

QUALITY ECONOMIC GROWTH IN UKRAINE, ITS EVALUATION AND WAYS OF ENSURING

Problem statement. Under the conditions of aggravation of socio-economic and financial problems in Ukraine and worldwide the problem of quality economic growth is actualized. After all, the dynamics of economic growth can show the development of the national economy, its place on the world stage, the standard of living, how to solve the problem of limited resources. Stimulating economic growth, maintaining its stable rates and optimum level is one of the most important long-term goals of the economic policy of the government of any country in the last decades.

Analysis of recent researches and publications. Problems of quality economic growth are reflected in numerous scientific publications. This is due to technological upgrading, state strategy, which is focused on innovative development and prioritization of economic policy of the state aimed at finding an optimal balance between high growth and quality of socio-economic development. Fundamental studies on these issues are reflected in the works of both foreign (W. Rostow, J. Forrester, S. Kuznets, R. Dornbusch, St. Fischer et al.) and Ukrainian economists (V. Geets, S. Kolyadenko, J. Zhalilo, J. Lukinov, L. Korniiichuk et al.). However, the problems of quality economic growth are so complex and multifaceted that the process of understanding their theoretical and methodological definition is still incomplete. This process takes particular significance during restructuring and reforming of the economy and society.

Problem definition. Taking into consideration that the concept of economic growth as a result of expanded reproduction has long exhausted itself, today the question of defining new quality of economic growth arose, not just focused on the development of production and the development of "welfare industry", which is regarded as a complex of industries and economic sectors activities aimed at ensuring a high standard of living. Such an approach requires the development of a concept of new quality of economic growth, which is to be based on a process of intensification of economic growth of the state due to factors that provide not only quantitative growth but also qualitative changes in the structure of consumption and accumulation and changes in social parameters of areas development. Identification and intensification of action of the factors of economic growth to certain stages of any economic system development should not only contribute to activation of economic activity in the state, but also the development of policies to accelerate these processes [6, p.344].

Taking this into account, the purpose of the study is to define the modern methodologies for assessing qualitative transformations in the economy of Ukraine and analysis of the current level of strong economic growth in the country.

The main material of the research. New approaches to assessing the conditions and factors that will ensure economic growth of the country should include the fact that the results of its effectiveness will grow faster, than the costs for it. In addition, the concept of a new quality of economic growth of the state should be based on: intensification of the country's economy development processes through the use of internal factors and reserves of regional development, which simultaneously serve its competitive advantages; focus on the stimulating effect of state and regional levels of management, focus on strengthening of the social orientation of economic reforms and ensuring human potential development. Taking into consideration internal complexity and consistency of this scientific category, the conventional approach to the study of quality economic growth doesn't exist. Economic growth is understood as the increase in aggregate production and consumption in the country, characterized primarily by macroeconomic indicators such as gross national product (GNP) and gross regional product (GRP). The state, as the subject of market relations should pursue the policy stimulating economic growth in order to ensure the development of the national economy. This policy of the state should be coordinated with fiscal, credit, social and other economic policies. This relationship is necessary, as it will secure sufficient stability of the country as a complex social system under market conditions for economic growth. From 2000 to 2008 GDP growth in Ukraine took place in both extensive and intensive ways. World experience shows that satisfactory for any country is the annual growth in GDP per capita at the level of 4-6 %. During this period Ukraine had real growth rate 3 times higher (6.9 % on average for the period) than in developed countries such as the USA - 2.3 %, Japan - 1.4 %, EU - 2.2 % [3, p.33].

The main reason for economic growth in the pre-crisis period can be called a foreign policy of the state that promoted economic reforms - structural changes, deregulation, the balance of stable monetary policy and support of export development. Also such factors as the increase of domestic demand for goods and services by increasing real incomes during this period, expanding export markets should be mentioned. In addition, the growth of economic indicators in the country was going through the increase of production volumes mainly in manufacturing. That is, dynamic development of the economy of Ukraine was not accompanied by structural changes in the regions, and therefore had extensive nature when strong

traditional industrial centers were growing and regions with lower levels of industrial capacity remained stagnant.

Market transformation in Ukraine was limited by industrial relations reforming (privatization, denationalization, demonopolization), and scientific and technological improvement of production, changes in the structure of the economy remained aside, although without them a successful development of the country was impossible [7, p.6]. This indicates that the state had growth without development. The result of quantitative GDP growth achieved should not be observed as a real positive changes in the economy of Ukraine that are able to create the economic basis for the stability and efficiency of economic and social development of the country. The reason for this should be considered not only the absence of a stable tendency for GDP growth, but also inertia, not systemic nature of Ukrainian reforms that do not create a real "safety margin" of the economic system of the country. Obviously this increase is neither sustainable nor promising for the country.

The situation has deteriorated significantly in the coming years due to financial crisis (2008-2009), which led to inflation growth, unemployment, payments crisis, the decline in production, the devaluation of the national currency, etc. In general the situation is critical for economic security of the state and significantly increases the risk of entering the national economy to a state of permanent economic stagnation with a gradual escalation, taking into consideration the current inflationary processes, to the stage of stagflation [4].

It is worth to note that strong economic growth cannot be displayed in one indicator. This requires an integrated system of indicators as improving the living standards is accompanied by an increase not only in GDP per capita, but also such factors that determine the quality of life and are integrals of human development index (work productivity, level of education, life expectancy, etc.). Such scholars as V. Thomas, M. Daylami, A. Dareshvar, D. Kaufman, N. Kishor, R. Lopez, J. Wang offer to evaluate the quality of economic growth in the context of human development indicators by criteria such as reducing child mortality, reduction of illiteracy among the adult population, increasing life expectancy [8, s.258].

An alternative approach for evaluating economic growth developed within the framework of the "United Nations Development Program" and involves the calculation of the Human Development Index (HDI) based on three indicators: real GNI per capita, literacy and life expectancy. Since 2010, UN experts also calculate an updated version of the HD, taking into account the factor of inequality in income distribution in the country, or so-called Human Development Index, adjusted for inequality (HDII), which indicates a level of HDI, which would be achieved by each member of society provided equal distribution of wealth [1].

So, intense increase of GNI per capita, and indicators of literacy and life expectancy reflects a significant increase of strong economic growth in many countries. Over the last 10 years among the countries of the world human development indices in most countries have improved (from 0.639 to 0.694), and 40 countries have progressed significantly in this ranking.

Let us study its current level in Ukraine in detail. Between 1990 and 2000, destructive economic and political processes took place in the state that adversely affected the figures of HDI. During this period it decreased from 0.714 to 0.673. During 2000-2010 it started to grow. But despite the relative growth of indices in recent years, the dynamics of Ukraine's rating deteriorated on the contrary. That is, in 2010 the HDI was 0.710 in the state, which corresponded to 69th rating position among 169 countries analyzed. However, already in 2011, Ukraine was on the 76th position with 0.737, and in 2012, on the 78th with 0.740 among 187 countries. Our state has shared this position with Macedonia leaving behind only Moldova and Bosnia and Herzegovina among European countries with indices 0.660 and 0.735, respectively. Therefore, during the period under study the value of the HDI of Ukraine increased by 4%, or an average of 0.2 % per year [2].

According to the criteria of the index in the state studied the best situation can be observed in the spheres of education and literacy - 0.860 (the 29th position in the world), but anyway health and longevity are significantly worse - 0.760 (the 113th position in the world), and the economic parameters that determine the standard of living are very low, i.e. 0.615. For comparison, a similar rate in Belarus is 0.723. The low value of this index has a negative impact on HDI of Ukraine putting it in rating with the average figures of Latin American countries.

It should be noted that despite the positive economic development in Ukraine (especially during the period before 2008), efficiency of the national economy remains extremely low, as evidenced by the rate of GNI per capita, the value of which in 2013 was 7 373.99 GK dollars (the 103rd position in the ranking). Neighboring positions in the ranking: Surinam – the 102nd position and the Federated States of Micronesia (a group of islands in the western part of the Pacific Ocean) – the 104th position. For example, in Czech Republic, its value was 22 678 dollars, Slovakia - 21 658 dollars, Hungary - 19 637.59 dollars, Poland - 20 591.75 dollars, Russia - 17 708.74 dollars, Belarus -15 633.7 dollars, Romania - 12 808.08 dollars, Bulgaria - 11 139 dollars [2]. In fact, Ukraine in terms of incomes per capita among post-socialist countries of Eastern Europe, is given the place of a regional outsider. Moreover, regarding this figure, our state has long been left behind by some developing countries, including Botswana (13 204 dollars), Gabon (12 747 dollars) and others. Furthermore, analyzing the long-term GDP growth in the national economy, it should be emphasized that since independence, the figure decreased by 22%. Also, both the total amount of it and the specific

value as calculated per capita have not yet reached the level of 1990. Obviously, extremely low incomes in Ukraine, compared to industrialized countries and countries with middle income negatively affect other components of human capital development, including health indicators of the nation and poverty growth.

Therefore, it is obvious that today the economic growth is a key problem of macroeconomic policies of all countries and Ukraine in particular. Developed countries and regions, providing a high level of income are concerned about the social consequences of growth. However, a quite another problem arises for the backward countries - how to make the achievement of sustainable long-term growth rate on a new innovative basis one of the strategic directions of state policy. By this time Ukraine has not formed a system of factors that would ensure dynamic growth in combination with the structural transformation of the national economy. The basis of this transformation should be the formation of replacement in levels of economic growth and, consequently, competitiveness of new quality of economic growth, which has its borders as an abstract characteristic: qualitative, quantitative, spatial and temporal. In practice, the goals of economic development, in most cases, are of overtaking nature and do not take into account the possibilities of specific regions compared with each other in future.

Overcoming these drawbacks is possible through effective forecasting of economic growth in Ukraine, identification of factors that ensures the dynamic growth and taking into account the priorities of the structural transformation of the economy. Besides, during the development of the concept of a new quality of economic growth, not only the existing imbalance of just economic development of the country, but also the imbalance of economic growth should be taken into account.

Conclusion of the study. Based on the study results, we conclude that for quality economic growth in the long run, Ukraine needs to implement a strategy of not catch-up modernization but of advanced development on the investment basis. For this purpose it is necessary:

- formation of conditions and mechanisms which will ensure qualitative changes in the structure of regional economies with focus on the creation and development of the fifth and sixth technological structures (alternative energy, bio-pharmaceutics, nano- and biotechnology);
- creating a strong system of financing of the investment activities;
- encouraging innovative activities and social initiatives of business;
- promoting efficient, competitive and sustainable socio- economic development of both regions and the country in whole;
- reducing the monopoly sectors of economy, control and reduction of corruption level and as a result, openness of the economy and the transition to a new model of economic growth;
- ensuring the development of human capital through implementation of effective national projects in health, education, housing, etc.

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Purpose. The aim of the study is to determine the modern evaluation techniques of qualitative transformations in the economy of Ukraine and analysis of the current level of quality economic growth in the country.

Methodology of research. According to the target, the following methods of economic studies were used: analysis and synthesis; abstract and logical - to create aims and targets of the study; dialectical and system analysis - to work out the theoretical and methodological principals; generalization of the literary sources , conclusions formation; economics and statistics – for the analysis of economic growth level,

identifying trends, impact of factors on the stimulation of quality economic growth; comparative analysis - for assessing the economic efficiency of the national economy.

Findings. The theoretical foundations of strong economic growth, which should be based on process intensification economic growth by factors that provide not only quantitative growth and qualitative change. There is a reasonable objective necessity to develop the concept of a new quality of economic growth and passage of the national economy to the advanced development strategy on the innovative investment basis.

Originality. Proved conceptual foundations of a new quality of economic growth, which should be based on the intensification of the processes of the country's economy development through the use of internal factors and reserves of regional development, focus on stimulating effect of state and regional levels of management, focus on strengthening of social orientation of economic reforms and ensuring human potential development.

Practical value. The research results obtained are the basis for further development of scientific evidences regarding ensuring quality economic growth in the country. Key provisions and conclusions can be used in the educational process in higher educational establishments.

Key words: quality economic growth, human capital, innovative investment development, quality of life, competitiveness.