of public life [2].

The most weighty a sign of language competence is its normativity – compliance with the norms of literary language, in our case – the modern Ukrainian literary language.

The future specialist in the economic profile must have skills such as ability to find, select and analyze the necessary information, ability to inform about certain events in the field of economy and to make their own conclusions, the ability to conduct business conversation and business relations that will prove his professionalism and high professional level. The student must understand the specifics business communication and mastering its basics during studying at universities [2].

However, how often does a person think about what level of speech competence does she have? Unfortunately, the frequent repetition of superfluous words in speech today is commonplace among people. They have no benefit, they do not quite logically express their own thoughts, combine logically incompatible words, violate the order of words in a sentence, and so on. The speech of a true specialist should be crystalline, so you should avoid the words "parasites" in the speech.

Consequently, professional linguistic and communicative competence of the individual is an indicator of the formation of a system of professional knowledge, communication skills and values, general humanitarian culture, integral indicators of the culture of speech necessary for high-quality professional activities. The modern educational system should form the professional linguistic and communicative competence of the modern student.

The language competence of a specialist is considered predominantly: how a set of skills, skills, qualities and specific features of a specialist; as an integral and constituent component of another competence, students need to demonstrate the ability to think and speak independently, applying available resources to create reliable ideas and conclusions [3].

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## THE ROLE OF FOREIGN INFLUENCE IN THE MAKING OF MODERN ENGLISH

All world languages, in the process of development, influence on each other and this process comes through of all the history of mankind and human civilization, from the eldest ages to modern days. And obviously, English is not an exception to the rule. Like other languages, especially European, English has been influenced by Greek and Latin languages, they both are the most widely-used sources of vocabulary influence on other languages. So we can say that it's quite alright and natural, when language has some little level of vocabulary influence. But the feature of English is that it has almost 65% of the words of Roman origin, while the words of Germanic origin occupy only less than 24%. People could say that it might be a part of roman language family, as the result of said. But this sentence is incorrect at all. For the reason that, actually, publicistic, scientific and religion fields of language has the most of influence. However, the situation is quite different when we talk about common speech at household level and the grammar.

So, let's consider it in details. Original Latin vocabulary influence is the eldest one. The Romans had invaded in Britannia in 55 B.C., where they found Britons, one of Celtic people. And obviously, the consequence of it was armed conflict, but Roman superiority on the battlefield made Briton warriors to suffer large casualties and retreat to the less opened areas in the North of the island. But the resistance was destroyed soon. Next three centuries were under Roman rule. So, as the result of conquering, Latin language influence has started. As the consequence of it, there was formed local form of Vulgar Latin, but unlike other

Roman provinces, in Britannia, was low level of usage of Latin or Vulgar Latin. They were used mostly by the members of local authority, traders, and, generally, the richest members of local society. Also, later, it was used by Christian missionaries and priests. However, suddenly three centuries of Roman rule were brought to the end by new invaders from the continent, namely Angles, Saxon and Jutes, which were Germanic people. After the conquering of the present-day British territory these three tribes were united into one nation, which historians call “The Anglo-Saxons” and it was the beginning of the existence of Old English or also known as Anglo-Saxon. Anglo-Saxon began to get Latin vocabulary. There is no doubt that Latin main influence was felt in field of lexis. The eldest examples of adopted vocabulary were such words as anchor, butter, camp, cheese, chest, cook, copper, devil, dish, fork, gem, inch, kitchen, mile, mill, mint (coin), noon, pillow, pound (unit of weight), punt (boat), sack, street, wall, wine etc. By Christian missionaries, a lot of Latin religious terms were brought. Such words as abbot, altar, apostle, candle, clerk, mass, minister, monk, nun, pope, priest, school, shrive. Mostly, they have Greek origin. However, Old English had got structural precepts of Latin. As the result of it, Old English was an inflected language, more than its ancestors. Thus it has five cases for nouns: Nominative, Vocative, Accusative, Genitive and Dative. Also there was a full conjugation of verbs and, what the most interesting, Old English had a system of grammatical gender. For example, “fot” (foot) was masculine, “hand” was feminine and “headfod” (head) was neuter. However, most of this grammatical influence cannot be seen in Modern English. The cause of it was the invasion of Danes, which played a major part in neutralization of the Latin grammatical influence.

Viking age began at the end of the 8<sup>th</sup> century. Members of the Norse (mostly Danes) population of Scandinavian peninsula were travelling to the British Isles for purposes of trade, settle or raid. Vikings were acting as pirates. The raids occur mostly the coast-line settlements and usually raiders didn't move into the deep of the island. In 865 the situation has changed. The Danes began to see the Isles as the place for hypothetical colonization, not just as the place for raids. Larger armies were arriving to the British Isles to conquer new land and construct new settlements. Danish invasion was successful. As the result, most of England was under the control of the Danes, this land was known as The Danelaw (Dena Lagu). The influence of Danish language has begun as the consequence of the invasion. As it was said earlier it played a major part in neutralization of the Latin grammatical influence. Languages were similar because they both were Germanic languages. Basic lexicon was mostly the same. However, the situation was different with word endings. Nevertheless, in the process of influence they were levelled to the same form and, ultimately, dropped together. Anyway, English has a

big number of the words, which has Danish origin. Such word as bag, bull, call, fellow, gang, get, glove, gun, husband, ill, kid, law, mug, root, scale and so on. Also third-person pronouns have Danish origin and second-person pronoun “you/your” too.

The Kingdom of England was created after reconquering the territory of the Danelaw. However, in 1066 King Edward the Confessor died, being childless. The Earl of Wessex, Harold Godwinson was elected as new king. But Duke William of Normandy claimed that the throne of England had been promised to him by King Edward and Harold agreed with that. So, the Duke of Normandy has invaded in England and defeated King Harold at the field of Hastings Battle. England was conquered and Duke William became new king of England. Norman language became new language of the elites, mostly because of elite replacement, replacing English landlords with Norman noblemen, changing court system and government system. For the next 2-3 centuries English kings spoke French as native. All the power was in the hands of the Normans, while the Saxons were oppressed. Saxon would only be heard among the poor. Suddenly, as the result of mixing of French and English vocabulary, there was created Anglo-Norman, which became new language of Noblemen. It has French Norman grammar and vocabulary but with a little bit of Anglo-Saxon vocabulary. And ultimately, Saxon and Anglo-French united into one language, which historians call Middle English and links between English were destroyed. For example, it’s reported, that King Henry IV of England couldn’t speak French as well as his ancestors because firstly the mother tongue of the king was English. As it was previously, French vocabulary takes 26% of English vocabulary. They occupy all major fields of the vocabulary, such as law (justice, judge, jury, attorney, court, case), diplomacy (attaché, envoy, embassy, chancery, diplomacy, communiqué, détente, entente, rapprochement, accord, treaty, alliance, passport, protocol), arts (art, music, dance, theatre, author, stage, paint, canvas, perform, harmony, melody, rhythm, trumpet, note), politics and economy (money, treasury, exchequer, commerce, finance, tax, liberalism, capitalism, materialism, nationalism, plebiscite, coup d’état, regime, sovereignty, state, administration, federal, bureaucracy, constitution, jurisdiction, district) military (soldier, marine, grenadier, guard, officer, infantry, cavalry, army, artillery, corvette, musketeer, carabineer, pistol, fusilier, squad), terms related to state (chancellor, council, parliament, minister, government) and so on.

Let’s consider few sentences for example. The first one is taken from a publicist field: Trump, pushing immigration plan, meets with family of woman killed in 2007. “Push” comes from Old French “poulsier”, “immigration” comes from Latin “immigratum”, “plan” comes from French “plan”, “meet” comes from Old English “metan”, “with” comes from Old English “wið”, “family” comes from

Latin “familia”, “of” comes from Old English “æf/of”, “woman” comes from Old English “wimman/ wiman”, “kill” comes from Old English “cwellan”, “in” comes from Latin “in”. The second one is taken from a common speech: I had lunch with my friend and we read some books. “I” comes from Old English “Ic”, “had” comes from Old English “habban”, “lunch” is taken from one of English dialects, “my” comes from Middle English “mi/min”, “friend” comes from Old English “freond”, “and” comes from Old English “and/ond”, “we” comes from Old English “we”, “read” comes from Old English “rædan/redan”, “some” comes from Old English “sum”, “book” comes from Old English “boc”. So the first has 50% of Romance vocabulary, while the second one has 0% of it.

In conclusion, thanks to this influences English became such a unique language, consisting foreign vocabulary, more than its own vocabulary. However, despite of large number of romance vocabulary English remains Germanic language, because, as it was said previously, the grammar is still Germanic. Anyway, it has made English we know today. Who knows how English could look, if it were less Romance.

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#### SECRETS OF A SUCCESSFUL PERFORMANCE

The modern world demands from us the ability to present ourselves, to be a speaker. And the best speakers of our time are acting on TED.

**TED (Technology, Entertainment, Design)** is a media organization which posts talks online for free distribution, under the slogan "ideas worth spreading".

The topics of the lectures are diverse, which means that a person develops with TED harmoniously and develops the best features. You can choose lectures on a variety of topics such as science, art, design, politics, culture, business, global issues and solutions to these problems, technology and even entertainment. When you have a goal, if you look confidently in the future and day-to-day moving to your dream, you will definitely have to put your ideas on people. But , if you have a great idea and you can not represent it worthily, it is unlikely that it will be able to capture the hearts and minds of those present. That is why the organizers of the TED send such commands to the participants .

- a) **The first commandment** : TED is not intended to lie or manipulate. Do not focus on your own, do not boast. Bullying and manipulation are not something that will help to get the listeners' favor.
- b) **The second commandment** : Do what people remember. Bill Gates, speaking with a report on the problems of malaria in developing countries, understood that this topic would be badly perceived by the audience. So, he needed to do something brilliant, something that would attract the attention of the audience. And he succeeded. Here is an excerpt from his report .... It was very bright! And I'm sure everyone present at the conference remembered it forever. Of course, later Bill Gates admitted that they were ordinary mosquitoes, but the goal had already been achieved.
- c) **Add emotions**: it does not mean that there are only positive emotions. Make the audience laugh or cry. Negative emotions are better than their complete absence. ... Perhaps the majority of the audience felt discomfort when they saw the human brain. Some could even feel right away. Perfectly! This performance they will remember for a long time. The lack of emotions is the worst thing.
- d) **Tell life stories** : It's very important to be with the audience in one and the same emotional state, to be clear, and history is probably the only thing that is understandable to everyone. Ever since ancient times, people love stories. Life examples can cause emotions, inspiration.
- e) **You can freely comment on other performances**: TED organizers are encouraged when different thoughts converge on the stage. You can freely comment on other performances, criticize or praise. .. The performances of Sir Ken Robinson rank first in reviews on TED.com.
- f) **Show your true self**: the modern world is full of masks. On the TED scene show yourself true. Speaking at the TED Conference, Ilon Mask, with his simplicity and frank story of dreams that can change the world, has gained the trust and commitment of the audience.
- g) **No sales from the scene**: Do not advertise your company or products;

Do not ask for money for your needs.

Sales from the scene take place in the modern world, but the scene TED is not used for this purpose. Brian Stevenson was so impressed by his stories with people who donated to his non-profit fund at \$ 1 million, although he did not ask for it.

h) **Frequently joke:** humor helps keep your attention during the performance

....

Humor is a great way to interest the audience. However, inappropriate humor - worse than its lack of.

i) **Never read from a leaf:** Of course, you can have small notes with you, however, if you want to choose between reading and disorderly speech - better read. Remember, a speaker reading from a leaflet is associated with a boring lecturer. Also, when reading, you lose eye contact with the audience. The consequence may be a loss of interest and your words, your idea may not reach the goal.

j) **Complete on time:** in order to always invest in the time you have for me, I have two tips: 1) Prepare the report by 20% less than the time given to you. Even if something goes wrong, you will always have a spare time; 2) Always carry out a rehearsal with a stopwatch, so you will definitely know how long your speech takes.

In order for your ideas always reach the audience and for you to be a successful specialist you need to be able to speak well. A successful performance is the key to your victory. Never neglect it and always prepare your performance in advance .

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## MARKETING SLANG IN UKRAINIAN ADVERTISING ORGANIZATIONS

In each professional sphere there is own slang, understandable to specialists. It consists of terms, specific words, abbreviations, borrowing from the foreign language.

The assertion that slang helps communication is unfair. While some employees feel them "on the team" and understand each other, the others can't make out the meaning of what was said.

If ask any marketing manager about the jargon and he will tell you that slang is necessary and is a kind of shorthand that helps people of one profession easier and communicate faster with each other, but this is nonsense. Clear communication has never meant the existence of a language weird to all who are in the same room. You think that your audience understands you, but most likely, this isn't always like this.

There is also problem of the fear of employees to admit that they do not understand something. Therefore, few people ask about the meaning of the words spoken, preferring to guess and pretend that everything is fine.

The jargon expresses very simple thoughts through complex words. They sound "more expensive" and weightier than everyday analogues. Therefore, the people who pronounce them reassure themselves that they are doing an uneasy job and are members of a special club, a kind of "elite".

"In some professions, jargon is justified, for example, in the field of law or in medicine, since complex communication is really becoming a complex idea," de Beauvoir explains. "But let's face it." Marketing is not rocket science. Let's stop pretending that this is so. "

Newspaper «Newsday» [1] also notes another problem related to the habit. The more often marketers use words like "optimization", meaning "improving something" in a broad sense, the faster their brains forget the real meaning - improving something to achieve concrete results. And this happens every time during the slang speech.

Both Ukrainian and foreign publications periodically publish advertising and marketing dictionaries - so that all people can understand marketers, and they, in turn, learned how to express themselves clearly. The founder of his own

copywriting studio Denis Kaplunov [2] compiled a list of professional jargon, in which he explained the meaning of the words «інфлюенсер», «бігдата», «масштабованість».

In 2013, the edition of AdMe, which at that time specialized in articles on advertising, gathered a list of marketer's phrases. It includes the expressions «вирішитикости», «пошерити інсайти», «дужедженерік», «минехепі», «акцептабільненегоціатори», «бігайдія», «дедлайн», «гайд».

If you work in the glorious sphere of marketing / advertising, you will learn these words without difficulty. These words and phrases are so densely included in our lives that we have already forgotten, "how it sounds like in Ukrainian." To abuse this slang or not is a private matter for everyone. But no doubt, if you own it, then it will be easier for you in any advertising organization.

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#### ENGLISH FOR HUMAN DEVELOPMENT

Nowadays, more than ever, the English language is becoming more and more widely used in areas of knowledge and human development. It can be said that it is the language of the modern world.

Today more than 400 million people speak English as their mother tongue and almost the same number uses it as an official or second language. In other words, the majority of the world's population is divided into those for whom English is native, those who are free to express themselves in it, and those who write (type) and understand basic English, which is explained by the need to work with the Internet [1].



There are 64 million people in Great Britain whose first language is English (97% of population). The history of the USA started with 13 British colonies set along the Atlantic coast. On July, 4, 1776 they proclaimed their independence from Great Britain. It is one of the most developed countries in the world, with English being the first language for about 80% of its population [2].

Next English-speaking country is Canada. The first European colonists came to Canada from France. But after that for many years Canada was under British rule until the country gained its independence in the XX century. There are two official languages in Canada. English is the first language for nearly 70% of Canadians [2].

About Australia today this country is among the most developed countries in the world, with 80% of the population speaking Australian English. The exploration of Australia began in the late XVIII century when the first British colonies were formed. Australia was a place where prisoners were serving their sentences in exile [2].

Another English-speaking country is New Zealand. The exploration of the continent began in the late XVIII century when the first British colonies were formed. English is spoken by more than 96% of the population [2].

The interesting history about launching of English language in India. When the British started ruling India, they searched for educated Indian mediators who could help them to administer India. The British policy was to create an Indian class who should think like the British. It was said then in England "Indians in blood and color but English in taste, in opinions and morals and intellect" [3].

The English also instituted in India universities based on English models with emphasis on English. These Indians also obtained their education in British universities. Even after the independence of India, English continued to be the foremost language of India. Officially English language was given a status of an assistant language and was supposed to cease officially after 15 years of India's independence, but it still continues to be the significant language of India [3].

The author of article «The Importance of the English Language in Today's World» Zeeshan Navedsaid, that there are several factors that make the English language essential to communication in our current time. First of all, it is the most common foreign language. This means that two people who come from different countries (for example, a Mexican and a Swede) usually use English as a common language to communicate. That's why everyone needs to learn the language in order to get in touch on an international level. Speaking it will help you communicate with people from countries all over the world, not just English-speaking ones [3].

With good understanding and communication in English, people can travel around the globe. When you travel to countries where English is the main language, it is important to speak and understand it. Throughout Canada, the US and the UK, shopping and traveling is often made easier by speaking English since many people may not speak other languages. When you speak English, you will be able to communicate more easily with the locals and explore the regions that may otherwise remain unknown. In Europe, many people learn English in school so knowing the language is a benefit you can enjoy when traveling to places where it is not the native language [4].

Many countries such as Australia, Great Britain, United States use English as a first language for their tourists. Also, a lot of countries that don't speak English offer services for tourists in English. Thus, English skills will help you travel and communicate with people from different countries.

English is important for business and career development. If you visit some offices, companies, governmental organizations, or even math or engineering companies, you will see the importance of English. Any big company will hire their professional staff after getting to know whether the people they are hiring are good at English or not. Companies who want to function at an international level only consider their staff well educated if they are good English speakers, writers, and readers [3].

For high ranking officials and diplomats in major countries such as Russia, Italy, Brazil, South Korea, France, Japan and Germany, a working knowledge of English is important. This way, they can better comprehend the craft and nuance of international diplomacy and global affairs [4].

Today more and more global companies have adopted English as their main language. It is also worth noting that English is being adopted by international companies from countries that don't speak English to become the official language, replacing their own native language.

Hiroshi Mikitani of the Rakuten Group in Japan is one example. As the operator of the chain Uniqlo, he made his entire staff learn English and once made a warning to fire or at the very least, demote those who were not very fluent. Mikitani holds the belief that the language of English helps in promoting attributes such as creativity and free thinking among employees [4].

Another example is Yang Yuanqing, the CEO of the Lenovo Company in China. At the age of forty Yuanqing made it a point to become highly fluent in English. By doing this, he set a personal example for the entire company. Yuanqing made it a point to watch American TV and learn with a private tutor everyday despite his grueling schedule. Currently, he is able to conduct each board meeting in English fluently [4].

Also a striking example such company is Philips – Dutch international company where the official language of communication is English (not Dutch), because the company employs relatively few Dutchmen. The similar situation exists in the French company Bosch, where French was supplanted by English, despite the fact that the company has a lot of French and that French itself is the language of global communication [5].

Trends such as these mean that English is becoming more and more important for specialists from different not English-speaking countries. Currently, English is the primary language of not only countries actively touched by British imperialism, but also many business and cultural spheres dominated by those countries. It is the language of Hollywood and the language of international banking and business. As such, it is a useful and even necessary language to know.

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**SECTION 6**  
**INFORMATION TECHNOLOGIES IN THE ECONOMY**

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**MODERN TRENDS IN DEVELOPMENT OF INFORMATION  
TECHNOLOGIES IN THE ECONOMY OF UKRAINE**

The modern period of development of our society is characterized by widespread introduction and use of information technologies. The country's economy cannot develop fully without the use of information technology too. In the most general form information technology in the economy can be defined as a combination of actions on economic information with the help of computer technology to obtain the optimal final result. They are needed to simplify the processing, storage and transmission of large volumes of information.

The branch of information technologies is engaged in the creation, development and operation of information systems. Information technology is to be based on and rationally used within modern advances in computer technology and other high technologies, advanced communications tools, software and hands-on experience. To solve the problem of effective formulation of the information process needs the reduce of time cost, labor, energy and material resources in all spheres of human life and modern society [1].

Banking institutions take benefits of IT usage in Ukraine began initially. The unification of cellular communication services, Internet technologies and card technologies allows banks to develop high-tech solutions to provide customers with new remote services. Mentioned services are the bank support for the processes organized by the e-business client (money transfers, provision of urgent loans, and customer interaction with their own counterparts). The introduction of Internet banking, mobile Internet banking is aimed at maximizing the convenience for the client to access his or her bank account, managing finances, and approaching the bank's office to the client and directly to his office, apartment as well as to the client's access to a bank account in any time from any place. The introduction of modern electronic telecommunication facilities in the near future will lead to the banks having a full-fledged "virtual office" in which the client is supposed to receive all services provided by banks in any office [2].

The emergence of the modern infrastructure, including wireless networks, mobile devices and technologies contributes to radical changes in the field of information technology, their integration into all spheres of public life, the formation of a new concept of the global economy which is digital. The digital economy is a digital-based economy. The main components of this concept are supporting infrastructure, e-business and e-commerce. Elements of supporting infrastructure are hardware and software, telecommunications and communication networks. An e-business is any operation that an organization conducts through computer networks. E-commerce sells goods and services online. Digital economy is the most important engine of innovation, competitiveness and economic development of the state [3].

On January 17, 2018 the Cabinet of Ministers of Ukraine issued an order "On Approval of the Concept of the Development of the Digital Economy and Society of Ukraine for 2018-2020" and approved plan of measures for its implementation. The plan contains 31 complex tasks, including innovative steps such as industry development 4.0, digital workplaces, digital education services, digital infrastructure for e-Health and e-security etc. The development of digital economy in all spheres of life will make Ukrainian business competitive, it will help create new jobs, entrepreneurship and become less focused on exhaustive resources attracting domestic and foreign investment capital [4].

The concept involves the transition from a raw-material type of economy that consumes limited natural resources to high-tech industries and efficient processes through IT technologies and communications. The development of digital infrastructure being Broadband Internet (ATM) should be extended onto the entire territory of Ukraine. The concept is aimed at stimulating digital transformations in the banking system with the use of cashless settlements, infrastructure, transport, public safety, education, medicine, and ecology. The successful experience of Sweden, Korea, Estonia, Ireland and Israel shows that the immediate effect of the comprehensive development of digital economy is 20% of GDP over a five-year period. It is anticipated that by 2021 only through the development of the digital economy the growth rate of Ukraine's GDP is expected to be at least 5% [5].

Consequently the information technology plays an important role in the development of the modern economy. They provide effective management of the country's economic activity. Economically important information resources are processed quickly and efficiently; they are analyzed, which makes it possible to predict the possible economic outcome in the future.

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## C# AS A HIGH LEVEL PROGRAMMING LANGUAGE FOR COMMERCIAL APPLICATIONS

High-level languages intend to provide features which standardize common tasks, permit rich debugging, and maintain architectural agnosticism; while low-level languages often produce more efficient code through optimization for a specific system architecture. C# is a modern object-oriented programming language developed in 2000 by Anders Hejlsberg at Microsoft. C# can be used to create almost anything but is particularly strong at building Windows desktop applications and games. C# can also be used to develop web applications and has become increasingly popular for mobile development too. Cross-platform tools

such as Xamarin allow apps written in C# to be used on almost any mobile device. The latest Developer Economics survey showed that 38% of mobile developers were using C# for some of their work, while 16% use it as their main language. Those developers are not all focused on Microsoft platforms by a long shot. They're not all building games with Unity either.

As any language c# has its own pros and cons. As c# is getting more popular more programmers make apps in this language. There are a lot of companies that are starting to do commercial apps in this language. There some pros and cons of using this language.

First, it integrates well with Windows. You don't need any special configurations to get a C# program to run in your Windows environment. Whether it's a web application, a Windows service, or a desktop app, C# programs are easily deployed on the network.

Next, C# is easy to find additional developers whether it's for a contract or full-time basis. If your business grows and you need additional developers, C# is one of the common languages programmers learn. It also has very close syntax with Java, so you can usually find a developer who understands Java (for mobile programming) and C# (for backend services) at the same time.

Finally, C# is a compiled language, which means that the code stored on a public-facing server is in binary form. If your server gets hacked, the hacker doesn't automatically have access to your source code. With other common languages such as PHP, the hacker gains access to source code, which could then give him access to database passwords. With C#, the hacker must decompile or "crack" your software before he can see the critical components.

C# is a great language for enterprise applications, but it does have some disadvantages.

In the previous section, compiling the code was mentioned as a "pro." It is an advantage, but compiling code also has some disadvantages. It's much more difficult to work with it since your code must be compiled each time you make even a minor change. If you change one letter in your code, you must recompile the whole application and deploy it again. This often leads to added bugs if a minor change isn't thoroughly tested.

Since C# is a part of the .NET framework, the server running the application must be Windows. In other words, any .NET application needs a Windows platform to execute. Many new companies work with Linux servers since it's a much cheaper environment. You need Windows hosting to run a .NET application.

If your organization uses Windows workstations and servers, .NET is the easiest to integrate. C# can be used for automation such as Windows Services or web applications. It's well suited for Windows environments, and it's beneficial for

scalability during business growth. The pros for C# far outweigh the cons, which can be managed with the right network setup.

C# allows to make different apps like web, mobile and desktop, so your company could choose what it wants. Some web or mobile apps are more comfortable than desktop and sometimes cheaper. And also as now we have a lot of developers there is a competition between them and this allows us to make the price lower. In my opinion such language impacts on world economy by increasing tasks and new work places for developers and making the fee higher or lower according to the complexity of app.

Many companies use C# to develop applications, such as Quicken Loans, Domino's Pizza, Sears, NBC news website and many more.

c# is like one of the most common and powerful languages for commercial type apps

So as we understand c# is one of the highest level programming language and a lot of companies are becoming to develop in it. The cause of the better revenues is that the C# developers are much more likely to be targeting enterprises than the Objective-C developers and that's why higher revenues are most likely to be found. There's an enormous pool of developers trained in C# and related Microsoft technologies. A lot of them are working on desktop enterprise apps or the server side. As it becomes increasingly clear that C# is a viable language for successfully delivering cross-platform mobile solutions, C#'s rise on mobile looks set to continue for several years yet.

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## GEOGRAPHIC INFORMATION SYSTEMS. APPLICATION IN THE ECONOMY

Every day, millions of decisions are being powered by Geographic Information Systems. From pinpointing new store locations to predicting climate change, to reporting power outages, to analyzing crime patterns. The aims of this research are: to analyze what Geographic Information Systems is and how it is useful for the economy.

By definition Geographic Information Systems means a computer-based tool that analyzes, stores, manipulates and visualizes geographic information, usually in a map. In a GIS, you connect *data* with *geography*. And you understand *what* belongs *where*. Because you don't fully understand your data until you see how it relates to other things in a geographic context.

Moreover, one argument against this cannot be ignored: it's really hard to visualize the locations of latitudes and longitudes coordinates from a spreadsheet. But when you add these positions on a map, everything becomes clear.

What most people usually have in mind when we talk about Geographic Information Systems is only about "making maps". But governments, businesses and people harness the power of GIS because of the insights of spatial analysis.

I want to emphasize that the GIS helps not only to allocate the area on the map but also helps to solve many important social problems. One brief example might clarify this concept. In 1854, spatial analysis began when cholera hit the city of London, England. Because no one knew how the disease started, British physician John Snow began mapping outbreak locations. But he also located roads, property boundaries and water lines. When he added these features to a map, something interesting happened. He noticed how Cholera cases were commonly found along one of the water lines [1].

The main question then becomes: Why Geographic Information Systems are used in business?

For a business, location is the key to successful operations and overall growth. "Location, location, location!" That's the famous saying used to express the importance of location. A business's success is partially, if not mostly, dependent upon the business's location. Having the best possible location is vital [2].

So, most businesses collect and store some sort of information from their customers. This could be anything from a name and phone number to an address or even their complete buying habits. Online retail businesses can easily collect the addresses of their customers by storing their shipping information and accounts in a database. Online retailers also have the advantage of being able to store a customer's buying habits without the use of a shopper's card simply by maintaining a database of orders. For business owners and managers, a customer's information is the most valuable information that you can obtain. After all, they are what keep your business afloat.

Many businesses collect the addresses and buying habits of its customers through a shopper's card. This information can be used to geographically represent the distribution of their customer base. This can help reveal a number of key items to the business executives. For example, decision makers can identify gaps in their customer base and seek to close those gaps by adding new store locations or performing targeted advertising campaigns. They can also analyze shopping frequency with respect to distances from the store or adjust operating hours based on the temporal distributions of the store's shoppers.

Customer buying habits can also be spatially analyzed for various trends and anomalies. Decision makers can find out when particular items sell well and where the customers that purchase them live. This can help the business project future inventory needs and adjust product pricing. For example, if you are a milk producer and knew that a certain area of the city bought significantly more milk than another area, you may be able to discern what types of people live there and what their needs are. You could then make decisions about where to distribute your milk to and perhaps how to set your prices. You may decide to adjust milk prices for stores in the vicinity of that part of the City to capitalize on the increased demand. Another example of the value of spatial data is the analysis of cultural buying trends. Let's say that you get output from a GIS analysis that shows that a particular area of the city buys significantly more Ukraine food items than any other part of the city. Business owners can then make informed decisions about what other types of food items they should be selling at the stores located in that part of the city. This decision can be made without ever asking the customer for what other items they would like to see in the store. Additionally, this information can also be used to estimate the future demand of various types of holiday and culturally significant merchandise.

So, Geographic Information Systems can revolutionize your business strategy and enable you to capitalize on things that you didn't even know existed before. A small initial investment in a GIS can easily lead to large profit increases

and significant expenditure decreases by improving the efficiency and effectiveness of your business plan [3].

So, we conclude that Geographic Information System is designed to store, retrieve, manage, display, and analyze all types of geographic and spatial data. GIS software lets you produce maps and other graphic displays of geographic information for analysis and presentation [4].

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## INFLUENCE OF ARTIFICIAL INTELLIGENCE ON A DIGITAL ECONOMY

Artificial intelligence (also known as computational intelligence, AI) is defined as “the human-like intelligence exhibited by machines or software”. It is important to emphasize that AI is an interdisciplinary field of study including computer science, neuroscience, psychology, linguistics and philosophy.

Making intelligent machines, robots and software programs has been a central focus of scientific explorations and ICT (information and communications

technologies) industry inventions. Since 1950, AI research and developments have economically impacted many industries such as robotics, telecommunications, computer applications, health, finance, heavy industry, transportation, aviation, service industry, e-commerce, military, music and finally toys and games.

Incidentally, AI is not a field in and of itself; rather it is a heterogeneous mixture of research fields. Hence, it is difficult to describe the influence of a well-defined or single field on economy. However, AI-related industrial applications produce the cutting-edge technologies that rapidly transform every aspect of our lives.

Among the AI-related technologies, there are a few that have significance for the impact on society and especially on digital economy. AI is particularly influential in machine learning, robotics, transportation, finance, health and bioinformatics, e-commerce, games, big data and internet-of-things. It is also important to note that there is a functional overlap between these fields, for example, machine learning is used in bioinformatics and robots that can learn new skills for better caregiving in healthcare. Below is a summary of above AI-related technologies that are socially transformative and economically powerful.

Machines can learn from data, come up with generalizations and make decisions to act in certain ways. There are important applications such as machine perception, natural language processing, search engines, bioinformatics, brain-computer interface, game playing, robot locomotion, advertising, computational finance, health monitoring. Machine Learning can positively impact productivity and can enhance information and analytical systems.

Robotics is one of the most strongly influenced fields in AI. For heavy industries, for example, robots are used and human power is replaced for effectiveness, precision and accuracy, especially in repetitive or dangerous tasks. Highly autonomous robots can be functional in, for example, space exploration and cleaning.

AI technologies have proven to produce some of the best tools to predict stock market fluctuations. AI market predictions are based on ever-evolving predictor algorithms and these systems learn new models and make connections between historical data and new data [1]. It is believed that AI technology will produce in future more accurate and functional tools with non-linear decision making logical models and thus will revolutionize stock market trading.

AI is used in health field, especially in health data processing, analysis, decision support and medical diagnosis. Massive amount of health data is collected and when it is properly analyzed by intelligent software, the data shows which patients will need what treatment and what alternative drugs could be used.

Bioinformatics is an interdisciplinary field combining statistics, mathematics and engineering in order to organize and analyze biological data, especially in molecular biology. AI helps in discovering data patterns and modeling through the application of machine learning, artificial neural networks and genetic algorithms.

Virtual assistants developed through AI technology can facilitate online shopping, and these assistants can offer the best advice. The results of the Amazon investigation demonstrate that purchases coming after product recommendations and personalization bring important revenue (35%) to shopping sites [2].

Artificial intelligence is useful in smart computer graphics, scene modeling, scene rendering processes in order to create, for example, effective human-robot interactions.

All of the fields mentioned above use big data analysis and big data does have a critical place in the world of intelligent machines and software. In other words, AI offers technology and methodology and enables big data to provide industrial organizations with valuable information for effective decision-making. The smart machines powered by AI software can crunch past data and find out patterns, just like what IBM's Watson achieved: this machine used 200 million pages of structured and unstructured content with a special technology of hypothesis generation, massive evidence gathering, analysis, and scoring.

The Internet of things is the network of machines or objects connected through internet. These connected objects can sense their internal or external environment, communicate with each other, send critical data and finally make decisions to act or correct their environment. For example, factories can monitor and automatically change production processes; hospitals can monitor and regulate the health conditions of their patients; schools can collect data from the facilities; and cars can send data to carmakers.

In 2016, McKinsey estimated that the disruptive technologies closely related with artificial intelligence might have a potential economic impact in 2025 between \$7.1 and \$13.1 trillion (automation of knowledge work, advanced robotics, autonomous or near-autonomous vehicles) [3]. Global medical robotic systems market is expected to reach \$13.6 billion in 2018, more than double of 2011 level (\$5.48 billion) [4]. European Commission published an important case study and predicted that AI market will exceed 27 billion Euro by 2015, which was only 0.7 billion in 2013.

Economic and social benefits of a powerful AI industry are immense. AI technologies are creating a critical impact on a number digital economy fields. Considering this impact, Ukraine needs to have strategies in place to keep up with the speed of AI-related economic transformations. Strategies can include targeted funding and research, easing immigration of qualified students, removing

bureaucratic hurdles for tax credits, creating an entrepreneurial environment and inspiring start-up.

While there are many catalysts to AI development and adoption, two main challenges in front of a strong AI economy are financing and talent sources. In order to develop AI-related technologies and to increase AI adoption public and private initiatives need:

- to increase especially for micro and SMEs the access to capital and introduce favorable financing for AI development and adoption;
- to increase the potential for industry up-skilling through financial incentives;
- to increase the supply of AI talent in Ukraine through the educational system as early as schools;
- to provide knowledge hubs for SMEs to exchange best practices;
- and finally promote the adoption of digital and AI technologies in the business community.

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## DIGITAL TECHNOLOGY IN TAXATION. VALUE ADDED TAX

The tax system is the main source of financial resources of the state and an important element of market relations at the current stage of economy's development. Business is also becoming more virtual, through the expansion of the digital economy and new technologies.

Over the last years there have been many reforms to tax systems around all over the world, the majority of them made taxes easier to administer and collect. The most common feature of all these reforms is the implementation of digital technologies, which is able to enhance electronic filling and payment system.

Information technology has changed the way tax administrations can communicate with taxpayers, the way they select companies for audit and the way they conduct those audits.

Tax compliance strategy of any country consists of two vital elements: enforcement and collaborative measures. Enforcement measures include more targeting audit, improved detection, greater visibility of the tax authority, gradual sanction and penalties. Collaborative measures means simplifying compliance and increasing customer orientation, improving tax education, providing opportunities for correction and prevention.

An implementation of modern technologies could be a key to achieve all this purposes and to improve the tax policy in common. So, that's the role of digital technologies in taxation. And value added tax is reasonably considered as the most perfect modern form of indirect taxation, which plays an important role in the system of public finances in most developed countries. Today 162 economies use VAT with the aim to provide revenues to the state budget.

There are several the world average key indicators to evaluate the value added tax collection and refunding efficiency:

1. The post-filing index distance to frontier score (DTF) measures – 59,51 DFT;
2. Time to prepare a VAT refund claim and submit any other information requested by tax authorities in any further interactions – world average 18,4 hours;
3. Time that elapses before the VAT refund is received – world average 27,8 weeks;

Not all economies have been able however to embrace new technologies at the same rate and these differences are evident in the latest set of results in Paying Taxes 2018.

The implementation of digital technologies differ from economies with lowest, middle and high levels of income.

In European Union digital technologies in taxation have been implemented for the last 10-15 years. But in developing countries there are special features of the using modern technologies in taxation.

In 2008, in China VAT on some purchases was not allowed as a deduction from output. Making deductions universal has helped to reduce the VAT time comply in China from 216 hours in 2008 to 132 hours in 2009 and to 88 hours in 2017 (due also to improvements in technology). China completed its implementation of its “Golden Tax System” in May 2017, so it will be interesting to see the impact this might have on the Paying Taxes indicators under this system.

India is the next country to overhaul its indirect tax system with Central Sales Tax (GST) due to be implemented on 1 July 2017. Whilst historically India has had a range of indirect taxes including State VAT, Central Sales Tax and (CST) Service Tax, the country introduced a comprehensive GST system which will both integrate the different indirect taxes which are collected at state and federal level.

The introduction of GST has taken India closer to ‘one nation and one market’. While the law is expected to evolve over a period of time, and the challenges of implementing a new system present additional compliance burdens in the short term, industry and consumers are expected to reap the benefits in the long run.

Middle East is the region where VAT is least common. Only five of the 13 economies in Paying Taxes had a VAT system in 2015.

Governments of the six Gulf Cooperation Council (GCC) countries are however moving to the imminent introduction of VAT. The GCC States have agreed on a common legal framework to introduce VAT in the region. Some member countries such as the UAE are indicating that e-registrations and e-filing will be available and countries such as Saudi Arabia and Qatar are implementing e-filing for income taxes with an expectation of something similar being in place for VAT.

In the EU, VAT compliance generally takes longer if additional documents have to be filed with the VAT return, where extra records have to be maintained, additional analysis has to be performed, or separate VAT registers kept. The burden of collection and refunding taxes is reduced with automated tasks using software which is trusted and can be relied on by taxpayers and tax authorities.



Speaking about Ukraine it should be mentioned, that Ukraine has introduced a system of electronic administration of value added tax (VAT) since February 2015<sup>th</sup>. It was the governmental attempt to reduce the negative influence of one of the most corrupt tax in Ukraine. But the time of VAT refunding still remains at the level of 99 hours per year. While in the European countries this indicator hesitates at the level low 50 hours per year. This is a vital challenge for our tax system.

It shows that the average time taken to comply with VAT in the world in 2017 is 33 hours lower where online filing and payment is used. In 2016, this reduction was only 20 hours. The largest reduction in VAT compliance time between 2008 and 2015 was in Kenya where the time to comply fell from 300 hours in 2008 to 81 hours in 2015 largely as a result of the introduction of electronic systems. In 2017<sup>th</sup> the average time to comply with VAT refunding among countries which use electronic system, was 89 hours. But 5 years ago it was 114 hours. Speaking about economies, which don't use electronic system of VAT refunding, need 122 hours per year in 2017<sup>th</sup> and 134 hours in 2012<sup>th</sup>.

Of the 93 economies where a VAT refund is available, on average it takes 21.6 weeks between incurring the excess input VAT and receiving a refund. The shortest time is in the EU & EFTA region where it takes 14.8 weeks, and the longest is in Central America & the Caribbean at 34.7 weeks.

Nowadays in 2018<sup>th</sup> 92 economies had fully implemented electronic filing and payment of taxes as measured by Doing Business by 2016; 66 economies adopted or enhanced their systems in the past 12 years; 21 economies in Europe and Central Asia use electronic systems; 600 e-services are available to Estonian citizens (including filing and payment of taxes).

Conclusions: Technology affects all parts of tax processes, and its reach is increasing. Technologically enabled systems for tax administration can make tax compliance easier, but there is an ever increasing demand from tax authorities for greater amounts of data, sometimes in real-time. As well as changes in online filing and payment systems, reductions in the VAT time to comply arose from improvements in and greater use of accounting software, from reduced filing frequency, fewer information requirements, e-invoicing and simplification of VAT regimes.

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## ARTIFICIAL INTELLIGENCE AS ELEMENT OF A GLOBAL STRATEGY

Accelerating Artificial Intelligence (AI) capabilities will enable automation of some tasks that have long required human labor. These transformations will open up new opportunities for individuals, the economy, and society, but they will also disrupt the current livelihoods of millions of people. The report examines the expected impact of AI-driven automation on the economy, and describes strategies that could increase the benefits of AI and mitigate its costs.

AI-driven automation will transform the economy over the coming years and decades. The challenge for global community will be to update, strengthen, and adapt policies to respond to the economic effects of AI.

Although it is difficult to predict these economic effects precisely, it can be suggests five primary economic effects [1]: 1) Positive contributions to aggregate productivity growth; 2) Changes in the skills demanded by the job market, including greater demand for higher-level technical skills; 3) Uneven distribution of impact, across sectors, wage levels, education levels, job types, and locations; 4) Churning of the job market as some jobs disappear while others are created; 5) The loss of jobs for some workers in the short-run, and possibly longer depending on policy responses.

There is substantial uncertainty about how strongly these effects will be felt and how rapidly they will arrive. It is possible that AI will not have large, new effects on the economy, such that the coming years are subject to the same basic workforce trends seen in recent decades—some of which are positive, and others

which are worrisome and may require policy changes. At the other end of the range of possibilities, the economy might experience a larger shock, with accelerating changes in the job market, and significantly more workers in need of assistance and retraining as their skills no longer match the demands of the job market. Given available evidence, it is not possible to make specific predictions, so policymakers must be prepared for a range of potential outcomes. At a minimum, some occupations such as drivers and cashiers are likely to face displacement from or a restructuring of their current jobs [2].

Because the effects of AI-driven automation will be felt across the whole economy, and the areas of greatest impact may be difficult to predict, policy responses must be targeted to the whole economy. In addition, the economic effects of AI-driven automation may be difficult to separate from those of other factors such as other forms of technological change, globalization, reduction in market competition and worker bargaining power, and the effects of past public policy choices. Even if it is not possible to determine how much of the current transformation of the economy is caused by each of these factors, the policy challenges raised by the disruptions remain, and require a broad policy response. One aspect of artificial intelligence is how this technology changes economic theories [3]. To date, artificial intelligence is already being used to model economic and financial instruments, such as stock markets, derivatives and options.

But more generally, there are three broad strategies for addressing the impacts of AI-driven automation across the whole world economy [4]: 1) Invest in and develop AI for its many benefits; 2) Educate and train workers for jobs of the future; 3) Aid workers in the transition and empower workers to ensure broadly shared growth.

Historically and across countries, however, there has been a strong relationship between productivity and wages—and with more AI the most plausible outcome will be a combination of higher wages and more opportunities for leisure for a wide range of workers. But the degree that this materializes depends not just on the nature of technological change but importantly on the policy and institutional choices that are made about how to prepare workers for AI and to handle its impacts on the labor market [5].

The interaction between the state, industrial, technical and political sectors and the public should play an important role in promoting the nation to a policy that creates widely shared prosperity, unlocks the creative potential of international companies and workers, fosters diversity and the inclusion of the technical community in AI.

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## OPPORTUNITIES OF IMPLEMENTATIONS THE SYSTEM OF REMOTE SERVICING IN TREASURY ADMINISTRATIONS

Modern information technologies are an instrument that enables the formation of a high-tech society in which every employee of the State Treasury Service of Ukraine has the opportunity to provide as much as possible its potential in order to ensure the most efficient performance of its duties.

Implementation of modern information technologies involves the creation of qualitatively new forms of organization of the activities of the administrations of the State Treasury of Ukraine and their structural units, optimization of interaction with state authorities and local self-government by providing access to state

information resources, the possibility to receive electronic services using the Internet.

The system of treasury service in Ukraine has been formed under the influence of constant structural changes in the financial sphere. At each stage of development new prerequisites for further improvement and effective management of public finances of the country has been created. One of the main tasks of the Treasury administrations is to simplify and improve the servicing of administrators and recipients of budget funds.

Information technology has penetrated widely into all spheres of our life, and the banking sector is also not exclusion. Now it is difficult to find a bank without remote financial management through Internet banking. The State Treasury Service of Ukraine actively participated in this process, offering its clients a system of remote servicing (SDS).

SDS is the receipt of treasury services via the Internet. Virtual communication between the employee of the treasury and the client is carried out in an interactive mode. After connecting the security module of the system, which organizes the encryption of the exchange channel from the client computer, connected to the Internet, you can safely manage their accounts [1].

The main advantage of SDS is that there is no need to spend time on trips to the Treasury to carry out certain operations, therefore, the queues to the operators remain in the past. SDS is reliable and easy to use, does not require additional knowledge. Its opportunities allow [1]:

- to send to the Treasury all types of financial documents;
- to receive statements and documents on all accounts for any period of time;
- to keep track of all stages of processing treasury bill payment documents in real time;
- promptly receive error messages;
- to review and print incoming and outgoing payment documents.

Taking into consideration the current state of the development of telecommunication systems and information technologies, the State Treasury of Ukraine, from the year 2015, in order to expand the scope of its services, offered to managers and recipients of budget funds a new, remote form of settlement services via the Internet using the electronic digital signature.

The remote form of settlement service with the use of electronic digital signature allows to optimize the costs of supporting this process by refusing the flow of incoming and outgoing paper documents, accelerating the processing of information and reducing time for treasury service budgets. At the same time,

administrators and recipients of budget funds are being able to monitor in real time the status of accounts that had been opened in the territorial administrations of the State Treasury of Ukraine, passing payments, receiving statements on accounts, etc [2].

Since 2016, the enhanced functionality of the SHC “Treasury Client-Treasury” has been introduced in terms of receiving and transmitting documents regarding planned indicators; transfer of distributions of open allocations; download information on budget commitments, budget financial commitments and supporting documents to them. At the beginning of August 2016, clients from all regions of Ukraine joined the SHC. Treasury administrations are constantly working on attracting new managers and recipients of budget funds [3].

As of 30.03.2018, the customer concluded 23,336 contracts on site at the remote settlement service using software-technical complex «Client Treasury - Treasury”. 7,088 client are financed from the state budget, 15,856 client from the local budget funds and 390 (other clients or recipients of budget funds respectively)[4].

25 regions and is connected to the system: 8,706 clients received statements and 5221 customers make payments [4].

Consequently, we can see that the implementation of the system of remote servicing of managers and recipients of budget funds and other clients with the help of the software and hardware complex "Customer Treasury-Treasury" has become one of the steps of Ukraine's approach to modern international standards of information and economic development.

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## INFORMATION TECHNOLOGIES IN ECONOMICS

According to the world political practice, economic growth is the most important part of life of the country. Since the current state of the economy depends on the information support, the role of information technologies in solving the problems of economic management in such conditions is extremely important.

Information technologies are used for processing, sorting and aggregating data, for organizing the interaction of process participants and computing devices, for meeting information needs, for operational communication in the economy and business [1].

Today, in many industries, IT allows some businesses to differentiate themselves from their competitors. Those companies that leverage IT for competitive advantages often differ from their competitors in two ways in relation to their IT organizations: they consider IT as a strategic business enabler instead of cost centre, and they work to maximize their IT operations so that they can focus their resources on providing value to the business and responding to today's environment of rapidly changing business conditions [2].

The Verkhovna Rada adopted acts concerning the protection of intellectual property rights, regulation of social relations, the introduction of electronic document management, information security, create your own electronic information resources, and innovation in the information world [3].

There is a little experience in solving the problems of improving the management of organizations and their activities through the use of modern information technology in Ukraine, but this process has been initiated. Intensification of production and improvement of management methods cover all sectors of the economy. Software and computer technologies of leading manufacturers of information technologies are at the disposal of users of Ukraine. Access to information resources is carried out with the help of modern means of communication; the ordinary telephone network is also used. Information users of Ukraine have access to remote information resources, foreign information networks. All this creates a solid foundation for the wide involvement of modern information technology to production management [4].

Since we live in a modern world, we should try to improve the information technologies around us. That's why, we have to disseminate and promote information

technologies in the area of administrative, financial and social services for citizens. After all, citizens need to provide administrative services from the state, transfers of cash settlements in non-cash form and search for additional sources of income for the use of information technology. Maximize the use of mechanisms to stimulate the exit of business from the shadows, and if we want to legalize it, we have to open up new Web-resources based on e-commerce and modern information technology.

Those companies investing in IT during this economy are the companies that will survive the downturn and then excel as the economy improves. And by optimizing your infrastructure first, you have the opportunity to invest by shifting resources from sustaining to strategic activities.

In conclusion, I should say that the use of information is an integral part of country's economic growth at the level of world automation and the introduction of the latest technological innovations and achievements.

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### THE ECONOMIC IMPACT OF E-COMMERCE

There's a widely held view that e-commerce is a way of conducting business over the Internet. Though it is a relatively new concept, it has the potential to alter



the traditional form of economic activities. Already, it affects such large sectors as communications, finance and retail trade and holds promises in areas such as education, health and government. The largest effects may be associated not with many of the impacts that command the most attention (i.e. customized product, elimination of middlemen) but with less visible, but potentially more pervasive, effects on routine business activities.

It is important to be clear about the definition of e-commerce. Electronic commerce, or e-commerce, is the buying and selling of goods and services on the Internet. Other than buying and selling, many people use the Internet as a source of information to compare prices or look at the latest products on offer before making a purchase online or at a traditional store. E-business is sometimes used as another term for the same process. More often, though, it is used to define a broader process of how the Internet is changing the way companies do business, of the way they relate to their customers and suppliers, and of the way they think about such functions as marketing and logistics. For the purpose of this study e-commerce is taken to mean doing business electronically [1]. Other terms that are often used when talking about e-commerce are B2B and B2C, shorthand for business-to-business, where companies do business with each other, and business-to-consumer, where companies do business with consumers using the Internet. These are considered to be main forms of e-commerce.

It is well-known fact that business-to-business electronic commerce accounts for the vast majority of total e-commerce sales and plays a leading role in global supply chain networks. In 2013, approximately 21 percent of manufacturing sales and 14.6 percent of wholesale sales in the United States were e-commerce related; by 2014 those percentages had increased to almost 40 percent for manufacturing and 16.3 percent for wholesale trade. One reason why B2B e-commerce is more sophisticated and larger in size than direct-to-consumer e-commerce is that B2B transactions developed out of the electronic data interchange (EDI) networks of the 1970s and 1980s[2].

I acknowledge the words of Ziaul Hoq, who said the steady growth in business-to-business e-commerce has changed the cost and profit picture for companies worldwide. At the microeconomic level, growth of B2B e-commerce results in a substantial reduction in transaction costs, improved supply chain management, and reduced costs for domestic and global sourcing. At the macroeconomic level, strong growth of B2B e-commerce places downward pressure on inflation and increases productivity, profit margins, and competitiveness.

The authors of more recent studies have emphasized that e-commerce retail has become the fastest growing trade sector and has outpaced every other trade and

manufacturing sector since 1999, when the U.S. Census Bureau started collecting and publishing data on e-commerce. That year, e-commerce retail sales represented less than 1 percent of total U.S. retail sales. In 2003 that number climbed to a little less than 2 percent; by 2008 it had grown to 3.6 percent, and by the fourth quarter of 2014 B2C e-commerce reached 4.4 percent of total U.S. retail sales. In dollar terms, e-commerce retail revenue currently stands at approximately US \$165 billion, considerably less than the US \$3.9 trillion that represents the total U.S. retail market.

During the "Great Recession," which lasted from December 2007 through June 2009, manufacturing, wholesale, and bricks-and-mortar retail sales took a heavy beating. By the fourth quarter of 2010 they still had not fully recovered, even though U.S. gross domestic product (GDP) and personal spending (adjusted for inflation) had surpassed their previous peaks seen in late 2007.

Retail e-commerce, by contrast, weathered the recession relatively well, albeit with considerably slower growth than had been seen prior to the financial crisis. In the first quarter of 2002, retail ecommerce experienced quarterly, year-over-year growth of about 42 percent. On the eve of the recession, that rate dropped to a still-respectable 18 percent. Quarterly sales continued to grow until the latter part of 2008, and in the fourth quarter of 2009 sales surpassed the previous peak [3].

It's important to note here that a large portion of B2C sales come through mail-order houses, many of which have an online presence as well as traditional storefront outlets. Contrary to popular opinion, mail-order houses still have a very strong online presence, and until just recently their sales outperformed online-only retailers.

At present, is typically credited with about four-fifths of worldwide e-commerce activity. The figures roughly suggest that Eastern Europe represents about 10% and Asia about 5% of the world total. In Europe, the United Kingdom and the Nordic countries are the current leaders, although some estimates attribute significant activity to Germany. For each of the major categories of e-commerce activities – live audio, shopping, finance, and content (sports, adult) – the USA typically has 67 to 85 of the top 100 sites. Canada comes in second for five out of the Economic Impact of E-Commerce 51 six categories. Over the near term, the US lead is expected to decline to about two-third of world's total e-commerce activity, particularly because France's Minitel and Germany's T-online services have accustomed their citizens to online buying; as these services migrate the Internet, e-commerce should expand. Also, Europe may see a user led demand pull, in contrast to the technology push thought to characterize the US situation [4].

We can see then, that a key reason why e-commerce, especially the business-to-business segment, is growing so quickly is its significant impact on costs associated with inventories, sales execution, procurement, intangibles like banking, and distribution costs. If these reductions become pervasive, e-commerce has the potential to be the application that ushers in the large productivity gains. Achieving these gains is therefore contingent on a number of factors, including access to e-commerce systems and the needed skills. However, what is unique about e-commerce over the Internet and the efficiency gains is that it promises the premium placed on openness. To reap the potential cost savings fully, firms must be willing to open up their internal systems to suppliers and customers. This raises policy issues concerning security and potential anti competitive effects as firms integrate their operations more closely.

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#### INFORMATIZATION AND INFORMATION TECHNOLOGIES

Improvement of the enterprise management system in the conditions of information economy takes place on the basis of information technologies. The achievement of the goals of the organization is based on the awareness of the organization's managers about the promotion of products and services to the market, competition, new technologies in a changing market situation.

The rapid change in the parameters of the modern environment leads to an increase in the volume and speed of dissemination of information, so for successful business, it is necessary to reduce the time of decision-making, which inevitably leads to an increase in the speed of transmission and processing of information on the basis of the application of new information technologies. An analysis of the trends and patterns of the development of information processes in the business sector confirms the conclusion about the high pace of information, both management processes, and processes of production of goods and services.

Under the informatization we will understand the process of development of the "information industry". This term is considered in three equal interpretations:

- the process of creation and improvement of the information society;
- the process of raising the efficiency of using information in the state and society on the basis of promising information technologies;
- the process of formation of the noosphere.[1]

Measuring the informatization process is carried out by determining the scale of the implementation of information technology in all spheres of public life. Since modern information technologies are based on the use of computer technology, they sometimes put the sign of equality between the concepts of "informatization" and "computerization".

The notion of "information technology" is based on the basic notions of "information" and "technology".

Technology (from the Greek, "techne" - art, skill and "logos" - knowledge, science) - a set of methods of processing, manufacturing, changing the state, properties, forms, carried out in the process of production. The task of technology as a science - the detection of patterns in order to identify and use the most effective and economical production processes in practice.

Information technology is a set of methods, production processes and algorithms of software and hardware, integrated in the technological chain, the implementation of which provides for the collection, storage, processing, output and dissemination of information in order to reduce the complexity of processes of using the information resource, increase their reliability and efficiency. [2]

Analysis of the determinations of the essence of IT allows us to conclude that under current conditions they become an effective tool for improving enterprise management, especially in such areas of management activities as strategic management, product and service quality management, marketing, office work, personnel management and organizational culture.

The main purpose of IT is to provide more efficient use of information resources:

- when developing strategic plans for the development of organizations;

- In the process of studying the impact of investment and innovation activities;
- to ensure the competitiveness of the enterprise units based on the consideration of customers' opinions, conditions of competitors;
- to support the adoption of managerial decisions.

The development of IT worldwide is due to the increased intensity of information flows as a result of the processes of globalization of the world economy and the formation of information space. Management activity requires information support, since information processing for making managerial decisions and managing impacts takes a lot of time.

At the heart of modern enterprise management lies the concept of marketing interaction, that is, there is a transition from the concept of management of the XX century. "We sell what we produce" to the concept of the XXI century. "We produce what we sell", what is in demand. [3]

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## THE ROLE OF INFORMATION TECHNOLOGY IN BUSINESS SUCCESS

Innovation is the great way to success in this digital age. The path of innovation in business means doing something different, smarter or better that will make a positive difference in terms of value, quality or productivity by using

emerging or proved technologies of the world. The technology which has already proved itself in last two decades is of course the information technology (IT). It has dramatically changed the lives of the individuals and organisations. Currently online shopping, digital marketing, social networking, digital communication and cloud computing etc. are the best examples of changes which came through the wave of information technology. Now accurate business planning, effective marketing, global sales, systematic management, real time monitoring, instant customer support and long- term business growth cannot be achieved at the optimum level without IT.

The success of every business depends on certain factors. Some of which are accurate analysis, choosing the right technology and the future vision. Research from the last two decade has proved that those organisations which do invest in technology and choose the path of innovation increase their market share, financial figures and overall competitiveness. Information technology is the only technology which provides the opportunity to analyze specific data and plan your business journey accordingly. It also provides many tools which can solve complex problems and plan the scalability (future growth) of your business.

Speed and accuracy are at the heart of making right decision for your business. Every successful organisation has to go through a comprehensive market research process which enables management to make the right decision. Market research can be done in many ways through online surveys, forums, blogs, groups of discussions using the World Wide Web and of course through in-person interviews as well. Currently Big data, Google Analytics and Microsoft CRM Dynamics are also great tools to extract useful information which can impact on decision making. These online tools not only provide real time responses from the potential audience but also ensure the accuracy of data by minimising the risk of human errors<sup>1</sup>.

The heart of the business success lies in its marketing which enables the management to identify its target audience first and then observe their trends and needs. The overall marketing covers public relation, advertising, promotion and sales which subsequently impact on business growth. Many types of marketing can help to reach your potential customers. Digital Marketing is a modern phenomenon which let you promote your products or services all over the world. It is a broad term which includes many concepts like search engine optimization (SEO), pay per click (PPC), blogging, discussion forum, email shot, SMS, MMS, social media marketing and Smartphone app advertisement etc.

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<sup>1</sup> <https://www.linkedin.com/pulse/role-information-technology-business-success-abid-afzal-butt>

Higher level of customer satisfaction is the key to success which cannot be achieved without a real time customer support process. Business success depends on knowing its customers needs, trends, behaviours and satisfaction level. Effective communication is the best tool to understand the customer demands, problems and their solutions. Thanks to the Internet Technology that has enabled us to communicate with millions of potential or existing customer in the real time. IT provides many channels to communicate with the customer without going out in snow or rain. Some of these channels are: e-mail, webinar, social media, member portals, online newsletters and text or multimedia messaging through the smart phone. Enterprise organizations normally use customer relationship management systems (CRM) to hold valuable data for understanding customer behaviours and future needs.

Resource management plays a crucial role in business success. When it comes to medium or large organization, it is very hard for the top management to manage all the resources manually. Thanks to the Internet and cloud technology which enables software engineers to introduce cloud based ERP (Enterprise Resource Planning) solutions. Now, the managers can manage or monitor their organizational resources virtually anywhere in the world by using their personal computer, laptops, tablets or Smartphone. Most of multinational companies (Microsoft, Google, Amazon, McDonalds, etc.) in the world use these cloud based solutions to manage their virtual or physical offices and staff worldwide.

So, it is impossible to attain long- term business success without leveraging the benefits of information technology in this digital age. The companies have to bear a reasonable cost to achieve this success because using an innovative approach in business strategy, employing highly trained IT professionals and making right decisions at right time are the prerequisite of business success. As IT solutions continue to increase the productivity, efficiency and effectiveness of business operations and communication, business will continue to rely on Information Technology for success.

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## ECONOMIC APPLICATIONS OF QUANTUM INFORMATION PROCESSING

After decades of heavy slog with no promise of success, quantum computing is suddenly buzzing with almost feverish excitement and activity. Nearly two years ago, IBM made a quantum computer available to the world: the 5-quantum-bit (qubit) resource they now call (a little awkwardly) the IBM Q experience. That seemed more like a toy for researchers than a way of getting any serious number crunching done. But 70,000 users worldwide have registered for it, and the qubit count in this resource has now quadrupled. In the past few months, IBM and Intel have announced that they have made quantum computers with 50 and 49 qubits, respectively, and Google is thought to have one waiting in the wings.

Quantum computers are incredibly powerful machines that take a new approach to processing information. Built on the principles of quantum mechanics, they exploit complex and fascinating laws of nature that are always there, but usually remain hidden from view. By harnessing such natural behavior quantum computing can run new types of algorithms to process information more holistically. One day they may lead to revolutionary breakthroughs in materials and drug discovery, the optimization of complex manmade systems, and artificial intelligence.

The computers we use today are known as classical computers. They have been a driving force in the world for decades – advancing everything from healthcare to how we shop. However, there are certain problems that classical computers will simply never be able to solve. Consider the caffeine molecule in a cup of coffee. Surprisingly, it is complex enough that no computer that exists or could be built would be capable of modeling caffeine and fully understanding its detailed structure and properties. Quantum computers, however, can handle this task.

Classical computers encode information in bits. Each bit can take the value of 1 or 0. These 1s and 0s act as on/off switches that ultimately drive computer functions. Quantum computers, on the other hand, are based on qubits, which operate according to two key principles of quantum physics: superposition and entanglement. Superposition means that each qubit can represent both a 1 and a 0 at the same time. Entanglement means that qubits in a superposition can be



correlated with each other; that is, the state of one (whether it is a 1 or a 0) can depend on the state of another. Using these two principles, qubits can act as more sophisticated switches, enabling quantum computers to function in ways that allow them to solve difficult problems that are intractable using today's computers.

In general, quantum computers can solve problems that involve looking for the best solutions among a vast array of possible options. There are two ways you can approach this kind of problem. One is to consider all the options in turn, and see which one is best. But pretty quickly that becomes impractical. If you imagine just 250 questions that can be answered with either yes or no, you already have more possible combinations than there are atoms in the observable universe.

So the alternative is to use heuristics – tricks and techniques that have evolved over hundreds of years for situations when you're not realistically hoping to find the best possible answer, but an acceptably good answer in an acceptably short time frame. The quantum behavior of matter allows these processors to arrive quickly at the optimal answer through a process known as quantum annealing. The aim is to get answers that are closer to what you would get from an exhaustive search, in the same timescale it takes to run heuristics.

Computers built on the principles of quantum physics — as opposed to 'classical' physics — promise a revolution in the invention of the microprocessor or the splitting of the atom. D-Wave, a small Canadian company backed by Jeff Bezos, NASA, and the CIA among others, is the first firm to sell a so-called quantum computer—at roughly \$10 million a pop. The vast increase in power could revolutionize fields as disparate as medicine, space exploration, and artificial intelligence. Moreover, we live in the age of Big Data, burying ourselves in information search queries, genomes, credit-card purchases, phone records, retail transactions, social media, geological surveys, climate data, surveillance videos, movie recommendations and quantum computer just happens to be selling “a very shiny new shovel.”

And yet, the technology could herald radical changes for the following areas, to name a few:

1. Safer airplanes—Lockheed Martin plans to use its D-Wave to test jet software that is currently too complex for classical computers.

2. Discover distant planets—Quantum computers will be able to analyze the vast amount of data collected by telescopes and seek out Earth-like planets.

3. Win elections—Campaigners will comb through reams of marketing information to best exploit individual voter preferences.

4. Boost GDP—Hyper-personalized advertising, based on quantum computation, will stimulate consumer spending.

5. Detect cancer earlier—Computational models will help determine how diseases develop.

6. Help automobiles drive themselves — Google is using a quantum computer to design software that can distinguish cars from landmarks.

7. Reduce weather-related deaths — precision forecasting will give people more time to take cover.

8. Cut back on travel time — sophisticated analysis of traffic patterns in the air and on the ground will forestall bottlenecks and snarls.

9. Develop more effective drugs by mapping amino acids, for example, or analyzing DNA-sequencing data, doctors will discover and design superior drug-based treatments.

Quantum technologies are already in use! Although a fully functioning quantum computer is a longer-term goal, many fundamental and practical discoveries have been made in the name of quantum computing. Will a quantum computer become such a common device as a normal PC? While nobody knows this, everything will depend on concrete examples and applications that can become a part of our life. The quantum revolution is already under way, and the possibilities that lie ahead are limitless.

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## INFORMATION TECHNOLOGY AND ECONOMIC GROWTH

In the modern economic perspective information and communication technology is seen as an important production factor by reason of knowledge-driven economy. Many researches assess that knowledge, innovation and technological changes become important factor for economic growth. Furthermore modern growth theory highlights the importance of knowledge for economic growth. Depending on this, investing on information and communication technology becomes more important. Therefore, determining the impact of information and communication technology on economic growth arouse interest of researchers[1,18].

Advances in information and communication technologies have facilitated global communication network that transcends national boundaries and has an impact on policy. There is a prevalent credence that information and communication technologies (ICT) is significant for the development of a nation. Besides, the capacity of ICT to influence numerous facets of indicators of development cannot be diluted. Recent findings show that ICT, which includes the traditional media comprising of radio television, press and the new computer based technology, plays a vital role in advancing economic growth and reducing poverty. ICT can be used to directly influence the productivity, cost effectiveness and competitiveness in industries. On the other hand, the results for not being able to recognize the benefits of ICT can also be devastating. It can be inferred that without a strategic integrated approach it will be intricate to take advantage of the potential ICT driving the socioeconomic development[2,2].

To appreciate the magnitude and breadth of its achievements, imagine spending a day without IT. This would be a day without the Internet and all that it enables. A day without diagnostic medical imaging. A day during which automobiles lacked electronic ignition, antilock brakes, and electronic stability control. A day without digital media—without wireless telephones, high-definition televisions, MP3 audio, cable- or Internet-delivered video, computer animation, and video games. A day during which aircraft could not fly, travelers had to navigate without benefit of the Global Positioning System (GPS), weather forecasters had no models, banks and merchants could not transfer funds electronically, and factory automation ceased to function. It would be a day in

which the U.S. military lacked precision munitions, did not have the capabilities for network-centric warfare, and did not enjoy technological supremacy.

Robert Atkinson, of the Information Technology & Innovation Foundation, argues that over the next few decades, the US may see productivity rise to perhaps 3.0% to 3.5% per year—as much as a percentage point higher than the relatively rapid pace of 1995 through 2007—once transformative technologies such as these come into wide use.

In general, we agree with a more optimistic line of reasoning about technology, but we have reached a different conclusion. We think that in many cases, traditional measures of economic growth don't take into account important benefits of technology and are less relevant to prosperity than they were in a mass-production world. For example, GDP, an important factor in the calculation of productivity, fails to capture many technology-generated improvements in living standards. These benefits include the greater convenience and better customer experience provided by digital services and the vast amount of information—such as online maps, search results, and social media—available for free and with zero marginal distribution cost [3, 4].

Across a range of industries, companies with high technology intensity also have high gross margins. Furthermore, technology intensity and gross margins tend to rise and decline together. This effect was seen before and after the Great Recession that started in 2007. In the run-up to the recession, companies were investing heavily in technology relative to revenues and operating expenses, and gross margins were rising. That trend continued to accelerate until 2009, when companies cut technology investment dramatically. After that, technology intensity dropped precipitously along with gross margins, GDP, and productivity [4,1]. With a powerful diagnostic we call the technology economics frontier, senior executives can understand where the company stands in relation to its competitors in terms of technology intensity—and act on that knowledge. In the face of rapid technological change and digital disruption, executives must become masters of the global technology economy. Those that succeed will create what BCG calls technology advantage.

Technology driven world is a reality today. From agriculture to industrial, technological revolution ushered in a trail blazing change in almost all spheres of contemporary society. ICTs have emerged as one of the important parameters for the development and sustainability of a country. ICTs will enable surveillance to exercise surveillance over their citizens more effectively than before. The proliferation of ICTs in the home will individualize information, consumption to a degree that makes the formation of a democratic, public opinion no more than an illusion.

The process of development can be harnessed by the application of ICT. New digital technology create new choices for people in education, economics, production which helps in growth. This perspective offers an essential and vast change in economics, politics education, culture, environment. ICTs will grow and have a large expanse of productivity and also create employment opportunities, will advance and further the efficiency for other forms of production, whether independent and decentralized. In politics, growing access to increasing amounts of data and information will contribute to a better democratic process and the citizens will feel more empowered and information rich to participate in the decision making process at various levels. Nations around the world are making investments in ICT in order to bring their people together by establishing networks aimed towards development.

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#### CYBERSECURITY IN UKRAINE AND GLOBAL CYBERSECURITY

**What is cyber security?** Cyber security comprises technologies, processes and controls that are designed to protect systems, networks and data from cyber attacks.

Effective cyber security reduces the risk of cyberattacks, and protects organizations and individuals from the unauthorized exploitation of systems, networks and technologies.

What are the consequences of a cyberattack? Cyberattacks can disrupt and cause considerable financial and reputational damage to even the most resilient organization. If you suffer a cyber attack, you stand to lose assets, reputation and business, and potentially face regulatory fines and litigation – as well as the costs

of remediation. The UK government's Cyber Security Breaches Survey 2017 found that the average cost of a cyber security breach for a large business is £19,600 and for a small to medium-sized business is £1,570.

**The cyber threats organizations face.** Although larger organizations tend to have a realistic appreciation of the cyber threats they face, many small to medium-sized enterprises are unclear about the ways in which they're vulnerable, and as many as 45% mistakenly think they're not a viable target. In fact, all Internet-facing organizations are at risk of attack. In addition, it's not a question of if you'll be attacked, but when you'll be attacked. The majority of cyber attacks are automated and indiscriminate, exploiting known vulnerabilities rather than targeting specific organizations. Your organization could be being breached right now and you might not even be aware.

**Creating a solid cyber security foundation.** The most effective strategy to mitigate and minimize the effects of a cyberattack is to build a solid foundation upon which to grow your cyber security technology stack. Solution providers often tell their clients their applications are 100% compatible and will operate seamlessly with the current IT infrastructure, and for the most part, this is true. The problem arises when we start adding IT security solutions from different manufacturers regardless of the granularity of their configuration settings – technology gaps will always be present. Moreover, technology gaps will always appear for one simple reason: developers will always keep certain portions of their code proprietary as part of their competitive advantage. Hence, true compatibility and interoperability may only be 90%. These are known as technology gaps. It is through these gaps that attacks usually occur. A solid cyber security foundation will identify these gaps and propose the appropriate action to take to mitigate the risk of an attack. A solid foundation provides organizations the confidence to build their cyber security strategies.

### **Top 10 countries committing most to cybersecurity**

Singapore is leading the world in commitment to cybersecurity last year, according to the Global Cybersecurity Index 2017 (GCI 2017) released by the International Telecommunication Union (ITU). Let's take a look at the top 10 countries that demonstrate highest commitment to cybersecurity.

No 1 Singapore

No 2 The United States

No 3 Malaysia

No 4 Oman

No 5 Estonia

No 6 Mauritius

No 7 Australia

No 8 France and Georgia

No 9 Canada

No 10 Russia

**Leading US cyber security expert says Ukraine, like many nations, is not ready for attacks.** Retired U.S. General Keith B. Alexander, the longest-serving director of America's National Security Agency, says most nations are not ready for the cyber attacks that could come their way. Ukraine has experienced the brunt of Russia's cyber attacks in many ways, including attacks that temporarily knocked out the nation's electrical power grid and government websites. Cyber warfare has also supplemented Russia's conventional weapons being used in the eastern Donbas. Russian hackers have two principle motivations, Alexander told the Kyiv Post in an interview on the sidelines of the Yalta European Strategy conference that ends on Sept. 16.

His advice for Ukraine is two-fold: He said government should encourage and support students in universities to learn cyber communications and how to become "future defenders," whether in government or in private business, like Alexander is in now as CEO of IronNet Cybersecurity in Fulton, Maryland.

**Bill aimed to enhance U.S.-Ukraine cybersecurity cooperation introduced in U.S. Senate.** The document envisages assistance to Ukraine in building its own cybersecurity capacity. A bipartisan group of senators led by Sherrod Brown (D-OH) and Patrick Toomey (R-PA) have introduced a mirror version of the Ukraine Cybersecurity Cooperation Act that passed the House of Representatives on February 7, 2018. "The legislation is designed to provide Ukraine support to secure government computer networks from malicious cyber intrusions, particularly such networks that defend the critical infrastructure of Ukraine," the Ukrainian Embassy in the United States reported on Facebook. Read also U.S. House of Representatives supports Act to boost Ukraine's cybersecurity It is also aimed to provide Ukraine "support in reducing reliance on Russian information and communications technology, as well as assist Ukraine to build its capacity, expand cybersecurity information sharing, and cooperate on international cyberspace efforts". The bill will need to pass the Senate and to be signed into law by the U.S. President.

**30th November, 2017 was...Computer Security Day.** Computer Security Day began in 1988. How to Celebrate Computer Security Day? The most obvious way to celebrate Computer Security day would be to focus on ensuring that your computer, your devices, and the data you have in the cloud are all secure. One very important thing to do for your online security is to have strong passwords and keep them updated regularly, as this reduces the chances of your personal data falling into the wrong hands. If you aren't the sort of person who's good at coming up

with strong passwords (and let's be honest, some of us aren't), then there are a number of password managers which you can choose from to generate random passwords and also save them so you don't have to remember. My two favourite password managers are Lastpass and 1Password.

One strategy is to mix upper and lowercase letters with symbols, as this can be harder to guess and also difficult to hack – and passwords increase in difficulty the longer they are. Surprisingly, it doesn't seem that everyone would think to do this, because “123456” and “password” have remained the two most popular passwords for years now. And don't use the same password over and over for every online account you have – this ensures that if someone manages to get into one of your accounts, then they can access all of your accounts. Bad idea. So make strong passwords, don't recycle them, and update them regularly.

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## INFORMATION TECHNOLOGY IN RETAIL TRADE

Advancements in information technologies offer a possibility of implementing a great number of innovative solutions in retail. It is important to emphasize, that retailing includes all the activities involved in selling goods or services directly to final consumer for their personal, non business use. Information Technology is the key enabler to improving customer satisfaction, operational efficiencies and by extension, profitability. Retailers need to transform their IT capabilities for a number of reasons. These include [1]:

1. To respond to rapidly emerging trends and deliver superior quality products and services to customers with flexibility and speed.
2. To raise brand awareness among customers, increase sales, retain existing customers and attract new ones.
3. To aggregate and analyze customer data to enhance differentiation.
4. To operate the business more effectively retailers need to have systems working across stores to ensure the effective use of products and to support optimized business process.
5. To integrate different parts of a retail organization.

It is important to emphasize, that retailing industry has been witnessing some exciting developments. The authors of more recent studies have proposed that the factors that lead to the need for Information Technology in Retail Sector are [2;3]:

- Globalization of business operations: The increasing globalization has led to growing exposure to foreign markets resulting in increasing demand for international shopping experience.
- Competition: Competition forces the retailer to become more efficient and effective. It means that to gain the competitive advantage by the use of information technology is to reduce operating costs through automation and to improve the product or service quality by providing quality assurance with product differentiation.
- To meet the expectations of the Customers: Information can be shared quickly and easily from all over the globe, and barriers of linguistic and geographic boundaries can be torn down as people share ideas and information

with each other. To meet these requirements in a speedy way has necessitated the need for information technology.

- **Technological Revolutions:** Information technology can speed up processes and deliver cost saving benefits to the company. It is possible to transmit, store, process and distribute forms of information on a single integrated technology and meet the needs of the customers.

- **Inventory management:** Inventory management software is a computer-based system for tracking inventory levels, orders, sales and deliveries. Furthermore, it can also be used in the manufacturing industry to create a work order, bill of materials and other production-related documents. It helps to avoid product overstock and outages.

- **Forecasting:** It is a well-known fact that automated statistical forecasting systems create a far more calculated and accurate demand forecasting as past sales data, forecasts, and future orders are all on one system. As a result, more accurate forecasts can be made based on the totality of this information. Forecasting systems can reach the desktop of every line manager, bringing chain wide input (if appropriate) into the process through interactive Web based applications. Thus forecasts can be further adjusted, taking every aspect into account. The new approach to demand forecasting in retail will contribute to the accuracy of future plans, the overall efficiency and profitability and profitability of retail operations.

Technologies Evolved in Retailing [1;4]:

1. Radio Frequency Identification (RFID) [1;4]:

As name implies, RFID is an ID-identification- system. It relies on a small chip that is implanted in a tag. The chip can record and store data, such as a serial number, price or purchase record. Electronic scanner can use radio signals to read or track the ID tag.

Overhead Reduction:

- Track product shipping and receiving from point-to point automatically versus manual tracking to save time and labor cost;
- Know how many units of inventory or on-site via automated RFID system versus manual process, saving labor and time cost;
- Efficiency in error reduction reduces manual labor cost.

The future of RFID is very bright in retail sector, as right from inventory management to product manufacturing, this system provides a more efficient and advanced retail experience to both the customer and the seller.

2. Point Of Sale (POS) [1;4]:

Point of sale systems is electronic systems that provide businesses with the capability to retain and analyze a wide variety of inventory and transaction data on a continuous basis. Basic point of sale systems currently in use includes: Standalone electronic cash registers, also known as ECR-based network systems Controller-based systems. All function essentially as sales and cash management tools, but each has features that are unique.

3. It is generally agreed today that Customer Relationship Management (CRM) is concerned with the creation, development and enhancement of individualized customer relationships with carefully targeted customers and customer groups resulting in maximizing their total customer life-time value. CRM uses information technology to gather data, which can then be used to develop information acquired to create a more personal interaction with the customer. In the long-term, it produces a method of continuous analysis and reinforcement in order to enhance customer's lifetime value with firms. Customer Relationship Management (CRM) is enabled by the gathering and warehousing of consumer data [1].

### 3. ERP – Enterprise Resource Planning:

Enterprise resource planning helps in integrating all departments and functions within a company in a single computer system that serves the specific needs of different departments. It is often referred as back-office software and does not run the up-front selling process [1;4]. When the customer service representative enters the customer order in the ERP system, he has access to all the required information such as customer rating, the company's inventory levels from the warehouse module, and shipping dock's trucking schedule from the logistics module.

Benefits of Information Technology in retail trade are:

Highly configurable solution, highly scalable solution with large retailers, flexible deployment options, efficient stock distribution, strong process integration across Sales and Supply Chain network, targeted promotions across stores, merchandise Planning, robust Analytics Engine, drive better customer relationship, superior Customer Service.

The arguments given above prove that information technologies in retail aim not only to increase the effectiveness of retail establishments in different areas of their operations, but also to improve customer service – mainly due to the automation and customization of the offer. In my opinion, the success of the implemented solutions depends, on the one hand, on the capabilities of a retail enterprise, on the other hand, consumer attitudes to innovative technologies. The survey showed that the customers of retail establishments both used the solutions

already implemented and expected retailers to introduce innovations in the area of customer service.

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#### INFORMATION TECHNOLOGY IN FINANCIAL AND ECONOMIC ANALYSIS OF BUSINESS ACTIVITIES OF ENTERPRISES

The role of IT is constantly evolving and has changed significantly from the days when the IT organization was often referred to as “data processing.” In this thesis we shall investigate the impact of information technology on financial and economic analysis of business activities of enterprises.

Today, in many industries, IT enables some businesses to differentiate themselves from their competitors.

It is a well-known fact that using computers and software, businesses use information technology to ensure that their departments run smoothly. They use information technology in a number of different departments including human resources, finance, manufacturing, and security [1].

It is generally agreed today that operative, high-quality and accurate processing of large ones arrays of statistical information needed for economic and financial analysis of activities an enterprise can only be executed with using modern computer facilities technology. Modern market of software products offers a variety of software packages for statistical processing of data. For example,

MicroTSP, BMDP (Statistical Software), SAS (Analysis System) and others. We should clarify our definitions of Stata and Maple.

According to the program developers, maple is defined as math software that combines the world's most powerful math engine with an interface that makes it extremely easy to analyze, explore, visualize, and solve mathematical problems. You can solve math problems easily and accurately, without worrying that you've lost a minus sign somewhere. Also you can solve math problems quickly that you could never do by hand (or that you wouldn't want to do by hand because life is too short) [2].

Stata is a complete, integrated statistical software package that provides everything you need for data analysis, data management, and graphics. You can combine and reshape datasets, manage variables, and collect statistics across groups or replicates. Stata also has advanced tools for managing specialized data such as survival/duration data, time-series data, multilevel data, categorical data, multiple-imputation data, and survey data [3]. We can easily integrate information from Stata. Professor Dr. Ben Jann says: «The webdoc command provides a way to embed HTML or Markdown code directly into a do-file and automate the integration of results from Stata in the final document» [4]. This is very careful function for gathering information.

These programs allow analysts and statisticians to prepare information for business executives. Managers will be able to make the best decision about the future work of the company.

It is important to emphasize an essential component of economic analysis is comprehensive assessment of the state and effectiveness of nature conservation and environmental protection in various sectors of the economy and at all levels. Nowadays software is developed in Ukraine to allow processing the information required for ecological and economic analysis of activity enterprises. For example, Plener, Neorist, Norma 6 xml and other. The above mentioned software are used for modeling the ecological and economic condition territories, quantitative assessment of ecological and economic and socio-demographic consequences of economic activity, definition of effective directions complex utilization and improvement of parameters systems of ecological regulation of economic activities.

It is a well-known fact that introduction information technology for analysis financial state is extremely important for stable work of a modern enterprise. The most common programs for assessing the financial condition of the enterprise is Comfar, Project Expert, Audit Expert and others.

The program developers claim that using Project Standard 2016 we can easily create modern reports to measure progress and communicate project details

effectively with your team and stakeholders. Taking advantage of flexible features can help you get started and make you more efficient and productive [5].

It is important to emphasize considered software products allow analyze the state of the enterprise in areas such as balance sheet structure, liquidity, financial stability, profitability, turnover, profitability, analysis labor efficiency.

M.E.Doc is a wide spread Ukrainian software for reporting to supervisory authorities and the exchange of legally significant primary documents between counterparties electronically.

In conclusion the presence of powerful, reliable and easy to use exploitation of software package releases expert on routine operations, allows you to operate large amounts of data, extends the scope application of economic methods in the procedure conducting economic and financial analysis enterprise activity, and also contributes to the emergence qualitatively new possibilities of data modeling.

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#### THE INFLUENCE OF INFORMATION TECNOLOGIES ON BUSINESS DEVELOPMENT TODAY

Innovation is a great way to succeed in this digital era. Part of business innovation means doing something else, better or wiser, that will positively impact

on value, performance or quality, using new or verified world technologies. The technology which has already been established over the last two decades is, of course, an information technology (IT). Broadly speaking, information technology relates both to hardware and software that is used to store, correct and influence information. At the lowest level you have servers with each operating system. Installed on these servers are things like a database and software for a web service. These servers are connected to each other and to users through the network infrastructure. And users who have access to these servers have their own hardware, operating systems, and software tools. In information technology we concentrate on the following technologies:

- Computer Software Technologies Telecommunication;
- Computer Hardware Technologies;
- Network Technologies Data Resource Management Technologies.

Nowadays digital marketing, digital communication, online shopping, social networking are the best examples of change which come through the wave of information technology. Now global sales, systematic management, real time monitoring, accurate business planning, instant customer support, effective marketing and long-term business growth cannot be achieved at the optimum level without IT.

So information technology has had an important influence on various aspects of business. Example:

#### 1. Cloud Computing

The concept of cloud computing is really popular among businesses becoming to the efficiency in business operations that it provides. Cloud computing uses information technology to capitalize on its ability to provide improved mobility and time and resource management for businesses. Increasingly, businesses are shifting to the cloud to leverage its many benefits. It has been foreseen that more than \$1 trillion will be impacted in IT spending by the transition of businesses to cloud computing by 2020.

#### 2. Working Remotely

Providing of information technology grants the ability to remotely access your company's network. As a result, it equips employees with the ability to get the work done even if they are not physically present at the workplace. Such dexterity has a number of benefits. So, it has gained solid popularity. In fact, according to a U.S. federal government resource, 47% of the employees are acceptable to work remotely.

#### 3. Mobile Technology

Mobile technology is growing with convenience, efficiency and speed. With the growing popularity of information technology, the providing of mobile

technology is rapidly developing. BYOD (Bring Your Own Device) has a tendency to increase rightly to increased employee satisfaction. About 74% of organizations already use this trend or are planning to do so in the future. In fact, BYOD by 2017 will reach \$ 181.39 billion.

#### 4. Management of Resources

A business has a variety of resources. They may include human resources and financial resources. For large companies, managing resources become certainly difficult. Information technology plays an essential role in managing these resources effortlessly by introducing a wide range of realizable solutions.

For example, the integration of Enterprise Resource Planning (ERP) has improved the efficiency of various business processes. ERP is a business management software that enables an organization to use a number of integrated applications that can manage and automate various business operations.

These examples explain that the influence of information technology on business includes lowered business costs and increase in business efficiency. But the most important effect of Information Technology on business is that on how it has changed the marketplace from geographically-based to global. I.T. permits businesses to take their operations into a worldwide scale thanks to applications that allow them to set up a store online.

Information technology fosters innovation in business. Innovations help to improve data storage, provide faster processing and wider dissemination of information, and result in the elimination of smart applications. Innovations make business more efficient and increase value, quality and increase productivity.

Innovation through information technology has created the following changes in business:

- digital marketing is more efficient than high cost newspaper, radio advertising and television;
- social networking is more efficient than going to clubs;
- online shopping is more efficient than shopping in a store;
- cloud computing is more efficient than a private computer network.

Modern enterprises that use innovative technologies are characterized by that:

- they have more efficient marketing;
- they have more accurate business planning;
- they have more systematical management;
- they have higher world sales.

Conclusion: today it is impossible to succeed in business without the use of information technology. To attain this success, companies have to bear a reasonable expense, because the use of an innovative approach to business



strategy, the use of highly skilled information technology professionals and the right decision at the right time is a prerequisite for business success. As IT solutions continue to enhance the efficacy of business operations and communications, businesses will continue to rely on information technology to succeed.

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#### THE ROLE OF INFORMATION TECHNOLOGY IN BUSINESS

Everyday knowingly or unknowingly, everyone is utilizing information technology. It has grown rapidly and covers many areas of our day to day life like movies, mobile phones, the internet, etc.

Information technology can be broadly defined as integration of computer with telecommunication equipment for storing, retrieving, manipulating and storage of data. According to Information Technology Association of America, information technology is defined as “the study, design, development, application,

implementation, support or management of computer-based information systems” [4].

Information technology greatly enhances the performance of economy; it provides edge in solving social issues as well as making information system affordable and user friendly.

Information technology has brought big change in our daily life be it education, life at home, work place, communication and even in function of government.

The role of IT is constantly evolving and has changed significantly from the days when the IT organization was often referred to as “data processing.” Today, in many industries, IT enables some businesses to differentiate themselves from their competitors. Those companies that leverage IT for competitive advantage often differ from their competitors in two ways with respect to their IT organizations: they view IT as a strategic business enabler instead of as a cost centre, and they work to maximize the efficiency of their IT operations so that they can focus their resources on providing value to the business and respond to today’s environment of rapidly changing business conditions.

Information technology drives innovation and innovation is the path to business success. Innovation in business has the same impact that steam had on the industrial revolution. In fact, it’s hard to imagine any business that has not benefited from the digital revolution. Even something as hands on as agriculture uses computers. Farmers use computers for production records, financial planning, research on technical issues, and procurement.

Nowadays the formula for business success is simple: drive innovation with information technology. So, the first thing startups in any industry try to figure out is how to make smart IT recruiting choices. Without a backbone of information technology, a business is not going to go far [1].

Over the past few years, IT has replaced the conventional modes of businesses with innovative technological tools. In addition to the increased output and efficiency, IT has introduced new concepts such as e-commerce.

E-commerce is buying and selling services and goods over the Internet. Online operations reduce the time and personnel required for business processes. It also reduces costs in areas like labor, document preparation, telephoning, and mail preparation [2].

Information technology has become very important in the business world. no matter small or big business, IT has helped the organization, manager, and workers in a more efficient management, to inquire about a particular problem, conceive its complexity, and generate new products and services; thereby, improving their productivity and output.

Information technology can help through:

- **Communication:** in the business world, communication plays an important role in maintaining the relationship between employees, suppliers, and customers. Therefore, the use of IT we can simplify the way to communicate through e-mail, video chat rooms or social networking site.

- **Inventory Management:** organizations need to maintain enough stock to meet demand without investing in more than they require. Inventory management systems identify the quantity of each item a company maintains, an order of additional stock by using a way of inventory management. It is become more important because organization need to maintain enough stock to meet customer demand. By using in IT in inventory management, it also will help in track quantity of each item a company maintains, triggering when it comes to managing inventory.

- **Management Information Systems:** information data is very important for an organization and a valuable resource requirement for the safe and effective care. Data used is as part of a strategic plan for achieving the purpose and mission. Then, the company should use the management information system (MIS) to enable the company to track sales data, expenditure and productivity as well as information to track profits from time to time, maximizing return on investment and recognize areas of improvement.

- **Customer Relationship Management:** companies are using IT to improve the way of design and manage customer relationship. Customer Relationship Management (CRM) systems capture every relation a company has with a customer, so that a more experience gain is possible. If a customer makes a call to centre and report an issue, the customer relation officer will be able to see what the customer has purchased, view shipping information, call up the training manual for that item and effectively respond to the issue [3].

Information technology is important in business today. Many organizations use information technology to make a business more successful, because the speed gain and share information using a particular technology can improve performance and productivity.

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## ROBOTS IN RETAILING

Information technologies are being implemented in our life and help producers and suppliers to increase productivity and simplify many monotonous actions. Robots constitute a part of computer systems and they perform some definite tasks.

What is robot? Robot is a machine designed to execute one or more tasks automatically with speed and precision. They are used in different spheres, like manufacturing, storing, sorting, working in dangerous places, assembling and so on.

Nowadays, no company in manufacturing, assembling or storing goods can exist without robots. Amazon is on the forefront of automation, finding new ways of getting robots to do the work once handled by employees. In 2014, the company began rolling out robots to its warehouses using machines originally developed by Kiva Systems, a company Amazon bought for \$775 million two years earlier and renamed Amazon Robotics.

Amazon's fulfillment center is a dizzying hive of activity, with humans and machines working in carefully coordinated harmony.

There`re different types of robots in Amazon`s warehouses: robotic arms or palletizers, and robotic vehicles.

In the center of the warehouse there is a storage space containing square shelves packed with countless products from Amazon`s inventory. In previous generations of its fulfillment center, Amazon`s workers would have roamed these shelves searching for the products needed to fulfill each new order. Now the shelves themselves glide quickly across the floor carried atop robots about the size and shape of footstools. In a carefully choreographed dance, these robots either rearrange the shelves in neatly packed rows, or bring them over to human workers, who stack them with new products or retrieve goods for packaging.

These robotic vehicles are called Kiva. They resemble giant beetles and scurry around with vertical shelves loaded with merchandise weighing up to 1 360 kilograms on their backs and has a forward-facing laser and camera that detect obstacles, such as fallen items. Only trained technicians are permitted to enter the operating area and the system runs (24 hours a day and 7 days a week)24/7, apart from an hour`s down time every day for maintenance.

On Amazon`s warehouses today there`re more than 100,000 robots in action around the world, and it has plans to add many more to the mix. The robots make warehouse work less tedious and physically taxing, while also enabling the kinds of efficiency gains that let a customer order dental floss after breakfast and receive it before dinner.

Many people blame the company for destroying traditional retail jobs by enticing people to shop online. At the same time, the company`s eye-popping growth has turned it into a hiring machine, with an unquestionable need for entry-level warehouse workers to satisfy customer orders.

Dave Clark, the top executive in charge of operations at Amazon, said the company wanted the machines to perform the most monotonous tasks, leaving people to do jobs that engage them mentally.

The robots also cut down on the walking required of workers, making Amazon pickers more efficient and less tired. The robots also allow Amazon to pack shelves together like cars in rush-hour traffic, because they no longer need aisle space for humans. The greater density of shelf space means more inventory under one roof, which means better selection for customers.

When Amazon installed the robots, many people took courses at the company to become robot operators. Many others moved to receiving stations, where they manually sort big boxes of merchandise into bins. No people were laid off when the robots were installed, and Amazon found new roles for the displaced workers.

The introduction of robots to automate warehousing operations has allowed Amazon to reduce the time and the costs of performing the order.

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### INFORMATION SYSTEM AND MARKETING MANAGERS

In today's economy, information technology (IT) has fundamentally transformed the availability of information, which in turn has changed the economics and business practices in a wide range of industries. Economics lives out of data information and their interpretation. The data can be extracted from information systems [1].

Marketing managers have a number of specific characteristics from an information processing perspective that distinguish them from the majority of managers within the firm. Because marketing decision makers are especially likely to be confronted with the complexity of information processing. How do they know their customers so well? They are good subjects of any study aiming to uncover drivers of information systems (IS) usefulness.

It has long been suggested that information relevant for marketing is the most complex type of information within a firm. Marketing information is derived from various sources housed both within and outside a company, such as databases, the internet, customer complaint management systems, and market research. Customer information utilization in business-to-business markets: Muddling through process? Marketing decision makers are overwhelmed with not

only complexity of data, but also an increasing amount of information, as a massive amount of data are generated, stored, and collected in IS every day. Customer information utilization in business-to-business markets: Muddling through process? Marketing managers are in a specific position within the firm from an information processing perspective. They are not only charged of understanding customer needs, desires, and market feedback, but also responsible for sharing this information with other departmental units, such as research and development, sales, and production. Marketing and the changing information environment: Implications for strategy, structure and marketing mix.

Marketing managers therefore pursue strategic roles within their organizations and are charged with obtaining critical information from the marketplace, customers, and competitors. Thus, marketing executives are responsible for not only providing feedback and perceptions from the external environment through their stakeholder networks, but also interpreting and translating that information back into their. Organizational members who are expected to link the organization with the environment to forge intra- and extra-organizational boundaries are often referred to as boundary spanners. Boundary spanners are vital individuals within a firm who facilitate the dissemination of knowledge and information by linking two or more groups of people who are separated by location, hierarchy, or function. The hidden power of social networks: understanding how work really gets done in organizations. Marketing managers, general managers responsible for marketing domains, and sales representatives are typical examples of boundary.

In complex information processes, IS have been regarded as an important tool for supporting the integration of expertise, knowledge, and information in diverse fields. The emergence of boundary spanning competence in practice: Implications for information systems' implementation useInformation Systems Working Papers Series, Working Paper. According to the knowledge-based view of the firm, integrating various sources of information and expertise leads to the ability to overcome significant obstacles, and performing that integration better than the competition may become a source of sustainable competitive advantage that is difficult to replicate. As IS integrate various sources of information, marketing managers may find them useful for building practices in gaining and sharing marketing information within a firm. Thus, boundary spanners' perception of IS usefulness enhances their ability to perform their key competencies [3].

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## CIBERCRIMES AND THE WAYS OF PREVENTING THEM

Computerization significantly eases the performance of many tasks, for example, the speed and ability to communicate with people is fostered by the Internet, a worldwide network that is used to send communiqués and provide access to the world-wide web. But this same speed and ability to communicate also opens the door to criminal conduct. Computer crime plays a significant role in the criminal law of the information age. Accompanying the influx of computers is an increase in criminal acts and, as a result, an increase in the number of statutes to punish those who abuse and misuse this technology.

Alternatively referred to as cybercrime, e-crime, electronic crime, or hi-tech crime. Computer crime is an act performed by a knowledgeable computer user, sometimes referred to as a hacker that illegally browses or steals a company's or individual's private information. In some cases, this person or group of individuals may be malicious and destroy or otherwise corrupt the computer or data files [1].

Computer crime, sometimes known as cyber-crime, is a serious concern. The crime can be perpetrated instantaneously and its effects can spread with incredible quickness. Furthermore, the ever-increasing use of computers, especially in serving critical infrastructure, makes computer criminality increasingly important.

There is an endless list of possible crimes that can occur through use of the Internet. for example, the Internet can be a medium used for committing hate



crimes, pornography, consumer fraud, stalking, terrorism, theft of security or trade secrets, software piracy, economic espionage, and financial institution fraud.

Recently 'Petya' ransomware attacked strikes companies across Europe and US. Petya is a family of encrypting ransomware that was first discovered in 2016. The malware targets Microsoft Windows-based systems, infecting the master boot record to execute a payload that encrypts a hard drive's file system table and prevents Windows from booting. It subsequently demands that the user make a payment in Bitcoin in order to regain access to the system.

On 27 June 2017, a major global cyberattack began (Ukrainian companies were among the first to state they were being attacked), utilizing a new variant of Petya. On that day, Kaspersky Lab reported infections in France, Germany, Italy, Poland, the United Kingdom, and the United States, but that the majority of infections targeted Russia and Ukraine, where more than 80 companies were initially attacked, including the National Bank of Ukraine. ESET estimated on 28 June 2017 that 80% of all infections were in Ukraine, with Germany second hardest hit with about 9%.

Kaspersky dubbed this variant "NotPetya", as it has major differences in its operations in comparison to earlier variants. Engineers stated that this variant was designed to spread quickly, and that it had been targeting "complete energy companies, the power grid, bus stations, gas stations, the airport, and banks".

Misuse of the computer threatens individual and business privacy, public safety, and national security. There have been considerable efforts made by state, federal, and international governments to curb computer crime.

How to prevent cybercrime? There are a number of ways to help do not fall victim to this type of violation. Whether computer is on a local or wide area network or is a stand-alone unit with a simple Internet connection, we need to take the necessary measures to protect our system from these crimes. There are exists such ways:

- 1) Restrict access to computers. An obvious way to prevent computer crime is to properly restrict access to all terminals on a network or on a single computer in the home of office. Make sure access to the computer is only possible with a secret password to avoid physical intrusion on the home terminal.

- 2) To have a firewall. Any computer network should be protected by a firewall. A firewall is a virtual barrier that disallows information from making its way into the network without authorization. The firewall will block out any data that has not been intentionally permitted by the network administrator.

- 3) Anti-Virus software. The spread of computer viruses can be responsible for major losses of data and sometimes money or machinery. There are a number

of anti-virus software options that will help prevent these harmful programs from getting onto a network or a single computer.

4) Intrusion Detection Systems. An intrusion detection system (IDS) is a good secondary line of defense in addition to a firewall. An IDS can help indicate when an internal attack is taking place or when a hacker has bypassed a firewall and obtained access to the system, according to Interpol's website.

5) Avoid being scammed. Always think before you click on a link or file of unknown origin. Don't feel pressured by any emails. Check the source of the message. When in doubt, verify the source. Never reply to emails that ask you to verify your information or confirm your user ID or password [2].

So, computer crime is a problem in our society and we must make an effort to protect our data and to feel secure.

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#### THE IMPORTANCE OF E-COMMERCE IN ECONOMIC DEVELOPMENT

It is a well-known fact that information technology plays a huge role in the modern economy. Nowadays everybody knows technological innovation and Information Communication Technologies (ICTs) represent a way for developing world nations to foster economic development, improve levels of education and training [1].

E-commerce may be an excellent source of revenue for franchise systems. It is important to be clear about the definition of E-Commerce. The term “E-commerce” refers to commercial activities conducted electronically. It includes transactions on the Internet, closed networks such as electronic data exchange, electronic trading of goods and services, electronic banking, electronic fund

transfers, direct marketing and virtual shopping malls. The types of E-commerce are broad and constantly expanding. Two general categories of e-commerce are business-to-business and business-to-consumer [2].

The International Franchise Association of more recent studies have proposed that a few types of e-commerce that are popular today with successful franchisors. Electronic funds transfer is a technology that enables fund transfer by electronic debit and credit banking systems to exist. Benefits of online processing include increased speed, efficiency, lower cost, less labor and less paper.

**Sales to Franchisees** E-commerce Web sites can be used by franchise systems to allow their franchisees to purchase marketing support items including promotional materials, annual subscriptions to marketing programs and more. Benefits online purchases of marketing materials allow franchisees to have a one-stop shopping experience for their marketing requirements.

**Sales to Customers** Many retail franchise systems find opportunities offered by the Internet as a new source of revenue. The Internet may allow them to reach out to new customers virtually anywhere. Benefits of online sales include increased awareness of a franchise system's brand and higher-market saturation. Such sales often provide consumers with a more convenient way to purchase [2].

What we usually have in mind when we talk about importance and advantages of E-commerce are faster buying/selling procedure, easy to start and manage a business, more reach to customers, there is no theoretical geographic limitations and more. We acknowledge the classification of importance and uses of E-commerce are given by Indian scientists (Alka Raghunath & Murli Dhar Panga). What we mean are that:

1. **Exploitation of New Business** Broadly speaking, electronic commerce emphasizes the generation and exploitation of new business opportunities.

2. **Enabling the Customers** Electronic Commerce is enabling the customer to have an increasing say in what products are made, how products are made and how services are delivered.

3. **Improvement of Business Transaction** Electronic Commerce endeavors to improve the execution of business transaction over various networks.

4. **Effective Performance.**

5. **Greater Economic Efficiency.**

6. **Execution of Information.** It enables the execution of information-laden transactions between two or more parties using inter connected networks. Information based transactions are creating new ways of doing business and even new types of business.

7. **Incorporating Transaction** Electronic Commerce also incorporates transaction management, which organizes, routes, processes and tracks

transactions. It also includes consumers making electronic payments and funds transfers.

8. Increasing of Revenue Firm use technology to either lower operating costs or increase revenue. Electronic Commerce has the Potential to increase revenue by creating new markets for old products, creating new information-based products, and establishing new service delivery channels to better serve and interact with customers.

9. Facilitating of Network Form Electronic Commerce is also impacting business to business interactions. It facilitates the network form of organization where small flexible firms rely on other partner, companies for component supplies and product distribution to meet changing customer demand more effectively [3].

Brianna Wills, a content writer working at Perception System Leading Company, confirms that with increasing demand for online purchasing, more and more businesses are moving to e-store from brick and mortar stores. In the US, more than 60% of people are purchasing goods online from the comfort of their home and this figure is increasing constantly. By considering this percentage, we can say that e-commerce is expanding tremendously because of its complete range of benefits that any industry vertical can enjoy [4].

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