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THE ROLE OF EUROPEAN ECONOMIC INTEGRATION IN DEVELOPMENT OF EUROPEAN ECONOMY

РОЛЬ ЄВРОПЕЙСЬКОЇ ЕКОНОМІЧНОЇ ІНТЕГРАЦІЇ У РОЗКИТКУ ЄВРОПЕЙСЬКОЇ ЕКОНОМІКИ

The post-war European integration developed in close interdependence with the rest of the world, associating with liberalization of international economic relations and economic globalization in the context of «open regionalism». Member countries of the EU have open economies, and the EU's overall size makes it the most important economic and political player in the global economy and trade.

In the EU-27 reside only 7.3% of global population, it has only 12% of global workforce, however, over the last twenty years it has been producing about 1/3 of global GDP and accounted for 34.6% of global commodity exports, occupying the first place in the global economy in 2003.

The possibilities for extensive development of the European economy are nearly exhausted due to melting mineral and soil resources, whereas further economic development strategy for 2020 poses the dilemma of choosing between rapid transition to energy-saving technologies or further growth of oil and gas imports combined with the design of dynamic structural changes in the economy aimed at sustainable knowledge-economy-based development.

Keywords: *Regional economic integration, EU, European economy, strategic economic development, global development.*

1.European regional integration and development of the European economy.

European economic integration does not occur without influence of the outside international area. The EU countries have open economies, which are closely connected with the rest of the world. Consequently, developments within the EU are bound to be affected significantly by the economic developments and policy decisions made outside the European Union. On the other hand, the total size of the EU member states makes it a crucial economic player on the global arena, whose actions have significant impact upon the international economic system.

The first phases of European regional integration were directly associated with the liberalization process of the post-war international economic relations. Furthermore, these two processes together contributed to the impressive growth of international interdependence.

The conversion of traditional bilateral relations in Western European multinational relations in the context of European integration maximized and broadened the internationalization of production and mechanisms of economic cooperation, ensuring the EU's special role in international politics, economics and global trade. The program for the domestic market was largely a response to global market forces, so that today it is very difficult to distinguish between the effects of political decisions taken at the European level and the effects of autonomous economic forces beyond political borders.

The EU started basically as an imperfect customs union, the common external tariff was the foundation for the international role in global trade. Along with gradual deepening of integration, new supranational common tools were created. Such was the plan for a single internal market, Economic - Monetary Union, the same would happen with the Budgetary and Political Union of the EU.

The economic area of Europe is heterogeneous, it is characterized by significant differences in the structure and development of national economic sectors of post-industrial, industrial and agro-industrial countries. Europe is the most industrialized and urbanized continent. The 7.5% of the planet is the majority of metallurgical, machine-building and chemical companies in the world, the majority of the most branched network of highways, railways, oil and gas pipelines and power lines. Also in the 39 of the 202 cities live more than one million inhabitants.

In the EU-27 resides 7.3% of the world population (502.52 million EU citizens in 2011), the average population density in Europe in 2010 was 116 persons per sq. km. (global density mean is 47 residents, 87 in Asia, 33 in Africa, 22 in America and in Australia). With only 12% of global workforce, Europe over the last twenty years produced about 1/3 of global GDP. In 1970-2008, the average annual GDP growth amounted to 2.7% in Western Europe and in parts of Eastern Europe.

However, in Eastern Europe, the autarkic-collective form of development in the countries of the Council for Mutual Economic Assistance (CMEA), – which was founded in 1949 and included Albania (until abolition of membership in 1961 after relations with the USSR were broken) and such European socialist countries as Bulgaria, Czechoslovakia, German Democratic Republic (until reunification with West Germany in 1990), Hungary, Poland, Romania, and the USSR – led to isolation of these centrally planned economies from global technology exchange and international movement of capital. As a result, Soviet block countries were lacking competitiveness and lagging behind the developed countries in the world markets for the majority of manufactured products due to substantial gap in the technological level of industry and productivity.

After the dissolution of the CMEA in 1991 and breakdown of the Soviet Union, the disruption of production and trade relations among the post-socialist countries and slow structural reforms were accompanied in Bulgaria, Romania and CIS countries with a systemic crisis decline of GDP until the late 1990s. The share of transition economies in European GDP declined from 12.3% in 1990 to 7.9% in 2000. This was reflected in the reduced annual GDP growth in Europe after 1990 and decreased share of European economies in global GDP from 39.1% in 1990 to 29.2% in 2000.

The European Bank for Reconstruction and Development (EBRD) (1991) played an important role in the systemic reform of post-socialist economies. The EBRD's equity amounted to 10€ billion, its members where 59 countries, including Asian former Soviet republics of the CIS.

The EBRD, in cooperation with the World Bank and Paris and London Clubs of creditors, issued loans to governments of 25 former socialist countries of Europe and Central Asia for the reform and stabilisation of their financial systems and banking sectors, providing credits to small and medium enterprises in private sectors, securing guarantees for the financing of foreign trade, and contributions of foreign investments.

Rapid elimination of economic transformation, recession in GDP in post-socialist and post-Soviet countries that were candidates for accession to the EU, largely contributed to the creation of the Central European Free Trade Area – CEFTA and Baltic Free Trade Area – BFTA.

In other economic associations with participation of European and Asian post-Soviet countries – ***Commonwealth*** of Independent States (CIS), the GUAM (Georgia, Ukraine, Azerbaijan and Moldova), the Euro-Asian Economic Community, EEC (Belarus, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan) – exist numerous exceptions to the rules of free trade (energy, metallurgical products, sugar, etc).

Since 2000, the production recovery began in all post-socialist countries of the Central and Eastern Europe and the CIS, and the European economy fully entered the upward phase of the current economic cycle. In countries with transition economies, after the first stage of market reforms, the average annual real GDP from the late 1990s and until the global financial crisis of 2008 remained at 5-9% with an inflation rate of 8-15%.

Despite the steady expansion of production and trade cooperation between European countries, the economic space in Europe is still very heterogeneous and characterized by significant differences in the development of economic sectors in market and transition economies. In 2010, twenty European countries with per capita GNI above $30,000 were among the 30 most developed economies of the world, of which per capita income of Monaco, Liechtenstein, Norway, Luxembourg and Switzerland exceeded $75,000, ranking highest positions in the global list of high income countries.

At the same time, the level of per capita income in Albania, Armenia, Bosnia and Herzegovina, Georgia, Macedonia, Moldova, and Ukraine did not exceed $5,000 in 2010, making it difficult to assure equal integration of transition – socialist countries into the European economy (Table 1).

The mineral and land resources of the European continent have long been exploited, and the opportunities for extensive development of the European economy have almost exhausted by the last quarter of the 20th century. Europe's own resources of raw materials cover less than 25% of the needs of European industry, and chances for the discovery of large deposits are low. Moreover, in all regions except for the polar territories of Finland, Norway, Sweden and Russia, the share of land used in agriculture at the end of the last century exceeded environmental limits.

In most of the European countries, energy consumption per unit of GDP is increasing, so that economic development requires either rapid transition to energy-saving technologies or further growth of oil and natural gas imports (Table 2).

According to 2009 Eurostat figures, gross domestic energy consumption in the 27 EU member

Table 1. **Population, area, GDP, and GNI of European countries in 2010**

Country	Population, million residents	Area, thousand km2	GDP, billion $	GNI per capita, $
World	**7000**	**134123**	**63,048**	**9136**
Europe* (50 countries)				
Europe	**848.4**	**26792.8**	**19,970.2**	**24,301.74**
Albania	2.9	28.8	11.8	3960
Armenia	2.9	29.8	9.3	3200
Austria	8.2	83.9	376.1	47060
Azerbaijan	8.4	86.6	51.1	5330
Belarus	9.6	207.6	54.7	5950
Belgium	10.4	30.5	467.5	45910
Bosnia and Herzegovina	4.6	51.2	16.8	4770
Bulgaria	7.0	110.9	47.7	6270
Croatia	4.5	56.6	60.8	13870
Cyprus	1.1	9.2	25.0	29430
Czech Republic	10.2	78.8	192.1	17890
Denmark	5.5	43.1	310.4	59050
Estonia	1.3	45.2	18.6	14460
Finland	5.2	338.1	238.8	47720
France	65.3	643.4	2.560.0	42390
FYROM	2.1	25.7	9.1	4570
Georgia	4.6	69.7	11.6	2690
Germany	81.4	357.0	3.309.6	43110
Greece	11.0	132.0	304.8	26940
Hungary	10.0	93.0	130.4	12850
Iceland	0.3	103	12.5	32170
Ireland	4.7	70.2	203.9	41000
Italy	61.1	301.3	2.051.4	35150
Kazakhstan	15.5	2.724.9	142.9	7590
Latvia	2.2	64.9	24.0	11620
Lithuania	3.5	65.3	36.3	11390
Luxembourg	0.5	2.5	55.0	77160
Malta	0.4	0.3	7.9	19270
Moldova	4.3	33.8	5.8	1810
Montenegro	0.7	13.8	4.0	6750
Netherlands	16.8	41.5	783.4	49050
Norway	4.6	323.8	414.4	84290
Poland	38.5	312.6	468.6	12440
Portugal	10.8	92.1	228.5	21880
Romania	21.9	238.4	161.6	7840
Russian Federation	139	17.098	1,479.8	9900
Serbia	9.4	88.4	39.1	5810
Slovakia	5.5	49.0	89.0	16830
Slovenia	2.0	20.3	47.7	23860
Spain	47	505.3	1,407.4	31750
Sweden	9.1	450.3	458.0	50110
Switzerland	7.7	41.3	523.7	71530
Turkey	78.8	783.5	735.2	9890
Ukraine	45.2	603.6	137.9	3000
United Kingdom	62.7	243.6	2,246.0	38370

* Note. Excluding small sovereign European countries - Andorra, Liechtenstein, Monaco, San Marino and the Vatican, and independent economic territories of Denmark (Greenland and the Faroe Islands) and the United Kingdom (Channel Islands and Isle of Man).

Source: World Bank. World Development Indicators database. 1 July 2011
World Bank. World Development Indicators database. 15 December 2011

states amounted to 1.703 billion tonnes of oil equivalent, of which 47.7% were produced in member countries, whereas 52.3% were imported. In 2010, the dependence of the EU on imported oil and petroleum products was approximately 80%, on gas – 60%. Today, there are efforts aimed at improving energy relations with Russia, Africa and the countries of fossil fuels transit to the EU, as well as exploiting deposits of European oil and gas in Cyprus and Greece.

The development of Western European integration significantly affects the structure and conditions of international economic transactions. Since 1970s, the EU has become a powerful trading coalition in the modern world. In the modern times of global economic development, the leadership in

Table 2. **Energy consumption and energy efficiency of production in Europe in the period 1990 to 2010**

Country [1]	**Total energy consumption, E_{total}, million tons of oil equivalent**		**Share of non-renewable resources** [2], **% of E_{total}**	**GDP/E_{total}, PPP$/ kg oil equivalent (in constant prices 2005)**
	1990	**2010**		**2010**
Albania	2.7	1.7	84.1	13.8
Armenia	7.9	2.6	73.4	5.7
Austria	25.1	31.6	89.2	9.0
Azerbaijan	26.1	11.9	98.6	6.4
Belarus	42.3	26.7	91.9	4.1
Belgium	49.7	56.8	89.6	6.3
Bosnia and Herzegovina	7.0	5.9	93.5	4.6
Bulgaria	28.8	17.5	77.7	4.9
Croatia	9.1	8.7	94.9	8.3
Cyprus	1.6	2.5	92.6	8.2
Czech Republic	49.0	42.3	84.0	5.6
Denmark	17.9	19.6	96.7	9.2
Estonia	9.6	5.4	99.8	4.1
Finland	28.7	35.6	78.8	4.8
France	227.6	264.2	54.7	7.3
FYROM	2.7	2.8	97.4	6.7
Georgia	12.3	3.1	78.9	6.0
Germany	355.6	331.5	86.7	8.2
Greece	22.2	27.0	97.8	10.1
Hungary	28.6	25.4	84.8	6.7
Iceland	2.2	5.3	97.5	1.9
Ireland	10.3	14.9	98.0	10.6
Italy	148.1	170.1	94.9	9.5
Kazakhstan	72.7	65.8	99.1	2.5
Latvia	7.9	4.2	93.9	6.9
Lithuania	16.2	8.3	70.9	6.0
Luxembourg	3.5	4.2	92.9	8.3
Malta	0.7	0.8	94.0	11.2
Moldova	9.9	2.5	99.8	3.8
Montenegro	0.7	0.9	96.0	7.1
Netherlands	67.1	83.3	98.1	7.4
Norway	21.4	30.9	59.3	7.4
Poland	99.9	101.7	99.7	6.5
Portugal	17.2	23.5	94.6	9.8
Romania	62.5	34.4	88.8	6.7
Russian Federation	878.9	646.9	91.6	3.0
Serbia	19.5	14.4	94.6	4.8

Slovakia	21.3	17.2	74.0	6.3
Slovenia	5.6	7.0	74.4	7.2
Spain	91.2	128.1	85.4	9.7
Sweden	47.6	50.7	54.1	6.2
Switzerland	24.8	23.5	60.4	11.2
Turkey	52.9	104.7	95.4	8.7
Ukraine	253.8	115.4	82.1	2.3
United Kingdom	212.3	204.2	72.9	9.8
Eurozone	**1,059.7**	**1,226.5**	**81.4**	**8.2**
World	**8,569.9**	**11,899.4**	**90.9**	**5.5**

Notes: 1. The data for small sovereign states - Andorra, Liechtenstein, Monaco, San Marino and the Vatican was not available in World Bank Statistics.
2. Coal, lignite, clay slate, natural gas and oil.

Sources: 1. World Bank. World Development Report 2011, part 2 pp.148-152.
2. World Bank. The Little Green Data Book 2011.

foreign trade and the united position of its member countries in the WTO negotiations are determining the main role of the European Union as a key factor in the liberalization of trade policy under «open regionalism».

The European Union holds a special place in the European and world economy. Not only it is the largest trading partner for the rest of Europe, the USA, Japan and China, it is also an anti-crisis stabilizer of the global economy. The rapid increase in the total GDP of the EU-15 generated in the late 1990s allowed to achieve economic equivalence with the U.S. in the production, and the EU became one of the two largest financial centers of the modern world. The achievement of economic equality between the EU and the U.S. led to removal of the de facto monopoly of the U.S. in establishing international trade rules.

The analysis of GDP dynamics in the European Union and the U.S. for the period 2000-2010 shows that the synergy of GDP of EU-27 increased by 32.9%, compared with an increase of 1.7% in the GDP of the USA. In 2003, GDP of the EU (12.268 bn euro) exceeded the corresponding US' GDP (10.957 bn euro) (Figure 1).

The historical differences in production factor endowments of the EU and U.S. – other financial resources (capital in financial, manufacturing and commodity form, land with mineral resources, arable land, forests, water, etc.) and resources (number and qualification of labor force, level of development in science and education, accumulated technological information, etc), objectively predetermine the different nature of the reaction of financial systems in the EU and U.S. to rapid changes in external and internal conditions of economic activity.

An increased cost of production of armaments during the U.S. military actions in Vietnam in the 1960s and Persian Gulf in 1991 contributed to a significant regeneration of the U.S. Economy. This same period, however, was marked by recession in the European Union. The rise in inflation in the U.S. in the late 1960s and mid-1980s led to a slowdown in the U.S. economy, while the EU exibited a continued GDP growth (Figure 2).

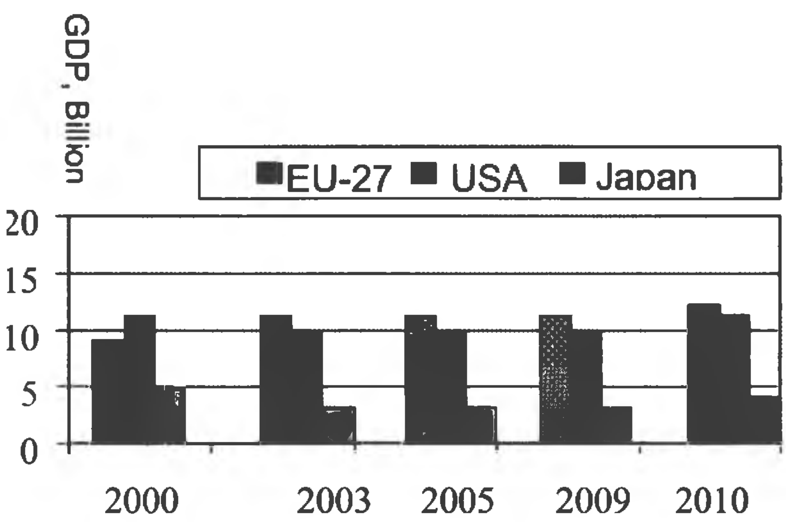

Figure 1. The GDP in the European Union, U.S. and Japan in 2000-2010 (current market prices). Source: Eurostat 2011

Neither long nor short cyclical fluctuations (business cycles) in the European Union and the U.S., as shown in Figure 2, do not coincide. Exception is the first increase in global oil prices in 1970s, when the EU and the U.S. simultaneously observed cycle peaks in 1973 and 1976, and the lowest point of recession in 1975 and 1977.

The biggest reduction in U.S. GDP in the second half of the 20th century was recorded in 1982 – 1.9% (a decrease of 2.5% of GNI), comparable to 2.1% during the crisis of 1933, which did not lead to serious destabilization of the global economy. Globally, the U.S. recession to some extent was offset by the increase in GDP in the EU in 1982 by 0.9%.

lishing of the European stability mechanism (ESM) on December 17, 2010, by the European Council (instead of the European Financial Stability Fund, EFSF, and European Financial Stabilisation Mechanism, EFSM), and conclusion of the Financial Treaty on March 3, 2012.

The ESM, together with with the ECB can secure taking bold steps for common financial stabi-

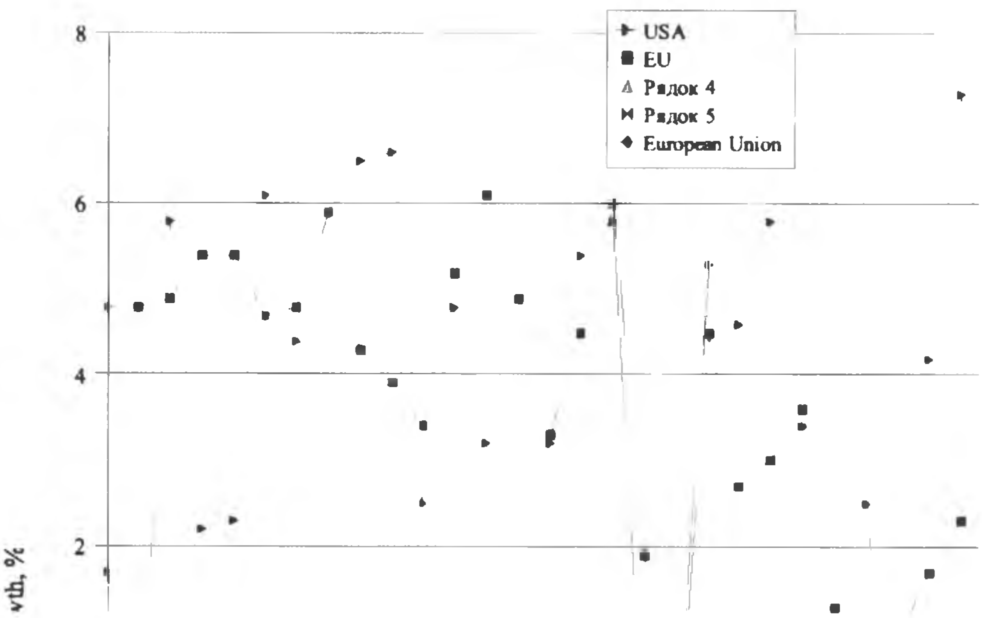

Figure 2. Annual GDP growth rates of EE-15 / EU-27 and USA in 1961-2010.
Source: EUROSTAT-2011, United Nations World Economic Outlook 2011

The global financial crisis, caused by the problems with mortgage loans in the United States in 2008, had an adverse effect: a reduction of global GDP by 1.9% in 2009, including a 3.5% decrease in US GDP, and a 4.2% decrease in the GDP of the EU.

However, the comprehensive measures undertaken for economic recovery in the U.S. and EU, as well as correction of budgetary, financial and monetary policy in the European Union (by adopting appropriate measures to remedy serious disturbances in the economies of member states by the implementation of state aid, through interventions of the ECB to reduce interest rates, and neutralization of the lack of liquidity in the financial system, strengthening of IMF, the establishment of the EU Solidarity Fund and other special measures) reduced negative effects of the crisis, maintained the stability of the global economic and financial system, confirming its leading position in the global economy and trade.

The instruments of debt crisis overcoming in the EU member states in 2010-2011 included the implementation of specific programs of financial support to Greece and other member countries, estab-

lity of the euro in the coming years (purchases of government bonds from the primary market, harmonization of taxation, etc.) and laying the foundations for joint economic and financial governance of the EU in all member states of the Eurozone and deepening of the political union.

Stable economic growth rates of the enlarged EU-27 can only be obtained by implementing structural reforms aimed at sustainable development based on the knowledge economy, pension system reforms, new jobs creation and energy-saving.

Solving the problems of global economic inequality in the 21st century depends largely on the EU itself. Its primary purpose was not only the implementation of development projects of the Union after enlargement in 2004, 2007, it will also need to further enlarge the EU to Croatia in 2013 and other countries of Western Balkans and Eastern Europe (Ukraine, Moldova), as well as expand and deepen the mutually beneficial trade and economic cooperation with all European countries and other continents.

The overriding priority of the EU is the deepening of its economic cooperation with association agreements (Association Agreement) under the European Neighbourhood Policy (ENP) with the countries of Eastern Europe and the Mediterranean and the EPA (Economic Partnership Agreements) with African Caribbean and Pacific-ACP (ACP countries).

2. The EU position in the world trade.

Economies of the most European countries are becoming more export oriented. The share of EU-27 in 2010 reached 34.6% of world exports of goods, compared with 10.4% of Chinese, 8.4% of the U.S. and 5.1% of Japanese exports. The share of the 22 most developed European countries - OECD members in 2000-2010 exceeded 38%. The European economies depend mainly on the majority of imported industrial raw materials and energy resources (except Norway, Russia and Great Britain).

EU exports (intra- and external trade) are 3.3 times larger than exports of China, 4 times larger than U.S. exports and 6.6 times larger than exports of Japan. The four largest trading partners in the world together represent approximately 60% of the world trade, which is reflected in their relative power and influence in international trade negotiations [2].

The regional trade of the EU has been further strengthened with gradual integration of the countries of Central and Eastern Europe to the European economic system. EU enlargement has strengthened the geopolitical and geo-economic position of the European Union and formed the basis of multipolar system of the world order.

The European Union is currently an undisputed leader of the global economy and trade. In 2010, the size to GDP ratio of the European Union was 1.1 times higher than that of the USA, its main trading partner and competitor (Table 3). The ratio of exports/dispatches of products in the European Union in 2010 reached 5.147 billion euros (3.360 billion products shipped in intra-and 1.787 billion exported outside the European Union).

A significant share of foreign trade of Europe includes intra-trade commerce and trade with countries on other continents – the U.S., China and Japan. Its major trading partners are Australia, Brazil,

Table 3. **The world's largest economies (G-20) and the EU's share in GDP and exports in 2010**

	GDP		Exports of goods	
	US$ Billions	% of the W	US$ Billions	% of the W
World (W)	**63048**	**100.00**	**14855**	**100.00**
European Union	**16282**	**25.82**	**5147 [1] (1787) [2]**	**34,6 (15,0) [2]**
The world's largest economies – main trading partners of the European Union [3]				
USA	14582	23.1	1278	8.4
China[4]	5878	9.3	1578	10.4
Japan	5497	8.7	770	5.1
Brazil	2087	3.3	202	1.3
India	1729	2.7	216	1.4
Canada	1574	2.5	387	2.5
Russian Federation	1479	2.3	400	2.8
Mexico	1039	1.6	298	2.0
South Korea	1014	1.6	466	3.1
Australia	924	1.4	212	1.4
Turkey	735	1.1	114	1.0
Indonesia	706	1.1	158	1.0
Switzerland	523	0.8	195	1.3
Norway	414	0.6	132	1.0
Saudi Arabia	375	0.6	254	1.7
Argentina	368	0.6	69	0.6
South Africa	363	0.6	82	0.7

Notes: 1. Intra and external trade of the European Union.
2. Only EU's external trade with third countries.
3. Classification of the GDP.
4. Including Hong Kong.

Calculated by sources: 1. World Development Indicators 2011, 1 July 2011
2. WTO World Merchandise trade.2011

Canada, Hong Kong, India, Indonesia, Israel, South Korea, Malaysia, Mexico, Saudi Arabia, Singapore, South Africa, Taiwan, and Thailand.

The need for the expansion of international production and trade relations led to deep integration of European countries into the global economy. The sum of export and import shares in any of the European countries in 2000 was higher than the analogous indices of major trading partners in Europe - the U.S. and Japan [5]. In terms of exports and imports of goods as a share of GDP, the openness of the EU economy is clearly greater than in the U.S., China and Japan (Table 4).

In the last four decades, the influence of Eastern Europe in global economic processes decreased, while the influence of the countries of Western Europe, especially France, Germany, Italy, and the United Kingdom as members of «G7» increased.

Although the U.S., China, Switzerland, Norway, Japan and Turkey belong to the old Group of Seven major trading partners of the European Union, the volume of trade in goods of the European Union and all parts of the world has been growing: there has been a rapid increase in the share of CIS countries, primarily Russia and Ukraine. The average annual growth of EU exports to CIS countries in the decade of 2000 was 20%, while EU imports from the CIS countries accounted for 15% of total imports.

Table 4. **Share of foreign trade of European countries, USA, Japan and China in 1990 and 2010 (% of goods and services to GDP)**

Country Area	Exports, % of GDP		Imports, % of GDP	
	1990	2010	1990	2010
Albania	10.9	30	18.1	54
Armenia	8.1 [1]	21	15.6 [1]	45
Austria	25.9	55.3	30.8	50.5
Azerbaijan	169.4 [1]	55	224.3 [1]	20
Belarus	75.0 [1]	55	73.6 [1]	65.3
Belgium	67.1	81.4	55.4	78.2
Bosnia and Herzegovina	20.0	36	26.1	57
Boulgaria	31.3	58.0	24.6	59.4
Bulgaria	18.1	25.5	19.6	27.8
Croatia	44.9	38.3	43.6	38.5
Cyprus	17.0	59.4	46.0	47
Czech Republic	34.9	79.3	36.9	74.5
Denmark	27.6	50.5	25.0	44.9
Estonia	10.5 [1]	78.3	9.7 [1]	71.6
Finland	19.7	38.9	20.0	39
France	24.5	46.1	20.7	40.8
FYROM	51.7 [1]	47	52.1 [1]	66
Germany	9.5 [1]	35	31.7 [1]	52
Greece	17.5	22.5	29.6	29.4
Hungary	30.3	86.5	31.3	79.1
Iceland	25.5	56.5	26.9	45.9
Ireland	52.2	90.7	45.4	75.4
Italy	15.6	26.8	16.6	28.5
Kazakhstan	74	44	75	29
Latvia	14.3 [1]	52.8	6.9 [1]	59.3
Lithuania	15.8 [1]	68.4	11.1 [1]	69.2
Luxembourg	102	165	88	134
Malta	85.2	86.3	98.9	83.8
Moldova	33.9 [1]	40	138.2 [1]	78
Montenegro [1]		36		64

Netherlands	46.5	78.4	44.5	70.3
Norway	29.5	41.9	23.6	28.6
Poland	23.4	41.5	18.9	42.3
Portugal	23.7	31.0	36.5	38.1
Romania	13.0	35.9	19.8	41.2
Russian Federation	49.5 [1]	27.7	56.7 [1]	20.4
Serbia (Yugoslavia in the 1990)	13.3 [1]	35	19.4 [1]	51
Slovakia	25.6	80.9	26.4	81.9
Slovenia	53.3 [1]	63.6	49.0 [1]	65.0
Spain	11.3	26.3	17.8	28.4
Sweden	25.0	26.3	23.6	44
Switzerland	27.9	54.2	30.5	42.1
Turkey	8.6	21.1	14.8	26.6
Ukraine	18.0 [1]	50	10.6 [1]	53
United Kingdom	19.0	29.4	22.9	32.8
USA	**7.1**	**11.2**	**9.3**	**14.0**
Japan	**9.7**	**12.6**	**7.9**	**12.3**
China [3]	**17.5**	**26.7**	**15.0**	**22.3**
EU-27 [4]	**27**	**40.5**	**27.5**	**39.7**
World	**19.3**	**27.9**	**19.6**	**28**

Remarks: 1. For 1992.
2. Without Hong Kong and Macao.
3. Intra-and foreign trade

Sources:: 1992 International Trade Statistics Yearbook;
UNCTAD Handbook of Statistics, 2001;
World Bank: World Development Reports , 2000/2001, 2002.
World Bank: World Development Reports , 2011
OECD Factbook 2010: Economic, Environmental and Social Statistics
OECD (2011), *Statistics on International Trade in Services.*
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In 2010, the share of EU exports to CIS countries (in terms of global exports) amounted to 9.1% (second only to the U.S. with 18%), while the share of EU imports from the CIS countries reached 13.4% (second place after China with 18.7% and close to the U.S. with the share of 13.5%).

In the medium term, we expect that the number of major trading partners of the European Union will expand to Russia and Ukraine, Azerbaijan and Kazakhstan will also join in view of the strength of high global prices for oil, natural gas and metals.

The EU and EFTA hold most of the free global financial capital according to the total volume of the foreign direct investment beyond the U.S., Japan and the aggregate of other developed countries outside Europe. The volume of foreign direct investment in European countries (as a share of total global volume) was 44.7% of total U.S. $ 16 trillion in 2010 (the share of U.S. was 13.7%, Asia – 17.7%, China – 10%, CIS countries – 3%, Africa – 2.5%). During this period, European investors owned more than 60% of all direct investment in the U.S..

Conclusions. The stable economic growth rates of the enlarged EU-27 can be secured only by means of future implementation of structural reforms aimed at sustainable development based on the knowledge economy principles, new jobs creation, deepening EU economic governance in energy saving, utilization of renewable energy in all member countries and vast energy resources of oil and gas in Greece and Cyprus.

The problems of solving global economic inequality in the 21st century depend largely on the

EU itself, whose primary purpose was not only the implementation of development projects of the Union after enlargement in 2004 and 2007, but further expansion of the EU expansion and deepening of mutually beneficial trade and economic cooperation with all European countries and other continents.

The overriding priority of the EU is also the deepening of economic cooperation by means of Association Agreements under the European Neighbourhood Policy (ENP) with the countries of Eastern Europe and the Mediterranean and by means of Economic Partnership Agreements (EPA) with African Caribbean and Pacific (ACP) countries.

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СОЦІАЛЬНО-ЕКОНОМІЧНИЙ РОЗВИТОК РЕГІОНІВ УКРАЇНИ: ПРОБЛЕМИ ТА ПЕРСПЕКТИВИ

І. Вступ На сучасному етапі соціально-економічний розвиток економіки України неможливий без урахування територіальних особливостей, зокрема, сильних та слабких сторін функціонування регіональних економічних систем, сприятливих і негативних тенденцій розвитку регіонів. Це зумовлено наявністю значної диференціації у забезпеченні необхідними економічними та соціальними ресурсами. Саме на рівні регіонів вирішуються питання відтворення продуктивних сил, реалізуються проекти соціально-економічного розвитку, задовольняються ключові соціальні потреби населення, а показники розвитку регіональної економіки є критерієм визначення рівня економічного розвитку держави в цілому. Тому обґрунтування теоретико-методологічних аспектів управління розвитком регіонів України, а також виявлення особливостей їх розвитку стають надзвичайно важливими науково-практичними завданнями, а через це питання, пов'язані з визначенням проблем та вивченням перспектив соціально-економічного розвитку регіонів України, є актуальними та своєчасними.

ІІ. Постановка завдання Вивченням питань регіональної політики та диференціації регіонального розвитку, праці вітчизняних і зарубіжних вчених, серед яких слід виділити розробки М. Бутка [1], З. Варналія [2], В. Гейця [3], М. Долішнього, Б. Кліяненка [4], Е. Лібанової [5], Д. Стеченка [6] та ін. У цих працях сформовано фундаментальні й прикладні засади вивчення особливостей територіального розвитку, розробки та реалізації регіональної політики держави. Проте значна кількість публікацій щодо територіальних відмінностей у соціально-економічному розвитку регіонів підтверджує актуальність та необхідність подальшого дослідження цього питання.

Мета дослідження – обґрунтування необхідності теоретичних досліджень та розробки практичних рекомендацій щодо соціально-економічного розвитку регіонів України.

Об'єкт – процес соціально-економічного розвитку регіонів.

Досягнення мети дослідження передбачає вирішення низки завдань:

з'ясування сутності основних дефініцій дослідження;

обґрунтування особливостей соціально-економічного розвитку регіонів;

визначення перспектив подальшого соціально-економічного розвитку регіонів.

ІІІ. Результати Нерівномірність розвитку регіонів посилює науковий інтерес до цього питання. Починаючи від розгляду регіону як структурної одиниці у межах економічної географії та базуючись на процесному, комплексному і системному підходах при здійсненні відповідних досліджень, науковці враховують як багатоаспектність категорії «регіон», так і використовують міждисциплінарний підхід, що зумовлює розгляд регіонального розвитку з різних точок зору, а саме економіки, держав-