

UKRAINIAN MILITARY-INDUSTRIAL COMPLEX IN INTERNATIONAL ECONOMIC RELATIONS

Ukrainian military-industrial complex in system of international economic relations. Analyzed the current state of the military-industrial complex of Ukraine, the inevitability of the inclusion of Ukraine in international economic relations and integration into the global defense industry defense industry, in order to further its effective functioning. Considered the basic factors that affected the interest of multinational corporations in long-term investments in basic science and research and practical infrastructure. Summarizes different strategies restructuring in the defense industry with various defense protections from the action in the new economic conditions in the countries: USA, Western Europe, China, Russia, and the main trends of transformation and development of companies-manufacturers of weapons. However, cooperation with multinational corporations hide possible threats for the economic security of Ukraine, and therefore the defined strategic tasks of Ukraine, including the maximum harmonization of national economic interests and the interests of multinational corporations and observance of economic security in context of calling in foreign multinational corporations in the military-industrial of Ukraine.

Keywords: military-industrial complex, arms and military equipment, military-technical cooperation, venture capital investment, multinational corporation

The relevance of the topic chosen is in urgent need of an integrated military-industrial complex (hereinafter - DIC) Ukraine as one of the most competitive on a global scale industries of economy of Ukraine. In this case, the defense industry is one of the most profound innovation component manufacturing. According to international practice, the financing of innovation and testing is a high risk and difficult predictable process. From the appearance of the technology until it is embodied in the finished product, and the more mass produced products may take decades or even a need for new technology is offset by the general vector of technological evolution. Therefore, the initial implementation of fundamental developments in the defense industry is the most efficient and fast method of testing and adaptation of innovation. On the other hand funding innovative product, is a venture capital investment as technological evolution is difficult undulating predictable process which moves from one industry to another with different periods of delay.

Analysis of recent research and publications. Defined above issues that arise when domestic defense industry explored deeply researched Soviet scientists (Burenok VM Badrak V. Gorbulin VP Sverhunov OA) by examining possible ways of improving public policies to stimulate the development of the defense industry, as an innovative component of the state economy that can create competitive export products.

Problem. Analysis of the current state of the military-industrial complex of Ukraine and possible ways to improve its efficiency, based on the generalized experience of developed countries and developing countries in terms of integration of the domestic defense industry in global ties with the TNC that carry the potential opportunities and threats.

Until recently, the defense industry in most countries, including Ukraine, focused on ensuring the defense of national armed forces, but new trends in world defense industry indicate a shift from targeting purely on their own needs to the world market of armaments and military equipment (hereinafter - IWT) as a source of high yield. Small volume orders new

modern weapons and equipment from the Ministry of Defence (hereinafter - IU) of Ukraine, is the lack of domestic market defense products, which would be the best means of certification of weapon systems and advertisements for overseas customers, hinder the conclusion of export contracts, and relates directly to the brightest technological innovations DIC Ukraine.

Ukrainian defense industry since independence has gained significant problems related not only to the lack of internal orders as to the lack of harmonized strategically oriented public policy aimed at the rapid development of high-tech industries of the approach to the closure of the production cycle (for some examples of IWT import parts and materials reach 80 %). Depreciation of equipment, according to experts, has reached a critical point, which raises questions about the need for the product, based on existing technologies actually "from scratch" segments such as bronetankobuduvannya, radar, optical- electronic industry. This will significantly increase the competitiveness of domestic weapons and equipment on the world market weapons. These problems are not exhaustive, but given the focus of the article, you need to pay attention to the destructive position in the personnel policy, while reducing highly qualified industry experts, there is a decline in educational base of scientific and technical personnel and is extremely dangerous for the defense industry.

Some steps to stabilize the government does, especially designed "The concept of the national target program for the development of industry in Ukraine until 2017", which provides that it is the defense industry enterprises, given their high scientific and technological potential in the near future have become a hotbed of high-tech competitive products Civilian profile, whose share will be 70-75% of the total production of the defense industry. Of great importance is the general public to stimulate the development of domestic production cooperatives such products with high-tech firms and alliances abroad - the U.S., Europe and Japan . [6]

According to the Stockholm International Peace Research Institute , exports of major weapons Ukraine in 2012 amounted to 1344 million., Which provided her fourth place in the global ranking of arms exporters. Following the last five years (2008-2012), Ukraine ranked 9th in the ranking with exports 3.087 billion.

Proceeds state company "Ukrspesexport" and its subsidiaries of export-import operations on the basis of 2012 increased compared to 2011 year by 2% - to \$ 1.024 billion for the present "Ukrspesexport" cooperates with 78 countries [5].

The main consumers of military and special purpose Ukrainian origin are Asia, which supplied 47 % of total exports. Another 23 % of turnover accounted for African States , 21% - CIS, 6% - 3% and Europe - America.

There is reason to believe that the high activity of domestic exporters should be maintained in the coming years, the reasons for the unstable political and military situation in some regions. For example , the events of the "Arab Spring" and the growing tensions around Iran are pushing the region to further strengthen its armed forces - especially the solvent oil monarchies such as Saudi Arabia and UAE.

It is worth paying attention to the economic situation in the country and in the whole world, which sets related trends in the production and sale of arms and military equipment .

The current global economy has shown the futility of "neoliberal" model of economic relations based on deregulation on the part of the state of economic development, which in turn led to a structural crisis in world economy [1]. Therefore, based on the experience of developed economies there is an urgent need for the formation of a national strategy for economic development with the active participation of the state.

The priority of state regulation in the existing market economy should be high-tech and knowledge-intensive industry (aviation, shipbuilding, instrument, energy, engineering, nuclear power, communications and information processing, biotechnology, medicine), where Ukraine has remained high scientific, human, resource potential and a sufficiently high level of scientific and technical developments of the past decade [2]. These should be the production of the industrial base of the economy of Ukraine and the primary object of the state program aimed at modernizing and innovatyzaitysy economy that can not afford to enterprises, corporations, industries without government protection, support and control.

Almost all the world's achievements, which are now known as the "knowledge economy" have been generated by the fundamental research in the last 30-40 years in order states that in the planning and the policy agenda, with government funding as part of the military defense industry applications. Later komertsializuvav business that was established by the state.

Business is not interested in long-term investments in basic science and research and practical infrastructure due to the following factors:

- long- term self-sufficiency, impact capital investments;*
- possibility of a negative outcome in the study (this is just a warning negative - it is also the result, but a negative result for Business Research - a loss);*
- some innovations that are useful to the state and society can pose the very business that operates on the old production equipment;*
- the need for long-term "cultivation" of scholars and practitioners, regular retraining and experts who creates and maintains innovative production and so on.*

According to the State Statistics Committee of Ukraine sectoral structure of modern investment in fixed capital is their unbalanced distribution, thus, income investment resources takes place mainly in the field of high profitability and rapid turnover of capital, as well as in export- oriented industries (metallurgy, mining, chemical and petrochemical industry).

Please note, according to statistics, 65-70 % of the production output of the Ukraine is a low degree of processing and, consequently, low value-added, such as the structure of exports.

Given the inevitable inclusion of Ukraine in international economic relations and integration into the global defense industry defense industry, relevant question analysis of trends and successful transformation and development of the defense industry in other countries for implementation in Ukraine and identify Ukrainian defense industry cooperation with multinational companies (hereinafter - TNC) weapons and equipment manufacturers in the global environment.

In the new economy in the 90s XXcen. and early XXIst ., the restructuring of the defense industry have been put forward by developed countries requirements:

- saving technologies and capabilities to develop and mass- produce existing and new weapon systems;*
- the socio-economic problems in job losses. In the U.S., these issues involved at the level of Congress, the President and DoD;*
- create a cost effective market companies in terms of orders and reduce the rising cost of high-tech weapons;*
- software development companies with the conversion of the defense industry in MNCs for their performance in a competitive environment in global markets in the context of globalization. [3]*

Given the varying degrees of protection from the actions of the defense industry companies in the new economy in the U.S., Western Europe, China, Russia, and others having a different strategy restructuring of the defense industry, including:

- companies expanding defense industry market segments of military purpose products through technological and organizational consolidation of several companies, even competitors in the past;
- combining the production of arms and military equipment to several countries in order to reduce production costs and expand markets;
- bringing companies from producing weapons and equipment and so on.

The main trends of transformation and development companies producing weapons tend to become:

- concentration of primary particles producing weapons, especially with a lot of high-value, the TNC. However, the vast majority of modern multinationals defense industries have a clear national "core";
- formation of TNK -based defense industry bahatoprofilnosti , the presence of both the markets and civilian arms production;
- forming strategic alliances TNC defense industry.

However, cooperation with the TNC hides a number of possible threats to the economic security of Ukraine through these negative processes:

- preferential orientation TNC investment in production with outdated technological structure and low-tech industry companies DIC;
- unprecedented outflow of profits of foreign affiliates of TNCs to finance domestic investment process TNC parent companies of the defense industry, while to reinvest in the development of Ukrainian subsidiaries will receive their share of scarce;
- failure to comply with the contract of sale of shares of companies under DIC investment obligations;
- manifestations of threats to prove foreign owners into bankruptcy, blocking activity of stagnation in domestic defense industry enterprises, as a potential competitor to the foreign company;
- capture the most developed and the most promising segments of the industrial companies DIC country and its research structures to intercept priority and transfer of know-how gained abroad.

In partnership with TNC (investment, co-production, procurement technologies, etc.) also have problems of intellectual property. Especially notable of these problems in the production and development of weapons and equipment, military products export destination in another country and so on.

Strategic goal of Ukraine should be maximum harmonization of national economic interests and the interests of multinationals. A necessary first step is the actual definition of these interests.

Interests TNC obvious and entirely subject to the classical definition of the three interest groups (existential - survival interests of the multinationals in the competition, evolution - the interests of TNCs growth and profit, dominatsiynih - attempts to increase its power and influence). However, in no way diminishing the importance of other objectives should state the fact that the TNC as the subject of business is fundamental evolutionary criterion receipt (or maximize) profits.

The main interest of the state is the observance of economic security in the context of TNC involvement in the military- industrial sector, which should ensure the improvement in the competitiveness of the economy through its reorientation to innovative developments in high-tech direction, and, in turn, will result of quality of macroeconomic indicators of Ukraine.

Accordingly, the policy of the government of Ukraine should be aimed, on the one hand, the optimal use of trans-nationalization, the other to neutralize its negative effects, it should be comprehensive and based on clearly defined national development priorities. The program of the government and the relevant legislation should be developed and secured regulatory systems to include both incentives to attract foreign multinationals and system shock possible negative effects of transnationalization.

Ukraine also has a critical threat to economic security, which is related to capital flight national companies and their reluctance to fund and implement innovative development companies Ukrainian defense industry. This process is related to the lack of favorable conditions for the development of venture capital and initiative on the part of the state. In this connection, is the actual words of the American economist and sociologist Peter printer, which sees the introduction of a new business venture form of economic development, which would be "a period of great opportunities, rapidly growing employment in different sectors and the overall intensity of growth" [7] directly observed in the U.S. and other developed economies.

Conclusions. Strategy defense industry companies interact with TNK Ukraine has considered the following rules:

- provide reasonable investment climate to attract foreign multinationals and activities in Ukraine. For future cooperation and competition TNC Ukrainian defense industry with other multinationals in the global environment it is advisable to adapt Ukrainian legislation to the EU level , including intellectual property, military- technical cooperation, foreign investment in the defense industry company, the duration of investment in the economy and determining the amount of income that is not repatriyuyutsya etc.;
- neutralization of threats of foreign TNCs in the context of economic security;
- implementation of effective strategic management in the defense industry companies, along with the appropriate measures to improve the functions and structure of government, the legal framework of business management DIC .
- establish their own defense industries TNC as it did before the U.S. and EU continue to develop such companies of China, Russia, India, Brazil and others . The experience of these countries shows that the national capital is able to compete with multinationals only if he himself is structured into powerful financial and industrial groups that are adequate international counterparts and are able to carry out an active foreign economic policy. One of the key areas to ensure high efficiency defense industry restructuring Ukraine has become the choice of a rational form of government participation in the functioning of the defense industry.

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