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STRATEGIC ARCHITECTURE OF BRANDING AND SPONSORSHIP IN FORMULA 1

D. M. Bas,

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Bas D. M., Shkodina I. V., Lavrinenko I. M. Strategic architecture of branding and sponsorship in Formula 1. The study analyzes global trends in branding and sponsorship revenues for the Formula 1 World Championship. The main focus is on the structure of partnerships and sponsorship, the dynamics of revenues from patrons, media rights, and race advertising. Key findings highlight the role of strategic partnerships in shaping global brand recognition.

Keywords: Formula 1, sponsorship, partnership, branding, marketing.

Бас Д. М., Шкодіна І. В., Лавріненко І. М. Стратегічна архітектура брендингу та спонсорства у Формулі 1. Дослідження аналізує глобальні тенденції брендингу та спонсорських доходів чемпіонату світу з кільцевих перегонів Формули 1. Основна увага приділяється структурі партнерств та спонсорства, динаміці надходжень від меценатів, медіаправ та реклами перегонів. Ключові висновки висвітлюють роль стратегічних партнерств у формуванні глобальної впізнаваності бренду.

Ключові слова: Формула 1, спонсорство, партнерство, брендинг, маркетинг.

1. Introduction

Over the past decade, Formula 1 has transformed from a relatively closed championship for a narrow circle of fans into a global media product with an audience of millions around the world. Strong modern branding has played a significant role in its development: updated identity, visual style, active commercialization of teams and drivers, establishment of strategic partnerships with global brands, etc. At the same time, despite extensive research by the FIA as the world championship for circuit racing in cars, the impact of strategic partnerships on the formation of global brand recognition in this area remains insufficiently studied, leaving a gap in understanding the complexities of brand interactions in modern F1.

The relevance of this research lies in studying the multifaceted impact of strategic partnerships on Formula 1 marketing.

The object of the research is branding in Formula 1.

The subject of the research is the impact of branding on the formation of the commercial and media basis of the Formula 1 championship.

The aim of the study is to analyze the structure of sponsorships and partnerships in Formula 1 and their impact on the championship's marketing activities.

The tasks include:

1. Studying title, technical sponsorship, and partnership structures in Formula 1.
2. Analyzing the role of sponsorship and partnership relationships in the financial stability and promotion of teams.
3. Providing information about the impact of brands on the global marketing system and their strategic opportunities.

The study uses data from the FIA (Fédération Internationale de l'Automobile) [1; 2; 3; 4; 5] and other relevant sources to provide a comprehensive overview of the impact of F1 branding on marketing, fill gaps in the current literature, and provide valuable information to stakeholders.

2. F1 team branding: trends and analytics

2.1. Theoretical framework

The Formula 1 circuit racing championship is the most successful strategic decision for promoting brands worldwide while maintaining their own image. Its driving force lies in three areas: F1 partnership, F1 sponsorship, and F1 marketing.

It is worth noting that sponsorship and partnership in F1 have an important difference: sponsorship contributes to overall financial stability through brand visibility, while partnership is more integrated into the racing world and works closely with teams.

Partnerships and sponsorship relationships in F1 are divided into several types [2; 3; 4; 5]:

- **Technical partners:** companies that are involved in the development of cars in some way and can supply engines, transmissions, brakes, tires, etc. For example, Mercedes and Ferrari manufacture engines not only for their own teams, but also supply them to others, which constitutes a technical partnership.

- **Sponsors:** companies that financially support the championship and may have track-side, branded advertising on car livery, driver suits, team equipment, etc. They are divided into main and secondary sponsorships. The former are the main partners and their name is usually included in the official name of the team. For example, Oracle is the main sponsor of the Oracle Red Bull Racing Formula 1 Team. Secondary sponsors are companies that financially support the championship, but their name is not included in the team's name; instead, it may be placed on the car's livery, equipment, etc.

- **Suppliers:** companies that continuously provide the team with materials or services. For example, Pirelli is the official tire supplier for all teams, although some teams may have certain features available only to them.

- **Commercial partners:** companies that work with the team through marketing, media, and services. For example, Vodafone provides communications and online support, Lenovo provides cloud services and data analytics, and Netflix promotes the popularity of teams and drivers through the documentary series Drive to Survive.

- **CSR and charity partners:** companies that collaborate to support social, environmental, and charitable projects. For example, Shell promotes sustainable fuel and energy projects, while Oracle Red Bull Racing Formula 1 Team and Mercedes AMG Petronas Formula 1 Team support various children's and sports foundations.

2.2. General data analysis

According to data presented by SponsorUnited, the sponsorship economy of Formula 1 teams in the 2024 season received a total of more than \$2 billion in sponsorship revenue, including 319 brands and 340 deals. The average sponsorship income per team is \$204 million. The teams with the highest income were Mercedes AMG Petronas Formula 1 Team, Scuderia Ferrari HP Formula 1 Team, Oracle Red Bull Racing Formula 1 Team, and McLaren Formula 1 Team [3]. As of the third quarter of the 2025 season, Liberty Media Corporation notes an increase in sponsorship revenue and new partnerships.

Diagram 1 (Fig. 1) was created by the author using data from [1]. It shows the dynamics of Formula 1 revenues by segment: race promotion, media rights, sponsorship, and others.

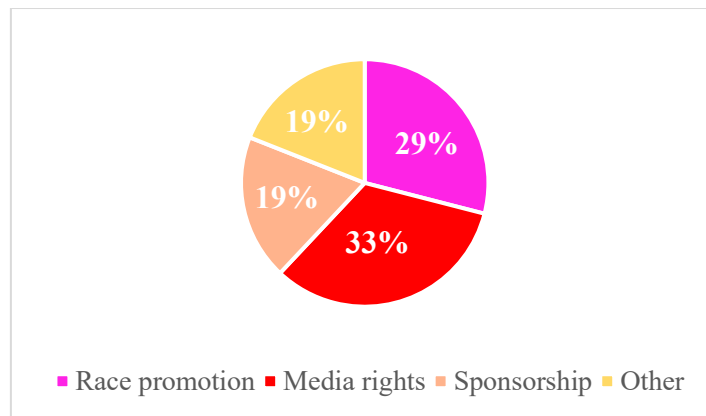


Figure 1. Dynamics of F1 revenues by segment for the 2024 season.

Made by author using data from [1].

Diagrams 2 and 3 (Fig. 2 and 3) were created by the author using data from [1]. They show the dynamics of Formula 1 revenues from sponsorship, race promotion, and media for 2017-2024.

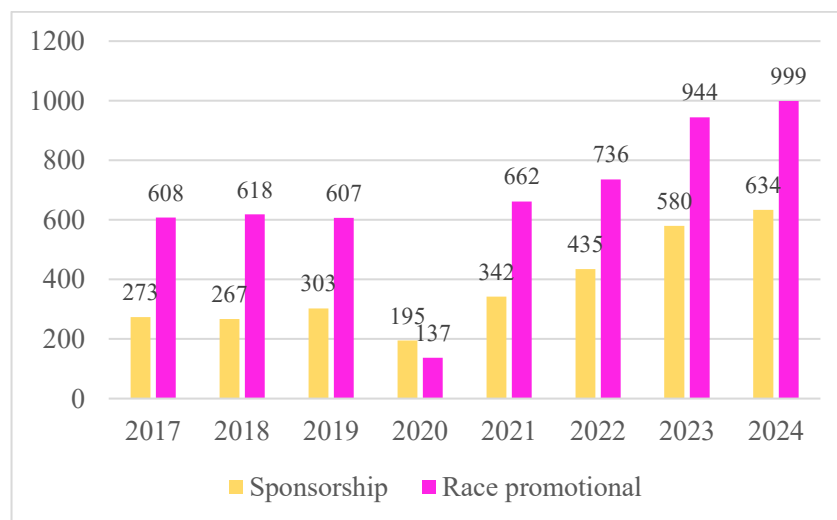


Figure 2. Dynamics of F1 revenues from sponsorship and race promotional in 2017-2024 in millions of US dollars.

Made by author using data from [1].

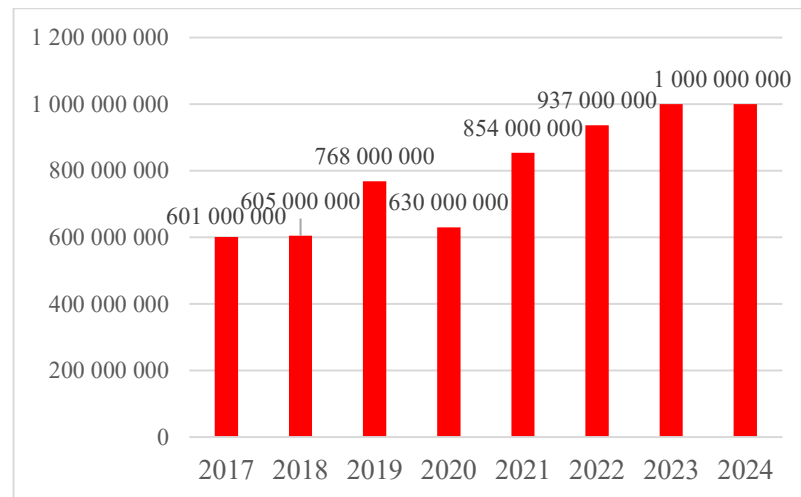


Figure 3. Dynamics of F1 revenues from media rights 2017-2024 in million US dollars.

Made by author using data from [1].

As can be seen from Figures 1-3, Formula 1 World Championship revenues from sponsorship, race advertising, and media are one of the FIA's best sources of income. It is worth noting that sponsorship revenue has grown by 134.4% over the years, and revenue from race promotional, which was the basis of Bernie Ecclestone's financial strategy, has been growing steadily every year. Media rights became a driving force for revenue after the release of the Drive to Survive series in collaboration with Netflix and the Formula 1 movie in collaboration with Apple, reaching a peak in 2023-2024 with \$1 billion in revenue.

2.3. Worldwide data analysis

Diagram 4 (Fig. 4) was created by the author using data from [3; 4]. This diagram shows the dynamics of sponsorship revenue in the 2024 season.

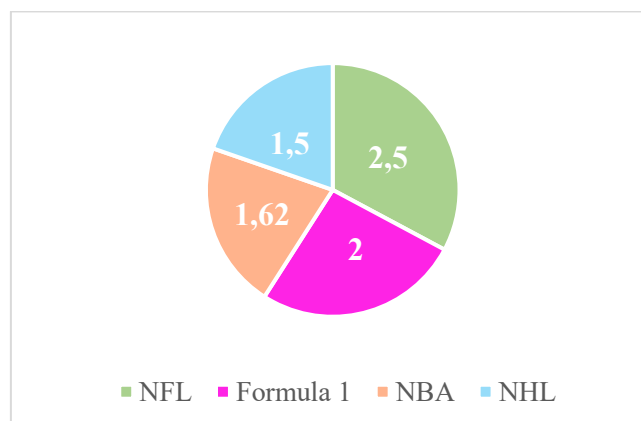


Figure 4. Comparison of sponsorship revenues of leading sports organizations in billions of US dollars in 2024.

Made by author using data from [3; 4].

In terms of sponsorship revenue, Formula 1 is second only to the soccer league among the world's leading organizations and often outperforms other popular leagues in brand marketing. This is characterized by high commercial potential and a strong brand position in the global market.

3. Conclusion

An analysis of the impact of branding on Formula 1's global marketing system provides valuable information about the structure of sponsorship, partnerships, and the commercial model of the championship. Based on the results obtained, the following conclusions can be drawn:

1. **The role of brands in the marketing system:** primary and secondary sponsorships form the foundation of the teams' financial stability, while partnerships mainly ensure the teams' recognition and audience engagement.

2. **The structure of partnerships and sponsorships:** technical and title partnerships are integrated into the teams' production and sporting processes, while ancillary sponsorship agreements contribute to additional brand visibility in the mass media.

3. **Marketing impact and development prospects:** Innovative marketing solutions that include brand collaboration combined with media rights and race advertising stimulate further revenue growth and allow the championship to remain competitive with other global leagues and provide an opportunity to take the lead in the near future.

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LA PLACE ET LE RÔLE DES ÉTATS-UNIS DANS L'ÉCONOMIE MONDIALE

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Béréza A., Bezvesilna N. T. La place et le rôle des États-Unis dans l'économie mondiale. Cet article examine la place et le rôle des États-Unis d'Amérique dans l'économie mondiale, en tant que l'une des principales puissances économiques de notre époque. Les principaux facteurs qui garantissent l'avantage économique des États-Unis sont analysés, notamment leur contribution au PIB mondial, la stabilité financière et le développement du commerce international. L'accent est mis sur la participation des États-Unis aux activités des organisations économiques internationales. Les défis auxquels l'économie américaine est confrontée dans le contexte de la concurrence mondiale sont identifiés.

Mots-clés : Économie mondiale, États-Unis, commerce international, organisations économiques internationales, PIB, innovation.

Береза А., Безвесільна Н. Т. Місце і роль США у світовій економіці. У статті розглянуто місце та роль Сполучених Штатів Америки у світовій економіці як однієї з провідних економічних держав сучасності. Проаналізовано основні фактори, що забезпечують економічну перевагу США, зокрема їхній внесок у світовий рівень ВВП, фінансову стабільність, розвиток міжнародної торгівлі. Акцентовано увагу на участі США в діяльності міжнародних економічних організацій. Виявлено виклики, які постають перед американською економікою в умовах глобальної конкуренції.

Ключові слова: Світова економіка, США, міжнародна торгівля, міжнародні економічні організації, ВВП, інновації.

1. Introduction

Les États-Unis d'Amérique sont non seulement l'un des plus grands pays du monde, mais aussi la première puissance économique mondiale. Malgré une concurrence accrue, ils conservent un rôle prépondérant dans la construction de l'ordre mondial. Avec le PIB le plus élevé au monde, une monnaie de réserve dominante et un important pôle d'innovation, les États-Unis d'Amérique occupent une place de choix sur la scène internationale.

La puissance de l'économie américaine se manifeste par son influence sur les marchés financiers mondiaux, le commerce international et le progrès technologique. La participation active des États-Unis aux organisations économiques internationales contribue à établir des normes mondiales et à maintenir la stabilité économique mondiale, préservant ainsi leur position clé dans l'ordre économique mondial.

Cependant, la position de leader n'est pas inébranlable. Au XXI^e siècle, les États-Unis font face à une concurrence accrue de la part de la Chine et d'autres pays très développés, ainsi que des pays en développement. Cette analyse permet de comprendre pleinement pourquoi l'économie américaine demeure un acteur clé sur la scène mondiale.

2. Les États-Unis c'est la première économie mondiale

Les États-Unis d'Amérique occupent une position de premier plan dans l'économie mondiale, témoignant d'un niveau élevé de développement et de stabilité. Le pays se classe premier au niveau mondial en termes de PIB nominal, ce qui souligne sa stabilité économique et son influence

internationale. Un PIB par habitant élevé, de 82 000 dollars en 2023, indique un niveau de vie élevé pour les citoyens et un potentiel important pour le pays.

Le leadership américain est également largement assuré par le secteur des services, qui comprend la finance, l'immobilier, l'éducation et la santé et représente 80 % du PIB du pays. L'énergie, notamment la production de pétrole et de gaz, garantit l'indépendance énergétique et offre des perspectives d'exportation.

Ainsi, les États-Unis soutiennent le développement de l'économie mondiale par leurs exportations de biens et de services, leurs investissements directs et les transferts de technologie. Il convient de noter que les États-Unis sont le premier investisseur mondial : les investissements directs étrangers financent la construction d'usines et le développement d'entreprises en Europe, en Asie, en Amérique latine et en Afrique, ce qui renforce l'intégration économique mondiale.

De plus, la politique économique américaine, notamment les variations du taux directeur de la Réserve fédérale ou l'instauration de droits de douane, a un impact direct sur les marchés financiers internationaux [4].

2.1. Le rôle financier international des États-Unis

Le dollar américain est la principale monnaie de réserve et de paiement mondiale. Il sert de monnaie de référence pour les règlements internationaux, les réserves des banques centrales et la fixation des prix des principales matières premières comme le pétrole et l'or. Cet avantage économique pour les États-Unis leur permet de financer leurs déficits budgétaires à moindre coût, de maintenir des taux d'intérêt bas pour leurs emprunteurs nationaux et d'influencer leur politique commerciale [2].

La Réserve fédérale joue un rôle essentiel dans la définition de la politique monétaire des États-Unis, en régulant le taux d'escompte et la masse monétaire. Ses décisions ont un impact non seulement sur l'économie américaine, mais aussi sur tous les marchés financiers mondiaux. Les variations du taux directeur de la FED influent sur les taux de change, l'attractivité des capitaux et des investissements des autres pays, ainsi que sur la valeur de leur dette publique [5, p. 86].

En tant que centre mondial des capitaux, l'économie américaine attire des fonds du monde entier par le biais des bourses (NYSE et NASDAQ), des grands fonds d'investissement et des marchés du crédit. Les banques américaines investissent massivement à l'étranger, créant ainsi des chaînes d'approvisionnement et des flux financiers internationaux qui soutiennent le développement de l'économie mondiale [6].

2.2. Les États-Unis dans le commerce mondial

Selon la Banque mondiale, en 2023, les exportations américaines s'élevaient à environ 3 000 milliards de dollars, plaçant les États-Unis au deuxième rang mondial après la Chine. Le pays

exporte des produits de haute technologie, du matériel aéronautique, des produits agricoles et des services. Ses principaux partenaires commerciaux sont la Chine, le Canada, le Mexique et l'Union européenne. Des accords commerciaux dynamiques et la protection des intérêts nationaux font des États-Unis un acteur clé de la régulation des règles économiques internationales, mais ce domaine est parfois marqué par des guerres tarifaires et des tensions qui affectent l'économie mondiale [3].

2.3. Le leadership innovant du pays dans le monde

Des entreprises américaines comme Apple, Microsoft et Google définissent non seulement les normes et les tendances de l'économie numérique, mais créent également des marchés mondiaux et stimulent la concurrence. Les technologies américaines transforment les modèles commerciaux à travers le monde, accroissent la productivité des entreprises et influencent la compétitivité des autres pays [1, p. 308].

2.4. Le rôle des États-Unis dans les organisations économiques internationales

Par ses contributions majeures au FMI et à la Banque mondiale, les États-Unis influencent activement les décisions relatives aux prêts aux pays en développement, à la politique macroéconomique et à la stabilisation monétaire.

Au sein de l'OMC, les États-Unis participent à l'élaboration des normes commerciales, à la réglementation des barrières douanières et au règlement des différences entre pays, tandis qu'à l'OCDE, leurs initiatives définissent les principes en matière de fiscalité, de transparence financière et de gouvernance d'entreprise.

Ce leadership actif permet aux États-Unis de façonner les pratiques économiques mondiales, en établissant des normes adoptées par la plupart des pays du monde [6].

2.5. Défis et risques pour l'économie des États-Unis

Malgré le rôle prépondérant des États-Unis dans l'économie mondiale, le pays est confronté à certains défis qui menacent son leadership international. L'un des principaux facteurs est l'endettement public élevé, qui représentait près de 94 % du PIB en 2023. Ce facteur pèse sur le budget de l'État et accroît la dépendance du pays vis-à-vis des emprunts étrangers.

De plus, les États-Unis font face à une concurrence accrue d'autres économies, notamment de la Chine, qui développe activement ses capacités de production, technologiques et d'innovation. Cette concurrence dans le secteur technologique, les investissements en R&D et les marchés numériques impose aux entreprises américaines de maintenir constamment leurs avantages concurrentiels à l'échelle mondiale.

Les facteurs politiques, tant nationaux qu'internationaux, jouent un rôle tout aussi important. L'instauration de sanctions, de barrières tarifaires, de politiques protectionnistes et les modifications de la fiscalité peuvent limiter temporairement l'influence économique des États-Unis et compliquer le commerce international. Les fluctuations des prix mondiaux de l'énergie, les variations des taux de change et les crises économiques mondiales peuvent également affecter la stabilité de l'économie américaine [7].

Ces défis ne diminuent en rien le leadership des États-Unis, mais témoignent de la capacité d'adaptation continue du pays aux changements sur la scène mondiale et du maintien de sa propre compétitivité.

3. Conclusions

Ainsi, malgré les difficultés économiques actuelles, les États-Unis d'Amérique demeurent l'une des économies les plus puissantes du monde.

Les crises qui surviennent aux États-Unis ont toujours des répercussions sur le reste du monde, compte tenu de l'influence considérable de ce pays sur l'économie mondiale. Par conséquent, malgré toutes les difficultés et tous les défis possibles, l'économie américaine et le dollar continuent de dominer et d'influencer le monde.

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CURRENT TRENDS IN THE DEVELOPMENT OF THE RESTAURANT INDUSTRY

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Bielushkina I. V., Startseva N. M. Current trends in the development of the restaurant industry. The article examines the main current trends in the development of the restaurant industry under conditions of increasing competition and changing consumer demands. The transformation of restaurant establishments from traditional food service enterprises into multifunctional spaces for leisure and cultural experience is analyzed. The role of specialization, franchising, and the implementation of digital technologies in improving the efficiency of restaurant enterprises is outlined. Particular attention is paid to the relevance of themed restaurants in Ukraine and Europe as a factor in shaping a unique consumer experience and developing gastronomic tourism.

Keywords: consumer experience, digital technologies, franchising, gastronomic tourism, restaurant industry, themed restaurants.

Белушкіна І. В., Старцева Н. М. Сучасні тенденції розвитку ресторанного господарства. У статті розглянуто основні сучасні тенденції розвитку ресторанного господарства в умовах зростання конкуренції та зміни споживчих запитів. Проаналізовано трансформацію закладів ресторанного бізнесу від традиційних підприємств харчування до багатофункціональних просторів дозволя та культурного досвіду. Окреслено роль спеціалізації, франчайзингу та впровадження цифрових технологій у підвищенні ефективності діяльності ресторанних підприємств. Особливу увагу приділено актуальності тематичних ресторанів в Україні та Європі як чинника формування унікального споживчого досвіду та розвитку гастрономічного туризму.

Ключові слова: гастрономічний туризм, ресторанне господарство, споживчий досвід, тематичні ресторани, франчайзинг, цифрові технології.

1. Introduction

In recent years, the restaurant industry has undergone significant transformation under the influence of globalization, technological progress, and changing consumer behavior. Modern restaurant establishments no longer function solely as places for food consumption, but increasingly serve as spaces for leisure, social interaction, and cultural experience. This shift has intensified competition within the industry and increased the importance of innovative development strategies.

The relevance of this study is determined by the growing demand for specialized restaurant formats, the expansion of franchising models, and the active implementation of digital technologies in restaurant operations. These processes require systematic analysis in order to identify key trends that shape the development of the restaurant industry in Ukraine and Europe.

A brief review of current research shows that scholars mainly focus on technological modernization and service quality improvement in restaurants. However, insufficient attention is paid to the combined impact of franchising, digitalization, and themed concepts on competitiveness and consumer experience. This gap determines the necessity of the present research.

Thus, *the aim* of this research is to analyze current trends in the development of the restaurant industry and to determine the role of innovative technologies and themed restaurant concepts in enhancing competitiveness.

The object of the research is the restaurant industry in Ukraine and Europe. *The subject* of the study is current development trends of the restaurant industry, including franchising models, digital technologies, and themed restaurant concepts, and their impact on competitiveness.

To achieve this aim, the following *tasks* are defined:

- to identify key trends in the modern restaurant industry;
- to analyze the role of franchising and digital technologies in restaurant development;
- to examine the relevance of themed restaurants in Ukraine and Europe.

2. Current trends in the development of the restaurant industry

2.1. Specialization, franchising, and digitalization

One of the most significant trends in the modern restaurant industry is the gradual shift toward specialization and conceptual uniqueness. In conditions of high market saturation, restaurants with a clearly defined concept, gastronomic focus, and brand identity demonstrate higher adaptability to changes in consumer behavior and competitive pressure. Specialization allows establishments to concentrate resources on a specific target audience, improve service quality, and form a stable brand image.

At the same time, franchising has become one of the most effective organizational models for restaurant development. This business format enables rapid market expansion while maintaining unified quality standards and operational procedures. Franchised restaurants benefit from standardized business processes, proven management models, and brand recognition, which significantly reduces entrepreneurial risks. In addition, centralized procurement systems allow franchise networks to lower costs through bulk purchasing, while unified staff training programs ensure consistent service quality across all locations [3].

Franchising also plays an important role in marketing and promotion activities. Shared advertising campaigns and a strong brand reputation contribute to customer trust and loyalty. As a result, franchised restaurants often demonstrate higher financial stability and faster return on investment compared to independent establishments [6].

Alongside specialization and franchising, digitalization has become a key driver of transformation in the restaurant industry. The active implementation of digital menus, automated ordering and payment systems, mobile applications, and interactive devices changes traditional service models and enhances operational efficiency. Digital solutions reduce staff workload, minimize human error, and improve order accuracy [4].

A particularly important innovation is dynamic pricing, which allows restaurants to adjust prices depending on demand, time of day, or day of the week. This mechanism helps optimize customer flow, increase occupancy during off-peak hours, and maximize overall profitability.

Thus, digital technologies not only improve customer satisfaction but also serve as a strategic tool for revenue management in modern restaurant enterprises.

Overall, the combination of specialization, franchising, and digitalization forms an integrated development model for modern restaurant enterprises. These elements allow businesses to respond flexibly to market changes, optimize internal processes, and strengthen competitive positions. Consequently, the successful integration of these trends becomes a decisive factor in ensuring long-term sustainability and growth in the restaurant industry.

2.2. The role of themed restaurants in Ukraine and Europe

Alongside technological and organizational changes, themed restaurants are gaining increasing importance in the restaurant industry. These establishments focus on creating a unique atmosphere and emotional experience, transforming dining from a routine activity into a memorable cultural event. Thematic concepts often combine gastronomy with history, art, entertainment, or storytelling, which strengthens emotional engagement and customer loyalty [1].

In Ukraine, themed restaurants are actively developing and often rely on national history, cultural traditions, and local identity. Such establishments contribute to the preservation and popularization of cultural heritage while attracting both domestic visitors and tourists. Themed restaurants based on historical narratives, folklore, or national symbols create a distinctive market niche and enhance the competitiveness of the restaurant sector [2].

In European countries, themed restaurants are characterized by greater diversity and conceptual experimentation. They include historical, futuristic, immersive, and extreme formats that offer visitors unconventional dining experiences. These establishments have already become an integral part of the urban restaurant landscape and are often included in tourist routes and city branding strategies.

The growing popularity of themed restaurants is largely driven by consumers' desire for emotions, originality, and immersive experiences. Modern guests increasingly seek not only high-quality food but also impressions that can be shared through social media. Visually attractive interiors and unique concepts significantly increase online visibility and free promotional opportunities [5].

Furthermore, themed restaurants play an important role in the development of gastronomic tourism. They contribute to the attractiveness of cities and regions by offering unique experiences that distinguish destinations from competitors. As a result, themed restaurant concepts are becoming a strategic tool not only for individual entrepreneurs but also for regional tourism development.

3. Conclusions

The study demonstrates that the restaurant industry is developing under the influence of technological innovation, changing consumer preferences, and increasing competition. Specialization, franchising, and digitalization have become key factors in improving the efficiency and sustainability of restaurant enterprises.

The research also confirms the growing role of themed restaurants as an effective tool for creating unique consumer experiences and supporting gastronomic tourism development in Ukraine and Europe. Further research should focus on evaluating the economic effectiveness of themed restaurant concepts and analyzing consumer behavior in experiential dining formats.

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ECONOMIC SANCTIONS IN THE CONTEMPORARY WORLD ORDER: EFFECTIVENESS, LEGAL CHALLENGES AND GLOBAL CONSEQUENCES

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Biloienko M. M., Radchenko O. I. Economic sanctions in the contemporary world order: effectiveness, legal challenges and global consequences. The article examines economic sanctions as one of the key non-military instruments of influence in the contemporary world order. The study defines the concept and main types of sanctions, identifies the principal actors and mechanisms of their implementation, and evaluates their effectiveness as a foreign policy tool. Special attention is paid to legal challenges related to unilateral and extraterritorial sanctions, as well as to their global economic and social consequences for target states and third countries.

Keywords: economic sanctions, international law, world order, global economy, foreign policy, effectiveness, legal challenges.

Білоєнко М. М., Радченко О. І. Економічні санкції у сучасному світовому порядку: ефективність, правові виклики та глобальні наслідки. У статті розглядаються економічні санкції як один із ключових немілітарних інструментів впливу у сучасному світовому порядку. Визначено сутність та основні види санкцій, охарактеризовано головних діячів і механізми їх запровадження, а також оцінено ефективність санкційної політики. Особливу увагу приділено правовим викликам односторонніх та екстериторіальних санкцій і їх глобальним економічним та соціальним наслідкам для держав-об'єктів та третіх країн.

Ключові слова: економічні санкції, міжнародне право, світовий порядок, глобальна економіка, зовнішня політика, ефективність, правові виклики.

1. Introduction

Economic sanctions have become one of the most popular tools for legal and economic international influence in the world community. Sanctions are imposed by states and international organizations in response to violations of international law, armed conflicts, threats to international security, and violations of human rights. The spread and frequency of sanctions regimes testify to their crucial role in determining the character of international relations and the global economic system.

However, the issue of whether economic sanctions are efficient and legitimate is still debated both by scholars and politicians. The intention of sanctions is to alter the behavior of the target states without the use of military force, however, their actual effect on political decision-making, economic stability, and social conditions is often doubtful. Besides, the growth in the number of unilateral and extraterritorial sanctions causes legal issues concerning state sovereignty, observance of international law, and negative repercussions for the world economy and third countries. These reasons make this study relevant.

The relevance of the study is determined by the increasing role of economic sanctions in international economic and legal relations and the need to assess their effectiveness and global impact in a rapidly changing world.

The object of the study is the system of international economic relations in the contemporary world order.

The subject of the study is one of the most powerful instruments of foreign influence, economic sanctions, including policy effectiveness, legal challenges, and global economic and social repercussions.

The aim of the study is to analyze the role of the economic sanctions in the contemporary world order and to assess their effectiveness, legal foundations, and global consequences.

The following **tasks** are set to achieve the purpose:

1. to define the concept and main types of economic sanctions;
2. to identify the key actors and mechanisms of sanctions implementation;
3. to assess the effectiveness of economic sanctions as a foreign policy tool;
4. to examine the legal challenges associated with sanctions policy;
5. to determine the global economic and social consequences of economic sanctions.

2. Economic sanctions in the contemporary world order

2.1. Concept and types of economic sanctions

Economic sanctions refer to a set of measures of political and external economic influences that restrict the economy of a country, they are imposed by individual countries or by international organizations in order to change the behavior of a country or a non-military group without using military force. Their aim is to restrict or suspend the normal trading, financial, and investment relations so that the target country feels obliged to change its policies or actions and make them consistent with international norms or the expectations of the sanctioning actors. Besides trade restrictions, economic measures may also include financial ones, such as *asset freezes*, *investment bans*, and other forms of economic pressure on the interaction of the subjects of international relations [9].

Economic sanctions are classified according to various criteria. For instance, based on the nature of the actors involved, sanctions can be *unilateral*, i.e., sanctions imposed by a single state, or multilateral sanctions, where a group of states or an international organization such as the United Nations Security Council or the European Union impose the sanctions. Depending on their scope and content, these limitations are generally classified as trade sanctions that limit or prohibit trade operations, financial sanctions that may include asset freezes and limitations on financial transactions, and sectoral ones aimed at the key sectors of the target country's economy. This classification makes it possible to separate various types of economic pressures depending on their goals and the ways they are carried out [2; 8].

2.2. Actors and mechanisms of sanctions implementation

Economic sanctions major players are on one side—sovereign states and on the other side—international organizations. For example, the United Nations, through the Security Council, can impose sanctions to restore international peace and security, which makes such steps lawful under

international law. Besides, regional organizations, especially the European Union, are very influential actors in the field and actively use sanctions as a tool to protect human rights and guarantee world peace. Moreover, coalitions of like-minded states usually take such steps together, to put the brakes on countries that are engaged in aggression and serious violations of international law. The mechanisms of sanctions are about the features of governmental and legislative decisions that not only introduce sanction regimes but also provide the control of their enforcement [5].

On the international level, the UN Security Council sanctions resolutions are adopted through voting procedures and are mandatory for all member states. Inside the EU, sanctions decisions derive from politically coordinated positions of member states and contain practical mechanisms for monitoring and compliance. Locally, government institutions like ministries of finance or foreign affairs set out lists of entities under sanction and create control mechanisms such as *financial flow monitoring* and limitations in getting access to international capital markets [6].

2.3. Effectiveness of economic sanctions

The effectiveness of economic sanctions remains a key point of debate in contemporary research. Their efficiency is mostly measured by their ability to reach the set political or economic goals, such as getting a target state to alter its policies or stop aggressive behaviors. Real-world data present a variety of outcomes: on the one hand, in some situations, economic sanctions have a considerable impact on the country's macroeconomic indicators, including GDP growth and income levels, while in other cases, they fail to achieve the desired political results [4].

As a matter of fact, after the Russian full-scale invasion in 2022, the sanction regimes established by Western states against Russia caused a serious negative effect on the economy, including the decline in GDP in comparison with the forecasted level, the decrease in household incomes, and restricted access to financial resources of both public and private sectors. Meanwhile, the attainment of political goals, such as a total stop of the military actions, is still very much doubtful. Hence, the performance of economic sanctions hinges to a large extent on their economic consequences, but it is also influenced by political, institutional, and international factors in the background [1].

2.4. Legal challenges of economic sanctions

The legal foundation for the deployment of economic sanctions differs with the entity that is imposing the sanctions. The United Nations Security Council *multilateral sanctions* enjoy legal validity at the international level under Article 41 of the UN Charter, which provides for non-military measures in response to threats to peace or grave violations of international norms. In contrast, sanctions imposed unilaterally by single countries are normally based on the national law

of the imposing country, which quite often causes issues being raised as to their compatibility with international laws [3].

Among the main legal issues, the question of the validity of such measures in relation to the non-intervention in the internal affairs of states principles and the possible breach of international economic obligations arise. In particular, sanctions can clash with certain provisions of international trade law and also impact the rights and interests of third countries, thus resulting in legal disputes and political tensions at the international level. Within this framework, economic sanctions are a complicated nexus of international law, economic policy, and geopolitical interests, thus they require not only setting political goals but also observing legal norms [7].

2.5 Global economic and social consequences of sanctions

Sanctions of an economic nature do not only affect the condition of a target country but also have repercussions on the world economy and social situation at a bigger scale. Impeding trade and imposing financial limitations usually result in the existing of the targeted economy to decrease due to reduced foreign trade, among other factors such as losing access to financial markets and investment, and a decline in economic activity. On a worldwide level, these political decisions may jeopardize international supply chains and lead to instability in markets for goods and services [3].

The list of social consequences includes worsening living standards of people in countries under sanctions because of price increases, growing unemployment, and limited access to basic commodities. It can thus lead to the emergence of many humanitarian issues that may last for years like living standards getting worse and access to medical supplies or technologies becoming increasingly restricted which leads to social instability and a deterioration of the overall well-being of the population [7].

3. Conclusions

In summary, one of the most common non-military tools of international influence and a defining characteristic of the modern world order are economic sanctions. Their growing role is a reflection of the increasing reliance on legal and economic pressure as a substitute for direct armed conflict when dealing with threats to international security and violations of international norms.

Economic sanctions show both their advantages and disadvantages in this situation. Coordinated sanction regimes can have a substantial impact on national economies and limit access to international markets and financial resources, but it is still unclear if they will result in predictable political outcomes. Furthermore, the growing use of extraterritorial and unilateral actions creates tensions within the international legal and economic system and raises important legal issues.

Meanwhile, the worldwide effects of sanctions do not end with the states that are their targets, but they also affect the flow of goods across the world, the networks of resources, and the living conditions of people. For this reason, it is necessary to keep in mind that they are only circumstances under which the use of economic sanctions is appropriate rather than a global remedy. Such a tool needs a proper legal basis, cooperation among the countries in the world, and constant evaluation of the repercussion of these measures on the planet as a whole.

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THE ROLE OF FOREIGN LANGUAGES IN THE DEVELOPMENT OF INTERNATIONAL TOURISM

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Bondarenko V. A., Ilchenko V. V. The role of foreign languages in the development of international tourism. The article examines the role of foreign languages in the development of international tourism under conditions of globalization. Special attention is paid to foreign language proficiency as a key factor in effective communication between tourists and service providers. The study analyses how language skills influence the quality of tourist services, customer satisfaction, and the competitiveness of tourism destinations in the global market.

Keywords: communication, competitiveness, foreign languages, globalization, international tourism, tourist services.

Бондаренко В. А., Ільченко В. В. Роль іноземних мов у розвитку міжнародного туризму. У статті розглянуто роль іноземних мов у розвитку міжнародного туризму в умовах глобалізації. Особливу увагу приділено володінню іноземними мовами як ключовому чиннику ефективної комунікації між туристами та надавачами туристичних послуг. Проаналізовано вплив мовної компетентності на якість туристичного обслуговування, рівень задоволеності клієнтів і конкурентоспроможність туристичних дестинацій на світовому ринку.

Ключові слова: глобалізація, іноземні мови, комунікація, конкурентоспроможність, міжнародний туризм, туристичні послуги.

1. Introduction

International tourism is one of the fastest-growing sectors of the global economy and plays a significant role in economic development, cultural exchange, and international cooperation. In the context of globalization, tourism increasingly depends on effective communication between people representing different linguistic and cultural backgrounds. Therefore, the ability to use foreign languages has become an essential component of professional competence in the tourism industry.

The relevance of this study lies in the growing importance of foreign languages as a tool for ensuring high-quality tourist services and successful interaction between tourists and service providers. Language barriers often cause misunderstandings, reduce customer satisfaction, and negatively affect the image of tourist destinations. As noted by researchers, multilingual communication contributes to better service quality, trust building, and the overall competitiveness of tourism enterprises in the international market.

A brief overview of recent studies shows that scholars emphasize the close connection between language proficiency and tourism development. Many works focus on English as the dominant language of international tourism, while others analyse the role of multilingualism in improving intercultural communication and enhancing tourists' experiences [2, p. 14; 10, p. 58]. However, the practical role of foreign languages in ensuring sustainable development of international tourism still requires further analysis, particularly in the context of service quality and destination competitiveness.

The object of this research is international tourism as a sphere of economic and intercultural interaction. *The subject* of the research is the role of foreign languages in the development of international tourism. *The aim* of the article is to analyse the importance of foreign language proficiency for the effective functioning and development of international tourism. To achieve this aim, the following *tasks* have been set:

- to define the role of foreign languages in international tourism;
- to analyse the impact of language skills on the quality of tourist services;
- to identify the influence of foreign language competence on the competitiveness of tourism destinations.

2. The Role of Foreign Languages in International Tourism

2.1. Foreign Languages as a Tool of Intercultural Communication

Foreign languages play a crucial role in the functioning and development of international tourism. Tourism is based on direct interaction between people, and language serves as the main instrument of communication, information exchange, and service delivery. The ability to communicate in foreign languages allows tourism professionals to meet tourists' needs more effectively and to avoid cultural and communicative misunderstandings [4, p. 120; 7, p. 315].

In the modern tourism market, foreign language competence is no longer an additional advantage but a necessary requirement. Global competition among destinations encourages tourism enterprises to invest in staff language training in order to improve service quality and strengthen their international image.

International tourism involves communication between representatives of different cultures, traditions, and value systems. In this context, foreign languages act as a bridge that enables mutual understanding and tolerance. Effective intercultural communication helps tourists feel more comfortable and safer in a foreign environment, which positively influences their overall travel experience.

English is widely recognized as the main language of international tourism; however, the importance of other foreign languages is constantly increasing. Knowledge of tourists' native languages contributes to personalized services and demonstrates respect for cultural diversity. Researchers emphasize that multilingual communication reduces cultural barriers and enhances trust between tourists and service providers [1, p. 45; 5].

Moreover, foreign languages facilitate access to cultural heritage, local traditions, and historical information [9, p. 102]. Guided tours, informational materials, and customer support in several languages significantly improve tourists' perception of a destination and encourage repeat visits.

2.2. Influence of Foreign Language Proficiency on Service Quality and Competitiveness

High-quality tourist services largely depend on the level of foreign language proficiency of tourism personnel. Employees who are able to communicate fluently with international clients can better understand their expectations, provide accurate information, and resolve potential problems efficiently. As a result, customer satisfaction and loyalty increase [3, p. 210; 6, p. 305].

From an economic perspective, foreign language skills enhance the competitiveness of tourism enterprises and destinations. Countries and regions that invest in multilingual services gain advantages in attracting international tourists and expanding their presence in the global tourism market [8; 7, p. 12]. According to studies, destinations with a high level of linguistic accessibility are perceived as more welcoming and professional.

Thus, foreign language competence is directly connected with sustainable tourism development. It supports long-term economic growth, improves international cooperation, and strengthens the positive image of tourism destinations worldwide.

3. Conclusions

The study confirms that foreign languages play a vital role in the development of international tourism in the modern globalized world. Language competence is not only a means of communication but also a key factor influencing service quality, tourist satisfaction, and the overall image of tourism destinations.

The research shows that foreign languages facilitate effective intercultural communication, reduce cultural barriers, and contribute to better mutual understanding between tourists and service providers. Special emphasis has been placed on the role of English as the dominant language of international tourism, as well as on the growing importance of multilingualism in meeting the diverse needs of international travellers.

Furthermore, the analysis demonstrates that foreign language proficiency significantly increases the competitiveness of tourism enterprises and destinations in the global market. Investments in language training for tourism professionals lead to higher service standards, stronger customer loyalty, and sustainable tourism development.

The practical significance of this study lies in the possibility of applying its results in the professional training of tourism specialists and in the development of strategies aimed at improving linguistic accessibility in the tourism sector. Prospects for further research are related to the analysis of the impact of digital technologies on language communication in international tourism.

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THE ROLE OF INNOVATION AND HUMAN CAPITAL IN INTEGRATION OF UKRAINE INTO THE KNOWLEDGE-BASED GLOBAL ECONOMY

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Chala O. O., Oliynyk N. A. The role of innovation and human capital in integration of Ukraine into the knowledge-based global economy. This article examines how innovation and human capital can drive Ukraine's integration into the knowledge-based global economy. It reviews theoretical links between skills, R&D, ICT and institutions, assesses war-related and migration-driven losses to education, research and talent, and highlights Ukraine's digital strengths – notably its IT sector and growing alignment with EU standards. The paper argues that targeted legal, infrastructural and human-capital measures can convert these strengths into higher-value digital exports and sustained, innovation-led growth.

Keywords: innovation, human capital, digitalisation, knowledge economy, integration, Ukraine.

Чала О. О., Олійник Н. А. Роль інновацій та людського капіталу в інтеграції України до глобальної економіки, заснованої на знаннях. У статті розглядається, як інновації та людський капітал можуть прискорити інтеграцію України в знаннєву глобальну економіку. Проаналізовано взаємозв'язок між навичками, НДДКР, ІКТ та інституціями, оцінено втрати в освіті, науці та кадрах через війну й міграцію, а також виокремлено цифрові переваги України – передусім ІТ сектор і наближення до європейських стандартів. Показано, що цілеспрямовані правові, інфраструктурні та кадрові заходи можуть перетворити ці переваги на експорт цифрових продуктів з високою доданою вартістю й забезпечити стає інноваційне зростання.

Ключові слова: інновації, людський капітал, цифровізація, знаннєва економіка, інтеграція, Україна.

1. Introduction

The contemporary global landscape is shaped by rapid technological change, intensifying geopolitical competition, and a rising premium on knowledge-intensive activities. Competitive advantage is no longer determined solely by natural resources or industrial capacity, but by intellectual capital, technological adaptability, and the ability to generate unique knowledge. In this context, the trajectory of national development relies heavily on the synergy between innovation ecosystems and the quality of human capital.

The relevance of this study is determined by the growing global transition toward a knowledge-based economy, in which innovation, digital transformation, and the development of human capital have become the principal determinants of economic competitiveness. For Ukraine, strengthening its innovation potential and developing skilled human resources are essential for successful post-war recovery and integration into the European and global economic space. Analyzing these factors is crucial for understanding Ukraine's ability to expand the production of knowledge-intensive products and secure a competitive position in international markets.

The object of the study is the economy of Ukraine in the context of post-war recovery and global digitalisation, while *the subject* focuses on the processes through which human capital and innovation are transformed into drivers of economic growth. *The aim* of the research is to determine the role of human capital within a knowledge-based economy and to assess the barriers and prospects for Ukraine's integration into European and global digital markets, including an analysis of the nature of the knowledge-based economy, the specific contribution of human capital

to value creation, the impact of war and migration on economic development, and the opportunities for Ukraine's further integration into international digital ecosystems.

2. Ukraine's Entry into the Knowledge-Based Global Market

2.1. Theoretical foundations of the knowledge-based economy and the role of human capital

The transition to a knowledge-based economy represents a paradigm shift in global development, moving beyond traditional factors of production like land and physical capital. The knowledge economy is fundamentally «an economy based on the production, distribution, application and use of knowledge» [6, p. 106]. In this new paradigm, knowledge itself becomes the primary driver of growth, competitiveness, and sustainable development, replacing or significantly augmenting the role of natural resources and physical labor.

The concept of the knowledge-based economy synthesizes traditional human capital theory with modern approaches to innovation systems. Fundamentally, this perspective treats human capital as a vital production asset. However, recent studies emphasize that this asset generate the highest returns only when integrated into a larger network. By aligning human talent with research and development (R&D), information and communications technology (ICT) infrastructure, and supportive state institutions, an economy creates an «innovation ecosystem» capable of converting intellectual potential into tangible goods and services [1, p. 52].

Within that ecosystem, human capital plays three interlocking roles. First, it exists as a foundational stock of competencies so that the technical proficiency and cognitive skills of the workforce serve as the primary engine for idea generation and R&D capability. Second, it functions as a dynamic adaptive process. Through mechanisms of lifelong learning and upskilling, human capital strengthens an economy's ability to absorb and apply new knowledge, enabling the workforce to adapt to rapid technological changes and ensuring the effective diffusion of innovations across sectors. For countries in transition from resource- or labor-intensive models a successful shift to a knowledge-based economy depends on synchronizing human capital development with innovation policy and institutional reform [7, p. 7].

2.2. Barriers to Ukraine's economic development: the impact of the war and migration

The full-scale invasion has produced widespread destruction of infrastructure, disrupted markets and large fiscal needs for recovery, forcing the state to reallocate resources to defence and emergency relief rather than investment and innovation. International assessments estimate

hundreds of billions in reconstruction needs, with multiyear financing and reconstruction plans required to restore productive capacity and public services [8, p. 24].

Beyond physical destruction, the war has inflicted substantial damage on human capital of Ukraine. School closures, interruptions to university programs and reduced access to health services have weakened skill formation and undermined the foundations of a knowledge-based economy. The emigration of researchers, engineers and other highly skilled workers has further destroyed the national innovation system, narrowing the pipeline of future specialists, innovators and managers. Such losses limit the country's capacity to adopt advanced technologies, reduce productivity growth and weaken its prospects for integration into global value chains [9, pp. 21–22].

Migration and demographic changes make the situation even more difficult. Millions of people have moved abroad or been displaced inside the country. Some regions now face a shortage of workers, while others have lost many young and educated people. In the long term, population decline can reduce the tax base, limit domestic demand and shrink the pool of talent needed for research, innovation and entrepreneurship. Changing patterns of money transfers from abroad and household consumption also complicate macroeconomic planning [3, p. 3].

The war has also highlighted and deepened existing institutional weaknesses. Regulatory uncertainty, limited access to financing, low investment in research and development and persistent governance problems restrict the ability of firms to innovate and modernise [5, p. 17]. International assistance and concessional finance are critical for relief and reconstruction, but their long-term effectiveness depends on how they are channelled into durable human-capital, digital and institutional capacities rather than only short-term needs.

2.3. Prospects of Ukraine's integration into the European and global digital markets

Ukraine's digital integration prospects rest on two complementary opportunities: access to the EU Digital Single Market (DSM) and expansion into global digital value chains. Closer DSM alignment would open Ukrainian firms to a much larger market for digital services, reduce cross-border frictions for e-commerce and cloud services, and create incentives for domestic firms to adopt EU technical and data-protection standards, which are identified as strategically important for Ukraine's competitiveness in the medium term [4, p. 66].

The economic upside is significant if reforms are implemented coherently. Analytical work shows that DSM integration can boost digital exports, attract foreign direct investment into ICT and platform services, and stimulate domestic digital entrepreneurship by improving access to EU customers and procurement opportunities. Ukraine's IT services exports and software development capabilities already provide a strong base: scaling these activities toward higher-value segments (cloud platforms, SaaS, cybersecurity, fintech) could multiply export

revenues and create spillovers into R&D and higher education. Continued monitoring of implementation and targeted technical assistance will be essential to translate laws on paper into practical coordination between systems and market access [2, p. 9].

Ukraine's prospects for joining European and global digital markets are strong, but they depend on several critical factors: aligning national legislation with international standards, investing in modern digital infrastructure, and retaining qualified human capital. These elements will determine whether Ukraine evolves into a long-term exporter of high-value digital products and services or remains limited to lower-margin market segments [10].

3. Conclusions

Ukraine can realistically enter the knowledge-based global market, but the transition is urgent and demanding. Knowledge, human capital and integrated innovation systems must replace reliance on natural resources and low-value activities. Achieving this requires aligned investments in skills, R&D, ICT infrastructure and effective institutions. The full-scale war and mass migration have severely damaged infrastructure, disrupted education and research, and caused significant losses of skilled personnel. These shocks have also deepened regulatory, financing and education weaknesses. At the same time, Ukraine retains clear strengths: a resilient IT sector, strong software export capacity and growing policy alignment with European digital standards. Those assets create a practical opening to the EU Digital Single Market and global digital value chains. Realising that opportunity depends on coherent legal harmonization, targeted infrastructure investment and measures to retain and rebuild human capital. If reforms are well coordinated, Ukraine can scale into higher-value digital services and attract foreign direct investments in ICT. Success will turn intellectual potential into lasting, innovation-led growth rather than a temporary recovery.

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INTÉGRATION ÉCONOMIQUE DES MIGRANTS EN FRANCE : OBSTACLES AFFECTANT LA PRODUCTIVITÉ ET LES REVENUS

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Chegodar A., Bezvesilna N. T. Intégration économique des migrants en France : obstacles affectant la productivité et les revenus. Cet article analyse les spécificités de l'intégration économique des migrants en France dans le contexte des migrations contemporaines au sein de l'Union européenne. Il examine l'évolution du modèle français, de l'assimilation à la politique d'immigration sélective. Les principaux obstacles à la productivité du travail et aux revenus des migrants sont identifiés, notamment la discrimination sur le marché du travail, les barrières linguistiques, les contraintes administratives et l'inadéquation des qualifications. Une attention particulière est portée à l'intégration des migrants ukrainiens contraints à l'exil en France.

Mots-clés : France, intégration économique, migration de main-d'œuvre, productivité du travail, immigration sélective, discrimination, migrants ukrainiens.

Чегодар А., Безвесільна Н. Т. Економічна інтеграція мігрантів у Франції: бар'єри, які впливають на продуктивність і доходи. У статті проаналізовано особливості економічної інтеграції мігрантів у Франції в контексті сучасних міграційних процесів у Європейському Союзі. Розглянуто еволюцію французької моделі від асиміляції до політики «вибіркової імміграції». Визначено ключові бар'єри, що впливають на продуктивність праці та рівень доходів мігрантів, зокрема: дискримінація на ринку праці, мовні перешкоди, адміністративні обмеження та невідповідність кваліфікації. Окрему увагу приділено специфіці інтеграції українських вимушених мігрантів у Франції.

Ключові слова: Франція, економічна інтеграція, трудова міграція, продуктивність праці, вибіркова імміграція, дискримінація, українські мігранти.

1. Introduction

La France a toujours été l'un des principaux pays d'accueil de migrants en Europe, occupant des positions de premier plan en termes de nombre d'étrangers admis, même avant le début de la phase aiguë de la crise migratoire en 2015. Dans le contexte de la mondialisation et des mutations démographiques, les migrants sont perçus comme une ressource importante pour le développement économique, capable de pallier les pénuries de main-d'œuvre et de contribuer à la croissance du PIB.

Cependant, le potentiel des migrants reste souvent inexploité en raison de nombreux obstacles qui entravent leur pleine intégration économique. La sous-utilisation du capital humain des migrants entraîne une baisse de leur productivité et de leurs revenus, et alourdit le fardeau du système social. L'analyse des sources met en évidence la nécessité d'améliorer les mécanismes d'adaptation afin d'accroître l'efficacité économique du potentiel migratoire.

L'objectif de cet article est d'identifier les principaux obstacles à l'intégration économique des migrants en France et d'analyser leur impact sur la productivité du travail et les niveaux de revenus.

2. Transformation du modèle d'intégration : de l'assimilation à la sélectivité

Historiquement, la politique d'immigration de la République Française reposait sur le modèle d'assimilation, qui prévoyait l'intégration complète des nouveaux citoyens dans la société sur la base de l'égalité politique et d'une orientation vers l'unité culturelle et ethnique. La France

considérait les migrants, en particulier ceux des anciennes colonies (les pays du Maghreb), comme faisant partie de son espace culturel [1, p. 134].

La France considérait les migrants, notamment ceux originaires des anciennes colonies (pays du Maghreb), comme faisant partie de son espace culturel [2, p. 52].

Cependant, les événements des dernières décennies, notamment la crise migratoire, ont démontré que le modèle d'intégration traditionnel a atteint ses limites. Face à ces nouveaux défis, la France a adopté en 2006 une loi sur l'immigration qui a introduit la notion d'«immigration sélective». Cette approche a rendu la procédure de régularisation plus difficile pour les migrants en situation irrégulière et a recentré les efforts sur l'attraction des étrangers dont le pays a un besoin urgent en termes de services et de compétences.

Ces politiques affectent directement les revenus des migrants : les professionnels hautement qualifiés reçoivent un «feu vert», tandis que les travailleurs peu qualifiés se heurtent à des obstacles pour accéder au marché du travail légal, ce qui les pousse vers l'économie souterraine avec une faible productivité et un manque de garanties sociales [1, p. 142].

2.1. Obstacles à la productivité et aux revenus élevés

L'intégration économique implique l'égalité des chances pour une vie digne, indépendante et active dans le pays d'accueil. Cependant, en France, plusieurs facteurs entravent ce processus :

1) Discrimination et accès au marché du travail. Malgré les garanties légales, les migrants en France sont confrontés à la discrimination. Le Comité des Nations Unies pour l'élimination de la discrimination raciale s'est dit préoccupé par la discrimination dont sont victimes les migrants en France en matière d'accès à l'emploi et au logement. L'accès restreint au marché du travail entraîne pauvreté, exclusion sociale et perte de compétences [4, p. 73].

2) Le problème de la reconnaissance des qualifications. Malgré des qualifications élevées, les migrants sont souvent contraints d'occuper des emplois hors de leur domaine de compétences en raison des difficultés rencontrées pour faire reconnaître leurs diplômes. Ce phénomène, connu sous le nom de « gaspillage de cerveaux », réduit directement la productivité, le capital humain étant utilisé de manière inefficace [3, p. 102].

3) Barrière linguistique et éducation. La maîtrise de la langue est un facteur déterminant pour l'accès à des emplois bien rémunérés. La France alloue des financements ciblés aux établissements scolaires afin de créer des classes spécialisées pour les enfants issus de l'immigration, ce qui devrait faciliter leur scolarisation. Toutefois, pour les migrants adultes, la barrière linguistique demeure un obstacle majeur, limitant leurs perspectives d'emploi aux secteurs à faible valeur ajoutée [3, p. 123].

2.2. Spécificités de l'intégration des migrants ukrainiens en France

L'exode massif des Ukrainiens suite au début de la guerre en 2022 a constitué un nouveau défi pour le système d'intégration français. Fin 2022, plus de 100 000 Ukrainiens se trouvaient en France. L'intégration de ce groupe présente des caractéristiques spécifiques qui influent fortement sur leurs revenus, notamment un taux d'emploi extrêmement faible, qui, selon les études, n'était que d'environ 15 %, nettement inférieur aux indicateurs polonais.

Cette situation s'explique en grande partie par les barrières linguistiques et la diaspora ukrainienne relativement faible, qui pourraient faciliter la recherche d'emploi par le biais des réseaux sociaux, ainsi que par le coût élevé de la vie en France, qui compense une partie des revenus des migrants et rend l'effet économique de leur séjour moins tangible par rapport aux pays d'Europe de l'Est [5].

3. Conclusions

L'intégration économique des migrants en France s'inscrit dans un contexte de transition d'un modèle d'assimilation totale à une politique pragmatique d'immigration sélective. Bien que la France demeure l'un des principaux pays d'accueil au sein de l'UE, les obstacles existants limitent considérablement la productivité du travail et les revenus des migrants. Les principaux obstacles sont la discrimination sur le marché du travail, la difficulté à justifier des qualifications et des exigences administratives strictes [4, p 77].

L'expérience des migrants ukrainiens confirme que, sans programmes linguistiques efficaces et sans mécanismes d'accès rapide au marché du travail, même les migrants les plus qualifiés (notamment environ 70 % des ukrainiens sont les plus qualifiés) sont confrontés à de faibles taux d'emploi. Pour accroître les retombées économiques de l'immigration, la France doit améliorer sa politique de lutte contre les discriminations et créer des conditions plus favorables à l'insertion professionnelle des étrangers [5].

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ENVIRONMENTAL REGULATION AND EU INDUSTRIAL COMPETITIVENESS

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Chepurnyi V. O., Meleshchenko O. O. Environmental regulation and EU industrial competitiveness. This article examines the impact of environmental regulation on the competitiveness of European Union industries. It focuses on the role of EU policies in promoting innovation, technological upgrading, and sustainable production, particularly in green energy sectors such as wind turbines, biofuels, and solar panels. The study analyzes trade patterns, adjustment costs, and sectoral vulnerabilities, highlighting how regulatory frameworks can simultaneously support environmental objectives and economic performance. The article also addresses challenges of the green transition, including uneven technological adaptation and market pressures, demonstrating the strategic significance of environmental regulation for the development of EU industries.

Keywords: environmental regulation, EU, green energy, industrial competitiveness, innovation, sustainable production.

Чепурний В. О., Мелешченко О. О. Екологічне регулювання та промислова конкурентоспроможність ЄС. У статті досліджується вплив екологічного регулювання на конкурентоспроможність промисловості Європейського Союзу. Особливу увагу приділено ролі політики ЄС у стимулюванні інновацій, технологічного оновлення та сталого виробництва, зокрема в секторах зеленої енергетики, таких як вітрові турбіни, біопаливо та сонячні панелі. Проаналізовано торговельні тенденції, витрати на адаптацію та секторальні вразливості, що дозволяє показати, як регуляторні рамки можуть одночасно підтримувати екологічні цілі та економічну ефективність. Також розглядаються виклики зеленої трансформації, зокрема нерівномірна технологічна адаптація та ринкові тиски, що демонструє стратегічне значення екологічного регулювання для розвитку промисловості ЄС.

Ключові слова: екологічне регулювання, ЄС, зелена енергетика, інновації, конкурентоспроможність промисловості, стале виробництво.

1. Introduction

Environmental regulation has become one of the defining features of economic governance in the European Union, shaping not only environmental outcomes but also the competitive landscape of EU industry. Over recent decades, the EU has positioned itself as a global leader in environmental and climate policy, introducing increasingly stringent regulations aimed at reducing greenhouse gas emissions, improving resource efficiency, and promoting sustainable production [3; 8; 9]. These policies have sparked an extensive academic debate [2; 6; 7; 10] regarding their economic implications, particularly their impact on industrial competitiveness.

Recent research continues to provide inconclusive evidence regarding the relationship between environmental regulation and industrial competitiveness in the European Union. Benatti, Groiss, Kelly, and Lopez-Garcia [2, p. 4] show that increased regulatory stringency is often associated with slower productivity growth among highly polluting firms in the euro area. Olasehinde-Williams and Ajide [7] indicate that positive competitiveness effects are more likely when green trade expansion is combined with balanced, rather than excessive, environmental policy stringency within the European Economic Area. Taken together, these findings suggest that the effects of environmental regulation are highly differentiated, underscoring the importance of this study in examining sectoral and regional variations within the EU and assessing whether

targeted regulatory approaches support long-term industrial resilience or increase the risk of firm relocation.

Despite these insights, ongoing transformations in global value chains, intensifying international competition, and the EU's ambitious climate agenda [9] necessitate renewed and systematic analysis. The question is no longer whether environmental regulation matters, but how it influences the ability of EU industries to remain competitive while transitioning toward sustainability. This stipulates the *relevance* of this research from both an economic and political perspective.

The *object* of this study is environmental regulation within the European Union, while the *subject* is its impact on the competitiveness of EU industry. The *aim* of this research is to assess how environmental regulations affect industrial competitiveness in the EU and to identify the conditions under which regulatory frameworks can support both environmental objectives and economic performance.

The *tasks* of this study are as follows:

1. To examine the role of environmental regulation in shaping EU industrial competitiveness.
2. To analyze the impact of EU environmental policies on competitiveness in key green energy sectors using Extra-EU trade data.
3. To identify major challenges and trends for EU industries within the green transition.

Addressing these tasks provides a conceptual and analytical foundation for understanding the complex interaction between environmental regulation and industrial competitiveness, and sets the stage for a deeper exploration of sustainable industrial development in the European Union.

2. Environmental regulation and EU industrial competitiveness

2.1. Functions and economic rationale of environmental regulations in the EU

Environmental regulations in the European Union primarily serve to address market failures linked to environmental externalities, such as pollution and excessive resource use. By internalizing environmental costs through standards, taxes, and market-based instruments, these regulations align private economic activity with societal interests [3, p. 7]. As a result, they enhance economic efficiency while reducing long-term environmental and health-related risks.

EU environmental regulations act as drivers of technological change and innovation. Regulatory pressure encourages firms to improve production processes, invest in cleaner technologies, and increase energy efficiency [10]. This approach reflects the idea that competitiveness increasingly depends on innovation capacity, particularly in industries adapting to sustainability-oriented growth models.

Environmental regulations contribute to the economic stability and strategic positioning of the EU industry. Harmonized standards within the single market reduce regulatory uncertainty and support fair competition, while ambitious environmental policies strengthen the EU's role as a global leader in sustainable development [10]. Firms that successfully adapt to these regulations can gain competitive advantages in emerging green markets, reinforcing the long-term economic rationale of EU environmental policy.

2.2. Environmental regulations and EU industry competitiveness in green energy trade

Environmental regulations and climate policy objectives have become decisive factors shaping the competitiveness of EU industries in the global green energy market. The structure of Extra-EU trade, that is, trade flows between the European Union and non-EU partner countries, in key renewable energy products reflects not only market demand but also the regulatory pressure arising from the European Green Deal, carbon neutrality targets, and sustainability standards [1].

The EU's trade flows in wind turbines, liquid biofuels, and solar panels in 2024 (see Fig. 1) reveal notable asymmetries between imports and exports, indicating different levels of industrial maturity and strategic dependence. These differences provide a basis for assessing how regulation affects sectoral performance.

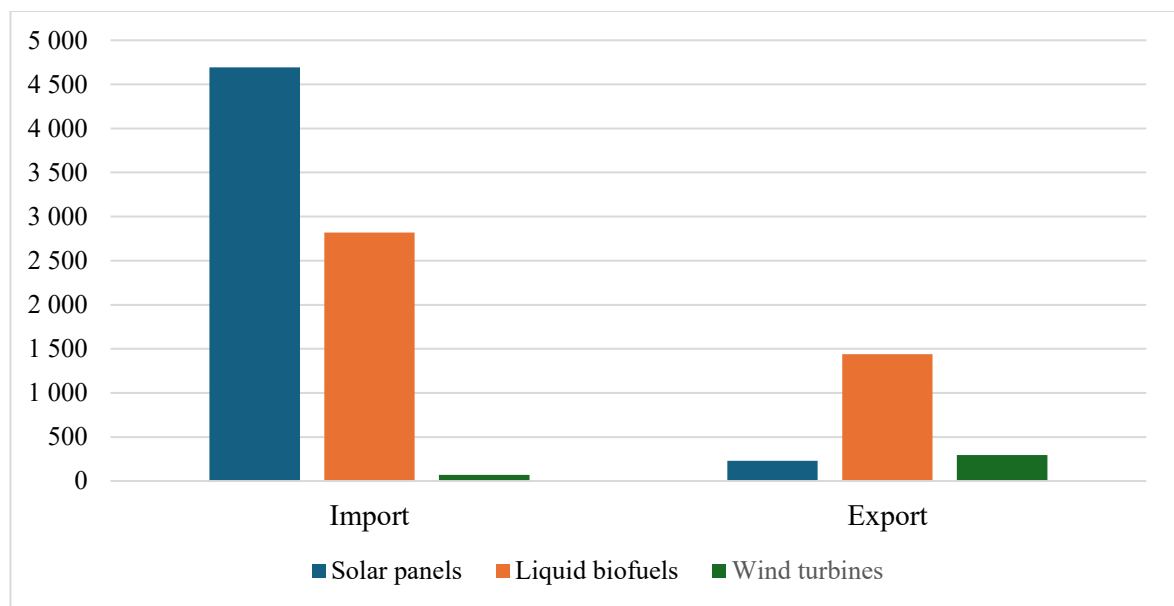


Figure 1. Structure of Extra-EU trade in selected green energy products, 2024 (based on [5]).

The wind turbine sector demonstrates the EU's strong competitive position. In 2024, exports amounted to €0.3 billion, significantly exceeding imports of €68 million. Export weight increased, while the number of exported turbines rose sharply. This growth indicates that environmental regulation has stimulated technological innovation and strengthened the EU's role as a supplier of high-value renewable energy equipment [5].

Liquid biofuels show a more balanced but constrained trade structure. Imports reached €2.8 billion, compared to exports of €1.4 billion, while both import and export volumes declined in physical terms in 2024. These trends reflect the sensitivity of biofuel markets to sustainability criteria, feedstock limitations, and regulatory restrictions on emissions and land use. As a result, environmental standards both support market stability and limit rapid trade expansion [5].

Solar panels remain the most import-dependent segment of the EU green energy trade. Imports totaled €4.7 billion in 2024, while exports accounted for only €0.2 billion [5]. Although export volumes increased, the EU continues to rely heavily on external suppliers. This imbalance highlights structural challenges such as higher production costs and strict regulatory compliance, which reduce price competitiveness in global markets.

2.3. Trends and challenges in the context of the green transition

The green transition is increasingly redefining the logic of global economic development. It is not limited to environmental policy alone, but extends into trade relations, investment strategies, and industrial organization. As sustainability becomes a core economic objective, market actors are required to operate within a framework where ecological considerations are embedded in everyday economic decisions rather than treated as external constraints [6].

At the market level, the growing complexity of regulation has changed how participants assess risk and opportunity. Commodity exchanges, traditionally focused on price efficiency, now reflect broader expectations related to sustainability, long-term supply security, and policy credibility.

However, the transition also generates friction. Industries face rising adjustment costs, while regulatory divergence across regions creates uncertainty for cross-border trade. Firms investing in cleaner technologies often encounter delayed returns, which may weaken their competitive position in the short run [4]. This tension highlights the difficulty of aligning environmental ambition with economic performance, particularly in globally competitive sectors.

Technological change does not advance at a uniform pace. Some sectors respond rapidly to policy incentives, while others remain constrained by infrastructure gaps or limited financial resources [8, p. 26]. As a result, the benefits of the green transition are unevenly distributed, reinforcing existing structural differences between industries and regions rather than eliminating them.

3. Conclusions

Environmental regulation has emerged as a central factor shaping the competitiveness of EU industries by influencing cost structures, innovation incentives, and long-term strategic positioning. The analysis of Extra-EU trade in key green energy sectors demonstrates a

differentiated impact of EU environmental policies, with technologically advanced and export-oriented industries, particularly in wind energy, benefiting from regulatory-driven innovation, while more import-dependent sectors, such as solar panel manufacturing, continue to face structural competitiveness challenges. Furthermore, biofuel-related industries exhibit a more constrained and regulation-sensitive competitiveness profile, reflecting sustainability criteria and feedstock limitations rather than clear export advantages. At the same time, the green transition exposes EU industries to rising adjustment costs, uneven technological adaptation, and increasing regulatory complexity. Nevertheless, environmental standards are progressively transforming from a short-term constraint into a source of strategic advantage, underscoring the importance of aligning environmental objectives with industrial development strategies to ensure sustained competitiveness in the transition toward a low-carbon economy.

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FOREIGN LANGUAGES AS A MEANS OF COMMUNICATION IN THE FIELDS OF INTERNATIONAL BUSINESS MANAGEMENT

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Chugianovi M., Koniashvili I. Foreign languages as a means of communication in the fields of international business management. Foreign languages play a crucial role in international business management in the context of globalization. This article examines the importance of foreign languages as a means of communication in international business, emphasizing multilingualism, intercultural competence, and language training. Special attention is paid to the role of English as a lingua franca, as well as the growing significance of other languages in global markets.

Keywords: business communication, globalization, international business, multilingualism, language competence.

Чугіанові М., Коніашвілі І. Іноземні мови як засіб комунікації у сфері міжнародного бізнес-менеджменту. Іноземні мови відіграють важливу роль у міжнародному бізнес-менеджменті в умовах глобалізації. Ефективна міжкультурна комунікація сприяє співпраці, зменшує непорозуміння та зміцнює довіру між діловими партнерами. У статті розглядається значення іноземних мов як засобу комунікації в міжнародному бізнесі з акцентом на багатомовність, міжкультурну компетентність та мовну підготовку фахівців.

Ключові слова: глобалізація, ділова комунікація, міжнародний бізнес, багатомовність, мовна компетентність.

1. Introduction

In the modern globalized world, communication across national borders has become an essential component of business activity. Foreign languages serve not only as tools for exchanging information but also as instruments for building trust and fostering intercultural understanding. *The relevance* of the study lies in the growing demand for multilingual professionals in international business. *The object* of the study is communication in international business management. *The subject* of the study is the role of foreign languages in effective business communication. *The aim* of the study is to analyze the importance of foreign languages as a means of communication in international business. *The tasks* of the study include defining the role of language in business communication, examining multilingualism, and identifying challenges and solutions related to language barriers.

2. Foreign Languages in International Business Communication

2.1. Importance of Communication in Business

Communication is a key factor in successful business management. It influences decision-making, teamwork, and cooperation with international partners. Clear and effective communication allows employees to understand organizational goals, ensures transparency in partnerships, and enhances client satisfaction. Language barriers, however, can lead to misunderstandings, errors, and reduced efficiency.

2.2. Globalisation and Language Diversity

Globalisation has expanded business activities into markets where English is not the native language. Although English remains the dominant business language, languages such as Chinese, Spanish, Arabic, and French are becoming increasingly important. Respect for linguistic diversity contributes to stronger international partnerships and long-term cooperation.

2.3. English as a Lingua Franca and the Value of Multilingualism

English is widely recognized as the lingua franca of international business. It is commonly used in negotiations, contracts, and corporate communication. Nevertheless, relying solely on English may cause cultural misunderstandings. Multilingualism provides companies with a competitive advantage by improving trust, strengthening relationships, and facilitating access to global markets.

3. Language, Culture, and Management

3.1. Cross-Cultural Management and Negotiation

Each language reflects a specific cultural mindset. In some cultures communication is direct, while in others it is indirect and polite. Understanding these differences is essential for effective management and negotiation. Knowledge of a partner's native language allows managers to better interpret intentions, emotions, and implicit meanings.

3.2. Communication Barriers and Technological Support

Despite its importance, mastering foreign languages requires time and effort. Misunderstandings may arise due to slang, cultural references, or pronunciation differences. Technological tools such as translation software and AI-based applications support communication, but they cannot replace human empathy and cultural awareness.

4. Language Training and Business Education

Modern business education emphasizes language learning and intercultural competence. Many business programs include foreign language and communication courses to prepare students for international careers. Multilingual employees contribute to improved market expansion, stronger internal communication, and enhanced corporate image.

5. Conclusions

Foreign languages are a fundamental element of international business management. They promote effective communication, reduce cultural barriers, and enhance cooperation in global markets. In the context of globalization, language competence is not optional but essential for

sustainable business success. Companies that invest in multilingualism and intercultural communication gain a significant advantage in the international business environment.

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THE INFLUENCE OF THE OIL AND GAS SECTOR ON GLOBAL MARKET STABILITY

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Dovha A. V., Davydenko I. V. The influence of the oil and gas sector on global market stability. This article offers an analysis of the impact of the oil and gas industry on the stability of the global market, considering economic, political, and environmental aspects. It discusses the role of major producers, market fluctuations, and energy transitions, highlighting both challenges and prospects for maintaining balance in the international economy.

Keywords: development, energy, global market, international economy, oil and gas industry, stability.

Довга А.В., Давиденко І.В. Вплив нафтогазового сектору на стабільність світового ринку. Ця стаття пропонує аналіз впливу нафтогазової промисловості на стабільність світового ринку з урахуванням економічних, політичних та екологічних аспектів. Розглядається роль основних виробників, ринкові коливання та енергетичні переходи, звертаючи увагу на виклики та перспективи збереження балансу в міжнародній економіці.

Ключові слова: енергетика, міжнародна економіка, нафтогазова промисловість, розвиток, світовий ринок, стабільність.

1. Introduction.

The oil and gas industry remains a core of the global economy, significantly affecting economic growth, inflation and monetary policies. Its influence extends beyond economics, touching political decisions and environmental strategies worldwide. The sector's importance lies not only in energy production but also in its role in shaping global market stability [5; 7; 9].

The **object** of the study is the global market as an interconnected system influenced by the oil and gas sector. The **subject** of the study is the economic and political processes associated with the functioning of the oil and gas industry, as well as its impact on global market stability. The **purpose** of this work is to analyze how the oil and gas sector affects the stability of the world market, to identify the main factors causing market fluctuations, and to outline possible strategies for reducing instability. The **relevance** of this article lies in the increasing importance of energy resources in shaping global economic security and the need to ensure market stability amid geopolitical tensions and energy transitions.

The impact of oil and gas on economic growth is evident through historical events and contemporary trends. Price fluctuations directly influence industrial output, transportation, and overall productivity. For example, the 1973 oil crisis revealed how sudden price increases can cause global slowdowns, affecting both exporters and importers. Similarly, the 2008-2009 global recession demonstrated the interconnectedness of energy markets and financial stability. Oil price surges, combined with new gas discoveries and production increases, contributed to severe economic contractions in countries such as Greece, Spain, Ireland and Portugal [7; 9; 11; 13; 14].

Inflation is another area heavily affected by oil and gas prices. Oil is a core component in manufacturing and logistics, so changes in its price influence through the economy. When prices

rise, energy and transportation costs increase, reducing purchasing power and raising the cost of living. Research from BBVA (2024) notes that high oil prices generally accelerate inflation, although the relationship is complex and influenced by multiple macroeconomic factors. The IMF highlighted that the drop in oil prices after 2014 did not stimulate global growth as expected, partly due to currency fluctuations and decreased energy investments [1; 6; 9].

Governments respond to these fluctuations with fiscal and monetary adjustments. Central banks may modify interest rates to counter inflation, while subsidies and price controls help protect consumers. During the 2008 price increase, numerous countries implemented fiscal measures to stabilize economies. Similarly, volatility affects the balance of payments, international reserves, and broader economic policy planning, particularly for oil-importing nations [11; 13].

Global oil and gas prices are shaped by supply and demand dynamics, geopolitical tensions, technological innovations, and market speculation. Increased global demand, driven by industrial growth or economic recovery, generally pushes prices upward, while energy-saving policies or recessions reduce demand. Technological advances, such as fracking – a method of extracting oil and natural gas from shale formations by injecting a high-pressure mixture of water, sand and chemicals into the well to create fractures in the rock – have expanded supply, particularly in the United States, affecting global pricing dynamics. OPEC's production decisions, whether increasing or reducing output, have immediate consequences on prices. Cooperation and competition among major producers, including Russia and the United States, further influence market stability [2; 5; 8; 12; 14].

Speculative activities in futures markets intensify price fluctuations. Anticipated conflicts in producing regions can lead to price increases even without actual supply changes. Environmental policies and the transition to renewable energy are additional long-term factors. Carbon taxes, subsidies for clean energy and the adoption of electric vehicles gradually reduce oil demand, reshaping market dynamics [4; 6; 11].

The effects of oil and gas differ between exporting and importing economies. Export-oriented countries like Saudi Arabia and Russia rely heavily on energy revenues for government budgets. In Saudi Arabia, over 70% of state revenue comes from oil exports, while Russia obtains around 40% from energy. Sharp price drops can destabilize these economies, especially during geopolitical crises or sanctions. Sovereign wealth funds, such as Saudi Arabia's Public Investment Fund and Russia's National Welfare Fund, are used to mitigate risks and stabilize finances [5; 7; 14].

Import-dependent countries, such as Japan and Germany, face challenges from rising energy costs, affecting industrial productivity and household expenses. Transitioning to renewable energy serves both as an economic strategy and an environmental necessity, reducing reliance on fossil fuels and safeguarding these economies from volatility. Emerging economies, heavily reliant on

oil revenue, are particularly vulnerable to price volatility, risking macroeconomic instability and political tensions. Developed economies, with more diversified energy strategies and reserves, are better equipped to manage these fluctuations [4; 5; 12].

The industry is undergoing a crucial transformation due to global environmental pressures. Investments in renewable energy, carbon capture and low-emission technologies are becoming central to company strategies. Firms such as Shell, BP and ExxonMobil are committing substantial resources to reduce emissions and diversify energy portfolios. Adaptation is essential to attract investment and maintain competitiveness in a market increasingly focused on sustainability. Failure to innovate may result in loss of relevance as global economies transition toward cleaner energy sources [4; 5; 12].

2. Conclusion.

The oil and gas sector remains a vital component of the global economy, influencing growth, inflation, and fiscal and monetary policy. Price volatility, geopolitical tensions and environmental regulations continue to challenge stability, affecting both exporting and importing nations differently. The transition to renewable energy and investment in clean technologies represent inevitable trends that will define the sector's future. As the world evolves to more sustainable energy systems, companies and governments must adapt strategically to mitigate risks and seize opportunities. Understanding the interplay of these factors is essential for maintaining balance in the international economy, ensuring economic resilience and guiding future energy policy decisions.

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CRÉATION ET ORGANISATION DES ACTIVITÉS DE L'UNION EUROPÉENNE : LE PARLEMENT EUROPÉEN

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Drepin A., Bezvesilna N. T. Création et organisation des activités de l'Union européenne : le Parlement européen. Cet article examine les caractéristiques de la création et de l'organisation des activités du Parlement européen, principal organe supranational de l'Union européenne. En s'intéressant à son développement historique, son organisation interne, ses pouvoirs et son rôle au sein de l'Union européenne, il analyse son importance en tant qu'institution représentative et législative. Les principaux aspects qui affectent la légitimité démocratique de l'Union sont étudiés. Les résultats de cette étude offrent une vision d'ensemble du fonctionnement du Parlement européen dans le contexte de l'intégration européenne.

Mots-clés : Parlement européen, Union européenne, supranationalité, démocratie, élections, pouvoirs, législation, contrôle, budget, Commission, Conseil de l'Union européenne.

Дрепін А., Безвесільна Н. Т. Створення та організація діяльності Європейського Союзу: Європейський Парламент. У цій статті розглядаються особливості створення та організації діяльності Європейського Парламенту – ключового наднаціонального органу Європейського Союзу. Зосереджуючись на його історичному розвитку, внутрішній організації, повноваженнях та ролі у функціонуванні ЄС, аналізується його значення як представницького та законодавчого інституту. Вивчаються ключові аспекти, що впливають на демократичну легітимність Союзу. Результати дослідження дають узагальнене уявлення про функціонування Європейського Парламенту в контексті європейської інтеграції.

Ключові слова: Європейський Парламент, Європейський Союз, наднаціональність, демократія, вибори, повноваження, законодавство, контроль, бюджет, Комісія, Рада Європейського Союзу.

1. Introduction

Le terme «parlement» vient du latin «parlamentum», qui signifie «parler» ou «discuter», et reflète la fonction principale de tout parlement : débattre et prendre des décisions au nom des citoyens. Le Parlement européen est l'un des principaux organes supranationaux de l'Union européenne, représentant les intérêts de quelque 450 millions de citoyens des États membres [1, p. 123].

Son histoire commence avec l'Assemblée générale de la Communauté européenne du charbon et de l'acier (CECA), dont les membres n'étaient pas élus par la population mais nommés par les États membres. Initialement, l'Assemblée disposait de pouvoirs limités et n'exerçait qu'un contrôle général sur les activités de l'Organe suprême de la CECA [3, p. 20].

En 1962, l'Assemblée a pris le nom de « Parlement européen », mais cette appellation n'a été officiellement utilisée dans les documents communautaires qu'après l'entrée en vigueur de l'Acte unique européen en 1987. Aujourd'hui, le Parlement est une institution monocamérale dont les activités reposent sur les principes de supranationalité, de légitimité démocratique et de représentation des citoyens des États membres. Ses députés sont élus au suffrage universel direct pour un mandat de cinq ans, et le nombre de représentants de chaque État est proportionnel à sa population. Les élections se déroulent au scrutin proportionnel, sauf au Royaume-Uni où un système majoritaire est appliqué.

2. Organisation, structure interne et principes de fonctionnement

Le Parlement européen dispose de pouvoirs spécifiques et d'une organisation interne propre. Les députés bénéficient de l'immunité parlementaire, qui les protège de toute poursuite pour leurs prises de position politiques et garantit leur indépendance vis-à-vis des pressions politiques. Cette immunité s'applique sur leur territoire national et sur celui des autres États membres, conformément au Protocole relatif aux privilèges et immunités. Les députés perçoivent également un traitement, une indemnité et une compensation pour leurs frais de voyage et de séjour temporaire à Strasbourg et à Bruxelles. Ils peuvent être démis de leurs fonctions de manière anticipée en cas de décès, de démission volontaire ou de destitution de leur mandat par un vote majoritaire du Parlement [2, p. 38].

L'organisation du parti est assurée par le président, élu pour la moitié du mandat de la législature, ses députés et les questeurs. Ces derniers exercent d'importantes fonctions administratives et financières, tiennent un registre des activités professionnelles des députés et contrôlent le dépôt des déclarations annuelles de revenus.

Sa structure interne comprend de nombreux comités, établis de façon permanente ou temporaire, traitant de divers domaines d'activité, notamment les affaires étrangères, le commerce international, l'économie, les finances, les questions sociales, la santé, l'environnement, l'industrie, les transports, la culture, l'éducation, les droits de l'homme, les questions constitutionnelles et les pétitions des citoyens. Les commissions élaborent des projets de loi, exercent un contrôle parlementaire sur les activités des organes exécutifs de l'Union européenne, organisent des auditions avec la participation de représentants de la Commission et du Conseil, et préparent les sessions plénières du Parlement [2, p. 40].

Le soutien administratif et technique aux activités du Parlement est assuré par le Secrétariat et de nombreux services, dont un service de traduction, permettant un travail multilingue et garantissant le bon fonctionnement de tous les organes. Les sessions plénières se tiennent à Strasbourg, les réunions des commissions et les sessions temporaires à Bruxelles, et certains services sont situés à Luxembourg.

2.1. Pouvoirs fondamentaux

2.1.1. Pouvoirs législatifs

Les pouvoirs législatifs du Parlement européen s'exercent en étroite coopération avec le Conseil de l'Union européenne et la Commission européenne. Le Parlement participe à l'élaboration de la législation dérivée, des amendements et des dispositions régissant l'activité de l'Union. Bien qu'il ne soit pas habilité à adopter des traités primaires, son rôle dans le processus législatif est essentiel:

il approuve les actes législatifs, influence les décisions politiques et exerce un contrôle démocratique.

2.2. Fonctions de contrôle et de budget

Les fonctions de contrôle du Parlement comprennent la supervision des activités de la Commission et du Conseil de l'Union européenne, le droit de voter une motion de censure contre la Commission, la tenue d'interpellations, l'examen des rapports annuels et des programmes d'activité. Des commissions d'enquête temporaires peuvent être constituées pour enquêter sur d'éventuelles violations du droit de l'Union européenne. Le Parlement a également le droit d'approuver ou de rejeter le budget de l'Union européenne, d'amender le projet de budget et de décharger la Commission de son exécution [1, p. 8].

2.3. Politique étrangère et relations internationales

Le Parlement européen joue un rôle actif dans les relations internationales et la politique étrangère. Il conseille les États membres sur la politique commune de sécurité et de relations extérieures, approuve la conclusion d'accords et d'associations internationaux, participe aux négociations d'adhésion à l'Union européenne et veille au respect des principes de l'Union par les États membres [2, p. 58].

L'une des caractéristiques du fonctionnement du Parlement est la formation de groupes politiques et de partis paneuropéens, qui permet de garantir l'unité politique et la construction d'une identité européenne, une représentation légitime des citoyens et un équilibre entre les intérêts nationaux et supranationaux. L'élection directe des députés renforce la légitimité démocratique de l'institution et instaure des mécanismes de participation active des citoyens au processus décisionnel au niveau de l'Union.

3. Conclusion

Le Parlement européen est un organe élu, représentatif et supranational qui exerce des activités étendues dans les domaines législatif, du contrôle de l'exécutif, des relations extérieures et du budget. Ses activités garantissent un contrôle démocratique des institutions de l'Union européenne, la construction de l'unité politique de l'Union, la participation des citoyens à la prise de décision, ainsi qu'une influence sur la politique étrangère, la sécurité et les processus d'intégration. L'élection directe des députés, la structure organisationnelle des commissions et la possibilité de participer à des groupes politiques font du Parlement européen une institution clé de la légitimité démocratique et d'une gouvernance efficace au niveau supranational.

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DEVELOPMENT OF INTERNATIONAL TRADE IN THE CONDITIONS OF GLOBAL DIGITALIZATION

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Fedorov I. M., Zmiiova I. V. Development of international trade in the conditions of global digitalization.

The article studies the development of international trade in the conditions of digital transformation of the global economy. The dynamics and structure of international trade under the influence of digitalization have been analyzed. The advantages, threats and strategic prospects of digitalization based on world experience are identified.

Keywords: digitalization, e-commerce, economics, international trade, transformation.

Федоров І. М., Зміїова І. В. Розвиток міжнародної торгівлі в умовах глобальної цифровізації.

Стаття присвячена дослідженню розвитку міжнародної торгівлі в умовах цифрової трансформації глобальної економіки. Проаналізовано динаміку і структуру міжнародної торгівлі під впливом цифровізації. Визначено переваги, загрози та стратегічні перспективи цифровізації на основі світового досвіду.

Ключові слова: економіка, електронна комерція, міжнародна торгівля, трансформація, цифровізація.

1. Introduction

The rapid development of digital technologies is fundamentally changing approaches to international trade, transforming traditional mechanisms for the exchange of goods and services. Digitalization covers all stages of trade activity, helping to reduce transaction costs, increase the transparency of procedures, and expand access to global markets.

In the context of growing global competition and new challenges in economic security, digital transformation is becoming a key factor for ensuring sustainable development. Therefore, *the relevance* of the study lies in examining the impact of digitalization processes on the structure and dynamics of trade relations, as well as analyzing the advantages, risks, and prospects of this transformation from scientific and practical viewpoints.

The object of the study is the process of international trade development under the digital transformation of the global economy. *The subject* of the study is the set of economic relations, mechanisms, tools, and trends that are formed under the influence of digitalization in international trade. *The aim* of the research is to identify the key features and trends of international trade transformation under the influence of digitalization, and to analyze the advantages and risks of digital transformation.

The following *tasks* are set to achieve the purpose:

1. to analyze the dynamics and structure of international trade under the influence of digitalization;
2. to identify the advantages and threats of digitalization in international trade, based on world experience;
3. to determine the strategic prospects for the digitalization of international trade.

2. Analysis of international trade in the context of digitalization

2.1. Dynamics and structure of international trade under digitalization

The analysis of dynamics confirms the rapid growth of the digital economy. Retail e-commerce volumes show steady growth and are projected to reach \$7.95 trillion by 2027. Digital platforms, which facilitate global market access, are also expanding rapidly [1; 10].

Digitalization has caused significant structural changes in international trade. First, the demand for goods that form the physical basis of the digital economy has grown – ICT goods (smartphones, servers), their components (semiconductors), and raw materials ("transition minerals" like lithium and cobalt). This forms complex global value chains (GVCs) in the electronics industry, where extraction, processing, and final assembly often occur in different countries [9].

Second, the most crucial structural change is the growing share and importance of services, especially Digitally Deliverable Services (DDS). Traditionally, many services required the physical proximity of the provider and consumer. Digital technologies now allow a wide range of services (consulting, education, finance) to be provided remotely across borders. According to an accelerated digitalization scenario calculated by the WTO, the share of total services in global exports could rise from 24.3% to 37.2% by 2040. This trend is particularly important for low-income countries, where the service sector's share of exports is expected to grow significantly, helping to reduce the digital divide [4].

2.2. Advantages and threats of digitalization in international trade

Based on world experience, the advantages of digitalization are significant, but they are accompanied by serious threats.

A key advantage is the significant reduction in trade costs. WTO forecasts show that the largest cumulative cost reduction (up to 90-98%) is expected in service sectors such as accommodation and food services, trade, education, and health. The main drivers for this reduction are the decreased need for face-to-face interaction and common language, more effective data policies, and simplified regulatory restrictions [4].

Digitalization also significantly enhances the competitiveness and export activities of small and medium-sized enterprises (SMEs). World experience confirms this: a study of Spanish SMEs showed that digitalization increases the probability of exporting both directly (through access to platforms) and indirectly (through increased productivity). Similarly, research in EU countries demonstrated that an increase in the Digital Intensity Index (DII) is directly linked to growth in added value and employment in SMEs [8].

At the same time, digitalization poses serious threats. The first is the "digital divide" between countries. Data from the UN Global Survey for 2023 show that the average implementation level

of trade digitalization measures in developed economies is 79.9%, while in the least developed countries (LDCs) it is only 52.5%. This inequality in access to the benefits of digitalization remains a significant challenge [5].

The second major threat is the growing scale and complexity of cyber threats. According to forecasts, the estimated global cost of cybercrime could rise from \$9.2 trillion in 2024 to \$15.6 trillion by 2029. Attacks on supply chains and ransomware are particularly dangerous for international trade. The global damage costs from ransomware have exploded: from \$325 million in 2015 to \$20 billion in 2021, and are projected to reach \$276 billion by 2031 [2; 7].

2.3. Strategic prospects for the digitalization of international trade

The strategic prospects for digitalization are linked to the further implementation of advanced technologies, which is a necessary condition for maintaining the competitiveness of countries and enterprises.

The most important prospect is the widespread adoption of artificial intelligence (AI). AI has the potential to automate complex customs processes, optimize GVCs in real-time, execute smart contracts, and analyze market trends. According to PwC estimates, AI's contribution to global GDP could reach \$15.7 trillion by 2030, associated with a 14% increase. However, the level of readiness and private investment in AI is highly concentrated, with the US and China attracting the vast majority of private investment [3].

Another important prospect is the transformation of logistics and supply chain management through the integration of Industry 4.0 technologies (Internet of Things, big data, AI, blockchain). The development of "smart logistics," capable of self-optimization, tracking cargo in real-time, and predicting demand, has significant potential for increasing efficiency and GDP growth in leading economies [5].

3. Conclusions

This study leads to the following conclusion: digitalization changes the structure of international trade.

The analysis of dynamics shows a rapid growth in e-commerce and digital platforms. The structure of international trade is shifting significantly, with increased demand for ICT goods and a substantial rise in the share of digitally deliverable services in global exports.

The key advantages of digitalization include a significant reduction in trade costs and enhanced export competitiveness for SMEs. These are offset by major threats, namely the persistent "digital divide" between nations and the explosive growth of costly cyber threats.

The strategic prospects for digitalization are centered on the widespread adoption of advanced technologies. Artificial intelligence (AI) and Industry 4.0 (smart logistics) are identified as key trends that will automate processes, increase productivity, and provide significant economic benefits.

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THE EUROPEAN BANKING SYSTEM: STRUCTURE AND KEY FUNCTIONS

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Fomenko K. A., Karpusenko M. V. The European banking system: structure and key functions. The article examines the European banking system as an integral component of the European Union's financial architecture. The study analyzes the institutional structure of the European banking system, with particular attention to the interaction between supranational institutions, national authorities, and credit institutions. Special emphasis is placed on the role of the European Central Bank in conducting monetary policy and ensuring price stability in the euro area. The research also identifies the key functions performed by banks within the European Union, including payment services, credit provision, and support for financial integration. In addition, the article highlights the importance of effective regulation and centralized supervision in maintaining financial stability. The findings confirm that the European banking system plays a crucial role in supporting economic development and ensuring the stability of the EU financial system.

Keywords: European banking system, European Central Bank, monetary policy, banking regulation, financial stability.

Фоменко К. А., Карпусенко М. В. Європейська банківська система: структура та ключові функції. У статті досліджується європейська банківська система як невід'ємний елемент фінансової архітектури Європейського Союзу. Проаналізовано інституційну структуру європейської банківської системи з акцентом на взаємодію наднаціональних інституцій, національних органів влади та кредитних установ. Особливу увагу приділено ролі Європейського центрального банку у здійсненні монетарної політики та забезпеченні цінової стабільності в Єврозоні. У роботі також визначено ключові функції банків у Європейському Союзі, зокрема надання платіжних послуг, кредитування та підтримку фінансової інтеграції. Крім того, підкреслено значення ефективного регулювання та централізованого нагляду для забезпечення фінансової стабільності. Зроблено висновок, що європейська банківська система відіграє важливу роль у підтримці економічного розвитку та стабільності фінансової системи ЄС.

Ключові слова: європейська банківська система, Європейський центральний банк, монетарна політика, банківське регулювання, фінансова стабільність.

1. Introduction

The *European banking system* is a core component of the European Union's economic and financial framework. It plays a crucial role in allocating financial resources, supporting investment activity, and maintaining *financial stability* across member states. In highly integrated economies, banks are central to the transmission of *monetary policy* decisions and to ensuring confidence in the financial system [5].

The **relevance** of this research is determined by the growing importance of the *European banking system* in the context of globalization, financial instability, and institutional reforms within the European Union. The global financial crisis of 2008 and the subsequent sovereign debt crisis exposed significant weaknesses in *banking regulation* and supervision, which led to comprehensive reforms aimed at strengthening *financial stability* and improving the resilience of the banking sector [6].

The **object** of the research is the *European banking system* as an integrated financial mechanism of the European Union. The **subject** of the research is the institutional structure and key functions of the *European banking system*. The **aim** of the article is to analyse the structure of

the *European banking system* and to identify its main economic and financial functions under current conditions.

To achieve this aim, the *tasks* of the study include:

- examining the main institutional components of the *European banking system*;
- analysing the role of the *European Central Bank* in conducting *monetary policy*;
- identifying the key functions performed by banks within the EU;
- assessing the importance of regulation and supervision in ensuring *financial stability*.

2. The European banking system: structure and key functions

2.1. Institutional components of the European banking system

In institutional terms, the EU banking landscape is built as a multi-level framework in which supranational bodies coordinate with national authorities, while credit institutions deliver financial services to households and firms. This model reflects the logic of European integration: common rules and coordination at EU level combined with operational capacity at national level [3, p. 113].

At the supranational level, the central institution is the *European Central Bank (ECB)*. Together with the national central banks (NCBs) of all EU Member States, it forms the European System of Central Banks (ESCB). The ESCB includes the *ECB* and the NCBs of all 27 EU Member States, which underlines that the institutional “umbrella” is EU-wide, not limited only to the euro area [3, p. 112]. At the same time, the Eurosystem consists of the *ECB* and the NCBs of euro area countries; according to the ECB, there were 20 NCBs in the Eurosystem in 2024, which corresponds to the number of euro area members at that time [3, p. 112].

At the national level, NCBs implement Eurosystem operations in a decentralised manner, which means that common monetary decisions are executed through the balance sheets and operational infrastructures of the *ECB* and the euro area NCBs. This institutional design helps combine a single *monetary policy* with national operational capacity and local market knowledge [3, p. 113].

A separate but highly important institutional block is the EU banking supervision architecture. Within the Single Supervisory Mechanism (SSM), supervised institutions are categorised as significant and less significant: the *ECB* directly supervises significant banks, while national competent authorities supervise less significant institutions, under *ECB* oversight [4, p. 3].

2.2. The role of the European Central Bank in the EU monetary policy

The *European Central Bank (ECB)* plays a central role in conducting *monetary policy* in the European Union, particularly within the euro area, where it is responsible for maintaining price stability. The primary objective of the *ECB* is to ensure an inflation rate of 2% over the medium

term, as confirmed during the *monetary policy* strategy review in 2021. This target continues to guide the *ECB*'s policy decisions [6].

To achieve this objective, the *ECB* relies on a set of standard *monetary policy* instruments, including key interest rates such as the main refinancing operations rate, the deposit facility rate, and the marginal lending facility rate. Changes in these rates directly influence money market conditions and borrowing costs for households and firms across the euro area. In response to elevated inflation in 2022–2023, the *ECB* adopted a restrictive *monetary policy* stance by significantly increasing policy interest rates [2].

In addition to interest rate policy, the *ECB* uses open market operations and, when necessary, non-standard *monetary policy* measures, including the Asset Purchase Programme (APP) and the Pandemic Emergency Purchase Programme (PEPP). These instruments were introduced to stabilize financial markets and ensure effective *monetary policy* transmission during periods of economic stress [8].

Finally, the *ECB*'s ability to conduct effective *monetary policy* is supported by its institutional independence, which is legally enshrined in the Treaty on the Functioning of the European Union. This independence is essential for maintaining the credibility and effectiveness of *monetary policy* in the euro area [1, p. 103].

2.3. Key functions of banks within the European Union

Banks within the European Union perform several important functions that support economic development and ensure the stability of the financial system. Through their activities, banks facilitate the circulation of financial resources, maintain payment infrastructures, and contribute to economic integration across member states.

One of the key functions of banks in the European Union is the provision of payment and settlement services. Banks ensure the smooth execution of non-cash payments, card transactions, and cross-border transfers within the EU. A central infrastructure supporting this function is the TARGET2 payment system operated by the Eurosystem, which enables large-value payments between financial institutions and plays a crucial role in maintaining the stability and efficiency of the European payment system [5].

Another essential function of banks is credit provision to the real economy. Banks provide loans to households and businesses, supporting consumption, investment, and economic growth. According to the Organisation for Economic Co-operation and Development (OECD), banks remain key financial intermediaries in channelling funds to firms and households, particularly in bank-based financial systems that are typical for many European countries [8].

Banks also play an important role in financial integration within the European Union. By facilitating cross-border lending, investment, and capital flows, banks contribute to the integration of national financial markets and improve capital allocation across member states. International organizations emphasize that cross-border banking activity enhances financial integration and supports economic convergence within the EU [8].

2.4. Regulations and supervision as factors of financial stability

Regulation and supervision play a decisive role in maintaining *financial stability* within the *European banking system* by limiting systemic risks and strengthening confidence in financial institutions.

Within the European Union, banking supervision in the euro area is carried out under the Single Supervisory Mechanism (SSM). The SSM establishes a centralized supervisory framework in which the *European Central Bank* is responsible for the direct supervision of significant banks, while national competent authorities supervise less significant institutions under the *ECB's* oversight. This structure ensures the consistent application of supervisory standards and reduces regulatory fragmentation across member states.

The *European Central Bank* emphasizes that effective supervision within the SSM contributes to the early identification of financial risks, strengthens banks' resilience, and promotes sound risk management practices. By monitoring compliance with prudential requirements and assessing banks' financial conditions, the SSM plays a key role in safeguarding the stability of the *European banking system* [9].

3. Conclusions

This study highlights the importance of the *European banking system* as a key pillar of economic stability and financial integration within the European Union. The analysis has shown that the institutional structure of the *European banking system*, based on the interaction between supranational authorities, national central banks, and credit institutions, ensures the effective functioning of the banking sector. Particular attention has been paid to the role of the *European Central Bank* in conducting *monetary policy* and maintaining price stability in the euro area. The findings also confirm that banks perform essential economic functions, including payment services, credit provision, and support for financial integration. Finally, the study emphasizes that effective regulation and centralized supervision are crucial for strengthening the resilience of the *European banking system* and safeguarding *financial stability* in the European Union.

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INTERNATIONAL PACKAGING STANDARDS IN THE CONTEXT OF GLOBAL TRADE: ESSENCE, FUNCTIONS, AND IMPLEMENTATION

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Frolov M. A., Radchenko O. I. International packaging standards in the context of global trade: essence, functions, and implementation. The article examines the essence and role of international packaging standards in the development of global trade. The main functions and types of packaging standards are analyzed, as well as their impact on international logistics, product safety, environmental protection, and competitiveness of goods in the world market. Special attention is paid to international standardization organizations and regulatory frameworks governing packaging requirements. The advantages and challenges of implementing international packaging standards for exporting and importing countries are identified.

Keywords: international packaging standards, global trade, standardization, logistics, product safety, environmental requirements, competitiveness.

Фролов М. А., Радченко О. І. Міжнародні стандарти пакування в умовах глобальної торгівлі: сутність, функції та особливості впровадження. У статті розглянуто сутність і значення міжнародних стандартів пакування в умовах розвитку глобальної торгівлі. Проаналізовано основні функції та види стандартів пакування, їхній вплив на міжнародну логістику, безпеку продукції, екологічний захист і конкурентоспроможність товарів на світовому ринку. Особливу увагу приділено діяльності міжнародних організацій зі стандартизації та нормативно-правовому регулюванню вимог до пакування. Визначено переваги та проблеми впровадження міжнародних стандартів пакування для країн-експортерів і країн-імпортерів.

Ключові слова: міжнародні стандарти пакування, глобальна торгівля, стандартизація, логістика, безпека продукції, екологічні вимоги, конкурентоспроможність.

1. Introduction

One of the defining features of the modern world economy is the intensification of globalization processes and the expansion of international trade relations. Under these conditions, the free movement of goods across national borders requires not only harmonized trade rules but also unified technical and packaging requirements. Packaging has become an integral element of international trade infrastructure, ensuring product protection, safety, identification, and compliance with regulatory standards.

International packaging standards play a crucial role in facilitating trade flows, reducing technical barriers, and improving the efficiency of logistics chains. Proper packaging ensures the preservation of goods during transportation, storage, and handling, while also providing consumers and regulatory authorities with essential information. In the context of increasing volumes of international trade and growing environmental concerns, the importance of standardized packaging requirements continues to rise.

The *object* of the study is the system of international packaging standards within the framework of global trade. The *subject* of the study is the economic and regulatory aspects of application of international packaging standards in international trade relations.

The *aim* of the research is to analyze the essence, functions, and impact of international packaging standards on global trade processes.

To achieve this aim, the following tasks are set:

1. to reveal the essence and role of international packaging standards;
2. to identify the main types and functions of packaging standards;
3. to analyze the economic and logistical consequences of implementing international packaging standards.

2. International packaging standards: essence, types, and impact

2.1. The concept and definition of international packaging standards

In the modern world, international economic relations are becoming increasingly dynamic, leading to the rapid growth of global trade [6]. An open economy ensures the free movement of goods between countries, which requires unified technical and regulatory approaches. One of the key elements supporting international trade is packaging, therefore international packaging standards have become an important component of international economic relations [1]. Packaging ensures product safety, quality preservation, and compliance with international transportation and storage requirements [3; 9].

The term international packaging standards refers to a system of unified rules and norms governing packaging materials, design, labeling, and safety for goods circulating in global markets [1; 5]. These standards integrate technical, environmental, and informational requirements and are aimed at harmonizing national regulations [4; 7]. Their purpose is to minimize trade barriers and ensure compatibility of packaging with international logistics systems [6].

The main difference between national packaging regulations and international packaging standards lies in their scope and application. National requirements are designed for domestic markets, while international standards are intended for cross-border trade [4]. International standards provide a common framework that facilitates customs procedures, reduce risks of product damage, and ensure compliance with importing country regulations [5; 6].

International packaging standards are widely applied across global supply chains. In many industries, especially food, pharmaceuticals, and industrial goods, compliance with such standards is mandatory for entering foreign markets. Thus, international packaging standards represent a global phenomenon that supports the efficiency, safety, and sustainability of international trade [2].

2.2. Functions and key drivers of packaging standardization

The globalization of trade, the development of international logistics, and advances in transport and communication technologies act as powerful drivers for the formation and spread of international packaging standards. Improved transportation systems and digital communication have significantly simplified cross-border trade, increasing the volume of goods exchanged

between countries and, consequently, the need for unified packaging requirements that ensure product safety and regulatory compliance [6].

Traditionally, the main reason for the development of international packaging standards is economic, as they are directly related to the scale, pace, and structure of global production and capital accumulation [4].

1. The level and scale of production growth directly affect the volume of international trade, which increases the demand for standardized packaging capable of reducing damage to goods and minimizing logistics losses [3; 9].

2. The pace and scale of capital accumulation partly depend on the use of unified packaging standards, since standardized packaging reduces production and transportation costs and improves supply chain efficiency [7; 9].

3. Another factor influencing the development of packaging standards is structural change in production caused by scientific and technological progress. The emergence of new industries and the decline of outdated ones require modern packaging solutions that meet international safety and quality requirements [1].

The main factors driving the adoption of international packaging standards include:

- Economic inefficiency of non-standardized packaging and high logistics costs.
- Higher technical and safety requirements in developed markets.
- The need for stable quality and safety of goods in international transportation.
- Environmental challenges and stricter ecological regulations.
- Consumer demand for clear labeling and product information.
- Regulatory and institutional influence of international organizations.

Therefore, the development of international packaging standards is determined both by internal economic processes within individual countries and by external factors such as globalization of trade and the expansion of international economic relations [2].

2.3. Economic and trade consequences of implementing packaging standards

International packaging standards play an increasingly important role in the development of global trade and have transformed into a global regulatory mechanism that supports the continuous growth of international commodity flows [6]. Over the past decades, world trade volumes have increased significantly, involving almost all countries in cross-border exchange of goods [9]. As a result, international packaging standards are now widely used, ensuring product safety, preservation of quality, and compliance with technical, sanitary, and environmental requirements during transportation and storage. Today, nearly all countries participating in international trade are involved in the system of international packaging regulation.

The analysis of countries engaged in global trade inevitably leads to the assessment of the consequences of applying international packaging standards. Their implementation has both positive and negative socio-economic effects. While companies and consumers generally benefit from safer and more efficient trade operations, the impact on individual countries depends on their economic structure and level of integration into the global market [2]. Both importing and exporting countries experience advantages and disadvantages, many of which are common across different economies.

Positive Consequences for Importing Countries:

1. Improved safety and quality of imported goods. International packaging standards reduce product damage, contamination, and risks during transportation and storage [1].
2. Simplification of customs and regulatory procedures. Standardized packaging and labeling facilitate inspections and accelerate border clearance [6].

Positive Consequences for Exporting Countries:

1. Access to international markets. Compliance with packaging standards allows exporters to meet the requirements of importing countries and avoid trade barriers [6].
2. Increased competitiveness of national products. Standardized packaging lowers logistics costs and enhances the market image of goods [7].
3. Development of packaging and logistics sectors. The need to comply with standards stimulates technological and organizational improvements [9].

Negative Consequences for Importing Countries:

1. Additional costs for control and monitoring of compliance with packaging standards [4].
2. Environmental pressure caused by increased volumes of packaging waste [8].
3. Reduced demand for domestic packaging solutions due to reliance on standardized imports [3].

Negative Consequences for Exporting Countries:

1. High financial costs associated with adapting production and packaging to international standards [4].
2. Risk of market exclusion for small firms unable to meet standard requirements [7].
3. Dependence on foreign packaging technologies and materials [9].

Thus, international packaging standards have a significant impact on global trade, generating both positive and negative effects for exporting and importing countries, while their overall influence depends on economic conditions and the ability of countries to adapt to international regulatory frameworks.

3. Conclusions

International packaging standards are an essential component of modern globalization processes and play a significant role in the development of international trade and global supply chains. They ensure the safety of goods, preservation of quality, and compatibility of products with transportation, storage, and regulatory requirements in different countries.

For importing countries, international packaging standards help improve the quality and safety of incoming goods and increase the efficiency of customs and control procedures. At the same time, they may create additional costs related to compliance, monitoring, and environmental management. For exporting countries, packaging standards facilitate access to foreign markets and enhance the competitiveness of national products. However, they can also lead to increased production costs and difficulties for enterprises that lack sufficient financial or technological resources.

Thus, international packaging standards produce both positive and negative effects, which makes the development of balanced regulatory approaches at national and international levels necessary to ensure sustainable and efficient participation in global trade.

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LINGUISTIC AND STRATEGIC TOOLS FOR POSITIONING THE NATIONAL BRAND IN THE GLOBAL BUSINESS ENVIRONMENT

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Gaivoronskaya M. Y., Karpenko O. V. Linguistic and strategic tools for positioning the national brand in the global business environment. The article reveals the essence of a national brand as a factor of international competitiveness and highlights the role of linguistic means and comprehensive strategic decisions in its positioning. It has been established that strategic analysis helps to identify global factors, and the use of linguistic tools (name, slogans, messages) and brand strategies (brand equity, localisation, digital ecosystems) shape the image of a country. Particular attention is paid to the role of the English language as a means of 'soft power' that facilitates access to global markets, standards and knowledge.

Keywords: brand equity, global business environment, linguistic tools, national brand, PESTLE analysis, positioning, strategic tools.

Гайворонська М. Ю., Карпенко О. В. Лінгвістичні та стратегічні інструменти для позиціонування національного бренду в глобальному бізнес-середовищі. У статті розкрито сутність національного бренду як фактора міжнародної конкурентоспроможності й зазначено роль мовних засобів і комплексних стратегічних рішень у його позиціонуванні. Встановлено, що стратегічний аналіз допомагає виявити глобальні чинники, а застосування лінгвістичних інструментів (назва, слогани, меседжі) та бренд-стратегії (бренд-капітал, локалізація, цифрові екосистеми) формують імідж країни. Особлива увага приділена ролі англійської мови як засобу «м'якої сили», що сприяє доступу до світових ринків, стандартів та знань.

Ключові слова: PESTLE-аналіз, бренд-капітал, глобальне бізнес-середовище, лінгвістичні інструменти, національний бренд, позиціонування, стратегічні інструменти.

1. Introduction

In today's globalised world, a national brand is not just a symbol of a country, but a comprehensive commercial offering that shapes how the country is perceived in the global business environment. Its development should be based on a thorough analysis of internal and external factors and the systematic use of linguistic and strategic tools. The *relevance* of the study lies in the need for coordinated use of these tools to enhance international competitiveness and the attractive image of the country. The *aim* of the article is to clarify the impact of linguistic and strategic means on the positioning of the national brand. The *object* of the study is the national brand in the global business environment, and the *subject* is its linguistic and strategic components.

To achieve this goal, the following *tasks* have been defined:

1. to describe the results of the strategic analysis of the brand;
2. to investigate the role of verbal identity (name, slogans, messages);
3. to characterise strategic tools (brand equity, localisation, digital ecosystems);
4. to highlight the role of the English language and soft power tools in shaping the international image.

2. A comprehensive approach to shaping a country's international image: linguistic and strategic dimensions

2.1. Strategic analysis of the national brand

Effective positioning of a country's brand begins with a strategic analysis that takes into account political, economic, social, technological, legal and environmental factors (PESTLE). The political

aspect of the Ukrainian brand is linked to the course of European integration, the desire to join NATO, and anti-corruption reforms that strengthen institutional trust. The economic dimension includes digitalisation, business development, and corruption and investment risks. The social component reflects the volunteer movement, civic initiatives, and human capital against the backdrop of demographic challenges. Technological changes cover innovation and the rapid development of the IT sector, the legal sphere covers issues of strengthening the rule of law and protecting intellectual property, and ecology is increasingly associated with renewable energy, despite environmental risks. Thus, PESTLE analysis identifies the external forces that shape the basic environment for positioning a national brand [1].

2.2. Linguistic tools in positioning

An important element of brand identity is the verbal component – the name of the country, slogans, brand promises and tone of communication. The evolution of Ukraine's slogans illustrates linguistic priorities: from the tourism-focused "Ukraine – for snow lovers" (2007) to "Switch on Ukraine" (2010) – a call to discover the country with a sunflower as a symbol of hospitality, through "Celebrate Diversity" (2017) – the idea of cultural diversity, to the modern concepts of "Ukraine. Moving in the fast lane" and "Ukraine. All about U", which emphasise dynamism and openness, as well as the most ambitious brand "Ukraine NOW" (2018) with an emphasis on relevance ('NOW') and a modern image. Verbal messages and slogans are perceived as the 'primary code' for the perception of a country on the world stage and must clearly convey its development strategy (modernisation, reliability, orientation towards European standards, value-added products). All this illustrates the role of linguistic tools in communicating key values and competitive advantages at the international level.

It is also important within the language strategy to disseminate Ukrainian brand content in English. Official English-language websites (UKRAINE.UA, Brand Ukraine) and social media pages create a digital ecosystem that ensures the country's constant presence in the global information space. The use of English in logos and communications demonstrates a focus on external audiences – investors, tourists and the global community. The digital ecosystem integrates traditional and online marketing channels, creating the basis for a consistent brand communication image through constant linguistic messages and emotional connection with consumers [1].

2.3. Strategic positioning tools

At the strategic level, brand equity is a key resource – not only in terms of recognition or loyalty, but also in terms of generating added value. As O. Shevchenko notes, strong brand equity is confirmed by the financial results and market capitalisation of companies, which allows them to compete even in saturated markets. At the same time, the role of linguistic tools remains important:

clearly formulated value propositions and brand messages convey the quality and uniqueness of products to an international audience [2].

The second strategic factor is brand localisation: adapting products, services and communications to the cultural, social and regulatory context of each market. As Shevchenko emphasises, successful positioning is impossible without taking into account local norms and expectations. Linguistic tools are used here to build trust: for example, stories about the brand's origins, emphasis on authenticity or premium quality lower barriers to entry and strengthen brand values in the eyes of foreign consumers.

A key new tool is digital marketing ecosystems. They combine online platforms, social networks, and e-commerce with traditional approaches, allowing brands to enter new markets and scale up more quickly. Digital channels make the brand more visible and enable personalised communication through constant English-language verbal messages. For example, Ukrainian companies (Ajax Systems, Petcube) have successfully used this strategy: thanks to technological innovations and clear branding, Ajax entered 170 markets in 2023, and Petcube gained 5% of the global market for smart cameras for animals. This shows that digital ecosystems and clear brand messages allow Ukrainian companies to position themselves even in highly competitive niches.

However, strategic positioning also faces challenges. Shevchenko highlights the main barriers: geopolitical risks, supply chain restructuring and rising logistics costs, regulatory differences in certification and quality standards. These factors force companies to invest in compliance with international standards and strengthen their credibility in communications with markets. At the same time, successful examples of domestic businesses confirm the practical significance of these strategies: Roshen bet on brand equity and quality standards in the EU market, Nemiroff promoted localisation and a transparent brand history, and Nova Poshta Global built customer trust through innovations in logistics and European service [2].

There have also been noticeable changes in the agricultural sector: whereas Ukrainian grain suppliers used to be primarily "raw material" exporters, modern brands with an emphasis on organic and high quality (EU Organic, premium quality) are increasing the added value of their products. For example, producers of organic honey and dairy products certified to EU standards have seen annual sales growth of 15-18% in Europe. Thus, according to Shevchenko's conclusion, the linguistic and strategic tools for positioning a national brand are formed through a combination of brand capital, localisation and digital ecosystems, which allows companies to strengthen their positions in international markets and create a positive perception of the country [2].

2.4. Integrated measures and soft power

Ukraine's export strategy emphasises the need to combine linguistic and strategic tools in practical measures. In particular, linguistic tools (slogans, verbal messages, clear English-language

communication) should serve as the primary code for perceiving the country. After all, their purpose is to clearly communicate the strategic goals of the export policy (modernisation, reliability, European-level products and an emphasis on value-added products). This language strategy is complemented by a transparent presentation of competitive advantages (food security, human capital, geographical advantages) and statistics demonstrating the importance of exports (for example, in 2024, goods and services were exported for \$51 billion, creating a million jobs).

At the same time, strategic tools include political, economic and infrastructure measures that provide a favourable environment for exports and strengthen the country's brand. This is facilitated by: state support for business and interaction between the authorities, business and society; improvement of financial instruments (export credits, risk insurance) and optimisation of customs and logistics procedures. At the same time, exports, although remaining a driver of development, face significant obstacles: according to a survey by the Ministry of Economy (January-February 2025), 73% of exporters cited high logistics tariffs and a shortage of drivers, 54% cited currency restrictions during martial law, and over 40% cited problems crossing borders, a shortage of skilled personnel, and weak state support. These challenges require both image-building efforts and systemic policy decisions to support the brand at a fundamental level.

A key set of measures includes promoting export-oriented regions and industries (agriculture, wood processing, etc.), entering new markets, stimulating investment in medium- and high-tech production, and negotiating easier market access (in particular, harmonising standards with the EU). All these actions must be accompanied by increased transparency regarding the origin of products and compliance with standards, such as the certification of organic products, which has led to an 18% increase in sales in Germany and Denmark.

Finally, the alignment of language tools (clear messages, slogans, English-language campaigns) with strategic reforms (logistics, financial instruments, standards) allows for the creation of a long-term brand strategy that will increase export potential and strengthen Ukraine's international perception as a reliable supplier of high-quality goods and services. Support from professional advisory networks (e.g., international partners such as BDO) contributes to the implementation of this strategy through market research, plan development, and support for certification, taxation, and legal matters [3].

2.5. The role of English as a positioning tool

In the context of global communication, English plays the role of a full-fledged linguistic and strategic tool that directly affects a country's economic interests, reputation and competitiveness. On the one hand, English-language content in cultural diplomacy allows a country to convey its values, culture and economic priorities to a global audience, making the country's narratives

understandable to foreigners and strengthening its brand through soft power. Through international media, entertainment platforms and news channels, countries can influence the preferences and decisions of a global audience, moving from being an object of perception to an active participant in the global information space. English also serves as a neutral medium in international trade and law: a common language for negotiations lowers barriers, promotes trust and the effectiveness of agreements, and the standardisation of agreements in English ensures transparency and predictability in global economic relations.

From a legal perspective, the use of English in contracts and legal documents minimises ambiguities, creating a reliable legal basis for business and increasing the investment attractiveness of the country – an important component of the national brand. Investing in English-language education and human capital development increases overall competitiveness: a mobile and productive workforce integrates more easily into the global economy, and language compatibility reduces transaction costs for businesses and attracts foreign investment and international projects. In addition, knowledge of English opens up access to global knowledge – scientific publications, market research, technological developments – which is critical for making informed management decisions and stimulating an innovative economy.

At the same time, English dominates the world (as of 2023, approximately 1.5 billion people worldwide speak English as their first or second language, representing approximately 19% of the world's population; of these, approximately 380 million are native English speakers and 1.12 billion are non-native speakers) [5] creates a challenge for preserving national identity. An excessive focus on English alone can weaken the position of the native language and culture. Therefore, an effective brand strategy must strike a balance: using English as a global lingua franca for communication, while supporting multilingualism and the uniqueness of national heritage. In this way, English becomes a comprehensive linguistic and strategic tool for positioning the national brand, combining the functions of soft power, economic integration, legal stability and human capital development, while consciously protecting cultural identity [4].

3. Conclusions

Effective positioning of a national brand in the global business environment is formed as an integrated system in which linguistic and strategic tools interact and reinforce each other. Language is not only a means of communication, but also a mechanism for conveying economic priorities, values and reforms, transforming them into a narrative that is understandable to an international audience. At the same time, strategic tools ensure the practical implementation of this image, translating the country's image into trust, competitiveness and economic value. In this context, English as a tool of 'soft power' and digital presence allows Ukraine to strengthen its

position in global markets and build a sustainable brand based on semantic rather than resource advantages.

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THE ROLE OF INTERNATIONAL FINANCIAL INSTITUTIONS IN UKRAINE'S ECONOMIC RECOVERY

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Grechka I. O., Meleshchenko O. O. The role of international financial institutions in Ukraine's economic recovery. This article analyses the role of key international financial institutions (IFIs) in supporting Ukraine's economic stability and recovery during the period 2022–2024, with particular attention to medium-term commitments extending to 2027. The study focuses on the International Monetary Fund, the World Bank Group, the European Bank for Reconstruction and Development, and the European Investment Bank. It examines the scale and structure of financial assistance, institutional instruments, and policy conditionality applied by these organisations. The article argues that IFIs play a dual role in Ukraine: providing macro-financial stabilisation under conditions of full-scale war and facilitating institutional convergence with European Union standards. The findings demonstrate that IFI engagement goes beyond emergency financing and contributes to long-term institutional resilience and integration into the European economic space.

Keywords: EBRD, EIB, economic recovery, IMF, international financial institutions, the World Bank, Ukraine.

Гrechka I. O., Мелешченко О. О. Роль міжнародних фінансових інституцій у відновленні економіки України. У статті проаналізовано роль ключових міжнародних фінансових інституцій у забезпеченні економічної стабільності та відновлення України у 2022–2024 роках з урахуванням середньострокових зобов'язань до 2027 року. Дослідження зосереджене на діяльності Міжнародного валютного фонду, Групи Світового банку, Європейського банку реконструкції та розвитку й Європейського інвестиційного банку. Розглянуто обсяг та структуру фінансової допомоги, інституційні інструменти та політичну умовність, що застосовуються цими організаціями. Обґрунтовано, що МФІ виконують подвійну функцію: забезпечують макрофінансову стабілізацію України в умовах повномасштабної війни та сприяють інституційній конвергенції з нормами Європейського Союзу. Результати дослідження показують, що участь міжнародних фінансових інституцій виходить за межі екстреного фінансування та сприяє довгостроковій стійкості інституцій і інтеграції в європейський економічний простір.

Ключові слова: ЄБРР, ЄІБ, економічне відновлення, МВФ, міжнародні фінансові установи, Світовий банк, Україна.

1. Introduction

Since the beginning of the full-scale war in 2022, Ukraine's economy has experienced a sharp contraction of economic activity, widespread destruction of infrastructure, large-scale population displacement, and severe pressure on public finances. These challenges have created conditions in which domestic resources alone have been insufficient to maintain macroeconomic stability and ensure the functioning of key state institutions. As a result, cooperation with international financial institutions has become a decisive factor in preventing economic collapse and sustaining public finance management [3; 5]. Therefore, the *relevance* of this study lies in the unprecedented role that international financial institutions now play in Ukraine's economic system.

The object of the research is the activity of key international financial institutions, namely the International Monetary Fund (IMF), the World Bank Group (WBG), the European Bank for Reconstruction and Development (EBRD), and the European Investment Bank (EIB), in Ukraine during the period 2022–2024.

The subject of the study is the impact of the financial assistance, institutional support and policy conditionality instruments employed by these international financial institutions on Ukraine's economic stabilisation and recovery processes under wartime conditions.

The aim of the article is to analyse the role of international financial institutions in ensuring Ukraine's macroeconomic stability, supporting fiscal and institutional resilience during the full-scale war, and contributing to the formation of economic foundations for post-war recovery in the context of European integration.

The tasks of the research include identifying the main areas of IFI involvement, analysing their mechanisms of influence on economic governance, and assessing their contribution to long-term recovery and development.

2. International financial institutions in Ukraine's economic recovery architecture

2.1. The International Monetary Fund as a macroeconomic stabilisation anchor

The International Monetary Fund plays a central role in maintaining macroeconomic stability in Ukraine by providing balance-of-payments support and serving as a policy anchor under conditions of heightened fiscal and financial stress. Its programmes traditionally focus on fiscal discipline, monetary stability, banking sector resilience and transparency in public finance management. During wartime, these priorities gained additional importance as budget deficits widened and access to international capital markets remained severely constrained [3].

The approval of the Extended Fund Facility in 2023 marked a qualitative shift in IMF engagement, combining medium-term financing with a comprehensive reform framework. Between 2022 and 2024, IMF financial assistance to Ukraine exceeded USD 15 billion, making it one of the largest sources of macro-financial support among international financial institutions. This scale reflects the Fund's stabilisation mandate and its capacity to address systemic macroeconomic risks. IMF conditionality encouraged the continuation of fiscal and institutional reforms despite wartime constraints, thereby enhancing policy credibility and reinforcing confidence among international partners. In this context, the IMF performs not only a financial function but also a coordinating role by aligning domestic macroeconomic policy with internationally recognised standards [3; 4].

While the IMF primarily focuses on macroeconomic stabilisation, other international financial institutions complement this role by addressing social and institutional dimensions of economic resilience, most notably through the activities of the World Bank.

2.2. The World Bank and social-economic resilience

The World Bank's activities in Ukraine are primarily aimed at sustaining socio-economic and institutional resilience through targeted support for essential public services. Its programmes focus on maintaining the functioning of healthcare, education, social protection systems and public administration. By providing large-scale budget support, the World Bank contributed to the timely

payment of public sector wages and social transfers, helping to prevent the erosion of human capital during the war [5].

During 2022–2024, World Bank commitments to Ukraine amounted to approximately USD 80 billion, exceeding the volume of IMF financing in nominal terms. These resources were channelled through a combination of development policy loans, investment projects and trust fund mechanisms. In addition to financial assistance, the World Bank plays a critical analytical role. Its damage and needs assessments serve as a foundation for long-term reconstruction planning and donor coordination. By integrating immediate stabilisation measures with strategic planning instruments, the World Bank contributes to both short-term economic stability and the formulation of a coherent post-war recovery framework [5]. At the same time, ensuring sustainable recovery requires not only budgetary and social support but also investment-oriented mechanisms, which are primarily implemented by the European Bank for Reconstruction and Development and the European Investment Bank.

2.3. The European Bank for Reconstruction and Development and The European Investment Bank: investment, infrastructure and reconstruction

The European Bank for Reconstruction and Development plays a key role in sustaining private sector activity in Ukraine under wartime conditions. Since 2022, the EBRD has deployed more than EUR 8 billion, prioritising energy security, logistics and critical infrastructure investment. By supporting enterprises operating in a high-risk environment, the EBRD helps preserve economic activity at the local and regional levels. Its focus on energy and transport projects contributes to maintaining the functioning of critical infrastructure and reducing structural vulnerabilities caused by the war [1].

The European Investment Bank complements these efforts by financing long-term infrastructure and municipal development projects. The EIB's support is directed towards the modernisation of transport networks, utilities and urban infrastructure, which are essential for post-war recovery and balanced regional development [2]. Together, the EBRD and EIB constitute the investment-oriented pillar of Ukraine's recovery architecture, addressing structural bottlenecks that cannot be resolved through macro-financial or budgetary support alone.

A clear functional differentiation exists among international financial institutions involved in supporting Ukraine during 2022–2027 (see Table 1). The International Monetary Fund plays a dominant role in macroeconomic stabilisation by providing balance-of-payments support and anchoring fiscal and monetary policy through the Extended Fund Facility programme [3]. The World Bank emerges as the largest source of overall financial resources in nominal terms,

reflecting its central role in sustaining social services, financing budget expenditures and conducting recovery-related analytical work [5].

In contrast, the European Bank for Reconstruction and Development and the European Investment Bank provide comparatively smaller volumes of financing, yet their contribution is structurally significant. Their focus on investment, infrastructure and private sector support addresses long-term development needs and lays the foundation for post-war reconstruction [1; 2].

Table 1

Financial support of international financial institutions to Ukraine 2022 – 2027 (composed by the author using the materials from [1–5])

No	Institution	Volume of financial support	Strategic focus	Period
1	International Monetary Fund (IMF)	over USD 15.6 billion (EFF programme)	Macroeconomic stabilisation, fiscal discipline, financial sector reform	2023–2027
2	World Bank	over USD 80 billion (mobilised with partners)	Budget support, social services, recovery analytics	2022–2025
3	European Bank for Reconstruction and Development (EBRD)	over EUR 8 billion	Private sector support, energy security, logistics	2022–2024
4	European Investment Bank (EIB)	over EUR 2.2 billion	Infrastructure modernisation, municipal development	2022–2024

Taken together, the data in Table 1 illustrate that IFI assistance to Ukraine is not homogeneous but organised around complementary mandates, where macroeconomic stabilisation, socio-economic resilience and investment-driven recovery form an integrated support framework. This differentiation creates the basis for analysing the institutional impact of IFI engagement, which is examined in the following section.

2.4. International financial institutions as drivers of reforms and European integration

Beyond financial assistance, international financial institutions act as drivers of institutional reforms. Their programmes promote transparency, accountability and improved governance. Conditionality mechanisms encourage reforms in public procurement, state-owned enterprises and fiscal administration, reducing corruption risks and increasing efficiency [3; 4].

These reforms are closely linked to Ukraine's European integration aspirations. Alignment with EU standards in economic governance, financial regulation and institutional capacity strengthens Ukraine's position in the European economic space. In this sense, international financial institutions contribute not only to recovery but also to long-term transformation and modernization of the national economy [3; 4].

Moreover, cooperation with international financial institutions enhances the sustainability of reforms by providing external monitoring and policy anchoring mechanisms. In particular, Ukraine's Extended Fund Facility (EFF) programme with the International Monetary Fund links financial support to structural benchmarks in fiscal governance, public financial management and anti-corruption policy. Regular programme reviews and performance criteria help maintain reform momentum and reduce the risk of policy reversals, while simultaneously supporting institutional convergence with European Union governance standards [4]. Such conditionality strengthens policy credibility and aligns short-term stabilization measures with long-term reform objectives relevant to Ukraine's European integration path.

3. Conclusions

International financial institutions have played a decisive and multifaceted role in Ukraine's economic recovery during 2022–2024, with medium-term commitments extending through 2027. Their engagement has not been limited to the provision of emergency financial support but has also encompassed institutional guidance, policy conditionality, and technical assistance, all of which have reinforced macroeconomic stability, safeguarded essential public services, and sustained economic actors under wartime conditions. By linking financial assistance to structural reforms in fiscal governance, public financial management, state-owned enterprise oversight, and public procurement, IFIs have promoted transparency, accountability, and efficiency in Ukrainian institutions. At the same time, these reforms have aligned closely with European Union standards, advancing Ukraine's long-term goal of European integration and strengthening its position within the European economic space.

The coordinated efforts of the IMF, World Bank, EBRD, and EIB demonstrate that effective recovery depends on the complementarity of macro-financial support, social and institutional resilience, and investment-driven reconstruction. Through conditionality mechanisms, monitoring frameworks, and targeted projects, IFIs have helped maintain reform momentum, reduce the risk of policy reversals, and enhance policy credibility in an environment of extraordinary economic and political stress. Overall, Ukraine's experience highlights the strategic role of international financial institutions not only as sources of funding but as drivers of institutional modernization,

long-term resilience, and European economic integration, providing a foundation for post-war recovery and sustainable development.

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FOREIGN LANGUAGES AS A FACTOR IN THE EFFECTIVENESS OF UKRAINE'S INTERNATIONAL ECONOMIC AND LEGAL RELATIONS

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Haidarzhi Ye. R., Ilchenko V. V. Foreign languages as a factor in the effectiveness of Ukraine's international economic and legal relations. The article examines the role of foreign languages in ensuring the effectiveness of Ukraine's international economic and legal relations in the context of globalization. The significance of interlingual communication in international negotiations, the conclusion of agreements, and the implementation of legal obligations are analyzed. Particular attention is paid to the English language as the dominant language in the global economic and legal space and its practical application in Ukraine's negotiation process with international partners.

Keywords: diplomatic communication, foreign language proficiency, global legal space, intercultural interaction, international treaty-making, linguistic mediation, negotiation efficiency.

Гайдаржи Є. Р., Ільченко В. В. Іноземні мови як чинник ефективності міжнародних економіко-правових відносин України. У статті досліджено роль іноземних мов у забезпеченні ефективності міжнародних економіко-правових відносин України в умовах глобалізації. Проаналізовано значення міжмовної комунікації в міжнародних перемовинах, укладанні договорів та реалізації правових зобов'язань. Особливу увагу приділено англійській мові як домінантній у світовому економіко-правовому просторі та її практичному застосуванню у перемовному процесі України з міжнародними партнерами.

Ключові слова: володіння іноземною мовою, глобальний правовий простір, дипломатична комунікація, ефективність переговорів, міжкультурна взаємодія, міжнародне укладання договорів, мовне посередництво.

1. Introduction

In the contemporary globalized world, international economic and legal relations are formed under conditions of constant interaction among states, international organizations, and transnational economic entities. The effectiveness of such interaction largely depends on the quality of intercultural and interlingual communication. In this context, foreign languages function not only as a means of information exchange but also as an important instrument for achieving economic agreements, concluding international treaties, and implementing legal obligations.

The relevance of the study is determined by Ukraine's active participation in international economic and legal processes, particularly in negotiations with international partners, integration into the European and global legal space, as well as cooperation with international financial and political institutions. Under current global challenges, effective proficiency in foreign languages, especially English, acquires strategic importance for ensuring Ukraine's national interests in the international arena.

The role of foreign languages in international communication has been examined in the works of Ukrainian and foreign scholars. Previous studies focus on the significance of the English language in international trade, diplomacy, and law, as well as on its impact on the effectiveness of international cooperation. However, the practical significance of foreign languages in contemporary economic and legal negotiations involving Ukraine and its international partners remains insufficiently explored, which necessitates further scholarly analysis.

The object of the study is Ukraine's international economic and legal relations.

The subject of the study is the role of foreign languages in ensuring the effectiveness of Ukraine's international economic and legal relations.

The aim of the study is to analyze the significance of foreign languages as a factor in the effectiveness of Ukraine's international economic and legal relations in the global context.

To achieve the stated aim, the article addresses the following **tasks**:

1. to determine the role of foreign languages in the system of international economic and legal communication;
2. to characterize the significance of the English language as the leading language of international communication;
3. to analyze practical examples of the use of foreign languages in Ukraine's international negotiation process.

2. The Role of Foreign Languages in International Economic and Legal Communication

2.1. Foreign Languages in the System of International Economic and Legal Communication

International economic and legal relations involve constant communication among actors belonging to different legal systems and cultures [7, pp. 32–36]. Precision of wording, accuracy of translation, and the ability to engage in direct linguistic interaction are of decisive importance during negotiations, the preparation of contracts, and the conclusion of international agreements. Researchers note that proficiency in foreign languages significantly reduces the risk of communicative barriers and misinterpretation of legal norms and economic obligations [7, pp. 80–83].

Real examples of international negotiations confirm this thesis. In December 2025, negotiations between the President of Ukraine and the President of the United States took place at the Mar-a-Lago residence in the United States, followed by a videoconference involving European leaders, during which progress in the peace process and further steps of cooperation were discussed (Fig.1) [5].



Figure 1. President of Ukraine Volodymyr Zelenskyy, U.S. President Donald Trump, and members of the Ukrainian and U.S. delegations at Mar-a-Lago, December 28, 2025 [5].

These complex international contacts, which included the exchange of positions, clarification of security guarantees, and coordination of approaches to assistance for Ukraine, were conducted in English as a common language of communication.

2.2. English as the Dominant Language of the Global Economic and Legal Space

At the present stage of development of international relations, the English language performs the function of *lingua franca* in the fields of economics and law. It serves as a working language of the United Nations, the European Union, NATO, the International Monetary Fund, and other influential international institutions that shape the rules of global economic and legal interaction [4, p. 42].

This is confirmed by practice: during international videoconferences and bilateral negotiations, Ukrainian officials, including the President of Ukraine, used English as the primary language for discussion of cooperation conditions with partners from the United States, the European Union, and NATO [1, p. 50]. Such a format makes it possible to avoid language barriers and misunderstandings that may arise during interpretation and facilitates rapid exchange of information [3, p. 5].

Scholars emphasize that the English language supports international dialogue, promotes the development of trade, and ensures the effectiveness of negotiation processes between states [6, p.2]. Proficiency in English enables negotiation participants to take part directly in drafting agreements, discussing terms of cooperation, and formulating legal obligations, which constitutes an important factor in safeguarding national interests.

2.3. The Significance of Foreign Languages for Ukraine's International Economic and Legal Relations

For Ukraine, foreign languages, particularly English, have strategic importance in the context of international cooperation [6, p. 2]. They ensure the country's effective participation in international economic processes and contribute to attracting foreign investment, involvement in global security initiatives, and integration into the world market [4, pp. 41–45]. Examples of Ukraine's negotiations with the United States and European countries demonstrate that a high level of English language proficiency has enabled the Ukrainian side to effectively present its positions on security guarantees, cooperation in the defense sector, and humanitarian aspects of the peace process (Fig.2) [2].



Figure 2. European countries have developed plans outlining the assistance they can provide to Ukraine [1].

The growing demand for specialists with foreign language proficiency is a global trend that also affects Ukraine [4, pp. 41–45]. In the fields of international law and economics, language proficiency is a necessary condition for professional activity and the effective implementation of the state's foreign economic policy. The participation of Ukrainian diplomats in multilateral consultations and videoconferences with Western partners indicates a commitment to achieving mutual understanding of complex legal and economic issues within a framework where the English language plays a central communicative role.

3. Conclusions

Thus, foreign languages constitute an integral component of the effectiveness of Ukraine's international economic and legal relations. They ensure communicative transparency in bilateral and multilateral negotiations, contribute to the development of mutual understanding, and facilitate the conclusion of partnership agreements. A particularly significant role is played by the English language, which currently functions as the primary language of international economic and legal communication.

Enhancing the level of foreign language proficiency among representatives of public authorities, the business community, and the diplomatic corps is an important prerequisite for Ukraine's integration into the global economic and legal space and for strengthening its position in the international arena.

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SOFT POWER IN INTERNATIONAL RELATIONS: A COMPARATIVE ANALYSIS OF UKRAINE AND THE WORLD LEADING STATES

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Haidenko Y. A., Zmiiova I. V. Soft Power in International Relations: A Comparative Analysis of Ukraine and the World Leading States. The article examines the role of soft power in contemporary international relations on the example of the USA and Ukraine. It analyses J. Nye's concept, institutional instruments of public diplomacy, as well as the impact of digital technologies on the formation of international image. The author concludes that the United States maintains its leading position thanks to its global cultural resources, while Ukraine is enhancing its appeal through digital diplomacy and the symbolism of struggle.

Keywords: cultural diplomacy, digital technologies, international relations, public diplomacy, soft power, Ukraine, United States.

Гайдєнко Ю. А., Змійова І. В. М'яка сила в міжнародних відносинах: порівняльний аналіз України та провідних держав світу. В статті досліджується роль м'якої сили в сучасних міжнародних відносинах на прикладі США та України. Аналізується концепція Дж. Найя, інституційні інструменти публічної дипломатії, а також вплив цифрових технологій на формування міжнародного іміджу. Встановлено, що США зберігають провідні позиції завдяки глобальним культурним ресурсам, тоді як Україна посилює привабливість через цифрову дипломатію й символіку боротьби.

Ключові слова: культурна дипломатія, міжнародні відносини, м'яка сила, публічна дипломатія, США, Україна, цифрові технології.

1. Introduction

In contemporary international relations, alongside traditional hard power – military force, economic sanctions, and pressure – soft power plays an increasingly significant role. Soft power is the ability of states to influence others through the attractiveness of their values, culture, ideas, and institutions rather than through coercion or threat. Considering globalization, informatization, the development of communication technologies, and mass media, soft power has become a key instrument of foreign policy. For Ukraine, which suffers from external aggression and information pressure, developing soft power potential is not merely a strategic option but a necessity.

The relevance of the topic is determined by several factors. First, the war with Russia and associated informational, cultural, and historical challenges raise questions of Ukrainian identity, image, and cultural security. Second, many countries – such as the United States, the United Kingdom, Germany, France, and Japan – have long effectively utilized soft power, maintaining well-established institutions of public diplomacy, cultural exchange, country branding, and educational programs. Comparing Ukraine's experience with these states' practices can help identify strengths and weaknesses, limitations, and ways to overcome them. Third, scholarly research on Ukraine's soft power still contains certain gaps: the instruments and methodology are not always clearly defined, and assessments of national image and the value of resources available for state investment remain fragmented. This creates a need for a systematic comparative analysis.

The **object** of the research is the practice of applying soft power in the international relations of Ukraine and leading countries worldwide.

The **subject** of the research is the components and instruments that make soft power effective while creating the state's international image.

The **aim** of the study is to determine the strengths and challenges of Ukraine's soft power in comparison with the practices of leading states and to develop recommendations to enhance its effectiveness.

The following **tasks** are set to achieve the purpose:

- to define the concept of soft power, its key components, and evaluation methods;
- to study the models of soft power application on the example of several leading countries;
- to assess the current state and potential of Ukraine's soft power;
- to conduct a comparative analysis identifying areas where Ukraine lags behind or holds advantages in comparison with leading countries;
- to formulate recommendations for Ukrainian state policy on soft power development, as to which instruments, resources, and strategies can enhance its effectiveness.

2. Soft power in international relations: a comparative analysis of Ukraine and leading states

2.1. Theoretical context and components of soft power

The concept of 'soft power' was introduced by Joseph Nye as the ability of a state to influence other countries not through coercion or force, but through the attractiveness of its own values, culture, and policies [5, p. 15]. In his framework, the primary sources of soft power are cultural resources, political institutions, and foreign policies that are perceived as legitimate and morally justified [5, p. 20]. Subsequent studies, particularly those by Dirk Griek and his colleagues, emphasize that the effective application of soft power is possible only in the presence of a well-developed institutional infrastructure, including public diplomacy, cultural institutions, educational and scientific programs, global media, and country branding [5].

In the twenty-first century, the boundaries between "hard" and "soft" power have become increasingly blurred. Information operations, cyber tools, and sanctions are often employed alongside cultural and communication strategies, producing the effect of "smart power," which combines both approaches [12]. This development necessitates a comprehensive analysis that accounts for the multidimensionality of state policy instruments.

2.2. Soft power of the United States as a leading actor

The United States of America is an undisputed leader in the field of soft power. According to the Global Soft Power Index 2025, the United States achieved a record score of 79.5 out of 100,

maintaining its first place worldwide [1]. American culture has global reach through Hollywood, the music industry, and mass culture, which have become symbols of the attractiveness of the American way of life. Furthermore, the U.S. higher education system is one of the most influential in the world: according to UNESCO, more than one million international students annually pursue education at American universities, which constitutes a significant factor in the dissemination of cultural and political values [11].

Academic exchange programs, in particular the Fulbright Program, as well as the activities of USAID and numerous cultural centers, further strengthen the international influence of the United States. At the same time, research by the Pew Research Center indicates that perceptions of America are ambivalent: only 44% of respondents in 23 countries consider the level of democracy in the United States equal to or higher than that in other developed countries, while 22% assess it as lower [11]. This demonstrates that even a country with a well-developed soft power infrastructure faces reputational challenges.

2.3. Soft power of Ukraine: current state and challenges

Ukraine's soft power has undergone significant transformations following the full-scale invasion by Russia in 2022. Prior to this, Ukraine's international image was often associated with political instability and corruption scandals; currently, the country is perceived globally as a symbol of the struggle for freedom, democracy, and resilience [6]. According to the study by the Ukrainian Institute, the indicator of familiarity with Ukraine rose from 47th to 14th place in the global ranking, reflecting the impact of extensive communication campaigns and international support [7].

Digital diplomacy has played a key role. Ukrainian state institutions actively utilize social media and multimedia platforms to disseminate information about the war, international cooperation, and cultural events. According to Yuliia Matvieieva's research, Ukraine's digital diplomacy has become an innovative instrument of foreign policy, enabling the integration of public communication into the global information space [10].

At the same time, Ukrainian soft power faces significant challenges. A lack of financial resources limits the capacity for large-scale cultural initiatives, and the absence of adequate coordination between institutions reduces the effectiveness of implemented programs [8]. Moreover, the information war conducted by Russia, which actively employs bot networks and disinformation campaigns, poses a substantial threat. Research by Daniel Heissler and colleagues revealed that approximately 20% of accounts spreading pro-Russian messages on Twitter in 2022 were automated, significantly amplifying the propaganda effect [2, p. 35].

2.4. Comparative Analysis of Ukraine and the United States

For a clear presentation of the current state of soft power, it is advisable to examine the ranking indicators of both countries.

Table 1

Soft Power Indicators of the United States and Ukraine in the Global Soft Power Index (2025)

Country	Ranking Position	Score (out of 100)	Recent Trends
USA	1	79.5	Consistently first place, record score
Ukraine	46	37.8	Dropped by 2 positions, but the “familiarity” indicator increased

Source: Composed by the authors, using materials from [1; 3].

As shown in Table 1, the United States demonstrates a consistently high level of soft power, whereas Ukraine still lags in the ranking. However, Ukraine exhibits positive dynamics in terms of international recognition and image, indicating significant potential even under limited resources. A more detailed comparison is provided by examining specific characteristics of the soft power of the two countries.

Table 2

Key Characteristics of Soft Power in the United States and Ukraine

Indicator	USA	Ukraine
Educational Programs	Over 1 million international students annually	Limited programs, dependent on grant support
Cultural Diplomacy	Hollywood, music, global brands	“Be Brave Like Ukraine” campaign, Ukrainian Institute
Information Resources	CNN, collaboration with BBC, diplomacy	Digital diplomacy, presidential addresses
Reputation / Image	Symbol of democracy, though perception is ambivalent in parts of the world	Symbol of struggle and resilience, growing international support

Source: Composed by the authors, using materials from [1; 3; 4; 6; 7].

Table 2 illustrates the place that the United States possesses an extensive institutional infrastructure and a global cultural presence, whereas Ukraine focuses on digital communications and an emotionally resonant image of resistance. This highlights a difference in models: the resource-oriented strategy of the United States contrasts with the flexible and creative diplomacy of Ukraine.

The comparison between Ukraine and the United States demonstrates that, despite significantly lower resource potential, Ukraine has managed to increase its international recognition and influence through an authentic image of resistance, digital diplomacy, and cultural campaigns. At the same time, the lack of stable funding and a well-developed institutional network remains a key limitation. To enhance its soft power, Ukraine needs not only to maintain its image

as a country of resilience but also to build long-term institutions of cultural and public diplomacy, following the example of leading states worldwide.

3. Conclusions

The conducted analysis has demonstrated that soft power is one of the key instruments of contemporary international relations, capable of significantly influencing the image of states and their position in the global arena. The study of the United States' experience confirmed that a high level of cultural presence, extensive educational programs, and a strong institutional foundation create a sustainable attractiveness effect, allowing a country to occupy leading positions in global rankings.

In the case of Ukraine, the results indicate that despite limited financial resources and the absence of a well-developed public diplomacy infrastructure, the country has managed to strengthen its international image through digital communications, the symbolism of the struggle for independence, and cultural diplomacy campaigns. A comparison with leading states has made it possible to identify the strengths and weaknesses of the Ukrainian model: on one hand, flexibility, authenticity, and high mobilization capacity; on the other hand, a lack of systemic organization and stable funding.

The obtained results are of significant importance for the formulation of state policy in the field of external communications. They underline the need for a long-term strategic approach to the development of Ukraine's soft power, which should include the establishment of institutions, the expansion of international cultural and educational programs, and the enhancement of cooperation with international partners.

Prospects for further research lie in a deeper examination of the effectiveness of individual instruments of Ukraine's soft power, the development of methodologies for quantitatively measuring the results of cultural and digital diplomacy, as well as the expansion of comparative analysis to include other countries with successful experience in this field.

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CYBER INSURANCE IN THE CONTEXT OF ADAPTATION OF UKRAINIAN SMALL AND MEDIUM-SIZED BUSINESSES TO WAR RISKS AND DIGITAL TRANSFORMATION

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Hatsenko M. S., Izotova L. I. Cyber insurance in the context of adaptation of Ukrainian small and medium-sized business to war risks and digital transformation. The article examines the relevance of cyber insurance as an instrument for minimizing financial losses caused by cyberattacks in periods of intensified digitalization and wartime instability. Small and medium-sized enterprises (SMEs) remain the most vulnerable segment of the Ukrainian economy due to insufficient cybersecurity funding and low awareness of cyber threats. The paper analyzes economic consequences of cyber incidents for SMEs, identifies barriers to cyber-insurance market development, and proposes tools for insurance companies to expand coverage and support cyber-resilience. The study emphasizes the need for a national cyber-risk management strategy and adoption of cyber insurance as a component of financial protection.

Keywords: cyber insurance, SME, cyber risks, digitalization, security, financial protection.

Гаценко М. С., Ізотова Л. І. Кіберстрахування в умовах адаптації українського малого та середнього бізнесу до ризиків війни та цифрової трансформації. У статті досліджено роль кіберстрахування як інструменту мінімізації фінансових наслідків кібератак в умовах воєнної нестабільності та прискореної цифровізації. Малий та середній бізнес є найбільш вразливим до кіберризиків через обмежені ресурси для кіберзахисту та низький рівень обізнаності щодо загроз. Проаналізовано прямі та непрямі економічні втрати, виявлено бар'єри поширення кіберстрахування в Україні та визначено шляхи їх подолання. Запропоновано напрями вдосконалення страхових продуктів і підвищення кіберстійкості бізнесу.

Ключові слова: кіберстрахування, кіберризики, МСБ, цифровізація, фінансова безпека, страхування технічних ризиків.

1. Introduction

In the context of accelerating global digitalization—intensified by the COVID-19 pandemic and the full-scale Russian-Ukrainian war—the Ukrainian economy, particularly the small and medium-sized enterprises (SMEs) sector, has faced unprecedented challenges [1]. One of the most critical threats is the rapid growth in the frequency and sophistication of cyberattacks. The cyber domain has effectively become a battlefield where both public institutions and private businesses are targeted. According to the Security Service of Ukraine, the number of attacks on the business sector has significantly increased since the beginning of the full-scale invasion.

The vulnerability of SMEs is primarily driven by limited financial, technological, and human resources necessary for building robust cybersecurity infrastructures. Under these conditions, cyber insurance has emerged as an essential tool for mitigating the financial consequences of cyber incidents. Nevertheless, the level of adoption of cyber insurance in Ukraine remains low.

The relevance of this study stems from the need to strengthen SME cyber resilience amid intensifying digital threats and wartime disruption. *The object* of the research is the process of cyber risk management in SMEs. *The subject* is the economic and organizational mechanisms of cyber insurance. *The aim* is to examine the contemporary role of cyber insurance as a key instrument for protecting SMEs from cyber-related financial losses.

The tasks include:

- analysing theoretical foundations of cyber insurance and identifying SME cyber risk categories;
- evaluating the economic consequences of cyberattacks for Ukrainian SMEs;
- identifying key barriers to cyber insurance adoption;
- proposing recommendations for insurers and businesses.

2. Cyber insurance in the SME sector: theoretical foundations, risk classification, economic impacts, and market development challenges

2.1. Theoretical foundations and conceptual meaning of cyber insurance

Cyber insurance is a specialized form of insurance designed to protect organizations from financial losses resulting from cyber incidents, including data breaches, ransomware attacks, DDoS disruptions, and malicious system intrusions. Unlike traditional insurance, which focuses on tangible assets, cyber insurance primarily protects intangible assets such as digital data, software, information systems, and business reputation .

Typical cyber insurance policies cover data restoration, business interruption, digital forensics, third-party liability, legal representation, regulatory fines, and crisis communication arising from cyberattacks. Recent studies emphasize that cyber insurance is becoming an essential component of enterprise risk management strategies in highly digitalized environments.

2.2. Classification of cyber risks affecting SMEs

Cyber risks affecting SMEs can be classified into several interrelated categories that differ in nature yet jointly determine the overall level of a company's cyber vulnerability. One of the most widespread forms is operational cyber risk, which arises when cyberattacks disrupt business continuity through mechanisms such as ransomware, DDoS attacks, or malicious software that blocks access to critical systems [3]. Such incidents not only halt daily operations but also lead to significant financial losses, including downtime costs, lost sales, and, in some cases, ransom payments demanded by attackers.

Another major category consists of data breach risks, which occur when unauthorized actors gain access to confidential or sensitive information, including personal data, financial records, or commercial secrets. These breaches typically result in regulatory fines, lawsuits, reputational harm, and substantial expenditures on incident investigation and customer notification procedures [4].

A further dimension of SME cyber exposure is reputational risk: even when direct financial losses are covered or mitigated, a cyber incident can severely damage customer confidence and stakeholder trust, leading to long-term declines in competitiveness and market position.

In addition, SMEs are increasingly confronted with cybercrime-related risks, including phishing, credential theft, and other forms of digital fraud that directly compromise financial assets and internal systems.

The impact of these risks is amplified by structural weaknesses characteristic of many SMEs, such as outdated software, insufficient investment in cybersecurity, and limited staff awareness of cyber hygiene practices. Consequently, SMEs—despite their smaller scale—often become primary targets for cybercriminals seeking to exploit easily accessible vulnerabilities, a trend repeatedly confirmed in empirical research [8].

2.3. Economic consequences of cyberattacks on Ukrainian SMEs

Cyberattacks generate both direct and indirect financial losses.

Direct losses typically arise from the immediate consequences of an incident, including the costs of restoring IT systems and recovering data, ransom payments during ransomware attacks, regulatory fines imposed for violations of personal data protection laws, and expenses for legal support and cybersecurity consulting.

Indirect financial losses are often less visible but equally damaging. These include revenue decline caused by operational downtime, customer attrition and reduced trust, the loss of intellectual property and commercial secrets, as well as increased spending on marketing and public relations aimed at restoring reputation.

Empirical evidence shows that the average cost of a cyberattack for SMEs may reach tens of thousands of dollars [5]. In wartime conditions—characterized by resource constraints and heightened digital vulnerability—such losses may force businesses to suspend operations or permanently shut down. Cyber insurance, therefore, represents a crucial mechanism for risk redistribution and financial protection [6].

2.4. Barriers to the development and implementation of cyber insurance in Ukraine

Barriers to the development and implementation of cyber insurance in Ukraine remain significant, despite the growing importance of digital security. Cyber insurance is still considered a niche product, and its adoption is hindered by several structural and behavioural obstacles.

A major barrier is the widespread underestimation of cyber risks. Many SME managers assume their businesses are too small to attract cybercriminals or believe that basic antivirus software ensures sufficient protection. This behavioural bias considerably reduces the demand for cyber insurance.

Another obstacle is the lack of specialized and affordable insurance products. The Ukrainian insurance market still offers few flexible, sector-specific cyber insurance solutions tailored to SME

needs. Existing products are often costly, complex, and difficult for business owners to understand [5].

The high cost of premiums also discourages adoption. In conditions of economic instability, SMEs tend to prioritize urgent operational expenses over long-term risk-mitigation tools such as insurance.

Additionally, insurers themselves encounter challenges in cyber underwriting. Evaluating cyber risks is complicated by the absence of standardized assessment criteria and by limited access to confidential information about a company's IT infrastructure, both of which hinder accurate risk modelling and pricing.

2.5. The role of insurance companies in fostering cybersecurity culture among SMEs

The role of insurance companies in fostering a cybersecurity culture among SMEs is becoming increasingly important as digital threats grow more sophisticated. Insurers are well positioned to enhance the cyber resilience of small and medium enterprises by offering both protection and proactive support.

One significant contribution is the development of tailored cyber insurance products. Sector-specific policies designed for e-commerce, IT startups, manufacturing firms, and service companies can provide not only financial coverage but also value-added services such as legal assistance, incident response, and crisis management support [9].

Insurance companies can also strengthen cybersecurity culture through educational initiatives. By organizing webinars, publishing practical guidelines, and offering risk assessment consultations, insurers help SME managers better understand cyber threats and adopt preventive measures [7].

Partnerships between insurers and cybersecurity providers further expand the value of cyber insurance. Through such collaboration, insurers can incorporate penetration testing, security audits, and advanced technological solutions directly into insurance packages.

Finally, simplifying underwriting procedures can make cyber insurance more accessible for SMEs. Standardized online questionnaires and automated tools for risk assessment improve transparency and reduce the administrative burden, encouraging more businesses to adopt cyber insurance as part of their risk-management strategy.

3. Conclusions

Cyber insurance represents a critically important yet underutilized instrument for enhancing the cyber resilience of Ukrainian SMEs amid the growing intensity of cyber threats and wartime digital vulnerabilities. The study identifies four major groups of cyber risks—operational, data-related, reputational, and cybercrime-related—each posing significant economic consequences. Despite

the evident benefits of cyber insurance, its adoption is constrained by low awareness, high costs, and difficulties in underwriting.

Strengthening the cyber resilience of Ukrainian SMEs requires coordinated action:

- government policies should promote cybersecurity investments through financial incentives;
- insurance companies must develop flexible, affordable products and increase awareness;
- SMEs should recognize cybersecurity as a strategic priority rather than an optional expenditure.

Cyber insurance has the potential to significantly reinforce enterprise stability and support national economic resilience in the context of ongoing war and accelerated digital transformation.

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INTERNATIONAL LOGISTICS NETWORKS

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Hloba O. A., Radchenko O. I. International logistics networks. The article reveals the essence of international logistics networks in a broad sense and their role in ensuring the effective movement of goods, information and financial flows in the context of globalisation of the world economy and integration of national markets. It highlights the importance of international coordination of logistics processes, standardisation and the application of modern digital technologies in the formation and development of international logistics networks. It describes the main advantages of companies participating in international logistics networks, as well as characterises the key participants and levels of interaction between logistics operators in the global environment.

Keywords: international logistics networks, globalisation, logistics flows, market integration, logistics operators.

Глоба О. А., Радченко О. І. Міжнародні логістичні мережі. У статті розкривається сутність міжнародних логістичних мереж у широкому значенні та їх роль у забезпеченні ефективного руху товарних, інформаційних і фінансових потоків в умовах глобалізації світової економіки та інтеграції національних ринків. Висвітлено значення міжнародної координації логістичних процесів, стандартизації та застосування сучасних цифрових технологій у формуванні й розвитку міжнародних логістичних мереж. Описано основні переваги участі компаній у міжнародних логістичних мережах, а також охарактеризовано ключових учасників і рівні взаємодії логістичних операторів у глобальному середовищі.

Ключові слова: міжнародні логістичні мережі, глобалізація, логістичні потоки, інтеграція ринків, логістичні оператори.

1. Introduction

In the current context of globalisation of the world economy, logistics is becoming one of the key factors in ensuring the efficiency of international trade and the competitiveness of enterprises. The rapid development of information technology, the digitalisation of business processes and the growth in international transport volumes have contributed to the formation of complex systems for managing the flow of material, financial and information resources – international logistics networks.

International logistics networks (ILNs) are integrated systems of interconnected enterprises and organisations that ensure the movement of goods, services and information between countries. Their effectiveness largely depends on the level of quality management of logistics processes, which includes monitoring indicators of speed, reliability, safety and cost of transportation.

Quality management in international logistics networks involves not only compliance with standards and norms (such as ISO 9001, ISO 28000, etc.), but also continuous improvement of processes, taking into account customer needs and changes in the global environment. Companies operating in the global market must adapt their logistics strategies to conditions of instability, risk and high competition.

The *relevance* of the topic lies in the fact that effective quality management of logistics processes allows reducing costs, increasing the reliability of supplies and strengthening the company's position in the international market. Research into international logistics networks is

important for understanding the mechanisms of the modern global economy and finding ways to further optimise it.

The ***purpose*** of this work is to study the essence, structure and characteristics of international logistics networks, as well as to analyse approaches to quality management in such systems.

The ***aims*** of the work:

- to reveal the concept and components of international logistics networks;
- to determine the role and importance of quality management in logistics;
- to analyse international quality standards and control methods in logistics processes;
- to consider examples of leading companies that form international logistics networks;
- propose directions for improving quality management in international logistics systems.

The ***subject*** of the study is international logistics networks as an element of the global logistics system.

The ***object*** of the study is the process of formation, functioning and quality management of international logistics networks.

2. International logistics networks

2.1. The essence and structure of international logistics networks

International logistics networks are complex global systems that bring together organisations, processes, resources and flows (material, information, financial) that enable the movement of goods and services across national borders — from the supplier to the end consumer. They cover the planning, implementation and control of international transport, warehousing, customs clearance and distribution of products, as well as the coordination of participants in different jurisdictions [13; 15].

The key elements of an international logistics network include:

- suppliers of raw materials and components in different countries;
- production and processing facilities;
- warehouses and distribution centres;
- transport routes (sea, rail, road, air);
- information management and monitoring systems;
- end consumers and sales markets;
- regulatory and customs procedures, as well as risks inherent in international activities [3; 16].

International logistics networks play a strategic role in the global economy. They contribute to the integration of national markets and production chains, reduce logistics costs, increase the

competitiveness of companies and promote economic growth. Effective networks increase the resilience of economies to crises by ensuring continuity of supply and access to global markets [9].

In terms of configuration, international logistics networks can be centralised, decentralised, hub-and-spoke, integrated or virtual (global). Each type has its own advantages and limitations, which are determined by the balance between scale, flexibility, level of control and investment requirements. The choice of configuration depends on the company's strategy, market geography, and the dynamics of the global environment [12].

2.2. Quality management in international logistics systems

Quality management in logistics processes is an integral part of the effective functioning of modern logistics systems and is based on general principles of quality management systems adapted to the specifics of transportation, storage, handling and distribution of goods. Such management is based on international approaches, in particular the ISO 9000 series of standards, which ensure the consistency and reliability of logistics operations in national and international supply chains [2; 5; 6; 7].

The key principles of quality management in logistics are customer focus, leadership, staff involvement, process approach, continuous improvement, data-based decision-making, and stakeholder relationship management. Implementing these principles ensures timely delivery, preservation of goods, stability of logistics processes, and improved service levels [4; 8].

International quality management standards, primarily ISO 9001, play an important role in ensuring quality. These standards establish requirements for quality management systems and are aimed at satisfying customer needs and continuously improving processes. ISO 9000 standards form the terminological and conceptual basis, ISO 9004 guides organisations towards sustainable development, and ISO 19011 defines approaches to auditing quality management systems. In logistics, these standards ensure standardisation of operations, transparency and control of process execution [5; 6; 10].

The quality of logistics services is controlled and assessed through a combination of inspections, statistical data analysis and monitoring of key performance indicators (KPIs). The most commonly used indicators include delivery timeliness, order fulfilment accuracy, logistics cycle duration, transport costs and inventory management accuracy. In addition, continuous improvement methods (Lean, TQM, Six Sigma) are used to reduce losses, minimise defects and improve the overall quality of logistics processes [5].

Thus, quality management in logistics is a systematic process that combines principles, standards, and methods of control and evaluation, ensuring the efficiency, competitiveness, and sustainability of logistics systems [6].

2.3. Analysis of the effectiveness of international logistics networks

The effective functioning of international logistics networks is impossible without a systematic assessment of the quality and effectiveness of logistics processes. In addition to standards and regulations, key performance indicators (KPIs) play a crucial role in objectively measuring service levels, identifying problem areas, and monitoring the achievement of strategic goals. KPIs must be aligned with the company's strategy and comply with the SMART principle [1].

The most important indicators of quality and efficiency in international logistics include: on-time delivery rate, order fill rate, inventory accuracy, cost per shipment, and the level of damage and loss of cargo. Analysis of these indicators allows for the assessment of both operational efficiency and customer satisfaction [11].

An important factor in improving the quality of logistics services is the use of digital technologies. The Internet of Things and sensor systems provide real-time monitoring of cargo status, big data analytics and artificial intelligence enable delay prediction and route optimisation, and digital twins enable modelling and testing of logistics solutions. Blockchain and cloud platforms increase transparency, manageability, and trust between participants in international supply chains [14].

Leading international logistics companies such as DHL, UPS, FedEx, and Kuehne + Nagel demonstrate the practical implementation of quality management and performance evaluation systems. They combine global geographic coverage, standardised processes, active digitalisation and a focus on key quality indicators, which allows them to coordinate complex international logistics networks and ensure a high level of service [2; 14].

Therefore, the assessment of the quality and efficiency of international logistics networks is based on a combination of KPIs, modern digital technologies and advanced management practices, which ensures the competitiveness and sustainability of logistics systems in a global environment [11].

3. Conclusion

International logistics networks constitute a fundamental component of the global economy, ensuring the efficient movement of goods, information, and financial flows across national borders. Their complex structure, which integrates multiple participants, processes, and infrastructures, enables the coordination of international supply chains and supports the integration of national markets into a unified global system.

Effective management of these networks requires a systematic approach to quality, based on internationally recognised standards and principles. The application of quality management systems, particularly those aligned with the ISO 9000 series, allows logistics operators to

standardise processes, enhance reliability, and continuously improve service performance. Customer orientation, process integration, and data-driven decision-making are essential for maintaining high service levels and operational stability.

The evaluation of international logistics networks relies heavily on key performance indicators and modern digital technologies. KPIs provide an objective basis for measuring efficiency and service quality, while digital tools such as IoT, big data analytics, artificial intelligence, and blockchain significantly enhance transparency, control, and adaptability. The experience of leading global logistics companies confirms that the integration of advanced technologies with effective management practices is a critical success factor.

In conclusion, the sustainable development and competitiveness of international logistics networks depend on the balanced combination of efficient network configuration, robust quality management systems, performance measurement through KPIs, and continuous technological innovation. Together, these elements enable logistics networks to respond effectively to global market challenges and ensure resilience in an increasingly dynamic and interconnected environment.

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DIGITALIZATION OF BANKING SERVICES AS A DRIVER OF INSURANCE MARKET DEVELOPMENT IN UKRAINE

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Hololobova S. S., Izotova L. I. Digitalization of banking services as a driver of insurance market development in Ukraine. The article examines the impact of digitalization of banking services on the development of the insurance market in Ukraine. The study focuses on modern financial technologies, digital banking platforms, and bankassurance as key mechanisms of interaction between banks and insurance companies. The relevance of the research is determined by the rapid digital transformation of the financial sector and the growing demand for integrated financial and insurance products. The article analyzes the main advantages and risks of digital cooperation between banks and insurers, identifies current trends, and outlines prospects for further development of the banking and insurance sectors in Ukraine.

Keywords: banking digitalization, insurance market, bancassurance, financial technologies, fintech.

Гололобова С. С., Ізотова Л. І. Цифровізація банківських послуг як драйвер розвитку страхового ринку України. У статті досліджується вплив цифровізації банківських послуг на розвиток страхового ринку України. Основну увагу зосереджено на сучасних фінансових технологіях, цифрових банківських платформах та банківському страхуванні (bank assurance) як ключових механізмах взаємодії між банками та страховими компаніями. Актуальність дослідження зумовлена стрімкою цифровою трансформацією фінансового сектору та зростанням попиту на інтегровані фінансово-страхові продукти. У статті проаналізовано основні переваги та ризики цифрової співпраці між банками та страховиками, визначено сучасні тенденції та окреслено перспективи подальшого розвитку банківського і страхового секторів України.

Ключові слова: цифровізація банківських послуг, страховий ринок, банківське страхування, фінансові технології, фінтех.

1. Introduction

The relevance of the research is determined by the fact that digital transformation has become a defining trend in the development of the financial sector worldwide. In Ukraine, banks are actively implementing digital channels of service delivery, mobile applications, online payments, and remote identification systems. These changes significantly affect the insurance market, which increasingly integrates into banking digital ecosystems through bank assurance models and online insurance products.

Scientific studies show that digitalization contributes to increased efficiency of financial institutions and reduction of transaction costs. However, the interaction between digital banking and insurance services in the Ukrainian context remains insufficiently studied.

Thus, *the aim* of this article is to analyze the impact of banking digitalization on the development of the insurance market in Ukraine.

To achieve this aim, the following *tasks* have been defined:

- 1) to examine the theoretical aspects of banking digitalization;
- 2) to analyze the main directions of digital transformation of banking services in Ukraine;
- 3) to study the role of bank assurance in the digital environment;
- 4) to identify the benefits and risks of digital interaction between banks and insurance companies;
- 5) to determine the prospects for further development of digital insurance services in Ukraine.

The object of the study is the banking and insurance sectors of Ukraine.

The subject of the study is the process of digital interaction between banks and insurance companies.

2. Digitalization of the banking sector: theoretical aspects

Digitalization of banking services refers to the systematic use of digital technologies aimed at transforming traditional banking business models, internal processes, and customer interaction channels [1]. This process includes the implementation of internet banking, mobile banking applications, cloud technologies, artificial intelligence, machine learning, and big data analytics [6]. Digitalization allows banks to automate routine operations, reduce operating costs, and improve the quality and speed of financial services.

One of the key drivers of banking digitalization is the growing demand from customers for convenient, fast, and accessible financial services regardless of time and location [6]. Modern consumers increasingly prefer online channels over traditional branch-based banking, which forces banks to adapt their strategies and invest in digital infrastructure [1].

3. Influence of Banking Digitalization on Insurance Market Development

The insurance market in Ukraine is undergoing substantial transformation under the influence of banking digitalization and the spread of financial technologies [5]. Traditional insurance distribution models based on personal interaction with agents are gradually being replaced by online insurance sales, electronic insurance policies, and automated claims settlement systems. These changes contribute to reducing transaction costs and increasing accessibility of insurance services for a wider population [3].

One of the most effective and widespread forms of interaction between banks and insurance companies is bank assurance, which involves the distribution of insurance products through banking channels. Digital banking platforms significantly enhance the effectiveness of bank assurance by enabling real-time data exchange, personalized insurance offers, and seamless customer experience. Insurance products can be offered directly during banking transactions, such as loan issuance, payment services, or account opening, which increases sales efficiency [5].

Researchers note that bank assurance contributes to increasing insurance penetration, diversification of bank revenues, and expansion of the customer base of insurance companies [3]. For banks, cooperation with insurers provides additional commission income and strengthens customer loyalty through comprehensive financial service packages. For insurance companies, access to banking customer databases and digital channels significantly reduces marketing costs.

However, the digital integration of banking and insurance services also involves a number of risks and challenges [6]. These include cybersecurity threats, risks of unauthorized access to personal data, technological dependence on digital platforms, and regulatory inconsistencies between banking and insurance legislation [7]. Therefore, effective risk management and regulatory coordination are essential prerequisites for sustainable development of digital bank assurance in Ukraine [9].

4. Prospects and challenges of digital integration

The further development of digital cooperation between banks and insurance companies depends on technological readiness, regulatory support, and customer trust. Investment in cybersecurity systems is a critical prerequisite for sustainable digital integration [4].

From an economic perspective, digital integration promotes the creation of comprehensive financial products that combine banking and insurance services [6]. At the same time, insufficient digital literacy of the population may slow down the adoption of innovative financial solutions.

An indicator of digital integration effectiveness can be expressed as follows:

$$DI = (I_b / I_t) \times 100\%,$$

where DI is the digital integration level, I_b is the volume of insurance products sold through banking digital channels, and I_t is the total volume of insurance products sold [3].

5. Regulatory framework and the role of the state in the digital integration of banking and insurance services

The development of digital integration between banking and insurance services in Ukraine largely depends on the regulatory framework and the role of the state in supervising the financial sector. Effective regulation ensures financial stability, consumer protection, and trust in digital financial services, which is especially important in the context of rapid digital transformation.

The National Bank of Ukraine plays a key role in regulating both banking and insurance activities. Since the introduction of the unified financial market supervision model, regulatory coordination between the banking and insurance sectors has improved, contributing to the development of digital financial services and bank assurance models [2]. Regulatory initiatives focus on the implementation of electronic document circulation, remote customer identification, and the regulation of digital financial products [8].

A significant challenge of digital integration is ensuring cybersecurity and personal data protection. The active use of digital banking platforms and online insurance services increases the risks of cyberattacks, data leakage, and unauthorized access to confidential information. Therefore,

compliance with cybersecurity standards and data protection regulations is a mandatory condition for sustainable digital cooperation between banks and insurance companies.

State support also plays an important role in stimulating digital innovation in the financial sector. Government strategies aimed at developing the digital economy, increasing financial inclusion, and supporting fintech companies create favorable conditions for the expansion of digital banking and insurance services [5]. At the same time, regulatory flexibility is required to ensure that innovation is not constrained by excessive administrative barriers.

In general, the effectiveness of digital integration between banks and insurance companies in Ukraine depends on a balanced regulatory approach that combines the promotion of innovation with effective risk management. Strengthening cooperation between regulators, financial institutions, and technology providers will contribute to the sustainable development of the digital financial ecosystem.

6. Conclusions

The study confirms that digitalization of banking services is a key driver of insurance market development in Ukraine. Digital banking platforms expand access to insurance services and enhance the efficiency of bank assurance models.

It is established that successful digital integration between banks and insurance companies requires a comprehensive approach that includes technological modernization, regulatory harmonization, and improvement of financial literacy. Despite existing challenges, the prospects for further development of digital bank assurance in Ukraine remain positive.

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OUTSOURCING AS A FACTOR IN THE DEVELOPMENT OF LOGISTICS INFRASTRUCTURE

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Honcharenko D. R., Radchenko O. I. Outsourcing as a factor in the development of logistics infrastructure. The article reveals the term of logistics infrastructure in a broader sense and highlights the importance of outsourcing in the context of rapid development of the logistics services market and globalization in general. It describes the main advantages of outsourcing for companies and types of logistics companies-operators (PL) that provide these services.

Keywords: logistics infrastructure, outsourcing, logistics services market, globalization, logistics companies-operators (PL).

Гончаренко Д. Р., Радченко О. І. Аутсорсинг як чинник розвитку логістичної інфраструктури. У статті розкривається термін логістичної інфраструктури у ширшому значенні та значення аутсорсингу для неї в умовах швидкого розвитку ринку логістичних послуг та глобалізації в цілому. Описано основні переваги використання аутсорсингу компаніями та види логістичних компаній-операторів (PL), які надають дані послуги.

Ключові слова: логістична інфраструктура, аутсорсинг, ринок логістичних послуг, глобалізація, логістичні компанії-оператори (PL).

1. Introduction

Analyzing the impact of outsourcing on modern logistics infrastructure is an important aspect of building a high-quality supply chain for companies. Outsourcing is a key competitive advantage in the context of international and electronic commerce. Currently, there is a high demand for these services among all microeconomic entities.

Today, it is important for companies to choose the right type of outsourcing company for their logistics. The rapid development of logistics services, namely their improvement and diversification stipulate *the relevance* of this study.

The object of the study is international logistics; *the subject* is the outcomes of outsourcing integration into modern logistics infrastructure and key advantages of using it for companies.

The aim of the research is to find reasons why outsourcing logistics is a key advantage for companies in the markets nowadays.

The following *tasks* are set to achieve the purpose:

1. to define what logistics infrastructure means;
2. to analyze the role of outsourcing in a company's supply chain.
3. to define all the types of outsourcing logistics providers.

2. The impact of outsourcing on logistics infrastructure

2.1. Logistics infrastructure: definition

The infrastructure of a logistics facility should be understood as a complex of activities in the sphere of operation of relevant groups of enterprises, whose tasks are to rationalize material, financial, and information flows. In other words, logistics infrastructure is a system of means for

the spatial transformation of logistics flows (material, information, financial, and human), as well as a set of enterprises of various organizational and legal forms that create the organizational and economic conditions for the passage of these flows by creating the potential for relevant logistics services [5, p. 4].

The technical component of the logistics infrastructure contains a system of means for transforming material flows and includes, at the regional and national levels: roads, railways, containers, terminals, and logistics centers, and at the enterprise level: warehouses, vehicle ramps, internal roads, and localized equipment for moving raw materials and information [5, p. 5].

The organizational and economic component is implemented by a group of enterprises of various organizational and legal forms that create the organizational and economic conditions for the passage of material flows with the aim of their spatial and temporal optimization [5, p. 5].

In modern conditions, the structure of a logistics facility represents various spheres of the economy that influence the effectiveness of logistics processes [5, p. 5].

The criterion for distinguishing logistics infrastructure in the economic system is a logistics service, a feature of which is the addition of value in terms of place and time for the consumer [5, p. 5].

2.2. Advantages of logistics outsourcing for enterprises

Outsourcing in logistics is the complete or partial transfer of certain business tasks to a third-party company. The active development of this area in Ukraine began in 1990, but at that time it was limited to basic services: cargo transportation, warehousing, etc. Today, this area has moved to a new level, as the business sphere is developing rapidly. However, not every company has the warehouses, human and technical resources at its disposal to carry out logistics operations [2].

Key tasks that may be included in logistics outsourcing:

- receipt and unloading of goods;
- placement and storage of products in the warehouse;
- warehouse accounting;
- picking, palletizing;
- transportation;
- labeling, etc.

As a rule, outsourcing is relevant for small companies seeking to expand, and for large companies seeking to achieve maximum process efficiency and cost optimization [2].

The use of outsourcing services in the transport sector makes it possible to increase operational efficiency, optimize transport organization, and take advantage of the resources of logistics service providers and their specialists. For companies that do not have sufficient

equipment of their own, outsourcing becomes the only feasible and correct solution for meeting their logistics needs [3, p. 33].

Outsourcing customs services significantly reduces customs clearance time and border crossing costs, which is important for road freight transport [3, p. 34].

The main competitive advantages of outsourcing are improved business process management, the ability to forecast expenses under external contracts, etc. [5, p. 8].

According to the research by the Outsourcing Institute, outsourcing can help achieve the following goals:

- reducing and controlling operating costs;
- focusing on the company's core activities;
- gaining access to the highest quality production capacity;
- freeing up own resources for other purposes;
- obtaining new resources for use;
- accelerating the effects of restructuring;
- mastering non-core functions;
- raising capital;
- sharing risk;
- improving financial condition [5, p. 8].

In general, the market environment has shaped certain forms of relationship between the enterprise and the outsourcing company, which may now involve the formation of long-term contractual relationships, risk insurance, the application of common corporate quality standards, unified logistical approaches to production and distribution management, the development of mutually acceptable economic and financial regulators, and the use of integrated information platforms [5, p. 13].

The turnover of large companies usually allows their owners to have their own logistics departments. However, the issue is more complex. The larger a company becomes, the better its management understands that diversification for it is not about opening its own transport department, but something completely different: developing and implementing new products, and exploring new market niches within its business. In most cases, managers understand that for the company to function properly, they must focus on their core business – their key competence [4, c. 64].

2.3. Logistics providers as drivers of outsourcing

In international terminology relating to the field of freight delivery, the following classification of companies providing such services is accepted: 1PL, 2PL, 3PL, 4PL, 5PL (Party Logistics). The figures indicate how ‘deeply’ the operator is involved in processes related to logistics operations [3, p. 37].

1PL (First Party Logistics) — the first level, where the provider is the owner of a particular cargo or the company that manufactured a particular type of product and delivers it directly to retail chains or buyers. In this case, all operations related to cargo handling — loading, unloading, storage, etc. — are carried out by the cargo owner. Considering all the processes taking place in the global economy, this type of logistics is gradually ‘dying out’ and being outsourced.

2PL (Second Party Logistics) — as a rule, this is a contractor company that provides its services for the delivery and handling of cargo in a small section of the transport chain. It is a regular company engaged in transport operations, working with individuals who hire it and do not want to deal with the routine of renting transport, people, etc.

3PL (Third Party Logistics) is a freight forwarding company that specializes in delivery and receives orders for most logistics-related operations. These often include operations such as transportation, warehousing or through-put warehousing (goods arriving at one door are immediately sent through another), warehouse inventory management, packaging of goods and forwarding.

4PL (Fourth Party Logistics) is a contractor or association with a cargo owner that acts as an intermediary between manufacturers and their partners, either one or several at a time. This type of operator is deeply involved in the business processes of its customers and is the sole intermediary between the customer (manufacturer) and various logistics service operators. It also manages all the necessary cargo delivery processes throughout the chain. At the same time, this provider will also manage the 3PL company with which its client is ‘tied’. It should also be noted that such an operator often releases special software for the automation of cargo delivery.

5PL operators have only recently begun to appear and, having all the functions of a 4PL logistics company, work with network businesses, such as Amazon. This type of logistics operator is also called Fulfillment [6].

Fulfillment is a set of operations performed by the seller from the moment the buyer places an order to the moment the order is delivered to the buyer. Fulfillment is most often used by online stores and involves transferring all logistical processing of the order to the appropriate fulfillment centre [6].

Fulfillment services include:

- storage of goods;
- picking;
- packaging;
- delivery organization;
- returns processing;
- order acceptance;
- consulting [1, p. 3].

In Ukraine, such logistics services are not as developed as in America or Europe. There are only a few transport companies in Ukraine that provide comprehensive fulfilment + warehouse services on the Ukrainian market: Nova Poshta, Zammler, Denka Logistics, and Raben. Their clients include the largest online platforms, such as ROZETKA, ALLO, and others [7].

3. Conclusions

In the light of the above, outsourcing is an integral part of modern logistics infrastructure. First and foremost, it acts as a competitive advantage in the logistics sector for companies that want to manage their funds more efficiently. It has long been understood that using the services of an intermediary when building a supply chain is the key to a company's success. There are a number of advantages that completely outweigh the disadvantages of outsourcing if you turn to specialists in their field.

The main advantages of outsourcing include:

- reduction of own costs for building a supply chain;
- greater focus on other important aspects;
- increased efficiency through the involvement of qualified intermediaries;
- reduction of the failure risks within the logistics chain.

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HISTORICAL STAGES OF THE UNITED STATES' INVOLVEMENT IN GLOBAL INTEGRATION PROCESSES

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Huriev O. V., Davydenko I. V. Historical stages of the United States' involvement in global integration processes. The article analyses the evolution of the United States' participation in global integration. It examines the historical stages from early isolationism to active international engagement, identifies key milestones, assesses the role of the US in founding major economic and political institutions, and evaluates contemporary challenges and strategies. The study highlights the continuing influence of the United States on global economic and political processes.

Keywords: foreign policy, geoeconomic strategy, global integration, international institutions, United States.

Гур'єв О. В., Давиденко І. В. Історичні етапи залучення США до світових інтеграційних процесів. У статті досліджено еволюцію ролі Сполучених Штатів у світових інтеграційних процесах. Проаналізовано основні етапи переходу країни від політики ізоляціонізму до активної участі у формуванні міжнародних економічних інституцій та торговельних систем. Висвітлено ключові елементи зовнішньої політики, ініціативи та геополітичні зрушення, що демонструють, як США вплинули на становлення сучасного світового економічного порядку та продовжують використовувати інтеграцію як інструмент геоекономічного лідерства.

Ключові слова: геоекономічна стратегія, міжнародні інституції, світові інтеграційні процеси, Сполучені Штати, зовнішня політика.

1. Introduction

The process of the United States' involvement in global integration has played a fundamental role in shaping the contemporary international economic and political order. Over the past two centuries, the United States has gradually transformed from an internally oriented state into a key architect of global institutions, trade regimes and security frameworks. This evolution was driven by economic expansion, geopolitical interests and the deepening interdependence of world markets. *The relevance* of this study lies in the need to understand how the historical stages of US integration have shaped today's global economic system and continue to influence current international dynamics. *The object* of this study is the historical evolution of the United States within global integration processes. *The subject* of this study is the mechanisms, stages and instruments through which the United States has shaped international economic and political structures. *The aim* of this study is to analyse the development of US participation in global integration, identify its key phases and assess their impact on the modern system of international relations.

The following *tasks* are set to achieve the purpose:

- to outline the early stages of US external engagement and the transition beyond isolationism;
- to identify the main historical milestones that shaped the country's integration strategy;
- to examine the United States' role in establishing major international economic and political institutions;
- to evaluate contemporary trends and challenges in US integration policy in the twenty-first century.

2. Stages of US involvement in international integration

Since the proclamation of independence, the United States had been focused on addressing domestic challenges and strengthening its own statehood. Contacts with other countries were largely limited to territorial disputes with its closest neighbours, Mexico and Canada, while external economic activity remained fragmented and inconsistent. As historian Marc-William Palen notes, during the “long nineteenth century”, US foreign economic policy was dominated by economic nationalism, oriented towards protecting the domestic market and supporting domestic producers. For a long time, the country found itself in a state of uncertainty and constant struggle between protectionism and free trade, which hindered the formation of a coherent foreign economic strategy. Despite this, the United States gradually developed separate commercial links with European states – primarily the United Kingdom, Germany and France – which served as its main trading partners. However, these contacts lacked systematic character, and US participation in global economic processes remained limited until the end of the nineteenth century [12].

At the end of the nineteenth and the beginning of the twentieth century, the United States gradually moved away from a policy of isolationism. Rapid economic growth required new markets for goods and new sources of raw materials, which became the primary reason for expanding commercial and political relations. The turning point was the Spanish-American War of 1898, after which the United States gained colonial possessions, strengthening its influence in the Caribbean and the Pacific. Efforts to consolidate the country’s economic presence in Latin America were confirmed by President Theodore Roosevelt’s “big stick” policy and President Taft’s “dollar diplomacy”. At the same time, through the “Open Door Doctrine” (1899), the United States sought to secure equal trading conditions in China and gain greater access to Asian markets [1].

After the end of the First World War, the United States emerged as a leading economic power, although its foreign policy strategy remained contradictory. On the one hand, President Woodrow Wilson initiated the creation of the League of Nations, seeking to establish the foundations of collective security and international cooperation; on the other hand, Congress refused to ratify the Treaty of Versailles, signalling a return to isolationism [17]. Despite this, the US economic presence in the world continued to grow: the country provided loans to European states, actively invested in Latin America and Asia, and further promoted the principle of the “open door” in foreign trade, seeking to ensure free access to foreign markets. This period laid the groundwork for the country’s future global dominance, as the financial expansion of the 1920s and the accumulation of gold and foreign exchange reserves became the foundation of its subsequent leadership [9].

In the post-war period, the United States acquired a decisive influence on the development of global integration processes. The first major step was the Bretton Woods Conference of 1944, which resulted in the establishment of the International Monetary Fund and the World Bank. These

organisations formed the basis of the new global financial architecture, in which the US dollar assumed the role of the main reserve currency [5; 16]. Economic assistance to Western Europe through the Marshall Plan (1947) ensured reconstruction and economic integration of the region, creating preconditions for trade liberalisation and resistance to Soviet influence. The United States also contributed to the creation of the General Agreement on Tariffs and Trade (GATT), which became an important step in forming a Western-led global trading system [5]. In the political and security dimension, the country supported the establishment of the United Nations in 1945 as a universal platform for resolving international conflicts and maintaining global security [14]. At the same time, the creation of NATO (1949) united Western European countries and the United States in a system of collective defence. The tensions of the Cold War allowed the US to consolidate its role as the leader of the Western bloc and to establish control over global integration processes.

From the early 1970s to the late 1990s, the United States was among the most active initiators behind the creation of international economic and trade institutions. Growth in the share of American companies in global value chains, the development of financial and trade markets, as well as the creation of forums for coordination among the world's leading economies, all signalled a transition from predominantly bilateral contacts to systematic participation in global integration processes. Thus, the United States became one of the founding members of the G7, which since 1975 has served as a platform for policy coordination among the world's most powerful states [2]. The country also played a key role in initiating the GATT negotiations round of 1986-1994, which resulted in the creation of the World Trade Organization (WTO) in 1995 [6].

In the technological sphere, the United States facilitated international scientific and technological projects through the expansion of the ARPANET network and the development of NSF grant programmes, which marked a step towards establishing the country as a centre of global technological integration [15].

It is worth noting that this period was also characterised by an emerging shift in the structure of global investment and trade flows: the role of Western Europe, Japan and later the East Asian states was rapidly growing [11]. Despite this, the United States managed to remain at the centre of global economic processes and retain significant influence over the system of international economic relations [8].

At the beginning of the twenty-first century, the United States remained the main driver of globalisation, yet it faced new challenges: growing competitiveness from the EU, China and Asian economies. In response, the country began developing large-scale regional integration formats aimed at consolidating US economic leadership and establishing new global trade standards [13]. During this period, Washington actively promoted North American integration processes, particularly by strengthening cooperation within the existing North American Free Trade

Agreement (NAFTA), and initiated large negotiations on the formation of the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP). These agreements envisaged not only tariff reductions but also harmonisation of standards relating to intellectual property rights, digital trade, environmental regulations and labour conditions [7]. Throughout this period, the United States sought to combine economic integration with geopolitical influence, creating “high-standard” zones aligned with American technological and investment models [3].

After 2016, the role of the United States in global integration processes underwent significant transformation: the country revised its trade policy; withdrew from the Trans-Pacific Partnership (TPP); launched a renegotiation of NAFTA, which resulted in the establishment of the new USMCA agreement; and shifted towards a policy of economic protectionism [10]. At the same time, attention to the digital economy, supply-chain security and technological leadership intensified, particularly in the sphere of semiconductor production, artificial intelligence and green technologies [4]. The United States is increasingly using integration as an instrument of geoeconomic influence, directing it towards strengthening its position in strategic sectors. The shift from multilateral initiatives to regional formats is evident in the creation of the Indo-Pacific Economic Framework (IPEF) and the Americas Partnership for Economic Prosperity (APEP), both aimed at developing regional cooperation without China’s participation. The modern US strategy reflects a transition to a geoeconomic approach, in which integration becomes an instrument for advancing foreign policy and security objectives. The country seeks to preserve global leadership by regulating financial flows, shaping new rules of the game and establishing control over key technological standards.

3. Conclusions

The analysis of the evolution of U.S. external engagement shows that the country has undergone a gradual but decisive transition from early isolationism toward active international involvement. Over time, this shift was shaped by a series of key historical milestones, including the World Wars, the formation of the Bretton Woods system, and the Cold War, which collectively defined the strategic foundations of U.S. integration policy.

The United States played a leading role in establishing major international institutions, such as the IMF, World Bank, UN, and GATT/WTO, securing its global influence and shaping international economic cooperation. In the twenty-first century, U.S. integration policy faces geopolitical competition, technological change, and evolving alliances, yet the country remains a key driver of global integration and continues to influence the direction of international economic and political development.

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INFORMATION WARFARE AS A MODERN PHENOMEN

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Ivanchenko M. O., Lavrinenko I. M. Information warfare as a modern phenomenon. This article explores the main forms of information warfare and their influence on security, as well as emerging approaches to countering them. Today's information threats are significantly more complex and require innovative responses, particularly in the context of the war in Ukraine. The study analyses different types of information operations and provides examples of how public opinion is manipulated through the dissemination of false and misleading content.

Keywords: fake, Information warfare, propaganda, security, social networks.

Іванченко М. О., Лаврінєнко І. М. Інформаційна війна як сучасне явище. У цій статті розглядаються основні форми інформаційної війни та їх вплив на безпеку, а також нові підходи до протидії їм. Сучасні інформаційні загрози є значно складнішими і вимагають інноваційних заходів реагування, особливо в контексті війни в Україні. У дослідженні аналізуються різні типи інформаційних операцій і наводяться приклади маніпулювання громадською думкою шляхом поширення неправдивої та оманливої інформації.

Ключові слова: фейк, інформаційна війна, пропаганда, безпека, соціальні мережі.

1. Introduction

The current information age has not only provided new opportunities, but has also created certain challenges and problems during military campaigns, as it has significantly influenced the way military operations are conducted, providing new tools for information propaganda and manipulation. In this context, information becomes a powerful weapon in achieving a specific goal.

It is important for international security to study this type of struggle in order to ensure the necessary measures to prevent and resolve the latest threats. *The relevance* of this study lies in examining contemporary threats related to information warfare. *The object* of the study is information warfare as a phenomenon of international relations. *The subject* is the role of information warfare in the international security system. *The aim* of the research is to analyse the essence of information warfare in the context of international security.

To achieve this aim, the following *tasks* are set:

1. To review sources of information on this topic and explain the concept of information warfare and its main features.
2. To analyse contemporary examples of information operations.
3. Identify methods of spreading fake information.

2. Theoretical and methodological basis for researching Information wars

2.1. The concept and essence of information warfare

Today's methods of warfare are truly impressive. The modern arsenal is very diverse, with the latest types of weapons such as drones, cruise missiles, nuclear warheads, modern air defense systems, and the list goes on, but their use is a direct threat. Currently, techniques are emerging

that can strike the enemy in other ways and sometimes their effect on the course of events is even more effective than we can imagine. In the era of digitalization, technological evolution and the development of artificial intelligence, we are faced with a serious challenge: along with the advantages gained, more dangerous threats have also emerged, which we must combat and develop countermeasures for.

Information has always been a powerful weapon in conflicts, as it is a valuable resource that can coordinate and complement strategic decisions. Those who possess more data have a greater advantage in battle and that is a fact. Information weapons are not aimed at inflicting losses on the enemy's manpower, as they do not destroy physically and cannot directly destroy human, material or technological resources, but rather undermine the control system and the functioning of the entire military mechanism. Currently, we are all witnesses and participants in various information conflicts, ranging from competition in the goods market or election campaigns to entire manipulation operations aimed at society. The term "information warfare" has long been established in our minds, and we are accustomed to perceiving it as a form of comprehensive measures to influence mass consciousness in order to change people's behavior and impose goals on them that do not correspond to their interests, as well as, naturally, to protect against similar opposing influences. This makes it possible to achieve information superiority by damaging the enemy's information and processes based on data and information systems while protecting one's own information resources. The history of this term is relatively recent, as it was first mentioned in the 1980s, prompted by the need for a theoretical review of the military needs of the US Armed Forces after the Cold War [2].

Although this term is commonly used in modern science and military doctrines, this phenomenon is usually referred to as "information operations," emphasizing that they are only elements of real multifaceted confrontations. Information operations are a component and accompaniment of more general processes in which the information space serves as the arena. Such a component of the information space as the web environment is, in a broader sense, a field of information clashes, and in a narrower sense, a place where real combat operations are reflected. Essentially, these operations have an informational impact on the mass consciousness, both hostile and friendly, as well as on the enemy's access to the strategic data necessary for decision-making, and, of course, the enemy's information and analytical systems, which also includes the disabling of communication devices, computer systems, etc. [3].

Therefore, the concept of "information warfare," which has recently become more prevalent in our region, is a confrontation whose task is to implement pre-planned psychological influences on various types of audiences by instilling the necessary attitudes and controlling behavior to achieve specific goals.

2.2. Forms, tools, and technologies of Information warfare

Information technologies have a significant impact on all areas of our lives and daily routines. Today, this is a concrete phenomenon that is used in all types of conflicts. Martin Libicki, a well-known theorist who studied this phenomenon, classified it into the following main types: command and control, which is used to interrupt communication channels between subordinates and command, followed by reconnaissance, to gather important data and protect one's own, psychological, which consists of spreading propaganda among the population, hacking, sabotage and attacks against the enemy using special programs, followed by economic, which is expressed in an information blockade, electronic, namely the destruction of means of communication, radio communication, radars, computer networks, etc., and cyber warfare - Libicki separated it from hacker warfare because in the former, certain actions manifest themselves in the penetration of the system and continue to exist in it [1].

Information warfare is a complex matter, carried out within the framework of various specific activities. First, data is collected and national intelligence systems play a key role here, providing a significant amount of raw data. Some types of systems provide information about everything that has been found within the area of interest, while others are entirely focused on improving their flexibility and selection in order to concentrate on specific goals and tasks. The next stage is information processing. Combat information centers and similar institutions are usually overwhelmed with information flows. Overworked specialists on the front lines simply do not have the time, opportunity, or tools to sort through data from various sources, which leads to the loss of strategically important information that could be crucial in tactical operations. However, the world of technology is evolving every day, and we are finding solutions to this problem. For example, the Copernicus architecture has institutionalized the concepts of interoperability and rapid development, paving the way for full interoperability with other services and institutions. This will not only open up new ways of access, but also enable the use of manipulative measures. Most modern data processing systems are designed for complex software, but there is one problem - the high risk of errors, code errors, function malfunctions or deliberate interference with the aim of causing damage.

The next very important type of activity is communication. We have a large and diverse communications network now. Advances in satellite and radio communications provide more and more channels, bandwidth, and security. LAN, INTELINK, and the Internet have created a new model of communication. Cellular systems are spreading for both civilian and military purposes. This wide variety of communication tools allows you to choose the most effective ways for specific tasks, and now commanders can coordinate actions through integrated communication systems. Today advances in cryptography are providing easier-to-use secure systems, such as STU-3, and

computer security is being strengthened by technologies such as the CLIPPER chip and Pretty Good Privacy software [4]. To build a strategy to combat these obstacles, one must be familiar with modern types of operations. The first is propaganda and psychological operations, which are directly aimed at mass influence on consciousness. This type includes both traditional forms such as radio broadcasting, press, television, and more modern digital platforms such as social networks, TikTok, X, Instagram, Twitter, etc., blogs, and video hosting sites such as YouTube.

The second type is disinformation campaigns, which are currently the most widespread. On social media, false or distorted information is actively disseminated to create public panic, deception, confusion, or distrust of official sources. They are part of broader strategic operations aimed at destabilising society or undermining the authority of the government. This also leads to the manipulation of public opinion on the internet, where automation technologies, fake accounts, bots and trolls are widely used. These tools create the illusion of mass support or rebellion, promote certain narratives and hash tags, block taboo topics, and form so-called “information bubbles.” Cyber operations are a separate area of information warfare, involving technical actions aimed at disrupting and destroying the enemy's information systems, leaking data, and creating chaos in communications or infrastructure. Cyberattacks are often combined with information campaigns; for example, after hacking systems, documents leaked online are published, provoking public resonance.

In addition to offensive actions, the importance of intelligence and analytical operations is growing in modern practice. These include actions based on open intelligence, where analysts collect and verify information, publishing factual data from open sources. This is very important because it helps to refute fake news or broadcast real events, counteracting disinformation.

This leads to the main tools of struggle, which can be divided into communication, technical, and analytical. Communication tools include media, social networks, messengers, and platforms for video and text publications. They are effective in that they ensure the quick and easy dissemination of any content among millions of users. Technical tools include bots or the key development of today -artificial intelligence and its algorithms, programs for data processing and content manipulation, cyber tools for hacking systems, etc. Analytical tools include OSINT platforms, image verification programs, metadata, and digital authentication technologies that allow you to investigate the origin of information and detect fakes. Thanks to generative models, it has become possible to create realistic fake photos, videos, and audio, known as deepfakes. For example, thanks to artificial intelligence, Russian propagandists created and distributed videos generated by artificial intelligence in which Zelensky allegedly “surrenders Ukraine” or uses narcotic substances, or Zaluzhny “incites a coup”, and there are countless other examples. These technologies make it possible to create an alternative reality and manipulate public consciousness,

which poses a serious threat to information security. At the same time, the latest technologies are also used for protection, for example, to label content, verify the authenticity of sources, and automatically detect fake materials [4].

3. Conclusion

Recent years have shown that information warfare is an integral part of modern wars and political conflicts. During Russia's aggression against Ukraine, information operations are used in conjunction with military attacks to conceal crimes against humanity among the population, brainwashing them with propaganda and fake narratives. Our country is working to reveal the truth through cooperation between state communications, fact-checking agencies, independent media, and civil society activism in countering disinformation. Important tasks include working to increase media literacy among citizens, developing critical thinking, creating national information verification systems, and international cooperation in the field of cybersecurity.

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THE 2025 INCREASE IN RAM PRICES: STRUCTURAL DRIVERS AND IMPLICATIONS FOR THE GLOBAL MEMORY MARKET

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Ivchenko K. S., Karpusenko M. V. The 2025 increase in RAM prices: structural drivers and implications for the global memory market. In 2025, the global market for random access memory (RAM) experienced a significant increase in prices, affecting both consumer and enterprise segments of the electronics industry. This trend has drawn attention due to its impact on personal computers, mobile devices, and other digital technologies. The article analyzes the main factors behind the price increase, focusing on demand growth driven by artificial intelligence infrastructure, supply-side limitations in memory manufacturing, and strategic production decisions by major industry players. The study highlights the long-term implications of these processes for the global memory market and the technology sector as a whole.

Keywords: RAM prices, DRAM, artificial intelligence, semiconductor industry, memory market.

Івченко К. С., Карпусенко М. В. Зростання цін на RAM у 2025 році: структурні чинники та наслідки для глобального ринку пам'яті. У 2025 році глобальний ринок оперативної пам'яті (RAM) зазнав суттєвого зростання цін, що вплинуло як на споживчий, так і на корпоративний сегменти електронної індустрії. Ця тенденція привернула значну увагу через її вплив на персональні комп'ютери, мобільні пристрої та інші цифрові технології. У статті проаналізовано основні чинники зростання цін, зосереджуючись на збільшенні попиту, зумовленому розвитком інфраструктури штучного інтелекту, обмеженнях з боку пропозиції у виробництві пам'яті, а також стратегічних виробничих рішеннях провідних гравців галузі. Дослідження висвітлює довгострокові наслідки цих процесів для глобального ринку пам'яті та технологічного сектору загалом.

Ключові слова: ціни на RAM, DRAM, штучний інтелект, напівпровідникова промисловість, ринок пам'яті.

1. Introduction

In recent years, the semiconductor industry has become one of the key foundations of global technological development. Memory components, particularly RAM, play a crucial role in ensuring the performance of modern digital systems. In 2025, the sharp rise in RAM prices attracted significant attention from both researchers and market participants, as it directly influenced the cost and availability of electronic devices.

The relevance of this study is determined by the increasing dependence of modern economies on data processing technologies and artificial intelligence systems, which significantly intensify demand for memory resources. Rising RAM prices affect production costs, consumer accessibility, and long-term innovation strategies, making this issue important for economic and technological analysis.

The object of the research is the global RAM market as an integral part of the semiconductor industry.

The subject of the research is the economic and technological factors that caused the increase in RAM prices in 2025.

Historically, the RAM market was characterized by cyclical price fluctuations, with alternating periods of oversupply and price decline. Over the past decade, improvements in manufacturing efficiency contributed to relatively stable or decreasing memory prices. However,

in 2025 this pattern changed, as RAM prices rose sharply, affecting personal computers, smartphones, and other electronic devices.

The aim of this article is to analyze the causes of the RAM price increase in 2025 and to determine whether this phenomenon represents a temporary market fluctuation or a structural transformation of the global memory market.

To achieve this aim, the following *tasks* are defined:

- to examine the role of artificial intelligence in driving demand for RAM;
- to analyze supply-side constraints in the memory manufacturing industry;
- to assess the impact of rising RAM prices on consumer electronics;
- to evaluate the long-term implications of these trends for the global memory market.

The resolution of these tasks is carried out through a structured analysis of recent analytical and industry materials, allowing for a consistent examination of demand-side and supply-side factors and their combined influence on RAM pricing dynamics.

2. Artificial Intelligence as a source of demand growth

The rapid development of artificial intelligence technologies has significantly altered the structure of demand in the memory market. AI systems rely on intensive data processing, which requires large volumes of fast and reliable memory.

2.1. Memory consumption in AI infrastructure

Artificial intelligence workloads, particularly large-scale model training and inference, require substantially more memory than traditional computing tasks [1]. Data centers designed to support AI applications consume significantly larger amounts of RAM to handle massive datasets and parallel operations, which has been identified as a key driver of rising RAM demand [1]. This shift has led to a notable increase in overall demand for DRAM.

As a result, RAM has increasingly become a strategic resource rather than a standard commodity component, especially in data-driven sectors.

2.2. Priority of enterprise customers

Enterprise customers operating large data centers represent a distinct group within the memory market [2]. These buyers are capable of securing long-term supply agreements and are generally less sensitive to price changes than consumer-oriented manufacturers, allowing them to absorb higher memory costs [2]. Their willingness to pay higher prices has influenced supplier priorities.

Consequently, memory manufacturers increasingly focus on serving enterprise and AI-related customers. This reallocation of supply reduces the availability of memory for consumer devices and contributes to upward pressure on prices.

3. Supply-side constraints in the memory industry

While demand for RAM has grown rapidly, supply expansion has faced significant limitations. These constraints are rooted in the technological and economic characteristics of semiconductor manufacturing.

3.1. Limited manufacturing flexibility

Memory chip production requires substantial capital investment and long development cycles [3]. The construction and qualification of new fabrication facilities take several years, which limits the industry's ability to respond quickly to sudden increases in demand [3].

Following previous periods of low prices, manufacturers adopted conservative capacity expansion strategies. Although these measures reduced financial risk, they also constrained supply when demand accelerated.

3.2. Shift toward higher-margin products

Another important factor is the strategic reallocation of production capacity [3]. Memory manufacturers have increasingly prioritized higher-margin products, such as advanced DDR5 memory and solutions designed for data centers, at the expense of legacy consumer memory products [3].

At the same time, production of older memory standards has been gradually reduced. This shift has further tightened supply in the consumer segment and reinforced price growth.

4. Evidence of price increases

The combined effect of rising demand and constrained supply became evident in market pricing trends. Throughout 2025, RAM prices increased across multiple segments, affecting both wholesale and retail markets, including PCs and mobile devices [2].

Manufacturers of electronic devices reported higher production costs, which were partially transferred to consumers through increased retail prices, particularly in the PC and smartphone markets [2]. The consistency of these price increases across regions indicates a systemic market trend rather than isolated disruptions.

5. Effects on consumer electronics

The increase in RAM prices has had a direct impact on the consumer electronics sector, influencing pricing strategies and product configurations.

5.1. Personal computers

For personal computers, RAM represents a significant component of total system cost, making PC pricing especially sensitive to changes in memory prices [2]. In response to rising memory prices, manufacturers adjusted device pricing or reduced base memory configurations. Smaller system integrators faced additional challenges due to limited access to memory supplies.

5.2. Mobile devices

Although smartphones and tablets use smaller amounts of RAM per unit, large-scale production magnifies the financial impact of higher memory costs, contributing to gradual price increases across device categories [2]. Manufacturers responded by slowing the growth of memory capacity in mid-range devices or increasing retail prices.

6. Structural nature of the 2025 price increase

Unlike previous memory shortages caused by temporary disruptions, the 2025 RAM price increase reflects deeper structural changes. Sustained growth in AI-related demand [1] and disciplined supply management by memory manufacturers [3] suggest a departure from traditional boom-and-bust cycles.

These conditions indicate that the memory market is undergoing a long-term transformation rather than experiencing a short-lived imbalance.

7. Outlook

Looking ahead, elevated RAM prices are likely to persist in the medium term. Although additional manufacturing capacity is expected to be introduced, much of it will be oriented toward advanced memory products designed for data-intensive applications.

In the longer term, sustained high memory costs may encourage the development of alternative system architectures and new approaches to memory utilization.

8. Conclusion

The increase in RAM prices in 2025 can be explained by the interaction of rapidly growing demand from artificial intelligence infrastructure, supply-side constraints in semiconductor manufacturing,

and strategic production decisions by memory producers. These factors have reshaped traditional market dynamics and led to the emergence of a new pricing equilibrium.

Rather than representing a temporary shortage, the current situation reflects a structural shift in the global memory market, with lasting implications for consumers, manufacturers, and the broader technology ecosystem.

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CHINA'S SOFT POWER STRATEGY: LANGUAGE, CULTURE, AND CONFUCIUS INSTITUTES IN INTERNATIONAL RELATIONS

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Khomenko N. S., Radchenko O. I. China's soft power strategy: language, culture, and Confucius Institutes in international relations. The article examines the rise and subsequent decline of the global Confucius Institute (CI) network as a central element of China's soft power strategy. It analyzes the tension between the CI's stated educational and cultural mission and Western concerns regarding academic freedom, political influence, and intelligence activities, which led to their mass closure. Particular attention is paid to the effectiveness of legislative acts in the US and other countries in cutting funding to universities collaborating with CIs, as well as Beijing's attempts to rebrand the project. The study emphasizes the necessity of transparency and robust security protocols to preserve academic autonomy amidst systemic geopolitical competition.

Keywords: Confucius Institutes, soft power, China, cultural diplomacy, academic freedom, geopolitical competition.

Хоменко Н. С., Радченко О. І. Стратегія м'якої сили Китаю: мова, культура та Інститути Конфуція у міжнародних відносинах. Стаття досліджує зростання та подальший спад глобальної мережі Інститутів Конфуція (ІК) як центрального елемента стратегії м'якої сили Китаю. Аналізується напруга між заявленою освітньо-культурною місією ІК та побоюваннями Заходу щодо академічної свободи, політичного впливу та розвідувальної діяльності, що призвело до їх масового закриття. Особлива увага приділяється ефективності законодавчих актів США та інших країн у припиненні фінансування університетів, що співпрацюють з ІК, а також спробам Пекіна ребрендингу проєкту. Дослідження підкреслює необхідність прозорості та жорстких протоколів безпеки для збереження академічної автономії в умовах системної геополітичної конкуренції.

Ключові слова: Інститути Конфуція, м'яка сила, Китай, культурна дипломатія, академічна свобода, геополітична конкуренція.

1. Introduction

The landscape of international cultural diplomacy has undergone profound transformation over the past two decades, with educational institutions emerging as critical battlegrounds for influence and values. At the center of this transformation stands the Confucius Institute project-China's ambitious global network of language and cultural centers that once numbered over five hundred worldwide but has since contracted dramatically in the face of mounting Western scrutiny.

The question we must address is what the rise and subsequent decline of these institutes reveal about the changing nature of international relations in an era where education and cultural narratives have become strategic assets as valuable as trade routes or military alliances. Understanding this phenomenon requires moving beyond simplistic narratives of either pure cultural exchange or sinister infiltration to examine the complex interplay between legitimate educational cooperation and geopolitical competition. The *object* of the study is international cultural diplomacy in the context of contemporary global politics. The *subject* of the research is the Confucius Institute project as a form of China's educational and cultural diplomacy within international educational systems. The *aim* of this article is to analyze the establishment, operation, and evolution of Confucius Institutes in order to assess what this trajectory reveals about the changing role of education and cultural narratives as strategic instruments in modern international relations.

2. The Main Part

2.1. The Strategic Foundation and Rapid Expansion

China's investment in the Confucius Institute network must be understood within the broader context of its transition from a regional power to a global one. As the nation's economic strength grew exponentially from the 1990s onward, Chinese strategists recognized that economic prowess alone would not secure the international standing they sought. True global influence required what they termed “comprehensive national power” – encompassing not just GDP and military capability, but cultural attractiveness and the ability to shape global narratives.

The Confucius Institute model emerged as an elegant solution to several strategic challenges simultaneously. It addressed the practical need to promote Mandarin language instruction globally, created platforms for presenting Chinese culture in contexts where Beijing could exercise significant influence, and established formal relationships between Chinese educational institutions and prestigious universities worldwide. What made the CI model particularly sophisticated was its hybrid structure. While clearly backed by the Chinese government through the Hanban organization. In this light, education becomes more than a tool of national influence it is a bridge connecting cultures, diplomacy, and mutual understanding. At its best, it promotes trust by sharing ideas and values across borders. Beyond coexistence, interculturalism calls for deeper engagement, moreover, it encourages respect, challenges assumptions, and nurtures empathy-skills essential for navigating difference while remaining rooted in one's identity [2].

The scale of investment reflected the strategic importance Beijing assigned to this initiative. According to investigations, for example, some schools mentioned that they received about \$125,000 to \$250,000 in funding to support the Confucius Institute, but DOD provided over \$400,000 in funding for language training [4]. The first Confucius Institute opened in Seoul in 2004, followed by the one at the University of Maryland. By their peak around 2017-2018 over five hundred institutes operated globally.

The initial Western reception was overwhelmingly positive. Universities saw multiple benefits: additional resources for language instruction at a time when foreign language programs faced budget pressures, opportunities for faculty and student exchanges, and cultural programming that enriched campus life. University administrators often viewed Confucius Institutes through a lens of academic internationalization rather than geopolitical strategy. For smaller institutions lacking resources to develop robust Asian studies programs independently, CIs filled genuine gaps by providing native-speaking instructors, curricular materials, and funding.

However, beneath this veneer of mutual benefit, structural features existed that would eventually trigger backlash. Most problematically, contractual agreements typically gave Chinese partner universities significant input into instructor selection, curriculum development, and

programming decisions. Many included provisions that effectively prevented discussion of topics Beijing considered sensitive – Taiwan’s political status, Tibet, Tiananmen Square, Xinjiang, or critical analysis of China's political system.

2.2. The Turning Point and Growing Concerns

The tide began turning around 2013-2014, catalyzed by several converging factors. Academics began reporting instances where proposed lectures were cancelled or topics declared off-limits due to political sensitivities. The University of Chicago became the first major institution to close its Confucius Institute in 2014 after sustained faculty pressure regarding academic freedom concerns.

Geopolitical developments changed the context in which Western publics and policymakers viewed China. Xi Jinping's assumption of power in 2012 marked a turn toward more assertive foreign policy and increased authoritarianism domestically. As China’s behavior toward Hong Kong, the South China Sea, and domestic dissidents grew more repressive, the narrative that engagement would gradually liberalize China began crumbling.

Intelligence and security services in multiple Western countries began expressing concerns that Confucius Institutes could serve functions beyond language instruction – potentially including monitoring Chinese nationals studying abroad, acquiring sensitive research, or collecting intelligence. While direct evidence of systematic espionage remained limited, the structural opportunities for such activities were undeniable.

A particularly damaging 2011 statement by Li Changchun, a senior Chinese Communist Party official, described the institutes as called them a key element of China’s foreign propaganda apparatus and noted that they combine language instruction with ideological control, the acquisition of secret technologies, and transnational intimidation [1]. These revelations fundamentally altered perceptions among many academics and policymakers.

2.3. The Legislative Response and Dramatic Contraction

The transformation from academic debate to concrete action accelerated with legislative interventions, most notably the U.S. National Defense Authorization Act for fiscal year 2019, which prohibited Department of Defense funding for Chinese language programs at institutions hosting Confucius Institutes. This created a stark choice: maintain the CI and lose DoD funding, or close the institute to preserve federal resources.

The impact was immediate and dramatic, for example, in 2022, the University of Helsinki ended its Confucius Institute partnership due to concerns about censorship and ties to the Chinese government [4]. At the same time, the closure of Confucius Institutes stimulated the development of alternative, transparent programs: many of the colleges that closed their Confucius Institutes

still maintain relationships with the Chinese universities they partnered with to open their institutes; some American schools still offer the Chinese language and cultural programming “comparable to what the Confucius Institutes offered” [3].

European responses varied more than those in the Anglosphere. While Northern European nations moved decisively to close institutes, all CIs were closed in Belgium, Sweden, Denmark, Norway, and Finland. Their staff was accused of spreading communist ideology and soft power, trying to block discussions on Tibet, and even conducting espionage activities. At the same time, there are still nearly 190 CIs in the EU [1], suggesting different cost-benefit assessments.

The United Kingdom's Higher Education (Freedom of Speech) Act, effective August 1, 2025, represents one of the most comprehensive approaches. It requires that any contract containing ideological provisions – including those relating to the employment of Chinese instructors or restrictions on research topics – must be modified or terminated [1]. Twenty British *language centers* came under intensive scrutiny, with substantial fines threatened for non-compliance.

2.4. China's Rebranding Strategy and the Academic Freedom Question

Beijing's response has been characteristically pragmatic-undertaking organizational changes designed to address concerns while maintaining fundamental control structures. In many institutes similarly rebranded, dropping the *Confucius* name while continuing essentially identical operations.

This adaptive strategy has proven only partially successful. Western intelligence agencies documented continuity in personnel, funding sources, and operational approaches despite nominal organizational changes. The National Association of Scholars noted that “in no case can we be sufficiently confident to classify any university as having fully closed its Confucius Institute as having fully closed its Confucius” [4].

At the core of the controversy lies a tension between international academic cooperation and institutional autonomy. Academic freedom represents the foundational principle at stake – faculty must be free to pursue research and teach according to professional judgment, without political interference. Confucius Institutes compromised this through contractual agreements giving Chinese partners veto power over instructor hiring, curriculum materials from Chinese government sources, and restrictions on politically sensitive topics.

2.5. Framework for Secure Academic Cooperation

The Confucius Institute experience offers crucial lessons for managing international academic partnerships in an era where education has become a domain of geopolitical competition. Robust

frameworks enabling continued international cooperation while protecting institutional autonomy and academic freedom must rest on several principles.

First, complete transparency regarding funding sources, governance structures, and contractual obligations. Universities should disclose all agreements with foreign partners publicly, enabling scrutiny from faculty, students, media, and government. Second, academic institutions must maintain genuine control over all educational activities under their auspices. Decisions about curriculum, instructor hiring, research topics, and programming must rest entirely with the host institution according to normal academic procedures.

Third, systematic processes for assessing security implications of international partnerships, particularly those involving dual-use technologies or strategic industries. Fourth, diversification of international partnerships to avoid excessive dependence on any single country. Universities should develop multiple pathways for engaging with the Chinese language and culture, including partnerships with institutions in Taiwan, Hong Kong, and Singapore.

Finally, international coordination among like-minded countries can help smaller nations lacking sophisticated counterintelligence capabilities. In 2022-2024, Australia closed six of the thirteen CIs in the country under the Foreign Relations Act. Similarly, in Poland, in 2023, the leadership of the University of Wroclaw and the Warsaw University of Technology did not renew cooperation with the CI, considering it risky for the autonomy of their programs [1].

3. Conclusion

The rise and partial fall of Confucius Institutes represents a defining case study in cultural diplomacy and educational cooperation challenges in the twenty-first century. What began as an ambitious effort to expand China's global cultural footprint evolved into profound controversy, producing widespread closures across Western democracies and forcing fundamental reconsideration of how universities engage with foreign government-backed programs.

Yet frameworks alone cannot resolve the underlying tension between fundamentally different visions of education's role. Chinese authorities view universities as instruments for advancing national interests, while Western democracies view them as independent institutions whose value lies partly in their ability to question conventional wisdom and pursue truth wherever it leads.

What seems clear is that the era of uncritical embrace of Chinese government-funded institutes operating on Western campuses has ended. What emerges to replace it – whether more carefully structured partnerships that genuinely respect academic values, or more fundamental disengagement – remains to be determined. The answer will shape not just Chinese language instruction's future but the broader question of whether democratic and authoritarian societies can

maintain productive intellectual exchanges in an age of systemic competition. Universities experimenting with new engagement models, closely monitoring outcomes, and honestly assessing costs and benefits will gradually discover what types of arrangements prove workable while protecting the foundational principles of academic freedom essential to democratic societies.

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FROM INCOME TO WALLS: COMPARATIVE DYNAMICS OF HOUSEHOLD INCOMES AND HOUSING PRICES IN GERMANY AND THE UNITED STATES (2000–2023)

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Kolesnyk A. A., Makarska Ye. H. From income to walls: comparative dynamics of household incomes and housing prices in Germany and the United States (2000–2023). This article examines the relationship between median household incomes and housing price dynamics in Germany and the United States from 2000 to 2023. By using harmonized indices, the study compares income trajectories with residential property price developments, revealing widening affordability gaps. The results emphasize structural differences between the two housing markets and their implications for intergenerational equity and housing accessibility.

Keywords: affordability, Germany, housing prices, income dynamics, United States.

Колесник А. А., Макарьська Є. Г. Від доходів до стін: порівняльна динаміка доходів домогосподарств і цін на житло в Німеччині та США (2000–2023). Стаття аналізує взаємозв'язок між медіанними доходами домогосподарств та динамікою цін на житло в Німеччині та США у 2000–2023 роках. Використовуючи гармонізовані індекси, дослідження порівнює траєкторії доходів та зміни вартості житла, виявляючи зростаючу проблему доступності. Отримані результати підкреслюють структурні відмінності двох ринків та їх соціально-економічні наслідки для молодих поколінь.

Ключові слова: доступність житла, динаміка доходів, Німеччина, США, ціни на житло.

1. Introduction

The housing market has been experiencing great structural changes in well-developed economies for a very long time, caused by economic booms and recessions, demographic shifts, and globalisation-deglobalisation waves. Today, one of the most widespread concerns about housing is the growth of its cost compared to the small, as has been said, growth of income. It creates a gap between young generations without their own housing and old generations with it. That gap strongly affects affordability of housing, socio-economic stability of societies, etc.

The **relevance** of this study lies in addressing the emerging need to understand the liaison between dynamics of income and housing price in advanced economies. Such analysis is remarkably important for countries like the United States, where people argue the most about housing affordability, and Germany, where well-established housing markets and rather different structures of economy and society provide valuable grounds for direct comparison.

The **object** of the study is the housing market in the United States and Germany, while the subject is the dynamic relationship between median household income and residential property prices.

The **aim** of the research is to analyse the comparative development of housing affordability in the U.S. and Germany by examining long-term trends in income and property prices through index-based measurements.

The *tasks* of the study include:

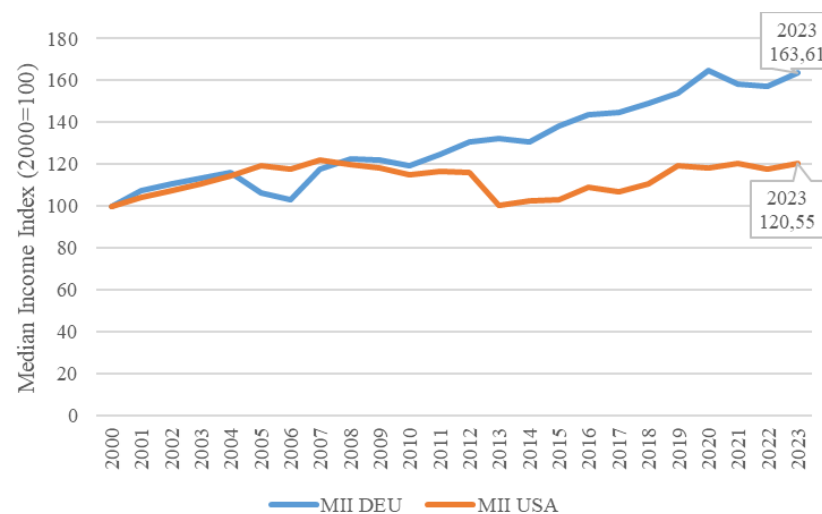
1. Examining the dynamics of median household income in the United States and Germany.
2. Analysing residential property price developments in both countries.
3. Comparing the indexed trajectories of income and property prices within a common base year.
4. Identifying structural differences and implications for housing affordability in advanced economies.

The empirical basis of the study relies on official datasets provided by the U.S. Bureau of Labor Statistics (BLS), the Bank for International Settlements (BIS), and Eurostat, ensuring reliability and international comparability.

2. Comparative analysis

2.1. Income dynamics in Germany and the United States (2000–2023)

The analysis of income curves is based on official statistical sources: Eurostat provides data on the median disposable household income for Germany, while the U.S. Bureau of Labour Statistics database supplies comparable series for the United States (income after taxation, e.g., disposable). To enable a fair and just direct comparison, the values were transformed into a Median Income Index (MII) with the base year 2000, which serves as ground zero in both countries (i.e., 2000 is set equal to 100). Before this, all data were discounted by the inflation rates (CPI in each country) to clear its impact on the index. This adjustment eliminates distortions associated with differences in currency units, absolute income levels, and price structures, thereby allowing a focus on relative growth over time, which is the goal of such analysis.



Graph 1. Median Income Index, 2000–2023, Germany vs United States.

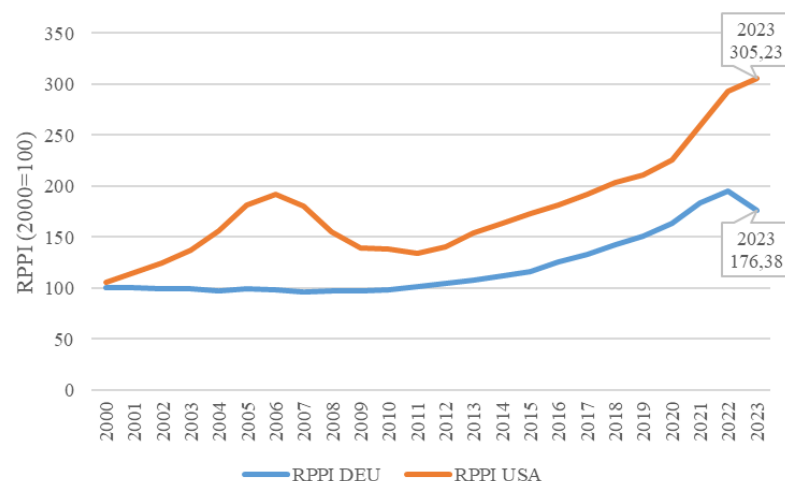
Made by author using data from [1; 2].

The resulting indices reveal distinct patterns. In the United States, median household incomes experienced notable growth during the early 2000s, followed by stagnation and even partial decline around the 2008 global financial crisis. The subsequent recovery was gradual, with a marked upward shift after 2015, partly reflecting stronger labour market conditions and wage growth in the post-crisis expansion. In contrast, Germany exhibited a more moderate but steady increase in median incomes throughout the entire period. While the pace of growth was slower during the early 2000s, German incomes did not experience the same level of volatility as in the United States and began to accelerate modestly after 2010.

To sum up, the comparison clearly shows two distinct trajectories: a pattern of higher short-term dynamism but greater cyclical sensitivity in United States, and the German trajectory of gradual and steady improvement. These differences set the stage for understanding how income interacted with housing price dynamics in the two countries.

2.2. General data analysis

The dynamics of housing markets prices are made by using data from the Bank for International Settlements (BIS), which provides harmonized indices for property prices across countries. To ensure comparability, the analysis main focus lies on the Real Property Price Index (RPPI) for existing dwellings, rebased by author to the year 2000 (=100). This choice was motivated by the need to identify a “common-ground” indicator available for both Germany and the United States. Taking into account existence of alternative series, they drastically differ in coverage, complicating direct comparison. The RPPI for existing dwellings thus serves as the closest common denominator, offering a clear and common foundation for cross-country analysis.



Graph 2. Housing Price Index (RPPI), Existing Dwellings, 2000–2023, Germany vs United States.

Made by author using data from [5; 6].

Vectors of housing prices differ significantly between the two economies. In the United States, housing prices rose sharply in the early 2000s, peaking in 2006–2007 during the housing boom. The subsequent collapse following the global financial crisis, which started from a structural crisis in American housing, led to a colossal decrease, with prices bottoming out around 2012. Afterward, supported by low interest rates, quantitative easing, and a recovery in demand, the housing market started to grow again. By the early 2020s, U.S. housing prices had exceeded their pre-crisis peak to a great extent.

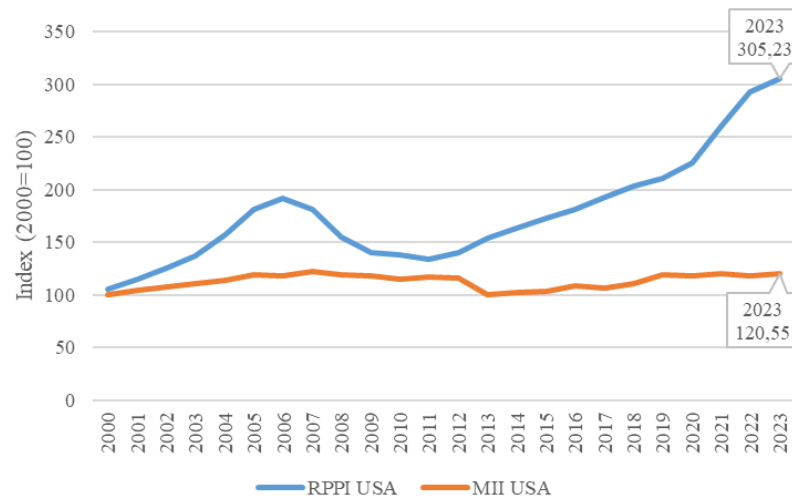
Germany, in contrast, has shown remarkable steadiness during the same period. Housing prices remained calm or even slightly declined throughout the 2000s, reflecting Germany's traditionally rental-oriented housing market and stricter lending rules. Only after 2010 did prices begin to accelerate. It was inspired by low interest rates in the Eurozone, the continuance of urbanization, and heightened demand in metropolitan regions. Despite this acceleration, the scale of growth remained more moderate compared to the United States, and volatility was significantly lower.

One of the explanations of such a difference between U.S. and German curves can be explained by the importance of the rental sector in Germany – a pivotal structural feature. With a majority of households renting rather than owning, speculative tendencies in the owner-occupied market have historically been weaker. Regulatory frameworks, tenant protections, and cultural preferences for long-term rental arrangements have acted as stabilizers and lowered excessive price fluctuations [4]. This specific context helps to explain why German housing prices resisted dynamics seen in the United States and why their upward trajectory was delayed, compared to the US one, once broader macroeconomic and demographic shifts exerted sustained pressure after 2010.

This comparison highlights two distinct housing markets models: the U.S. one, characterized by cyclicity and dramatic growth caused by credit dynamics, and the German, defined by long-term stability supported by a strong rental sector and a late controlled increase in prices. These differences provide crucial context for understanding the income-housing price gap examined in the next section.

2.3. Data comparison between Germany and USA

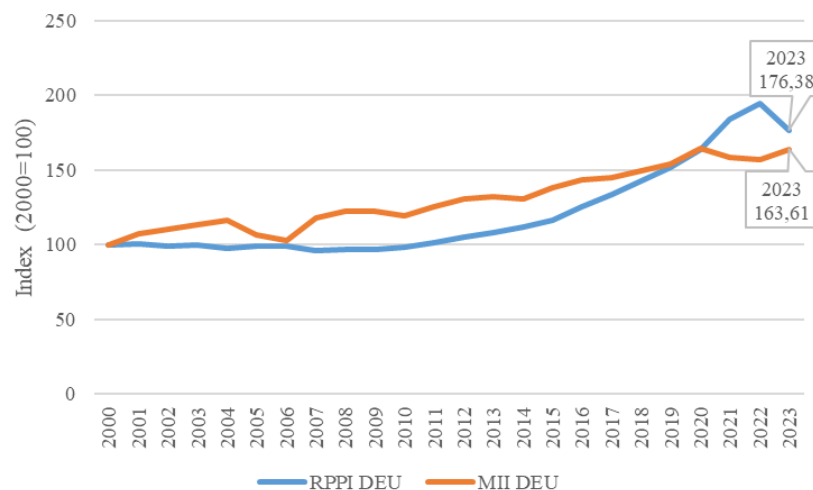
To assess housing affordability, we compared the directions of median income indices (MII) and real property price indices (RPPI) for Germany and the United States. As was said earlier, both indices were rebased to the year 2000 (=100) and deflated to make a direct and just comparison of relative growth. This approach makes it possible to see to what extent income growth has been outpaced by housing price dynamics over time.



Graph 3. United States – Real Property Price Index (RPPI) and Median Income Index (MII), 2000–2023.

Made by author using data from [1; 6].

The results reveal a clear divergence in affordability trajectories. In the United States, housing prices began to outpace incomes significantly during the early 2000s, with the gap widening dramatically up to the housing market peak of 2006–2007. Although the financial crisis triggered a partial correction, by the mid-2010s the upward momentum of prices had resumed, while income growth lagged behind. By 2023, the RPPI in the United States had increased by more than double its 2000 level, while the MII recorded a substantially lower gain, leaving affordability markedly deteriorated.



Graph 4. Germany – Real Property Price Index (RPPI) and Median Income Index (MII), 2000–2023.

Made by author using data from [2; 5].

Germany presents a more restrained pattern. For much of the 2000s, income growth was relatively stronger than housing price growth, and the two indices moved near-parallel. Housing

prices began to accelerate only after 2010, gradually creating a gap with income. By 2023, however, the difference remained narrower than in the United States, reflecting Germany's slower but steadier market dynamics. The affordability loss is evident, but less dramatic compared to the U.S. case.

The size of this difference is demonstrated by a quantitative comparison for 2023. The scale of the affordability gap in the US was highlighted by the fact that the RPPI was 2.5 times higher than the MII. Although housing prices have started to surpass incomes, the gap is still much more contained in Germany, where the corresponding ratio was only 1.078.

These differences have broad socioeconomic implications. Younger generations in the US face greater obstacles to becoming homeowners, which could have long-term effects on wealth accumulation and intergenerational inequality [7]. As the cost of moving to vibrant urban areas rises, an increasing affordability gap has also led to increased spatial inequality. Although the affordability issue has only recently surfaced in Germany, social tensions are also made worse by rising prices in urban areas, especially between renters who want to buy a home and those who are shut out of the market [3]. The growing disparity between housing costs and wages in both nations indicates growing strains on economic mobility and social cohesiveness.

3. Conclusions

This study has examined the dynamics of income and housing prices in Germany and the United States between 2000 and 2023, highlighting both convergences and divergences in the evolution of housing affordability.

First, rebased to a common index, the analysis of median household income reveals that both nations saw consistent but modest growth during that time. Due to disparities in labour market institutions and wage-setting mechanisms, Germany's income development trajectory was steadier and more gradual than that of the United States.

Second, the price trends of residential real estate varied significantly. After a notable boom-bust cycle in the 2000s and a strong post-crisis recovery, U.S. housing prices more than doubled in value from their 2000 level. In contrast, housing prices in Germany stayed mostly unchanged until the early 2010s, when they started to increase gradually but more slowly.

Third, the growing disparity in affordability is highlighted by comparing the housing price and index income series. In Germany, the ratio was 1.078 by 2023, but in the United States, the housing price index outpaced the income index by a factor of 2.53. The structurally embedded and significantly more noticeable income-housing price disparities in the US compared to Germany are demonstrated by this quantitative comparison.

Last but not least, these results are crucially defined by the structural distinctions between the two markets. The expansion of credit, financialization, and homeownership-focused policies have shaped the U.S. housing market, making it vulnerable to volatility and affordability issues.

Germany, on the other hand, has profited from stronger lending laws, a robust rental market, and cultural norms that lessen speculative pressures. Concerns regarding intergenerational inequality and urban housing access are raised by the fact that, even in Germany, the post-2010 acceleration of housing prices has started to reduce affordability.

Overall, the results indicate that although affordability issues are present in both nations, their scope and underlying causes vary greatly. While Germany shows how institutional frameworks can mitigate but not completely eliminate affordability pressures, the U.S. case emphasizes the dangers of credit cycle-dominated housing markets. Given that housing affordability has become a significant socioeconomic issue for younger generations, these insights are crucial for assessing policy responses in developed economies.

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DIGITAL TRANSFORMATION AND ECONOMIC GROWTH: OPPORTUNITIES AND CHALLENGES FOR UKRAINE

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Kolinko Y., Izotova L. I. Digital transformation and economic growth: opportunities and challenges for Ukraine. The article explores the multifaceted impact of digital transformation on Ukraine's economic system, focusing on productivity, innovation, and competitiveness. It examines the influence of emerging technologies such as artificial intelligence, blockchain, e-commerce, and data-driven management on business efficiency and public sector modernization. The paper also discusses the EU integration dimension of digitalization, identifying institutional and infrastructural barriers. Special attention is devoted to human capital development and education as a key prerequisite for sustainable growth. The conclusions highlight that digital transformation, if guided by inclusive policies, can become a foundation for Ukraine's economic recovery and long-term modernization.

Keywords: digital economy, innovation, EU integration, economic growth, Ukraine, digital policy.

Колінко Є., Ізотова Л. І. Цифрова трансформація та економічне зростання: можливості та виклики для України. Стаття досліджує багатовимірний вплив цифрової трансформації на економічну систему України, зокрема на продуктивність, інноваційність та конкурентоспроможність. Розглядається вплив новітніх технологій — штучного інтелекту, блокчейну, електронної комерції та управління на основі даних — на ефективність бізнесу та модернізацію державного сектору. Проаналізовано євроінтеграційний вимір цифровізації, виявлено інституційні та інфраструктурні бар'єри. Особливу увагу приділено розвитку людського капіталу та освіти як ключової передумови сталого зростання. У висновках наголошується, що цифрова трансформація за умови інклюзивної політики може стати основою економічного відновлення та модернізації України.

Ключові слова: цифрова економіка, інновації, євроінтеграція, економічне зростання, Україна, цифрова політика.

1. Introduction

The relevance. Digital transformation represents a fundamental change in economic and social relations. In the 21st century, digital technologies redefine production models, trade, public administration, and education. This process involves not only the implementation of new tools, but also the rethinking of workflows, communication models, and strategic priorities at every level of economic activity. For Ukraine, which aims to strengthen its position in the European economic space, digital transformation offers both opportunities and challenges. As global economies accelerate digital adoption, Ukraine faces increasing pressure to modernize its systems in order to remain competitive and integrated into international markets.

The object of this study is the digital economy of Ukraine, and **the subject** is the influence of digital technologies on economic growth and competitiveness. Digital technologies are understood here as a broad set of tools, including artificial intelligence, big data, cloud computing, and blockchain, which collectively shape the evolution of modern economies. **The aim** of the research is to explore the dynamics, barriers, and policy priorities of digital transformation in Ukraine. This includes examining institutional readiness, evaluating existing infrastructure, and identifying socio-economic implications of digital change. **The tasks** include: identifying the conceptual basis of digital transformation; analyzing its role in productivity and competitiveness; and assessing state policies that support digital development. Additionally, the research seeks to

determine the role of international cooperation, particularly with the EU, in accelerating Ukraine's digital shift [3].

2. The Role of digital transformation in economic development

Digital transformation affects all spheres of human activity. It reshapes how businesses operate, how governments interact with citizens, and how individuals access services and information. According to OECD reports, digitalization increases productivity by reducing transaction costs, improving logistics, and accelerating innovation [6]. These improvements are especially visible in economies that have adopted comprehensive digital strategies at both public and private levels. Countries like Estonia and Finland have demonstrated that the introduction of public e-services can significantly increase transparency, reduce bureaucratic barriers, and enhance the overall efficiency of governance [2]. Their experience shows that early investment in digital infrastructure and services brings long-term gains not only in administrative effectiveness but also in public trust and economic resilience. Furthermore, digital platforms create entirely new business models that reshape traditional markets. These platforms enable small and medium enterprises to reach international markets without the need for costly physical infrastructure or distribution chains. As a result, businesses can scale faster, respond more flexibly to demand, and collaborate across borders in real time. In this global context, digital transformation is no longer a competitive advantage but a fundamental condition for participation in the modern economy. Countries that lag in digital adoption risk falling behind in terms of productivity, investment attraction, and social development.

2.1. Ukraine's digital landscape

Ukraine's progress in digitalization has been remarkable in recent years, particularly in the area of public administration. One of the most notable achievements is the implementation of the Diia app, which provides citizens with access to a wide range of digital public services, including identification documents, business registration, and tax reporting. Alongside the development of open data systems, these initiatives have significantly improved transparency, reduced corruption risks, and streamlined interactions between the state and its citizens [4].

Despite this progress in the public sector, the adoption of digital technologies by private enterprises remains relatively limited. Only around 35 percent of companies in Ukraine utilize digital management systems, and less than 20 percent have integrated big data analytics into their operations. This gap illustrates the uneven nature of digital transformation across different sectors of the economy. Several key barriers hinder broader digital adoption in the private sector [5]. These include insufficient financial resources for upgrading technological infrastructure, concerns about

cybersecurity and data protection, and a persistent shortage of qualified IT specialists. Many businesses, particularly small and medium enterprises, also lack strategic planning for digital development and face difficulties in accessing support programs or incentives. In addition, there are notable regional disparities in digital readiness. Urban centers such as Kyiv and Lviv have become digital innovation hubs, attracting investment and offering a skilled workforce. In contrast, many rural areas still struggle with limited internet access, outdated infrastructure, and lower levels of digital literacy [8]. These inequalities risk deepening existing economic divides unless addressed through targeted regional and educational policies.

2.2. Digital infrastructure and human capital

Effective digital transformation depends on two key factors: infrastructure and human capital. On the one hand, the material foundation of a digital economy includes high-speed internet access, modern data centers, and the widespread use of cloud technologies. These components enable efficient data processing, secure information storage, and real-time communication — all of which are essential for both public services and private enterprise operations. On the other hand, digital transformation cannot succeed without a parallel investment in people. Education and continuous training are necessary to ensure that individuals are not only familiar with digital tools, but can also apply them meaningfully in various professional and social contexts. Digital literacy has become as fundamental as traditional reading and writing in the 21st century. In Ukraine, several programs aimed at improving digital literacy have been introduced in recent years, including state-backed online platforms and partnerships with educational institutions. However, these efforts often remain fragmented and unevenly distributed across regions and demographics. Without a centralized strategy and long-term funding, their impact may be limited. Moreover, the risk of a growing digital divide remains real. If segments of the population — particularly older generations, residents of rural areas, or low-income groups — are left behind in terms of digital access and skills, the overall economic potential of the country could be undermined. Closing this gap is essential for ensuring that digital transformation is inclusive, sustainable, and beneficial to all sectors of society [1].

2.3. Policy and European integration

Ukraine's digital policies are gradually aligning with established European Union frameworks, such as the European Digital Strategy and the Digital Europe Programme. This alignment reflects the country's broader geopolitical and economic aspiration to become an integral part of the EU's digital space. Integration into the EU Digital Single Market would not only facilitate the adoption of modern technologies but also create access to new funding opportunities, technical expertise,

and long-term innovation partnerships. Participation in European digital initiatives opens the door to collaborative projects, shared infrastructure, and knowledge exchange across borders. Ukrainian businesses and institutions could benefit from joint platforms, research networks, and standardized data protocols that enhance interoperability and competitiveness on the continental level. However, this process of integration also brings with it complex challenges. One of the most pressing issues is regulatory harmonization — the need to align Ukraine's legal and institutional frameworks with those of the EU. Particular attention must be paid to areas such as cybersecurity, personal data protection, and intellectual property rights. These domains require comprehensive updates to legislation, improved institutional capacity for enforcement, and the development of public trust in digital regulations. Ensuring compliance with EU standards is a prerequisite for deeper cooperation, but it also presents an opportunity to modernize Ukraine's digital ecosystem in line with international best practices. Addressing these challenges will be critical for building a secure, inclusive, and innovation-friendly digital environment [7].

3. Conclusions

Digital transformation is one of the strategic drivers of Ukraine's economic modernization. It contributes to increased productivity, promotes innovation, and enhances transparency across all sectors of the economy. Moreover, it serves as a catalyst for closer institutional and economic integration with the European Union, accelerating Ukraine's alignment with international digital standards and practices.

At the same time, the successful implementation of digital transformation requires more than just technological upgrades. It demands coherent and forward-looking public policies that address structural inequalities, regional disparities, and the persistent gap in digital skills. Without a coordinated effort, there is a risk that certain groups — such as rural populations, older citizens, or economically disadvantaged communities — may be excluded from the benefits of digital progress. To prevent this, collaboration between the state, business community, and educational institutions is essential. Each actor plays a vital role in shaping a digital environment that is inclusive, secure, and future-oriented. The state must ensure the legal and infrastructural foundation; businesses must invest in innovation and workforce development; and the education sector must provide citizens with relevant digital competencies from an early age. In the long term, a well-developed digital economy has the potential to become a cornerstone of Ukraine's post-war recovery. It can strengthen economic resilience, attract international investment, and position Ukraine as a competitive player in the global digital landscape. By prioritizing inclusive growth and cross-sector cooperation, Ukraine can transform digitalization from a policy objective into a sustainable engine of national development [6].

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SUSTAINABLE LOGISTICS PRACTICES AROUND THE WORLD

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Kolisnyk K. A., Davydenko I. V. Sustainable logistics practices around the world. This article explores the current state and prospects of sustainable logistics initiatives focusing on their economic, social and environmental impact. Particular attention is given to the increasing amount of emissions from logistics sector in different countries. The study emphasizes the importance of incorporation of sustainable logistics practices, analyzing their contribution to the reduction of greenhouse gases and other harmful emissions that contaminate our planet.

Keywords: GHG emissions, logistics sector, sustainability, sustainable logistics, transport sector.

Колісник К. А., Давиденко І. В. Сталі логістичні практики у всьому світі. У статті розглядається сучасний стан та перспективи сталих логістичних ініціатив з акцентом на їхній економічний, соціальний та екологічний впливи. Особлива увага приділена зростаючому обсягу викидів з логістичного сектору в різних країнах. Дослідження підкреслює важливість інкорпорації сталих логістичних практик, що визначається через аналіз їхнього внеску в зменшення парникових газів та інших шкідливих викидів, які забруднюють нашу планету.

Ключові слова: логістичний сектор, парникові гази, сталий розвиток, стала логістика, транспортний сектор.

1. Introduction

The current extent of world contamination because of GHG emissions from transport sector reveals the importance of implementing sustainable logistics practices. Due to globalization processes the cooperation between countries became even smoother, developing supply chains all over the world. On the one hand, such tendencies pave the road for future cooperations and innovations enhancing the economic aspect of sustainable development in different countries. But on the other hand, the environmental and, consequently, social aspects suffer, because of the increasing volume of transport operations.

Sustainable logistics practices are considered to be one of the most pivotal factors shaping not only the way business operations are conducted and will be conducted, but also the future of our lives and the lives of future generations. *The topicality* of the work is determined by the increasing amount of harmful emissions from logistics sector. *The object* of the study is sustainable logistics as a broad concept involving economic, ecological and social matters, while *the subject* focuses on sustainable logistics practices and their contribution to the reduction of emissions in different countries. *The purpose* of the research is to realize the importance of sustainable logistics practices and analyze their contribution to the environmental sector. The following *tasks* are formed to achieve the objective: to define sustainable logistics as a part of sustainable development; to analyze the current amount of emissions from logistics sector; to identify measures taken to promote sustainable logistics in different countries; to evaluate current and future sustainable logistics initiatives.

Delving into these issues provides a clear understanding of the importance of sustainable logistics practices and provides fundamental knowledge for deeper research on this topic.

2. Sustainable logistics as a part of sustainable development

To understand the definition of sustainable logistics better we offer analyzing the meaning of sustainable development first. Sustainable development is usually considered in terms of three main pillars:

- environmental sustainability which is defined as the ability of the environment to continue functioning properly endlessly. The goal of this pillar is to decrease environmental degradation to the minimum extent and to stop and reverse the processes that lead to environmental degradation [1, p. 44];

- economic sustainability that focuses on achieving economic growth while respecting environmental limits, and finding ways to minimize harmful actions towards nature and use natural resources in the most sustainable way possible [1, p. 44];

- social sustainability which is defined as a compilation of actions and efforts to encourage sustainable development that does not exhaust the social and human resources but, instead, enhances their potential. The social pillar is also often referred to the concept of «building sustainable and harmonious communities» [1, p. 44];

What is sustainable logistics? First of all, it implies minimizing the environmental impact from the transport sector by using sustainable practices. It should not be seen as just a way of transporting goods from one point to another, because it involves much more. Sustainable logistics is looking for strategies to provide people and businesses with transportation in a way that reduces the carbon footprint, GHG emissions, preserves resources and encourages social responsibility [8].

Furthermore, sustainable logistics focuses not only on movement of the vehicles, but rather encompasses the whole lifecycle of a product. These stages involve: responsible sourcing of materials, optimized production, sustainable transportation and even the way the product is recycled. Each phase supplies businesses with opportunities to opt for more eco-friendly initiatives [8].

Such terms as «green logistics» and «sustainable logistics» are often confused, hence we consider it essential to explore the difference between them. It is true that these concepts are inter-related, have same interests and use similar approaches in certain cases. But still they should be differentiated.

- Green logistics essentially concentrates on practices that contribute to the reduction of environmental impact of logistics [3, p.13].

- Sustainable logistics is a much broader concept focusing not only on environmental aspect, but also taking into account the economic and social impacts, aiming at enhancing all three pillars of sustainability (economic, social and environmental) simultaneously [3, p.13].

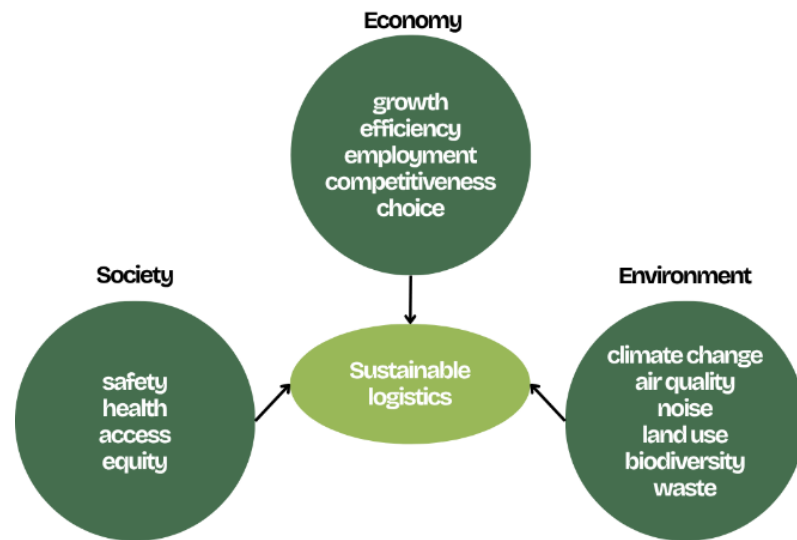


Figure 1. Framework for Sustainable Logistics [3, p. 14].

“Sustainable logistics attempts to take into account this so-called triple bottom line, indicating that there is some kind of three-way trade-off (Fig. 1). In popular terminology, these three goals are often referred to as the three Ps: people, planet and profit” [3, p. 13].

2.1. Emissions from logistics sector - European Union example

Unfortunately, nowadays the emissions from transport sector are continuously increasing (Fig.2).

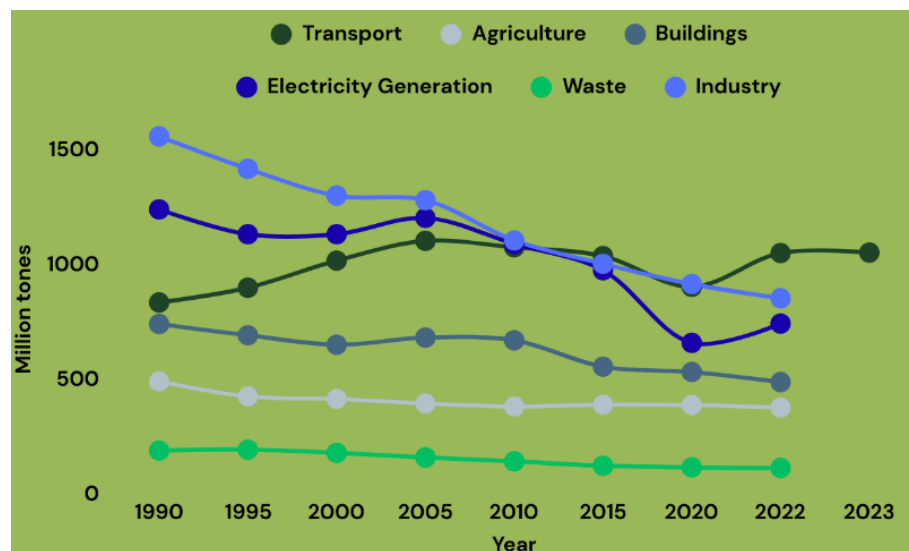


Figure 2. Greenhouse gas emissions by sector (MtCO₂e) [6].

It can be clearly seen that transport became the largest source of greenhouse gas emissions in the EU, exceeding 1 gigaton. While the emissions from other sectors (such as industry, buildings, agriculture, waste) tend to decrease, transport emissions are continuously increasing. In 1990, the transport sector produced 829 million tonnes of emissions, while in 2023 this number went up substantially to 1046 million tonnes.

2.2. Measures taken to promote sustainable logistics in different countries

To explore the measures taken to promote sustainable logistics practices in different parts of the world we decided to analyze Germany's and Denmark's transport sectors.

Germany is one of the leading countries that promote sustainable logistics practices. Having established strong climate policies, incentives for green investment and innovative logistics network, the country provides businesses with all the necessary opportunities needed to adopt sustainable initiatives [6]. Measures Germany takes to promote sustainable logistics:

- transition to electric fleets: a lot of companies opt for electric vehicles (EVs) instead of diesel trucks to reduce carbon footprint significantly; cities that are considered to be logistics hubs (e.g. Hannover) are developing resistant and reliable electric vehicle charging infrastructure to reinforce such sustainable logistics practices as last-mile delivery and heavy-duty freight; thankfully to more advanced battery technologies and faster charging electric vehicles become feasible and more practical for long-haul routes across Germany and its neighboring regions [6];

- smart packaging: businesses are implementing recyclable, reusable and biodegradable packaging to turn down waste. Such measures not only reduce use of materials, but also facilitate inventory tracking, which enhances productivity and efficiency [6];

- carbon-neutral supply chain practices: businesses are constantly aiming at implementing net-zero logistics by optimizing their supply chains and reducing harmful emissions; with the help of AI instruments companies are now able to optimize transportation routes, manage energy usage in warehouses, control the amount of carbon emissions across the whole supply chain; Germany promotes carbon accounting frameworks such as ISO 14064, entitling companies to measure, verify, and improve their carbon footprints [6].

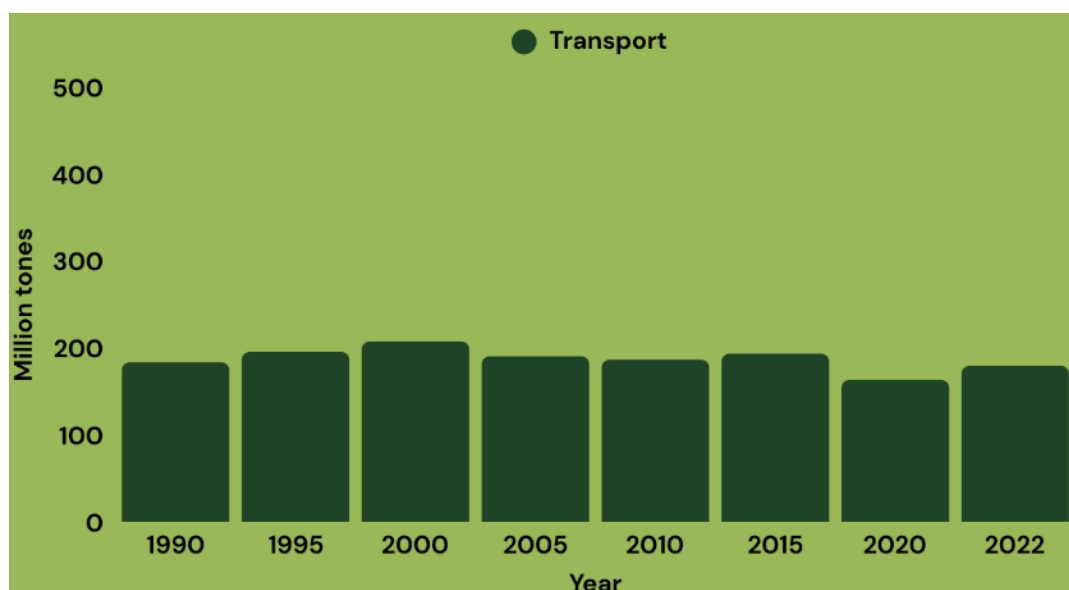


Figure 3. Greenhouse gas emissions from the transport sector (MtCO₂e) in Germany.

Source: composed by the author, using data from [6].

Having analyzed the Figure 3 we can state that even though the emissions from transport sector in Germany in 2022 were higher than in 2020, measures taken to promote sustainability in this country are still effective. We consider that in long-term perspective Germany will be one of the countries that has the smallest amount of emissions.

Denmark is known for well-developed and eco-friendly transport system. Its transport system has experienced plenty of improvements lately (especially public transport). The country integrated various modes of transport and new technologies such as electric vehicles and modular vehicle combinations [4, p. 5].

Measures Denmark takes to promote sustainable logistics:

- “the Ministry of Transport has initiated a number of national campaigns and implemented a «Drive Green» – program in order to make the Danish citizens more aware of energy efficient driving habits. Energy efficient driving can cause a reduction of 5-15 pct. fuel consumption” [4, p. 10];

- great attention is being paid to creating cleaner air in the cities. To reach this purpose Denmark introduced environmental zones in major cities, such as Copenhagen, Odense and Aalborg. In these zones there are strict rules for driving with greatly “polluting heavy goods vehicles and buses (e.g. filtering of their exhaust) in order to limit the emission of particles into the air” [4, p. 11];

- certain initiatives were created to promote efficient freight transport. Some of them include: “a pilot project that tests the use of modular vehicle combinations (Eco-combies), charges on heavy goods vehicles, a congestion charging zone in Copenhagen, increased gross weight and axle loads of heavy goods vehicles and efficient freight delivery in cities” [4, p. 12].

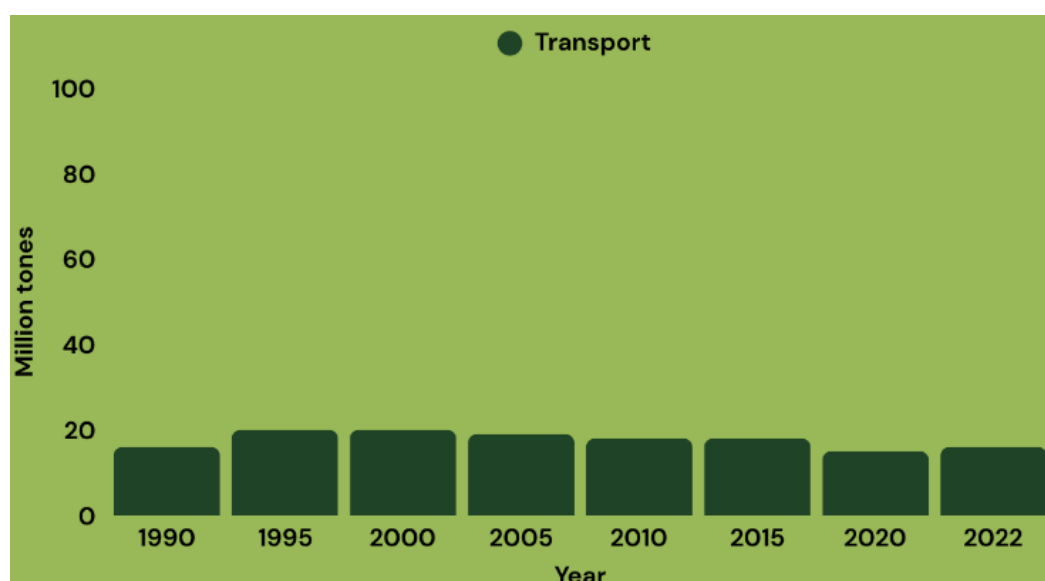


Figure 4. Greenhouse gas emissions from the transport sector (MtCO₂e) in Denmark.

Source: composed by the author, using data from [6].

In Figure 4 it can be clearly seen that the amount of GHG emissions from the transport sector in Denmark tends to gradually decrease, especially in 2020. Notwithstanding the increase of GHG emissions in 2022, we strongly believe that Denmark is going to experience a huge decrease in emissions from transport sector in the nearest future.

2.3. Current and future sustainable logistics initiatives

Frankly, the list of current and future sustainable logistics practices is almost non-exhaustive. New technologies and ways of transportation are being shaped literally every day. Below (Table 1) we provided the most promising and frequently used initiatives around the world.

Table 1.

Current and future sustainable logistics initiatives [2; 7].

Initiative	How to implement	Example
Fuel switching	alternative sources that include biofuels; hydrogen; electricity from renewable sources, such as wind and solar; or fossil fuels that are less CO ₂ -intensive must be used	using public buses that are powered by renewable fuels, electricity, or compressed natural gas rather than conventional gasoline or diesel; using electric, plug-in hybrid electric, or hydrogen fuel cell vehicles; using renewable fuels such as low-carbon biofuels
Improving fuel efficiency with advanced technologies	to develop more fuel-efficient vehicles utilizing advanced technologies, design, and materials	developing hybrid vehicles and electric vehicles, that can store energy from braking and use it for power later; reducing the weight of materials used to build vehicles
Improving operating practices	implementing practices that minimize fuel use; enhancing driving practices and vehicle maintenance	driving sensibly (avoiding rapid acceleration and braking, observing the speed limit); improved voyage planning for ships, such as through improved weather routing, to increase fuel efficiency
4Rs	buyers must be encouraged to carefully break down, dispose of, or repurpose their packaging materials.	the 4 R's of sustainability (reduce, reuse, recycle, and recover) must be applied to improve the rate of waste generated and enhance waste management
Reducing travel demand	urban planning must be employed to reduce the number of miles that people drive each day; reducing the need for driving through travel efficiency measures such as commuter, biking, and pedestrian programs	building public transportation, sidewalks, and bike paths to increase lower-emission transportation choices; zoning for mixed use areas, so that residences, schools, stores, and businesses are close together, reducing the need for driving

Many countries have already implemented such measures or, at least, are going to incorporate them in the nearest future. However, these initiatives are not enough, as our planet is still being heavily contaminated by transport sector. Consequently, sustainable logistics has many prospects, achieving which must help us to save the planet.

3. Conclusions

To sum up, sustainable logistics is far more than just ecological logistics, as it encompasses social and economic aspects as well.

Unfortunately, the transport sector is still the largest source of greenhouse gas emissions in many countries nowadays. Furthermore, the emissions from this sector are continuously increasing. The importance of sustainable logistics practices is clearly seen here. They play a huge role in saving our planet from being contaminated with GHG and other harmful emissions.

Currently a lot of countries are applying sustainable logistics practices to reduce the negative impact from the transport sector. But there are still plenty of initiatives that require urgent implementation.

Overall, the importance of sustainable logistics is hard to underestimate. It is a key way of reducing emissions from the transport sector.

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ECONOMIC RISKS OF DEPENDENCE ON HUMANITARIAN AID

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Konashevych Y. V., Karpusenko M. V. Economic risks of dependence on humanitarian aid. The article provides a comprehensive analysis of the economic risks associated with the transformation of humanitarian assistance into a long-term structural factor. The study investigates macroeconomic distortions, specifically the "Dutch disease" effect, and labor market imbalances caused by the "brain drain" to the NGO sector. Particular attention is paid to fiscal volatility and the risks of funding social programs through external grants. A comparative analysis of the case studies of Haiti, Afghanistan, and the unique context of Ukraine demonstrates the distinct challenges associated with aid dependency. The article proposes strategies for mitigating these risks through the "Humanitarian-Development-Peace Nexus" and the localization of aid flows.

Keywords: humanitarian aid, economic dependence, Dutch disease, fiscal volatility, Ukraine, budget support, sustainable development.

Конашевич Є. В., Карпусенко М. В. Економічні ризики залежності від гуманітарної допомоги. У статті здійснено комплексний аналіз економічних ризиків, пов'язаних із трансформацією гуманітарної допомоги на довгостроковий структурний фактор. Досліджено макроекономічні викривлення, зокрема ефект «голландської хвороби», та дисбаланси на ринку праці, спричинені відтоком кадрів у сектор НУО. Особливу увагу приділено фінансовій волатильності та ризикам фінансування соціальних програм за рахунок зовнішніх грантів. На основі порівняльного аналізу кейсів – Гаїті, Афганістану та унікального контексту України – продемонстровано різні виклики залежності від допомоги. Запропоновано стратегії мінімізації ризиків через впровадження підходу «Humanitarian-Development-Peace Nexus» та локалізацію потоків допомоги.

Ключові слова: гуманітарна допомога, економічна залежність, голландська хвороба, фінансова волатильність, Україна, бюджетна підтримка, сталий розвиток.

1. Introduction

In the contemporary global economic landscape, humanitarian aid has evolved beyond its traditional role as a temporary relief measure during acute crises. According to recent data from the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), the temporal dynamics of crises have shifted dramatically. On average, a humanitarian crisis now lasts more than 9 years, and in many contexts, aid has become a primary economic driver for decades [4]. This prolongation creates a paradox where instruments designed for short-term survival become embedded in the long-term economic structure of recipient nations, leading to systemic "aid dependency".

A brief analysis of recent academic and policy research suggests that the problem of aid dependency remains insufficiently explored, particularly in relation to its evolving economic and institutional risks. Existing studies address certain aspects of external assistance; however, there is a lack of comprehensive and systematized research examining these risks in the context of hybrid warfare, prolonged crises, and post-conflict reconstruction. Consequently, this issue remains open for further scientific investigation, and the available analytical and empirical evidence is limited.

The relevance of the study is predicated on the need to distinguish between constructive support and destructive dependence. This is particularly critical for countries like Ukraine, which presently rely on external financing for macro-financial stability. Understanding the risks –

ranging from currency appreciation to the erosion of fiscal sovereignty – is vital for ensuring that short-term relief does not compromise long-term economic resilience.

The object of the study is the macroeconomic ecosystem of countries receiving significant volumes of Official Development Assistance (ODA). *The subject* of the study constitutes the economic mechanisms of market distortion, fiscal volatility, and institutional degradation arising from prolonged reliance on external donors.

The aim of the article is to identify the causal links between aid dependency and economic stagnation and to formulate mitigation strategies. To achieve this aim, the tasks of the research are defined as follows: to analyze the mechanism of the Dutch disease effect in aid-dependent economies; to assess the impact of donor funding on labor markets and human capital flight; to evaluate the fiscal risks associated with funding social programs through external grants; and to propose practical strategies based on the humanitarian-development-peace nexus approach.

2. Theoretical foundations and macroeconomic distortions

2.1. The Dutch disease effect

Large inflows of foreign aid function similarly to revenue from natural resources, potentially triggering the Dutch disease. When a recipient country absorbs massive amounts of foreign currency to finance local expenditures, it leads to an appreciation of the real effective exchange rate (REER).

According to Rajan and Subramanian (IMF), this currency appreciation reduces the competitiveness of the tradable sector. Domestic goods become more expensive for foreign buyers, while imported goods become cheaper for local consumers. As a consequence, the domestic manufacturing base contracts, and the economy shifts toward the non-tradable sector (services), which does not generate sustainable export revenues [9].

2.2. Labor market distortions and human capital flight

An often-underestimated risk is the segmentation of the labor market caused by the disparity in remuneration between the donor sector and the national economy. International Non-Governmental Organizations (INGOs) typically pay salaries significantly higher than local public or private sectors. For example, a driver for an international NGO can often earn more than a qualified doctor in a public hospital.

This triggers an internal “brain drain”. The most talented professionals – economists, doctors, engineers – leave the civil service and local businesses to work for the aid sector. This depletes national institutions, leaving the government with less qualified personnel to manage recovery and implement reforms.

3. Fiscal volatility and social risks

3.1. The “crowding out” of fiscal revenue

A functioning state relies on the “fiscal contract” – citizens pay taxes in exchange for public goods. Empirical studies indicate that high levels of grants can disincentivize governments from improving tax administration (the “substitution effect”) [2]. This creates a budget structure that depends on the political will of foreign donors rather than on the performance of the national economy.

3.2. Vulnerability of social programs to external shocks

The integration of volatile aid flows into recurrent social expenditures creates severe risks. This is particularly evident in human capital development programs. For instance, when external grants fund long-term educational commitments – such as scholarships for lyceum studies or vocational training (e.g., obtaining driving licenses) – a sudden cessation of aid leads to immediate program collapse. Unlike infrastructure projects which can be paused, educational programs require continuity. If the local budget is not prepared to absorb these costs, the withdrawal of donor funds results in a “social shock”, leaving beneficiaries without qualifications and undermining trust in public institutions [5].

4. Comparative analysis of case studies

4.1. The institutional bypass in Haiti

The post-2010 earthquake response in Haiti serves as a prime example of the “Republic of NGOs” model. Billions in aid bypassed the government, flowing directly to NGOs. This created parallel service delivery systems, eroding state legitimacy. When projects concluded, there was no transfer of infrastructure to national authorities, leaving the economy fragile [10].

4.2. The sudden stop in Afghanistan

Afghanistan (pre-2021) represents the extreme risk of a “rentier state”. Grants financed ~75% of public spending. The abrupt withdrawal of support in 2021 caused a liquidity crisis and an economic contraction of nearly 30% [1]. This proves that growth driven solely by exogenous financial injections is unsustainable.

4.3. The unique case of Ukraine (2022–2025)

Ukraine represents a distinct case of aid dependency aimed at survival during a full-scale war. Unlike Haiti, Ukraine possesses strong institutions and a functioning banking sector. However, the

reliance on external financing is unprecedented: in 2023-2024, foreign partners covered more than 50% of the state budget expenditures (excluding defense) [8; 11].

While this aid is crucial for preventing hyperinflation and supporting social payments, it carries specific risks. First, debt sustainability is a concern because a significant portion of the funds arrives as loans, which increases the debt-to-GDP ratio. Second, the economy faces a potential “fiscal cliff” if external financing is reduced faster than the domestic tax base can recover. Finally, there is a paradox regarding reform urgency: the abundance of aid may reduce the immediate pressure for difficult but necessary structural reforms, even though donor conditionality aims to mitigate this effect.

5. Strategies for mitigating economic risks

To transition from dependency to resilience, aid actors must implement a paradigm shift in aid modalities.

5.1. Localization and budget support

To prevent institutional decay (as seen in Haiti), aid must be channeled through national systems. Direct Budget Support (DBS), as utilized in Ukraine (e.g., via the World Bank's PEACE project), is preferable to project-based aid. It forces the government to maintain rigorous Public Financial Management (PFM) systems and accountability, preserving state capacity.

5.2. Transition to cash-based assistance

Replacing in-kind aid with Cash and Voucher Assistance (CVA) is critical. Cash transfers stimulate local demand, encouraging local production rather than suppressing it through dumping. This supports the revitalization of local value chains and mitigates the risk of market distortion.

6. Conclusions

The study demonstrates that prolonged dependence on humanitarian aid entails significant macroeconomic, fiscal, and institutional risks, particularly when emergency assistance becomes embedded in the long-term economic structure of recipient countries. Such dependence may distort exchange rate dynamics, weaken productive sectors, exacerbate labor market imbalances, and increase fiscal vulnerability through reliance on unstable external financing. The comparative analysis of Haiti, Afghanistan, and Ukraine confirms that while humanitarian aid can play a critical stabilizing role during periods of acute crisis, its long-term dominance in public finance and service provision undermines economic resilience.

Ukraine represents a specific case in which large-scale external support is indispensable under wartime conditions; however, sustained reliance on aid also creates medium-term risks related to debt accumulation, fiscal sustainability, and delayed structural adjustment. These findings underscore the necessity of integrating humanitarian assistance with development-oriented and institution-building approaches.

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THE IMPACT OF SANCTIONS ON DIPLOMATIC NEGOTIATIONS DURING THE RUSSIA-UKRAINE WAR

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Kopylenko D. S., Litovchenko Y. M. The impact of sanctions on diplomatic negotiations during the Russia-Ukraine war. The article examines the impact of sanctions on diplomatic negotiations during the Russia-Ukraine war. Sanctions are analyzed as key instruments of crisis diplomacy and international legal pressure. The study explores their influence on negotiation dynamics and Russia's economic and political behavior. It is argued that sanctions serve as a symbol of international solidarity and condemnation, yet their effectiveness in achieving tangible diplomatic progress remains limited.

Keywords: crisis management, diplomacy, international law, negotiations, Russia–Ukraine war, sanctions.

Копиленко Д. С., Літовченко Я. М. Вплив санкцій на дипломатичні переговори під час російсько-української війни. У статті досліджено вплив санкцій на дипломатичні переговори в умовах російсько-української війни. Санкції розглядаються як ключовий інструмент кризової дипломатії та міжнародно-правового тиску. Проаналізовано їхній вплив на переговорний процес і політико-економічну поведінку Росії. Обґрунтовано, що санкції виконують символічну функцію міжнародної солідарності, проте мають обмежену результативність у досягненні дипломатичних домовленостей.

Ключові слова: дипломатія, кризове управління, міжнародне право, переговори, російсько-українська війна, санкції.

1. Introduction

Sanctions have become one of the most frequently used instruments in contemporary international diplomacy, particularly in situations where direct military engagement is politically or legally constrained. Although sanctions are commonly framed as a non-violent means of pressure, their interaction with diplomatic negotiations remains ambiguous. The Russia-Ukraine war demonstrates how sanctions function simultaneously as legal measures, political signals, and tools of economic influence, while also exposing their structural limitations within crisis diplomacy.

Academic debates on sanctions increasingly emphasize their dual nature. On the one hand, sanctions serve as mechanisms of international condemnation and collective response. On the other hand, existing research questions their capacity to alter the strategic behavior of states involved in armed conflict, especially major powers. While numerous studies assess the economic consequences of sanctions, less attention is paid to their role within negotiation processes and their long-term implications for diplomatic communication. This gap indicates unresolved issues regarding the effectiveness of sanctions as facilitators rather than obstacles to dialogue.

The relevance of this research is determined by the ongoing Russia-Ukraine war and the extensive sanctions regime imposed on the Russian Federation, which has significantly transformed diplomatic interaction and crisis management practices at the international level.

The object of the study is international sanctions as an instrument of crisis diplomacy.

The subject of the study is the influence of sanctions on diplomatic negotiations during the Russia-Ukraine war.

The aim of the article is to examine how sanctions shape diplomatic negotiations and to evaluate their effectiveness as a tool of crisis diplomacy in the context of the Russia-Ukraine war. To achieve this aim, the following *tasks* are defined:

1. to analyze sanctions as a component of modern diplomatic practice;
2. to examine their impact on negotiation dynamics in the Russia-Ukraine conflict;
3. to assess the limitations of sanctions in influencing state behavior during armed conflict;
4. to identify the broader implications of sanctions for the international diplomatic system.

2. Sanctions within crisis diplomacy during the Russia-Ukraine war

2.1. Crisis diplomacy: conceptual framework and relevance to the Russia-Ukraine conflict

Crisis is never something that exists in isolation. It affects every actor in the international arena, not only the state that directly experiences it. Other states, organizations, institutions, and ordinary citizens are also impacted, either directly or indirectly. This interconnected nature of crises becomes especially visible in diplomatic environments, where the consequences extend far beyond borders. Because of this, ignorance or negligence cannot be an option when addressing crises sooner or later, every potential actor becomes involved. Before analyzing the impact of sanctions as a legal and diplomatic mechanism, it is important to understand the broader notion of crisis diplomacy, its meaning, theoretical background, and why it is especially relevant to the Russia-Ukraine conflict. This topic is best understood through the lens of crisis diplomacy, rather than through other types such as military or coercive diplomacy, because the Russia-Ukraine conflict combines several diplomatic styles at once.

Defining crisis diplomacy is complex, just as defining diplomacy in general is. However, many researchers narrow it down to two main perspectives. The first approach views crisis diplomacy as an activity aimed at achieving peace where all efforts focus on preventing war and building consensus between opposing parties, whereas the second approach, on the contrary, sees the main goal as securing victory, with actions centered on protecting a state's own interests and goals during a crisis [3, p. 271]. Australian researcher J. Richardson describes crisis diplomacy as a set of activities aimed at reducing tensions in periods of crisis or conflict [1, p. 48]. As we mentioned earlier, it is especially important not to confuse this with preventive diplomacy, which occurs in the early stages of conflict to stop escalation, or coercive diplomacy, which takes place once a conflict has already intensified to protect national interests [2, p. 31]. In practice, many academics propose taking a middle position that merges the previously mentioned two schools of thought. Instead of viewing crisis diplomacy as either the pursuit of victory or the quest for peace, Constantinou [6, p. 465] argues that it should combine elements of both balancing the protection

of one's national ambitions with efforts to avoid escalation. Therefore, the true essence of crisis diplomacy lies in the regulation of conflicts, the achievement of peace, and the safeguarding of national interests simultaneously. It should not, however, be mixed up with other types of diplomacy that have more narrowly defined functions.

2.2. Sanctions as legal and diplomatic instruments: effectiveness and limitations

Legal sanctions on the other hand appear not merely as political tools but as strategic necessities. Sanctions function as a coercive mechanism designed to influence or restrict the behavior of states in crisis, limit their activities, and prevent the escalation of conflict or confrontation. The UN Charter provides the primary legal foundation for imposing sanctions. According to Article 39, the UN Security Council can determine whether a threat to peace, a breach of peace, or an act of aggression exists, and then decide which measures under Articles 41 and 42 should be taken to preserve or restore international peace and security. This legal framework authorizes UN member states to implement collective sanctions [5, p. 102].

To evaluate the effectiveness of these measures, it is useful to look at data on how sanctions have affected Russia since the war began. Trade offshore assets, exports, imports, investments and even the Russian Central Bank were among the economic sectors that were subject to sanctions. Travel bans and restrictions on global financial cooperation were also imposed. During the Russia-Ukraine conflict, sanctions became one of the defining instruments of crisis diplomacy and a recurring factor in peace negotiations. They have often been discussed as necessary measures that must remain in place until a complete agreement, accompanied by concrete guarantees, is reached. However, statistical evidence suggests that the first wave of sanctions imposed on Russia between 2014 and 2015 had only limited micro- and macroeconomic effects [10, p. 169]. They failed to influence Russia's elite decision-making or to promote a pro-Western political shift. The effectiveness of sanctions is therefore limited in conflicts involving states with diversified trade networks. Looking into the GDP estimations, sanctions had only a mild effect on Russia, in fact, they did not cause any severe changes to its economy. According to data from the International Monetary Fund, Russia's figures are even better than those of some European countries [8, p. 213]. From a foreign policy perspective, Russia's stance on Ukraine did not weaken, even under applied financial pressure. To some degree, economic isolation added fuel to the fire and reinforced the spread of nationalist propaganda, which serves as a useful leverage to promote the idea of a hostile West within Russia, portrayed as a force seeking the empire's downfall [9, p. 17]. The objective of the sanctions is clear, and while the intent to improve the situation and restrict the aggressor is present, their long-term effectiveness remains unclear. Some analysts even argue that sanctions have accelerated Moscow's cooperation with China and other countries critical of Western

dominance. This reinforces the inability of western diplomacy to exert any real influence over the first invasion in 2014 and its aftermath, as few countries took the supposed warning seriously. The repeated breaches of the Minsk Agreements, the Budapest Memorandum and numerous ceasefire agreements demonstrate how Western policy ultimately served as an invitation for Putin to advance further. The possibility of removing sanctions to reestablish trade and economic ties between the United States and other countries was a topic of frequent discussion during Donald Trump's presidency. Among the proposed options were releasing seized Russian assets, reopening American lending to Russian banks, and allowing U.S. oil service companies to return to Russia's vast energy fields [11]. However, while Trump publicly mentioned that sanctions could be lifted, it was not necessarily in his political interest to do so completely [4]. Russian officials, meanwhile, demanded that all Western sanctions including those introduced under the 2012 Magnitsky Act be lifted entirely rather than temporarily frozen.

Even so more recently, Trump introduced the first round of sanctions after negotiations had stalled in this term. The U.S. Treasury announced it was “imposing further sanctions as a result of Russia's lack of serious commitment to a peace process to end the war in Ukraine.” Trump described these as “tremendous sanctions” targeting Russian oil firms, claiming they were necessary to pressure Vladimir Putin into halting the conflict [12]. Yet, despite these repeated sanctions, Russia's economy and alternative partnerships are still on board and have prevented any decisive change in policy.

Regardless of the narrative presented by the media, Russia remains a strong state and, above all, an important partner that Europe is reluctant to lose. From an ecological perspective, the European Union has long aspired to transition from gas to renewable and environmentally friendly energy sources, yet progress in this area has been minimal. More importantly, several countries remain hesitant to sever ties with Russia, as the economic benefits continue to outweigh ideological and moral considerations. Indeed, Russia has managed to adapt to it. Europe continues to import large quantities of Russian oil and gas more, in fact, than the total amount of aid it has provided to Ukraine. In the third year of the full-scale invasion, EU imports of Russian fossil fuels reached EUR 21.9 billion, representing only a 6% decrease in value and a 1% decline in volume compared to the previous year. In contrast, financial aid to Ukraine amounted to just EUR 18.7 billion in 2024. Russia's total fossil fuel revenues in the same year reached EUR 242 billion and have accumulated EUR 847 billion since the start of the invasion [7]. These numbers clearly demonstrate that sanctions have not dismantled Russia's economic capacity or prevented it from financing the war.

3. Conclusions

To sum up, the Russia-Ukraine war has demonstrated that sanctions, while one of the most frequently used tools of crisis diplomacy, are far from universally effective. They were intended to prevent aggression and force political change but instead exposed the strength and weakness of the global diplomatic system. On one hand, sanctions serve as a visible expression of collective condemnation, uniting Western allies and reaffirming shared values of sovereignty and international law. On the other hand, they have contributed to a protracted diplomatic impasse which has reduced negotiation opportunities and forced Russia to look for alternative alliances outside of the West. The results of this paper show how sanctions are used against a major global power with extensive natural resources and diverse trade networks; they are insufficient to accomplish strategic goals. Rather than weakening Russia's resolve, the restrictions have strengthened nationalist rhetoric and given Moscow an excuse to further isolation from Western institutions.

Sanctions should therefore be seen as a component of a larger more flexible crisis-management strategy rather than as a replacement for diplomacy. They must be paired with steady diplomatic engagement, reliable security assurances and concerted humanitarian efforts to make a significant contribution to peace. The conflict between Russia and Ukraine highlights the boundaries of economic coercion and the pressing need to reconsider how sanctions are incorporated into international diplomacy. Only by balancing pressure with dialogue can the international community hope to transform symbolic condemnation into genuine progress toward peace.

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EFFECTIVENESS OF CULTURAL EXPORT AS A SOFT POWER INSTRUMENT OF KOREA

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Kovryha E. I., Izotova L. I. Effectiveness of cultural export as a soft power instrument of Korea. This article examines the main reasons, challenges, and prospects for the development of South Korean cultural exports as an instrument of soft power. Korean cultural products—K-pop, TV series, films, and the cosmetics industry—have become a global phenomenon and have made significant contributions to the country's international image. The study emphasizes that cultural exports can not only bring economic benefits but also contribute to the development of cultural diplomacy. However, their growth is hampered by global competition, market size, and political constraints. In conclusion, despite current challenges, Korean cultural products are a promising and dynamic sector that remains an effective instrument of soft power. Therefore, their progress matters now.

Keywords: cultural diplomacy, cultural export, *Hallyu*, K-pop, Korea, national image, soft power.

Коврига Е. І., Ізотова Л. І. Ефективність культурного експорту як інструменту «м'якої сили» Кореї. У цій статті розглядаються основні причини, проблеми та перспективи розвитку південнокорейського культурного експорту як інструменту м'якої сили. Корейські культурні продукти — К-поп, телесеріали, фільми та косметична промисловість — стали глобальним явищем і зробили значний внесок у міжнародний імідж країни. У дослідженні наголошується на тому, що культурний експорт може не лише приносити економічні вигоди, але й сприяти розвитку культурної дипломатії. Однак його зростання гальмується глобальною конкуренцією, розміром ринку та політичними обмеженнями. На завершення, незважаючи на поточні виклики, корейська культурна продукція є перспективним та динамічним сектором, який залишається ефективним інструментом м'якої сили. Тому її прогрес має значення зараз.

Ключові слова: *Hallyu*, К-поп, імідж держави, Корея, культурна дипломатія, культурний експорт, м'яка сила.

1. Introduction

In the 20th century, culture became one of the most effective tools for international interaction, and South Korea transformed its popular culture into a leading global force [Помилка! Джерело п
осилання не знайдено.; Помилка! Джерело посилання не знайдено.]. The Hallyu phenomenon, or “Korean Wave,” illustrates how cultural products can shape a state's positive international image, stimulate its economic development, and enhance its diplomatic standing [1]. This article examines South Korea's cultural policy and the mechanisms underlying the effectiveness of cultural exports as an instrument of soft power. *The relevance* of this study lies in the growing role that cultural exports play in international relations, where competition between states increasingly focuses on cultural prestige and global recognition. *The object* of the research is South Korea's cultural diplomacy within the framework of its foreign policy. *The subject* of the study is the system of cultural exports and state support mechanisms that ensure the effectiveness of Hallyu as an instrument of soft power. *The aim* of the article is to identify the factors contributing to the success of Korean cultural exports and to assess their impact on the country's international image and diplomatic weight. *The tasks* of the study include analyzing the development and main areas of Korean cultural exports, characterizing the economic, image-related, and political effects of Hallyu, identifying key instruments of state support, and assessing current challenges and prospects for the development of South Korean cultural diplomacy.

2. Evolution and key directions of development of South Korea's cultural exports

The Republic of Korea's modern cultural exports are the result of a long and focused development that began in the late 20th century [1]. A decisive turning point occurred in the 1990s, when the government recognized the potential of the cultural industry as a strategic resource for economic growth [9]. The first signs of the "Korean Wave" emerged with the broadcast of Korean television series (K-dramas) in East and Southeast Asia, where they quickly achieved great success thanks to their emotional intensity, production quality, and cultural relevance. The 2000s saw a significant expansion of the range of cultural products. It was during this period that the modern "Hallyu" emerged, encompassing K-pop, film, animation, fashion, food, video games, and other creative industries. K-pop has become one of the most dynamic drivers of this cultural development [Помилка! Джерело посилання не знайдено.; 1]. Groups such as Stray Kids, Katseye, EXO, and many others have played a key role in the globalization of Korean culture [Помилка! Джерело посилання не знайдено.; 16]. Their popularity not only attracted attention to Korean music but also sparked interest in the language, style, social narratives, and Korean culture as a whole. Cinema has also become an important avenue for cultural export. Films such as *Parasite*, *Oldboy*, *Train to Busan*, and the TV series *The Squid Game* have received international acclaim, and their success at film festivals around the world has cemented South Korea's status as a hub for innovative creative industries [Помилка! Джерело посилання не знайдено.].

The development of cultural exports is supported by government programs that fund creative industries, support media campaigns, develop infrastructure (cultural centers, film festivals, music platforms), and foster collaboration with the private sector. This model has allowed for the creation of a diverse cultural offering that is gradually integrating into the global arena.

3. Economic, image and political effects of *Hallyu*

The effects of the "Korean wave" are manifested in three key areas: economic, image and political, which together make cultural exports an effective tool of soft power [Помилка! Джерело посилання не знайдено.].

3.1. Economic effect

The cultural industries have become one of the most profitable sectors of the South Korean economy. Exports of music, films, television programs, and video games generate billions of dollars. Significant growth is also observed in related fields such as tourism, cosmetics, and fashion. Tourists visit television series filming locations, attend K-pop concerts, and participate in themed festivals, creating a local market and stimulating investment in these regions [2].

3. 2. Image effect

The Hallyu wave has profoundly changed the world's perception of South Korea. The country is now associated with innovation, modernity, creativity, and the quality of its products. The popularity of Korean artists and actors is contributing to a surge in interest in the Korean language, history, and traditions. Universities are seeing an increase in the number of international students who want to study Korean culture or pursue careers in the creative industries [Помилка! Джерело посилання не знайдено.].

3.3. Political influence

Cultural diplomacy has become an integral part of South Korea's foreign policy. Cultural capital is used in international negotiations, creating a favorable information context and strengthening the country's position in international organizations. The international community's growing interest in Korean culture fosters trust in the country, thereby enhancing its soft power without resorting to traditional political instruments [Помилка! Джерело посилання не знайдено.; REF _Ref220187010 \r \h Помилка! Джерело посилання не знайдено.].

4. State support instruments for cultural exports

The effectiveness of South Korean cultural exports is largely due to targeted government policies. Key instruments include funding for creative industries, particularly through the Ministry of Culture, Sports, and Tourism and specialized funds (KOCCA), as well as the establishment of KCC cultural centers worldwide, which organize festivals, educational programs, and promote Korean culture. Furthermore, support for technological innovation plays a significant role, enabling the creation of competitive content, such as virtual reality, streaming platforms, and modern studios. The government is also actively developing partnerships with the private sector, particularly with major corporations such as Samsung and Hyundai, which support cultural projects as part of their public relations strategies. All these measures are complemented by international marketing programs aimed at promoting K-pop, cinema, and traditional culture. These instruments create a comprehensive system in which culture becomes not only a driver of social development but also a valuable resource for international influence [9; 2; 2].

5. Current challenges and prospects for the development of Korean cultural diplomacy

Despite its successes, South Korea's cultural diplomacy faces numerous challenges [Помилка! Джерело посилання не знайдено.; 13]. The most significant of these include market saturation in K-pop, competition from other creative industries, the threat of cultural commercialization, and the risk of over-reliance on a few leading cultural brands. Adapting cultural production to different

regions, where audiences have different cultural and social expectations, also remains challenging.

Prospects for development lie in diversifying cultural content, increasing interest in traditional culture, and strengthening cooperation in education, science, and digital technologies [1]. South Korea can advance its cultural diplomacy by integrating innovative platforms, establishing international cultural centers, and strengthening partnerships with global media companies.

6. Conclusions

Cultural exports have become one of South Korea's most effective soft power tools, providing the country with global visibility, economic benefits, and significant diplomatic influence. The effectiveness of this tool depends on a combination of government support and private sector activity, a focus on an international audience, and the ability of cultural products to evoke positive emotions and values.

The prospects for Korean cultural diplomacy lie in diversifying export destinations, supporting innovative forms of cultural content, and expanding international partnerships. Research on the role of the Korean Wave (*Hallyu*) demonstrates that culture can be a powerful driver of international influence and contribute to strengthening a country's position on the global stage.

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THE CURRENT STATE OF FOREIGN TRADE IN USMCA COUNTRIES

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Krakotets A. I., Karpenko O. V. The current state of foreign trade in USMCA countries. The article examines trade relations and bilateral dynamics within the USMCA, covering the United States, Canada, and Mexico from 2015 to 2024. It analyzes overall trade trends, the impact of COVID-19 on trade volumes, and the subsequent recovery. The study highlights the structure of exports and imports, trade imbalances, and sectoral linkages, emphasizing integrated supply chains in automotive, energy, and agriculture. Attention is also given to the asymmetry of Canada-Mexico trade and the growing economic interdependence of member states.

Keywords: bilateral trade, cooperation, COVID-19, exports, imports, supply chains, USMCA.

Кракотець А. І., Карпенко О. В. Сучасний стан зовнішньої торгівлі країн USMCA. У статті досліджуються торговельні відносини та двостороння динаміка торгівлі в межах USMCA, що охоплює Сполучені Штати, Канаду та Мексику з 2015 по 2024 рік. Аналізуються загальні тенденції торгівлі, вплив COVID-19 на обсяги торгівлі та подальше відновлення. Дослідження висвітлює структуру експорту та імпорту, торговельні дисбаланси та галузеві зв'язки, із акцентом на інтегровані ланцюги постачання в автомобільній, енергетичній та сільськогосподарській сферах. Увага також приділяється асиметрії торгівлі між Канадою та Мексикою та зростаючій економічній взаємозалежності країн-учасниць.

Ключові слова: двостороння торгівля, експорт, імпорт, Ковід-19, ланцюги постачання, співпраця, ЮСМКА.

1. Introduction

The current stage of global economic development is marked by increasing regionalization, trade fragmentation, and the growing role of regional trade blocs in international trade. In this context, the United States-Mexico-Canada Agreement (USMCA) has become a key framework shaping trade relations in North America and influencing global trade patterns. Shifts in trade policy, supply chain reorganization, and external economic shocks have intensified changes in trade relations among USMCA members, making their analysis particularly relevant.

Although trade sustainability and regional trade asymmetries are widely discussed in academic literature, existing studies mainly emphasize the institutional and macroeconomic effects of USMCA. Comparative assessments of trade dynamics among its member states remain limited, which creates a need for further research. The *relevance* of this study is determined by the increasing importance of USMCA as one of the largest regional trade blocs and its role in supporting trade stability under global economic uncertainty.

The *object* of the study is the United States-Mexico-Canada Agreement (USMCA); the *subject* is the trade relations and trade dynamics among the United States, Canada, and Mexico within the USMCA framework.

The *aim* of the research is to analyze the current state and structural features of trade within the USMCA. To achieve this aim, the following *tasks* are set:

1. to provide an overview of overall trade within the USMCA;
2. to analyze the dynamics and structure of bilateral trade between the United States and Canada;

3. to examine the main characteristics of bilateral trade between the United States and Mexico;

4. to analyze the features of bilateral trade relations between Canada and Mexico.

2. Trade relations and bilateral trade dynamics within the USMCA

2.1. General overview of trade in the USMCA

The USMCA is one of the most important regional trade blocs in the world, bringing together the economies of the United States, Canada and Mexico. The agreement came into force in 2020, replacing NAFTA and updating trade rules in line with current economic conditions. Trade within the USMCA plays a key role in shaping global value chains, particularly in industry, agriculture and the digital economy. The high level of economic integration between the participating countries contributes to growth in trade, investment and employment. The USMCA experience is instructive for Ukraine as an example of effective regional trade cooperation and stable trade rules [6].

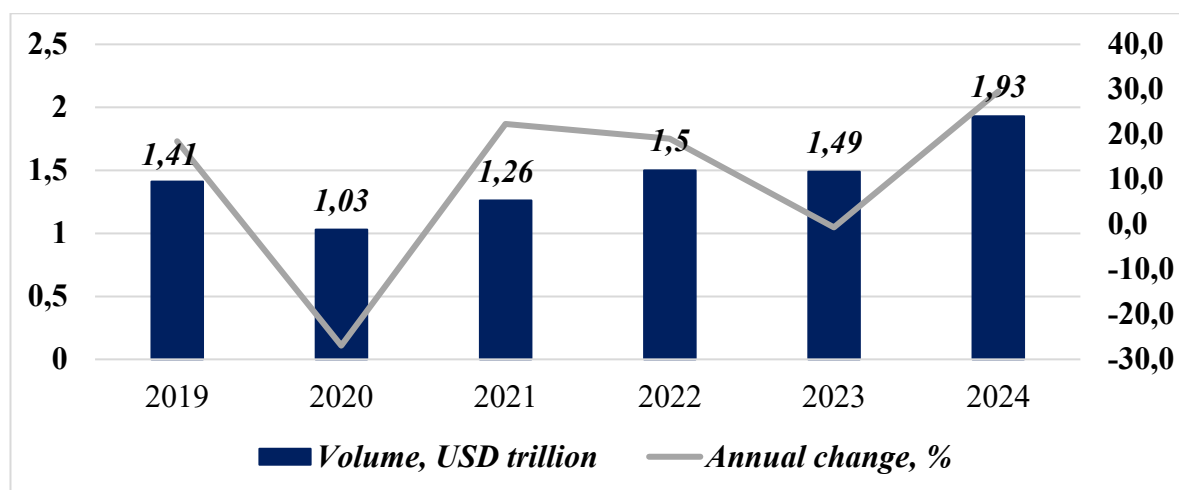


Figure 1. Internal trade within the USMCA 2019-2024.

Source: Composed by the authors, using materials from: USMCA Exports, Imports, and Trade Partners. The Observatory of Economic Complexity [3].

The figure shows the trajectory of domestic trade turnover and its annual growth rate within the USMCA free trade area (United States, Mexico, Canada) over a six-year period covering 2019-2024.

A decline was recorded in the period 2019-2020. In 2019, the volume of domestic trade amounted to approximately \$1.4 trillion. In 2020, there was a sharp drop in the indicator to the minimum for the period under review – approximately \$1.0 trillion. This decline correlates with the global economic crisis caused by the COVID-19 pandemic. This is followed by a recovery phase in 2021-2022, which replaced the decline phase, with a steady recovery trend observed since 2021. Trade volume grew to \$1.25 trillion in 2021 and reached \$1.5 trillion in 2022, exceeding the

pre-crisis level of 2019. In 2023-2024, there was a phase of stagnation and accelerated growth, with a plateau observed in 2023, where trade volume remained at the 2022 level (\$1,5 trillion). However, 2024 is characterised by unprecedented growth, reaching a peak of nearly \$1.9 trillion.

The linear graph allows us to assess the volatility of trade processes. High volatility in the period 2019-2021, where after moderate growth in 2019, it increased by +18%, in 2020 there was a significant deep collapse in growth rates to a negative value of about -27%. Already in 2021, there has been a rebound, with growth reaching +22%.

After positive dynamics in 2022, in 2023 the rate of change approached 0%, confirming the stagnation of trade volumes during this period. In 2024, the highest growth rate for the entire observation period was recorded – about +30%, which indicates a significant intensification of economic integration within the bloc.

2.2. US-Canada bilateral trade dynamics

Canada has long been one of the United States' main trading partners, reflecting deep economic ties between the two countries. Their trade relationship is supported by well-integrated supply chains, especially in sectors such as automotive, textiles, and energy. In 2024, Canada ranked as the top destination for U.S. exports and the third-largest source of U.S. imports. More than 75% of Canadian exports were sent to the United States, while nearly half of Canadian imports came from the U.S., highlighting the strong interdependence of their economies [4].

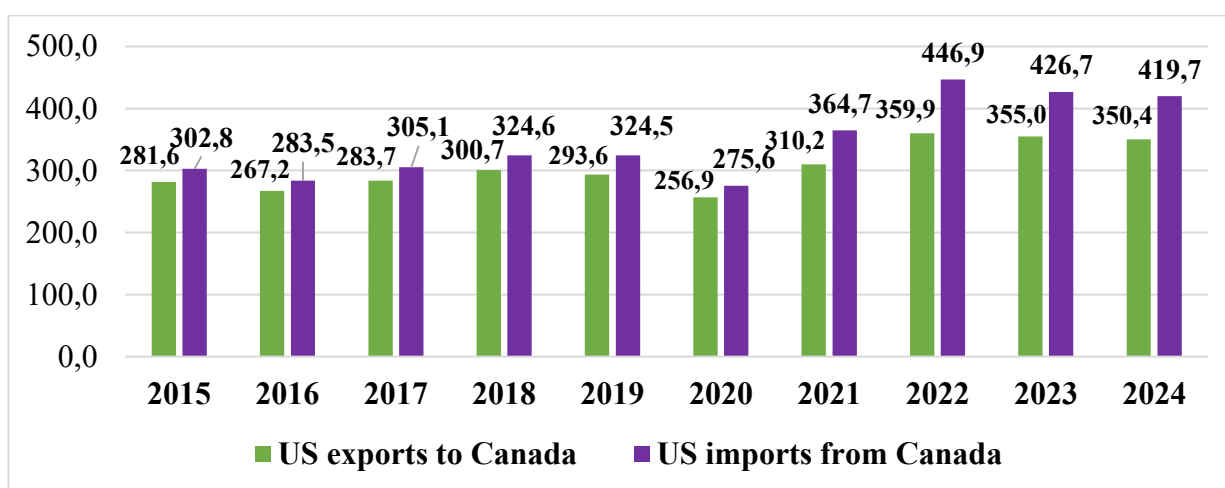


Figure 2. Bilateral trade in goods between the USA and Canada 2015-2024, USD billion.

Source: Composed by the authors, using materials from: International Trade in Goods by Area and Country. BEA Interactive Data Application [1].

The figure shows the dynamics of trade in goods between the United States and Canada (2015-2024), where US imports consistently exceed exports. Key trends show that after a decline in 2020, when exports were lower (\$256.9 billion) than imports (\$275.6 billion), trade grew rapidly, reaching a historic peak in 2022, when exports were \$359.9 billion and imports amounted

to \$446.9 billion. In 2023-2024, there was a slight correction and stabilisation, but the figures for 2024, with exports at \$350 billion and imports at \$419.7 billion, remain significantly higher than pre-crisis levels, confirming the deepening of trade relations.

The United States' main exports to Canada include vehicles, machinery, and energy products, as well as more than 30 billion US dollars in agricultural goods, such as baked goods, cereals and pasta, fresh fruits and vegetables, and ethanol. Conversely, Canada's top exports to the United States consist of energy products and vehicles, along with over 40 billion US dollars in agricultural items, including baked goods, cereals and pasta, vegetable oils, beef and beef products, processed fruits and vegetables, and fresh produce [4].

2.3. US-Mexico bilateral trade dynamics

Trade relations between the United States and Mexico have developed into one of the most intensive bilateral partnerships in North America. This relationship is driven by production networks that span both sides of the border, with particularly strong linkages in the automotive, electronics, medical devices, and textile industries. In 2024, Mexico occupied a central position in U.S. trade, ranking second among destinations for American exports while serving as the largest supplier of imports to the United States. The U.S. market absorbed more than four-fifths of Mexico's total merchandise exports, and over two-fifths of Mexico's imported goods originated from the United States, highlighting the scale and depth of bilateral trade flows [5].

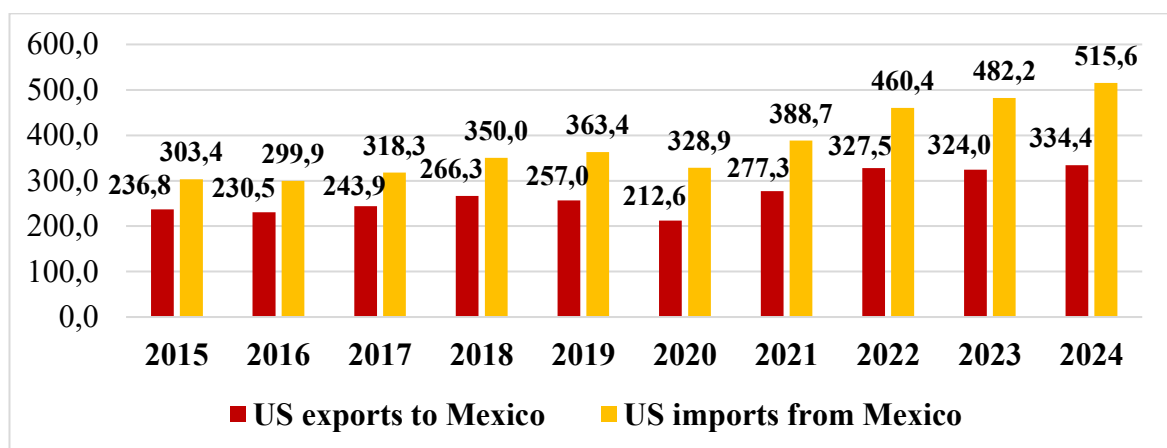


Figure 3. Bilateral trade in goods between the USA and Mexico 2015-2024, USD billion.

Source: Composed by the authors, using materials from: International Trade in Goods by Area and Country. BEA Interactive Data Application [1].

The figure shows the dynamics of export and import operations between the United States and Mexico over a ten-year period, where the key trend is the deepening economic dependence of the United States on Mexico's production capacity, especially in the context of record import

volumes in 2024. Throughout the period under review, US imports from Mexico consistently exceeded exports. This gap widened significantly in the post-crisis period.

The year 2020 was marked by a sharp decline in trade activity. US exports fell to a decade low of \$212.6 billion, while imports fell to \$328.9 billion, reflecting disruptions in the logistics chain. The post-pandemic period of 2021-2022 was characterised by aggressive growth. In 2022, trade volumes increased, with exports reaching \$327.5 billion and imports reaching \$460 billion.

A historic high was recorded in the period 2023-2024. While exports stagnated in 2023, followed by moderate growth in 2024 (from \$324.0 billion to \$334.4 billion, respectively), imports continued to grow rapidly. In 2024, imports of goods from Mexico reached a historic peak, exceeding the half-trillion mark for the first time – \$515.6 billion.

Trade between the United States and Mexico is dominated by manufactured goods, with the United States supplying Mexico primarily with electrical equipment, industrial machinery, energy-related products, vehicles, and plastics. Agricultural exports from the United States also play an important role, exceeding 30 billion US dollars and consisting mainly of corn, pork and pork products, dairy items, and soybeans. In the opposite direction, Mexico's exports to the United States are largely concentrated in transport equipment and technology-intensive manufactures, including vehicles, machinery, electrical equipment, and medical devices. Mexico also ships substantial volumes of agricultural products to the U.S. market, valued at more than 48 billion US dollars, with fresh vegetables, beer, distilled spirits, and fresh fruit forming the core of these exports [5].

2.4. Canada-Mexico bilateral trade dynamics

A defining feature of trade relations is a significant imbalance in favour of imports. Throughout the period under review, imports of goods from Mexico to Canada exceeded Canadian exports by 4-5 times. This demonstrates Mexico's role as a key net exporter in bilateral relations.

When analysing the structure of bilateral trade, it is worth paying attention to the dynamics of import revenues from Mexico, which show a clear upward trend, as reflected in the following figure. In the pre-crisis period covering 2015-2018, import volumes grew steadily from 24.4 billion to 28.4 billion US dollars, followed by a phase of short-term stabilisation in 2019. The global economic turmoil of 2020 caused by the COVID-19 pandemic led to a decline in supplies to a ten-year low of \$22.4 billion, but this decline became a starting point for further rapid expansion. Starting in 2021, imports showed annual growth, reaching historic highs in 2023 and 2024 – \$34.2 billion and \$34.3 billion, respectively – which clearly indicates the strengthening of supply chain integration and the growing demand of the Canadian market for Mexican products.

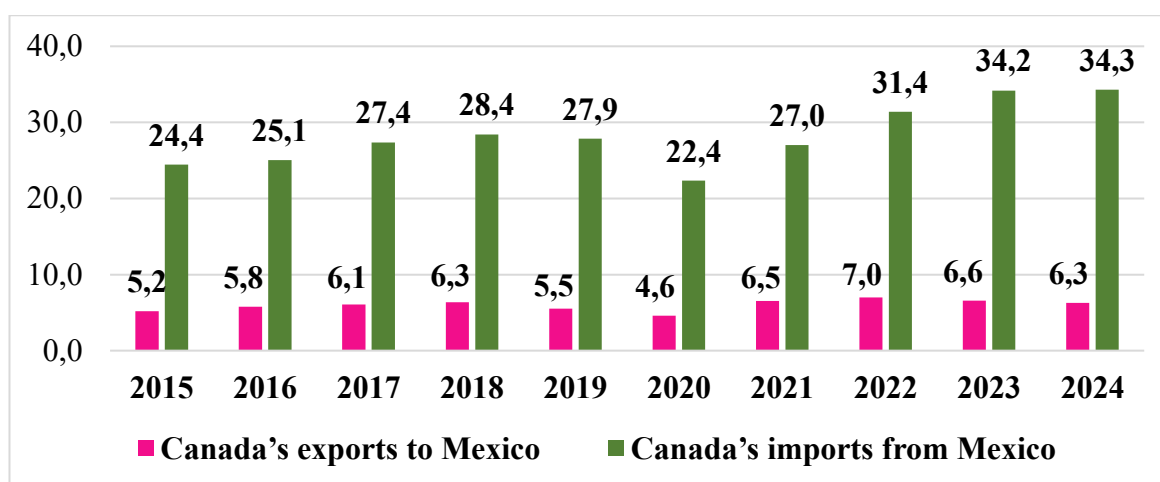


Figure 4. Bilateral trade in goods between Canada and Mexico 2015-2024, USD billion.

Source: Composed by the authors, using materials from: Bilateral trade between Canada and Mexico. Trade Map [2].

The situation with Canadian exports is radically different, characterised by low volatility and no clear growth vector during the decade under review. Export figures fluctuate within a fairly narrow range of \$4.6 to \$7.0 billion. Despite the fact that after the crisis-induced decline in 2020, exports managed to reach a peak of \$7.0 billion in 2022, this success could not be sustained. In 2023-2024, the downward trend resumed, resulting in a decline in shipments to \$6.3 billion.

Summarising the above data, it can be stated that the development of trade partnerships between countries is structurally asymmetrical and occurs mainly due to the increase in Mexican imports. While Canada reached record levels of purchases from Mexico in 2024, its own export potential in this market remains limited and has shown clear signs of stagnation in recent years.

Trade between Canada and Mexico is characterised by a diversified exchange of manufactured goods, industrial inputs, and selected agricultural products. Canada's exports to Mexico are largely concentrated in vehicles, machinery, electrical equipment, meat products, and basic metals, reflecting its strengths in manufacturing and resource-based industries. In turn, Mexico supplies Canada primarily with vehicles and transport equipment, machinery, electrical products, furniture, and metal-based manufactures. These trade flows illustrate the presence of integrated manufacturing networks, supported by flows of agricultural inputs, energy-related materials, and industrial components, which together form an important part of the value chains linking the two economies [2].

3. Conclusions

The analysis confirms that the USMCA has evolved into a highly resilient regional market, successfully rebounding from the COVID-19 shock to achieve historic trade volumes by 2024.

The bloc is characterised by deepening interdependence, with the United States acting as the central hub. Key structural shifts include a significant surge in US imports from Mexico, driven by nearshoring strategies, and a persistent trade asymmetry between Canada and Mexico. Ultimately, the USMCA has functioned effectively as a stabiliser, consolidating North American supply chains and enhancing regional self-sufficiency in strategic sectors such as automotive manufacturing and energy.

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NATIONAL IDENTITY IN THE CONTEXT OF GLOBALIZATION: INTERNATIONAL EXPERIENCE

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Kritsyna, O. O., Marchenko, N. O. National Identity in the context of globalization: international experience. The article examines the impact of globalization on the formation and preservation of national identity. It outlines the theoretical foundations of the concept and identifies key challenges related to cultural unification, linguistic assimilation, and migration. The study analyses the experiences of France, Japan, and Canada, each of which has developed its own model for combining openness to global processes with the preservation of cultural uniqueness. The article highlights the factors that contribute to the resilience of national identity under conditions of global transformation.

Keywords: cultural uniqueness, culture, globalization, glocalization, language policy, multiculturalism, national identity.

Крищина О. О., Марченко Н. О. Національна ідентичність в контексті глобалізації: міжнародний досвід. Стаття присвячена дослідженню впливу глобалізації на формування та збереження національної ідентичності. Розкрито теоретичні засади поняття та окреслено ключові виклики, пов'язані з культурною уніфікацією, мовною асиміляцією й міграцією. Проаналізовано досвід Франції, Японії та Канади, які виробили різні моделі поєднання відкритості до глобальних процесів із підтримкою культурної самобутності. Визначено фактори, що сприяють стійкості національної ідентичності в умовах глобальних трансформацій.

Ключові слова: глобалізація, глокалізація, культура, мовна політика, мультикультуралізм, національна ідентичність, самобутність.

1. Introduction

In the modern world of constant transformations that correspond to the processes of globalization, such phenomena as the growth of intercultural relations and the formation of a common information space are becoming increasingly noticeable. Therefore, the issue of preserving national identity is gaining particular relevance. On the one hand, globalization processes contribute to the development of interstate communication; on the other, they pose a threat of cultural unification, that is, the loss of traditional values and linguistic diversity. Thus, states pursuing a policy of nationalism face a complex task: they must preserve their cultural uniqueness while successfully integrating into the global system.

The relevance of this study lies in the need for a deeper understanding of how states form and maintain their national identity in the era of global interdependence. An analysis of international experience makes it possible to identify both universal and unique approaches that states apply to balance integration into the globalized world with the preservation of national distinctiveness. This is extremely important for shaping an effective policy on the international stage.

The aim of the research is to determine the peculiarities of the transformation of national identity under the influence of globalization processes and to identify effective models for its preservation on the example of selected countries.

To achieve this aim, the following *tasks* are set:

1. To identify theoretical and methodological approaches to the study of national identity in a global context.
2. To reveal the relationship between globalization and the processes of cultural unification.
3. To examine the experience of France, Japan, and Canada in forming and maintaining national identity.
4. To determine the common features and differences in state approaches to protecting cultural uniqueness.

The object of the research is the process of formation and preservation of national identity in the context of globalization. *The subject* of the research is the specific features of implementing policies and strategies for the preservation of national identity in different countries of the world.

2. National identity in the context of globalization: international experience

2.1. Theoretical and methodological framework

Most scholars agree that both national identity and the nation itself are complex social constructs encompassing a range of interrelated dimensions — ethnic, cultural, territorial, economic, and political-legal. They reflect a system of stable, systematic connections among members of a community united by territorial belonging, historical memory, myths, and traditions [2].

Today, under the influence of globalization processes, national identity is subject to significant transformation, acquiring new forms and semantic emphases. Globalization — understood as the process of expansion and unification — contributes to the blurring of boundaries between cultures and the spread of universal values and behavioral models that may be historically inherent to some nations but entirely alien to others. Thus, from this perspective, it becomes clear that national identity is no longer a stable construct but rather a dynamic process of continuous reinterpretation and adaptation to changes in the global environment. It emerges as the result of interaction between the local and the global — a synthesis of the traditional and the innovative.

The main challenges that arise in a globalized world and hinder the preservation of national identity include cultural unification, linguistic assimilation, migration processes, and political pressures. These factors complicate efforts to maintain cultural distinctiveness. Nevertheless, to remain strong and credible actors on the international stage, states continue to protect their traditions, language, and culture, thereby affirming their integrity. Each country's experience is unique, as effective approaches to safeguarding national identity vary according to specific historical, social, and political contexts.

2.2. The experience of France: preserving cultural uniqueness through language policy

France is a country with a centuries-old history and, most importantly, a deeply rooted tradition of linguistic assimilation. Historically, the French language developed as a unifying model; therefore, it plays a key role in shaping national unity. In France, beyond cultural and religious factors, language, national history, and cultural identity hold such significant importance that for the full integration of migrants, acceptance of the French language and history is considered an essential condition. In the minds of the French, their language is inseparable from their way of life.

For a long time, the state's language policy was built on the principle that a single national language is the foundation of equality and democracy. In the twentieth century, migrants arriving in France often reported facing discrimination and difficulties related to language issues. Thus, it can be concluded that in France, language has been—and remains—the main instrument both for integrating newcomers and for preserving national identity [3; 4].

On France's initiative, the European Union introduced the concept of "exception culturelle", which allows countries to independently develop policies to protect their own cultural space from global mass products. In this way, France's cultural policy treats culture and national identity not as commodities on the global market, but as intrinsic values and assets of the nation [7].

2.3. The experience of Japan: combining tradition and modernity

Japan represents an exceptionally interesting and unique example of how national identity can intertwine with the dynamics of globalization. The Japanese model of identity has historically developed as a hybrid system, combining Eastern traditions with selected elements borrowed from the West. Like many other states, Japan faces the risks of cultural unification and the blurring of cultural boundaries. However, due to its well-designed policies, Japan has successfully integrated into the globalized world—economically and culturally—managing not only to preserve its national identity but also to spread its culture worldwide [6].

Global influences did not undermine Japan's traditional values; rather, they became organically intertwined with them. Since the Meiji era, the country actively adopted Western institutions and technologies, yet did so in a manner that safeguarded its cultural foundation. Japanese society mastered the art of adapting external innovations to fit internal traditions, allowing modernization to proceed without deep internal conflicts or value crises.

This success is largely attributed to Japan's unique political model of glocalization (global + local) [5]. The essence of this model lies in the ability to combine global trends with local customs and cultural patterns. Today, Japanese identity exists as a dual phenomenon: Western in institutional form, yet Eastern in its internal meaning and worldview. In an era of constant

transformation, Japanese society simultaneously thinks in both categories. Therefore, Japan serves as a powerful example of a state that has managed to find a stable balance between modernization and the preservation of cultural uniqueness.

2.4. The Canadian model: multiculturalism and national identity building

The experience of Canada differs significantly from that of the previously discussed countries. In many cases, the concept of national identity is viewed as incompatible with multiculturalism. However, for Canada, the principles of recognizing cultural diversity and ensuring social equality have become a formula for success. Historically, Canada has differed from most European states, as from the very beginning it existed as a multi-ethnic society, which compelled the government to develop its own model of national development that would take into account the interests of all communities. A key historical milestone was reached in 1971, when Canada became the first country in the world to proclaim multiculturalism as official state policy. This policy aimed to support the country's cultural, linguistic, and racial communities, affirming the value of diversity as a national asset.

Today, Canadian multiculturalism remains a central element of national identity. It reflects the reality in which Canadian society lives and evolves — a reality of cultural plurality and polyethnicity. Moreover, multiculturalism is officially commemorated in Canada's national calendar: every year on June 27, the country celebrates Multiculturalism Day, reaffirming the status of this policy as a fundamental pillar of Canadian identity [1].

Thus, Canada has succeeded in transforming its demographic diversity into a strategic advantage, strengthening both social cohesion and national identity.

3. Conclusions

The preservation of national identity in the era of globalization is becoming increasingly significant for state policies. National identity is not a static phenomenon; it evolves under the influence of intercultural communication, migration, and global interdependence. In this context, the effectiveness of state policy depends largely on a country's ability to balance openness to the world with the protection of its cultural, linguistic, and value-based foundations.

France demonstrates that a unified language policy can serve as a powerful instrument for safeguarding national unity and cultural space. Japan illustrates the effectiveness of glocalization, successfully combining global trends with centuries-old traditions. The experience of Canada shows that multiculturalism can become a source of resilient national identity rather than a threat to it.

Thus, international experience confirms that there is no universal political strategy for preserving national identity. Each policy model is unique and must be adapted to a country's

specific historical and cultural context. At the same time, it is widely understood that in a globalized world, it is impossible to avoid the need to strike a balance between integration into the global environment and the maintenance of cultural independence. Achieving this balance becomes a necessary condition for the successful implementation of both domestic and foreign policy.

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THE BALTIC STATES IN THE «GREY ZONE»: NON-MILITARY AGGRESSION BY THE RUSSIAN FEDERATION AGAINST NATO'S EASTERN FLANK

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Kryliev M. A., Radchenko O. I. The Baltic states in the «grey zone»: non-military aggression by the Russian Federation against NATO's eastern flank. The article presents a fundamental study of the “«grey zone»” strategy employed by the Russian Federation against the Baltic states (Estonia, Latvia, Lithuania) during the period of intensified geopolitical confrontation in 2024–2025. Based on a broad array of empirical data, the evolution of hybrid threats is analyzed, including cyberattacks on critical infrastructure, the instrumentalization of migration, sabotage of maritime communications, and information-psychological operations. Special attention is paid to incidents involving damage to underwater cables in the Baltic Sea, jamming of GNSS/GPS signals in the region, and the process of desynchronization of the Baltic energy systems from the BRELL network. Comprehensive countermeasures are examined, particularly the construction of the Baltic Defence Line and the Drone Wall initiative, in the context of NATO's strategic transformation from “deterrence by punishment” to “deterrence by denial”.

Keywords: hybrid warfare, «grey zone», Baltic states, NATO, critical infrastructure, energy security, cyber threats, BRELL.

Крильєв М. А., Радченко О. І. Балтійські держави в «сірій зоні»: немілітарна агресія Російської Федерації проти східного флангу НАТО. У статті представлено фундаментальне дослідження стратегії «сірої зони», яку Російська Федерація застосовує проти держав Балтії (Естонії, Латвії, Литви) у період загострення геополітичного протистояння 2024–2025 рр. На основі широкого масиву емпіричних даних проаналізовано еволюцію гібридних загроз, зокрема кібератаки на критичну інфраструктуру, інструменталізацію міграції, диверсії проти морських комунікацій та інформаційно-психологічні операції. Особливу увагу приділено інцидентам пошкодження підводних кабелів у Балтійському морі, глушінню сигналів GNSS/GPS у регіоні та процесу десинхронізації енергосистем Балтії від мережі BRELL. Розглянуто комплексні заходи протидії, зокрема формування «Балтійської лінії оборони» та ініціативу «Drone Wall», у контексті стратегічної трансформації НАТО від «стримування через покарання» до «стримування через недопущення».

Ключові слова: гібридна війна, «сіра зона», держави Балтії, НАТО, критична інфраструктура, енергетична безпека, кіберзагрози, BRELL.

1. Introduction

Aggression in the «grey zone» is characterized by deliberate ambiguity: actions are designed to create damage while complicating attribution and lowering the chances of a decisive collective response. In the Baltic region this approach has become especially visible in 2024–2025, where non-military instruments - sabotage risks, cyber operations, and information pressure - are used to exhaust state capacity and test allied cohesion. This logic is well captured by analyses of Russia's hybrid/ «grey zone» toolkit in the Baltic Sea environment [14].

The relevance of this study is driven by the escalation of incidents in 2024–2025: suspicious episodes around critical undersea infrastructure, intensified GNSS/GPS interference affecting civil aviation and safety, and increased pressure on digital governance and border security. These dynamics indicate that threats are not isolated events but parts of a broader operational pattern aimed at destabilization rather than overt territorial seizure [14].

The *object* of the study is the security system of the Baltic region (Estonia, Latvia, Lithuania) under conditions of intensified geopolitical confrontation in Europe.

The **subject** of the study is the strategies, tactics, and instruments of “grey zone” aggression applied against the Baltic states in 2024–2025, as well as the main resilience and response mechanisms.

The **aim** of the work is to analyze manifestations of “grey zone” pressure on NATO’s eastern flank in 2024–2025, identify key vulnerabilities of the Baltic states, and assess the logic of major countermeasures.

To achieve this aim, the paper addresses the following **tasks**:

1. To clarify the conceptual distinction between “hybrid warfare” and “grey zone” activities in contemporary security studies [4; 10].
2. To examine key operational instruments of pressure (critical infrastructure risks and electronic interference) and their implications for everyday security [10, p. 8].
3. To analyze cyber threats and the dynamics of border pressure in 2024–2025 as tools of long-term destabilization [13].

2. Security dynamics in the Baltic Region (2024–2025)

2.1. Conceptual distinction between hybrid warfare and the «grey zone»

In contemporary security studies, the concepts of “hybrid warfare” and “grey zone” activities are closely related but not identical. Hybrid warfare, as conceptualized by Frank Hoffman, focuses on the simultaneous use of conventional military force and non-conventional instruments such as irregular units, cyber operations, and information campaigns to achieve strategic goals [4]. This approach presumes at least a partial integration of kinetic military power into the overall strategy.

The security dynamics observed in the Baltic region in 2024–2025, however, demonstrate a different logic. Despite heightened tensions and increased military readiness, there has been no transition to sustained conventional hostilities. Instead, pressure has been applied through persistent, low-intensity actions that exploit political, legal, and technical ambiguity. This pattern aligns more closely with the “grey zone” concept described by Michael Mazarr, which emphasizes actions deliberately designed to remain below the threshold of armed conflict while still producing tangible strategic effects [10, p. 8].

From an analytical perspective, the “grey zone” approach in the Baltic region is defined by a set of interrelated characteristics: it relies on strategic ambiguity that complicates attribution and slows collective decision-making, it applies incremental escalation in which pressure increases gradually rather than through a single decisive event, it operates across multiple domains by combining technical, cyber, informational, and socio-political instruments, and it is long-term in orientation, prioritizing cumulative destabilization over immediate results [10]. This conceptual framing helps explain why Baltic policymakers increasingly interpret diverse incidents as

components of a single strategic pattern. Cable damage, GPS interference, cyberattacks, and border pressure are viewed not as isolated challenges, but as mutually reinforcing elements of an environment designed to test resilience and political cohesion. Such an understanding supports a more comprehensive assessment of risks and reduces the likelihood of underestimating the strategic intent behind actions that may appear limited in scale when considered individually.

2.2. Critical infrastructure vulnerabilities and electronic interference

Critical infrastructure occupies a central place in “grey zone” confrontation because it connects civilian life, economic stability, and national security. In the Baltic region, the vulnerability of such infrastructure is amplified by geographic and structural factors. The Baltic Sea contains a dense concentration of undersea power cables, telecommunications lines, and energy interconnectors that are essential for both national economies and regional integration. Analytical assessments underline that Europe has witnessed a growing number of suspicious incidents involving critical infrastructure, with the Baltic Sea repeatedly identified as a zone of elevated risk [7].

The attractiveness of undersea infrastructure as a “grey zone” target stems from the fact that real-time monitoring in maritime environments is limited, repairs are technically complex and costly, legal attribution and enforcement in international waters are difficult, and hostile intent can be masked through the use of civilian or commercial assets [5].

Specialized maritime risk analyses emphasize that acts of sabotage do not necessarily require advanced military platforms. Commercial vessels, particularly those with opaque ownership structures, can be used to damage cables or create hazardous situations while preserving plausible deniability [5]. Even when definitive attribution is not established, the strategic effect is achieved: states must allocate resources to surveillance, emergency response, and diplomatic signaling, thereby increasing long-term security costs.

Electronic interference represents a parallel and equally disruptive instrument. Since 2024, analytical monitoring has documented sustained GNSS/GPS interference affecting the Baltic Sea region, with patterns linked to areas adjacent to Kaliningrad [16]. National-level reporting confirms that GPS jamming has intensified, particularly affecting civil aviation and maritime navigation [5; 16]. These disruptions have direct operational consequences, including flight delays, rerouting, and increased safety risks.

Beyond jamming, research into the technical characteristics of electronic interference suggests a sustained interest in refining operational methods and identifying structural vulnerabilities in satellite-based navigation systems [3]. From a “grey zone” perspective, such activity is strategically effective because it generates immediate safety and economic consequences, directly affects everyday civilian life and thereby amplifies psychological pressure,

and remains difficult to classify as an “attack” within existing legal and normative frameworks [6; 7; 8]. Consequently, infrastructure disruption and electronic interference clearly illustrate how “grey zone” tactics exploit the deep dependence of modern societies on complex technical systems. By targeting these systems, an actor can impose persistent costs and uncertainty while deliberately remaining below established escalation thresholds.

2.3. Cyber operations and border pressure as destabilization multipliers

Cyber operations and border-related pressure function as complementary tools within the broader “grey zone” strategy, targeting governance capacity, social cohesion, and political stability. The Baltic states - advanced digitalization makes them efficient and resilient in many respects, but it also increases exposure to cyber threats. National cybersecurity reporting from Lithuania indicates a marked rise in cyber incidents in 2024, with government institutions and critical infrastructure among the most frequently targeted sectors [9]. Estonia’s cybersecurity assessments similarly emphasize the persistence and evolving sophistication of malicious cyber activities [15].

In the “grey zone” context, cyber pressure generates cumulative effects by disrupting institutional workflows and public services, increasing the financial and human resource burden on cybersecurity structures, and gradually eroding public trust in digital governance and state capacity. At the European level, law enforcement agencies have highlighted cases involving hacktivist groups responsible for cyberattacks against critical infrastructure, illustrating how cyber operations increasingly intersect with strategic security concerns [11]. Even when individual attacks are limited in scope, their repetition contributes to a sense of permanent vulnerability and sustained operational strain.

Border pressure and migration dynamics further amplify these challenges. Although overall irregular border crossings into the EU declined in 2024, the eastern land border route remains politically sensitive and strategically significant [2]. Analytical commentary links this sensitivity to «grey zone» competition, where migration flows are manipulated to test border management systems, strain resources, and provoke political debate [14]. Security-focused analyses describe such practices as forms of weaponized migration, particularly when combined with information campaigns and diplomatic pressure [11].

The destabilizing impact of border pressure is reinforced by several factors:

- sudden and unpredictable spikes in crossing attempts;
- internal political polarization between security-oriented and humanitarian approaches;
- international signaling aimed at testing EU and NATO solidarity mechanisms [2;14].

When combined, cyber operations and border pressure act as destabilization multipliers. Rather than generating a single crisis, they sustain a prolonged environment of tension and uncertainty that complicates governance and strategic planning. This reinforces the broader «grey zone» objective of exhausting state capacity and weakening long-term resilience without provoking direct military confrontation.

3. Conclusions

The analysis demonstrates that in 2024–2025 the Baltic region was subject to a sustained pattern of «grey zone» pressure characterized by ambiguity, gradual escalation, and the strategic use of non-military instruments. Rather than isolated incidents, disruptions affecting critical infrastructure, navigation systems, cyberspace, and border management form part of a coherent approach aimed at long-term destabilization. This strategy exploits the dependence of modern societies on complex technical and administrative systems, generating cumulative economic, political, and psychological effects while remaining below the threshold of open armed conflict.

The Baltic experience highlights that resilience has become a central component of security in the “grey zone” context. Persistent pressure cannot be countered solely through traditional deterrence mechanisms; instead, it requires continuous investment in monitoring, rapid recovery, institutional coordination, and strategic communication. As analytical assessments indicate, such pressure is likely to remain a long-term feature of the regional security environment, making adaptation and resilience-building essential policy priorities [15; 16].

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INFORMATION WARFARE AND STRATEGIC COMMUNICATIONS AS INSTRUMENTS OF INFLUENCE IN CONTEMPORARY INTERNATIONAL RELATIONS

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Kukalo A. O., Radchenko O. I. Information warfare and strategic communications as instruments of influence in contemporary international relations. The article examines the role of information warfare and strategic communications as key instruments of influence in the context of hybrid conflicts and the transformation of international relations. It analyzes the theoretical foundations of Joseph Nye's concept of soft power and their interconnection with modern information operations. Particular attention is paid to the mechanisms of disinformation, psychological operations, and digital platforms used to manipulate public opinion and destabilize state institutions. Based on a case study of the Russian-Ukrainian conflict (2014–2026), it is shown that information warfare significantly influences the dynamics of international alliances, sanctions policy, and the formation of the global reputation of states. The doctrines of NATO, the EU, and Ukraine in the field of strategic communications are examined as effective countermeasures.

Keywords: information warfare, strategic communications, hybrid conflicts, disinformation, soft power, international relations, cyber operations, media literacy, NATO StratCom.

Кукало А. О., Радченко О. І. Інформаційна війна та стратегічні комунікації як інструменти впливу у сучасних міжнародних відносинах. У статті досліджується роль інформаційної війни та стратегічних комунікацій як ключових інструментів впливу в контексті гібридних конфліктів та трансформації міжнародних відносин. Аналізуються теоретичні основи концепції м'якої сили Джозефа Ная та їх взаємозв'язок із сучасними інформаційними операціями. Особлива увага приділяється механізмам дезінформації, психологічним операціям та цифровим платформам, що використовуються для маніпуляції громадською думкою та дестабілізації державних інститутів. На основі кейс-аналізу російсько-українського конфлікту (2014–2026 рр.) показано, що інформаційна війна суттєво впливає на динаміку міжнародних альянсів, санкційну політику та формування глобальної репутації держав. Досліджуються доктрини протидії НАТО, ЄС та України у сфері стратегічних комунікацій як ефективні контрмеханізми.

Ключові слова: інформаційна війна, стратегічні комунікації, гібридні конфлікти, дезінформація, м'яка сила, міжнародні відносини, кібероперації, медіаграмотність, NATO StratCom.

1. Introduction

Since 2014, the role of information warfare in international relations has increased by almost 300 percent [11]. When we talk about hybrid conflicts, it is impossible to ignore the phenomenon of information operations, which for many states has become synonymous with modern warfare. This article is dedicated to studying this phenomenon, its impact on international relations and global security. *The subject* of this article is information warfare and strategic communications, their historical development, and their impact on the architecture of international relations.

A brief overview of the information warfare problem shows that there are several key aspects to analyzing the phenomenon within the international security system. First, it is essential to examine the nature and classification of information warfare as an instrument from which hybrid conflicts emerged. Second, understanding the evolution of information operations from traditional propaganda to AI-generated deepfakes and bot networks requires special attention. Third, the mechanisms of information influence and their appeal to target audiences in different countries around the world are critical factors behind the success of these operations. Fourth, it is necessary to analyze the organizational structure and operational methods of state and non-state actors —

from military intelligence units to troll factories and social media platforms. Finally, the impact of information warfare on the stability of international alliances and the response of the international community (through mechanisms such as NATO StratCom, the EU East StratCom Task Force) need to be assessed to identify lessons for the global security system [6]. These aspects require special attention and analysis and stipulate *the relevance* of this study.

Thus, *the aim* of this study is to provide a comprehensive analysis of the mechanisms of information warfare and empirical assessment of the effectiveness of strategic communications as a countermeasure in the context of modern international relations, as well as to identify measures necessary to counter such threats in the future. To achieve this goal, the following tasks have been defined:

- to systematize the theoretical and conceptual foundations of information warfare and strategic communications in the paradigm of international relations theory;
- to develop a typology of tools and actors of information operations in the global space;
- to conduct a case study of the Russian-Ukrainian conflict (2014–2026) as an empirical model of information warfare;
- to conduct a comparative analysis of the doctrinal approaches of NATO, the EU, and Ukraine to countering disinformation;
- to formulate scientifically sound recommendations for strengthening the information resilience of states.

The object of the study is international relations in the context of hybrid threats.

2. Theoretical and conceptual bases of information warfare and strategic communications

2.1. Conceptualization of information warfare in international relations theory

In contemporary scientific discourse, information warfare is operationalized as the targeted use of information and communication technologies to modify the cognitive processes, behavioral patterns, and political decisions of actors in international relations—from the individual to the state and supranational levels [7, p. 15]. The phenomenon demonstrates an evolutionary trajectory from the classic propaganda campaigns of the bipolar confrontation period to the multi-vector hybrid operations of the digital age, where social networks and artificial intelligence technologies exponentially enhance the manipulative potential.

Structurally, information warfare integrates a complex of psychological, communication, and cyber-operational components aimed at destabilizing the adversary through systematic disinformation, the construction of alternative narratives, and cultural disintegration [5, p. 34]. Theoretical conceptualizations position this phenomenon as a war of cultural matrices, where the

target function is the destruction of society's value orientations, the weakening of national identity, and the erosion of the legitimacy of political institutions.

Strategic communications, in turn, constitute a counter-mechanism defined as the coordinated dissemination of verified information to create a favorable information environment, corresponding to J. Nye's concept of soft power in the paradigm of neoliberalism in international relations [10, p. 45].

2.2. Historical evolution and role of information warfare in the international system

A diachronic analysis shows that information warfare has gone through stages from World War II (the propaganda apparatus of Joseph Goebbels' Reich Ministry) through the Soviet-American ideological confrontation (Radio Free Europe, Voice of America) to its current integration into the architecture of hybrid conflicts.

In the contemporary paradigm, the information space is conceptualized as the fifth dimension of military operations alongside traditional operational domains (land, sea, air, cyberspace). Empirical confirmation of this is provided by the Russian-Ukrainian confrontation (2014–2026), where manipulation via messenger platforms (Telegram) and video content (TikTok) generates transnational influence on global public opinion and the policies of transatlantic alliances (NATO/EU) [1; 3].

F. Goff's theoretical constructs on hybrid warfare postulate that effectiveness is achieved through the synergistic integration of information operations with conventional military actions, forming a multi-domain strategy of influence [6, p. 28].

3. Tools and actors of information warfare

3.1. Taxonomy of methods and tools of information influence

Information warfare is operationalized through a multi-component toolkit that integrates psychological pressure, technological manipulation, and media operations aimed at transforming the perception of reality by target audiences. The evolution of methods is characterized by a transition from traditional mass media to digital platforms, where algorithmic systems amplify the spread of disinformation content.

Key methodological components:

Disinformation and fake narratives. Constructing alternative representations of reality in order to undermine institutional trust (e.g., the narrative of “genocide in Donbas” in Russian state media as a legitimization of military intervention).

Astroturfing and automated influence networks. Use of botnets on social media (Twitter/X, Telegram) to create the illusion of mass support and social polarization, involving bots associated with RT.

Cyber operations components. DDoS attacks, compromise of electoral infrastructures, exploitation of vulnerabilities for sensitive data leaks, for example, SolarWinds incident in 2020.

Psychological operations (PSYOPS) employ targeted digital advertising on social networks (e.g., TikTok, Meta platforms) to influence youth cohorts.

3.2. Structure of actors in information operations

The system of actors comprises state institutions (e.g., the Russian Federation—GRU Unit 74455, the PRC—50 Cent Army), non-state entities (including the terrorist organization ISIS, Anonymous hackers) and private corporations (such as Cambridge Analytica).

State actors coordinate operations through institutionalized structures (“troll factories”—Internet Research Agency in St. Petersburg), while non-state actors use decentralized network configurations.

3.3. The impact of information operations on the system of international relations

The use of information warfare tools generates destructive effects for international institutions: erosion of trust in transatlantic alliances—termed by E. Macron as “NATO's brain death”—provocation of sanctions regimes, and transformation of diplomatic practice into a format of Twitter diplomacy.

In the context of hybrid conflicts, information operations synergize with military actions, lowering the deniability threshold of aggression as demonstrated by the Russian military campaign of 2022–2026, which modifies traditional models of interstate confrontation.

4. Case study: Russia's information campaign against Ukraine (2014–2026)

4.1. The genesis and evolution of Russia's information war against Ukraine

Russia's information campaign against Ukraine constitutes a paradigmatic case of hybrid conflict, where information operations are synergistically integrated with military actions to achieve geostrategic goals—from the annexation of the Autonomous Republic of Crimea to the full-scale armed invasion of 2022 and prolonged occupation as of 2026 [8, p. 22].

The initial phase of the campaign (February 2014) was characterized by the appearance of “little green men” in Crimea, accompanied by narratives of “protecting the Russian-speaking population” and “the fascist junta in Kyiv”, disseminated through state media outlets Russia Today, Sputnik, and messenger channels (in particular, RIA Novosti). These disinformation constructs formed an alternative representation of reality, positioning Ukraine as an object of “external control” by Western actors, which legitimized the aggression for the domestic audience of the Russian Federation and segments of the Global South.

4.2. Tactical evolution of information operations

An analysis of temporal dynamics demonstrates a transformation in tactics: the period from 2014 to 2018 was characterized by the dominance of “troll factories” (Internet Research Agency, St. Petersburg) with 80% of falsified content on Twitter regarding Donbas; since 2022, there has been the implementation of deepfake technologies (synthetic video of V. Zelenskyy about “surrender”), TikTok trends (“fall of Bayraktars”) and AI-generated narratives about a “dirty bomb”.

According to data from NATO's Strategic Communications Centre of Excellence, 70% of pro-Russian Telegram channels had over 1 million views per day in 2024–2025, amplifying social polarisation in the European Union, e.g., pro-Russian sentiments in Germany rose to 25%.

4.3. Implications for the architecture of international relations

The geopolitical implications of the information campaign are critical: the concept of “NATO's brain death”, the blocking of financial aid to Ukraine in the US Congress (2023–2025), and the erosion of sanctions regimes through manipulation in the countries of the Global South such as India, Brazil.

4.4. Comparative analysis with China's information strategy

A comparative analysis with China's “wolf warrior diplomacy”—aggressive communications by diplomats on Twitter during 2020–2025 regarding criticism of COVID policy and the Taiwan issue—demonstrates the greater integrity of the Russian model, which combines cyberattacks, e.g., NotPetya 2017, resulting in estimated economic losses of \$10 billion, disinformation, and proxy warfare.

Effectiveness is assessed by the plausible deniability indicator with 90% of operations which are attributed to “volunteers”, thus avoiding direct state responsibility. For Ukraine, this resulted in the loss of 15% of its territory, while stimulating institutional mobilization: the Center for Countering Disinformation identified more than 500 fake narratives per month in 2025 [2].

5. Strategic communications as a countermechanism to information warfare

Strategic communications constitute a systematic approach to countering information warfare through the coordinated dissemination of verified information, strengthening institutional trust, and building social resilience in international relations. This toolkit, which integrates public diplomacy, media literacy programs, and technological solutions, has proven effective in the context of hybrid threats, as reflected in the doctrines of NATO and the European Union.

The NATO Strategic Communications Centre of Excellence (StratCom COE, Riga) has developed the PREBACY (Pre-empt, React, Buffer, Advise, Counter) conceptual framework for

early detection and neutralization of disinformation. The application of the framework in more than 150 operations between 2022 and 2026 has reduced the impact of Russian narratives by 40% in the Baltic region [9].

Since 2015, the EU East StratCom Task Force has catalogued over 20,000 disinformation narratives (EUvsDisinfo database), focusing on constructing counter-narratives in the digital space (Twitter/X, TikTok), which has strengthened the consolidation of support for Ukraine after 2022 [4].

Ukraine implemented the Information Security Strategy (2021), updated in 2025, through the Center for Countering Disinformation (CCD). The Center conducts daily monitoring of more than 500 channels, integrates artificial intelligence technologies for 92% accuracy detection (2025 data) and operates in a partnership with Meta Platforms.

Developing media literacy. The StopFake campaigns in Ukraine reached 5 million people between 2024 and 2026, reducing trust in fake narratives by 30%.

Technological solutions. AI platforms for detecting disinformation (Logically.ai, NATO Diálogo), botnet de-anonymization and geoblocking systems.

International coordination. Ramstein format for sharing intelligence on disinformation campaigns, joint operations with the US Global Engagement Center.

The implementation of these measures is not limited to neutralizing attacks, but transforms the information space into an instrument of soft power, strengthening alliances and democratic resilience in the face of authoritarian regimes.

6. Conclusions

Information warfare introduced a new type of hybrid threat, merging traditional military methods with sophisticated disinformation campaigns, social media manipulation, and cyber operations. The Russian-Ukrainian conflict (2014–2026) serves as a paradigmatic case demonstrating how information operations can destabilize alliances, influence global public opinion, and modify the balance of power in the international system.

The research verified the hypothesis about the transformational impact of information warfare on international relations, where the information space constitutes an operational domain generating destabilization of alliances and modification of power balances. Strategic communications have proven effective as a countermeasure, reducing the impact of fake narratives by 30–40% through NATO (PREBACY framework), EU (EUvsDisinfo), and Ukrainian Center for Countering Disinformation doctrines with artificial intelligence integration.

The key scientific conclusion is that the effectiveness of countermeasures is determined by the synergistic integration of media education programs, technological solutions, and international coordination, which strengthens the soft power tools of democratic states.

Recommendations for Ukraine include: technological modernization through integration of AI monitoring systems with a budget of UAH 500 million for 2027; scaling up the StopFake program to reach 10 million pupils/students; deepening cooperation in the Ramstein+ format; and legislative mechanisms for de-anonymization of Telegram channels.

Recommendations for Western partners encompass: expanding the mandate and budget of the USA Global Engagement Center; targeted sanctions against troll factories; and funding cyber diplomacy programs and transnational media education initiatives.

A relevant area for further scientific work is the analysis of the impact of metaverse technologies and quantum communications on the architecture of hybrid warfare in the period up to 2030, which requires interdisciplinary methodology and empirical research. The implementation of the proposed recommendations will ensure the formation of information resilience of states in the context of a multipolar international system.

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THE CONCEPT OF JUSTICE IN POLITICAL PHILOSOPHY: ANALYZING THE WAR IN UKRAINE

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Kuryliak V. I., Lavrinenko I. M. The concept of justice in political philosophy: analysing the war in Ukraine. The article explores the concept of justice in political philosophy through the prism of the full-scale war in Ukraine. It analyzes key theories by John Rawls (justice as fairness), Immanuel Kant (eternal peace and moral law), and Michael Walzer (just war theory) to evaluate the ethical dimensions of the conflict. The paper assesses Russia's actions as a violation of international law and fundamental philosophical principles of justice, while Ukraine's defense is aligned with legitimate self-determination. It also examines the international community's response, highlighting the complex interplay between moral obligations, legal norms, and geopolitical interests, and discusses the challenges of accountability and the need for reforms in international institutions.

Keywords: accountability, international law, international relations, justice, Kant, political philosophy, Rawls, self-defense, Walzer, war in Ukraine.

Куриляк В. І., Лавріненко І. М. Поняття справедливості в політичній філософії: аналіз війни в Україні. У статті розглядається концепція справедливості в політичній філософії крізь призму повномасштабної війни в Україні. Аналізуються ключові теорії Джона Роулза (справедливість як чесність), Іммануїла Канта (вічний мир та моральний закон) та Майкла Уолцера (теорія справедливої війни) для оцінки етичних вимірів конфлікту. У роботі дії Росії оцінюються як порушення міжнародного права та фундаментальних філософських принципів справедливості, тоді як оборона України відповідає легітимному самовизначенню. Також досліджується реакція міжнародної спільноти, підкреслюючи складну взаємодію між моральними зобов'язаннями, правовими нормами та геополітичними інтересами, та обговорюються виклики щодо відповідальності та необхідності реформ у міжнародних інституціях.

Ключові слова: відповідальність, війна в Україні, справедливість, Кант, міжнародне право, міжнародні відносини, політична філософія, Роулз, самооборона, Уолцер.

1. Introduction

Justice is one of the key concepts of political philosophy, which is the basis for thinking about morality, laws and the structure of society. Throughout history, philosophers, political scientists and legal scholars have developed various approaches to the definition of justice, its realization in public administration and international relations. Issues of justice are particularly acute in times of military conflict, when moral and legal principles are severely tested. *The relevance* of this study is stipulated by the war in Ukraine, which began with a full-scale invasion by Russia in February 2022, and has become one of the most significant world events of the 21st century. It has raised fundamental questions of international law, sovereignty, human rights and the moral responsibility of states. This conflict provides an important example for analyzing justice in the context of war: how should the actions of the parties involved be ethically evaluated? How should the international community respond to ensure justice? To what extent can philosophical theories explain and guide the process of conflict resolution?

This paper explores the concept of justice in political philosophy through the lens of the war in Ukraine. To do so, it will consider key theories developed by John Rawls, Immanuel Kant and Michael Walzer, which offer different approaches to understanding justice both within society and in the international arena. Rawls's theory of justice helps to assess the social and political

consequences of conflict, Kant's approach emphasizes the moral obligations of states in international relations, and Walzer's just war theory offers tools for analyzing the ethics of warfare.

The object of the study is the concept of justice in political philosophy. **The subject** of the study is the application of philosophical principles of justice to the war in Ukraine and the international response to it.

The aim of the research is to analyze the concept of justice in political philosophy through the lens of the war in Ukraine, evaluating the conflict and international responses based on established theories.

The following **tasks** are set to achieve the purpose:

1. to examine key philosophical theories of justice by John Rawls, Immanuel Kant, and Michael Walzer.
2. to apply these theories to assess the ethical justification of actions taken by parties involved in the war in Ukraine.
3. to analyze the international response to the war in Ukraine in terms of its consistency with principles of justice and international law.
4. to draw conclusions on the applicability and effectiveness of contemporary theories of justice in realpolitik conditions and global conflicts.

By analyzing these questions, we will be able not only to better understand the nature of the war in Ukraine, but also to assess the effectiveness of modern concepts of justice in realpolitik conditions.

2. Theoretical Foundations of Justice in Political Philosophy

2.1. John Rawls: Justice as Fairness

John Rawls (1921-2002) was one of the most influential political philosophers of the 20th century, whose theory of justice as fairness laid the foundation for modern ideas about the moral foundations of society. In his work *A Theory of Justice* (1971), he proposed the concept of the original position and the veil of ignorance as a methodological tool for determining the principles of a just society [4]. According to this approach, if people were to choose the principles of social organization without knowing their future social, economic and political position, they would inevitably prefer a system that would provide maximum protection for the least well-off.

From this hypothetical model, Rawls derives two basic principles of justice. The first principle, the principle of equal freedoms, states that everyone should have equal basic freedoms, such as freedom of speech, conscience, assembly, and participation in the political process. The second principle is the difference principle - allows for economic and social inequality, but only if it leads to the improvement of the situation of the least protected members of society [4]. This concept not only determines the structure of the domestic politics of states, but also has important implications for international relations, as Rawls details in his work *"The Law of Peoples"* (1999) [3].

Applying Rawls's theory to the war in Ukraine, it can be seen that Russian aggression directly contradicts his principles of justice. First, the invasion violates the fundamental rights of the Ukrainian people by undermining their sovereignty and democratic self-government. According to the principle of equal freedoms, every society has right to political autonomy and to determine its own destiny, and external aggression that suppresses these freedoms is a blatant act of injustice. Russia's invasion jeopardizes the fundamental rights of Ukrainian citizens, such as the right to life, security, freedom of movement and democratic self-government, making the war a clear violation of Rawls' first principle of justice.

Secondly, war leads to catastrophic consequences for the most vulnerable groups of the population. Millions of Ukrainians are forced to leave their homes, become refugees and suffer a humanitarian crisis. The destruction of critical infrastructure, the massacre of civilians, the bombing of residential neighborhoods and energy facilities create situations of extreme injustice that contradict the principle of difference. Instead of protecting the most vulnerable, Russian aggression exacerbates their situation, complete contradiction to Rawls' philosophy.

From the perspective of international law and global justice, the world community's response to the war in Ukraine can also be analyzed through the prism of Rawls's ideas. The imposition of economic sanctions against Russia, the provision of military and humanitarian aid to Ukraine, diplomatic pressure and support for refugees are attempts to restore justice and support those who are most vulnerable. If we follow Rawls's logic, such measures are consistent with the principle of justice as fairness, since they are aimed at protecting the rights of the victims and limiting the aggressor's capabilities. However, it is also possible to consider the moral responsibility of Western countries for the lack of responsiveness and decisiveness in taking action against aggression, which calls into question the effectiveness of the international order in ensuring global justice.

Thus, from the perspective of Rawls' theory, the war in Ukraine is a blatant example of injustice, as it violates the basic principles of freedom, equality and the protection of vulnerable groups. Moreover, this conflict raises fundamental questions about the role of the international community in ensuring justice, requiring a rethinking of the existing mechanisms of the global order. As the world faces acts of aggression, Rawls's theory offers a moral guide: only solutions that protect freedom, secure the rights of the oppressed, and minimize the suffering of the most vulnerable can be considered just.

2.2. Immanuel Kant: Eternal Peace and the Moral Law

Immanuel Kant (1724-1804) is one of the key philosophers of the Enlightenment, whose ideas had a significant impact on the development of political theory and international relations. In his

treatise "Toward Perpetual Peace" (1795) he proposed the concept of a sustainable world order based on moral principles, rationality and respect human dignity. Kant believed that in order to prevent wars and ensure justice, states must adhere to three fundamental principles [2].

First, he argued that only a republican form of government can guarantee a true and lasting peace. According to Kant, in republics, power comes from the people, which means that citizens, realizing the hardships of war, will not support it unnecessarily. Unlike monarchies and authoritarian regimes, where decisions are made by the elite without taking into account the interests of society, republican states seek to avoid aggression because their policies are based on public consent.

Second, Kant insisted on the need for a federation of free states that would ensure compliance with international law and prevent conflicts. He did not envision the emergence of a global superstate, but proposed a model of an international community united by common norms and obligations. Such a union should have prevented wars, ensured human rights and promoted peaceful coexistence of peoples.

The third cornerstone of his philosophy was the recognition of universal human rights. Kant argued that everyone is a citizen of the world and should have rights regardless of their nationality. This meant that states could not treat people as means to their ends, but must respect their dignity and freedoms. In addition, in his ethical system, Kant developed the principle of the categorical imperative, according to which any action must be morally justified in terms of universal law [1]. This requirement extended to the politics of states: they should act in such a way that their behavior could become a generally accepted moral principle consistent with the ideals of justice and peace.

Applying Kantian ideas to the war in Ukraine, we can see that Russian aggression directly contradicts his concept of eternal peace and moral law. First, the Russian invasion is a gross violation of the principle of international law and respect for sovereignty of states. Kant believed that war is unacceptable in the civilized world because it leads to the destruction of the rule of law and undermines moral foundations. Russia, ignoring the territorial integrity of Ukraine, acts contrary to his ideal of peaceful coexistence of peoples.

Second, the violation of Ukraine's sovereignty can be seen as an infringement on the right of the people to self-determination, which is a fundamental moral principle of Kantian philosophy. Ukraine, as an independent state, has the moral right to determine its own policies, system of government, and international alliances. Russia's attempts to deprive Ukraine of this freedom contradict the principle of respect human dignity, which Kant considered fundamental to a just order.

Finally, Kant's ideas about the federation of free states are reflected in modern international institutions such as the United Nations and the European Union. The imposition of sanctions

against Russia, diplomatic isolation of the aggressor and military aid to Ukraine can be interpreted as an attempt by the global community to restore the moral principles underlying international law. However, the weakness of these mechanisms in preventing conflict raises the question of the need to revise and strengthen global institutions to make them truly consistent with the Kantian ideal of securing peace.

Thus, from Kant's perspective, the war in Ukraine is not only a violation of international law, but also a profound moral crime against humanity. Russian aggression undermines the principles of republican governance, rejects the concept of peaceful cooperation and tramples on the rights of Ukrainian citizens. The only just solution, according to Kantian philosophy, is the restoration of an international order based on respect for the rights of peoples and the principles of peaceful coexistence. This conflict clearly demonstrates that Kant's ideas remain relevant in today's world, and their realization requires more decisive action the part of the international community.

2.3. Michael Walzer: Just War Theory

Michael Walzer (born 1935) is one of the leading contemporary philosophers concerned with morality, politics, and war. His book *Just and Unjust Wars* (1977) became a classic work on the ethics of war and shaped the modern understanding of Just War Theory. In his work, Walzer not only analyzes historical examples of armed conflict, but also establishes moral criteria that should determine the justness of war and the methods of it.

He identifies two key aspects of just war. First, *jus ad bellum*, the principles that determine when war is morally justified [5]. According to Walzer, war can only be initiated when there is a compelling reason, such as self-defense, defense of sovereignty, or prevention of serious human rights violations (e.g., genocide). In addition, the war must be waged with good intentions (to achieve justice, not just to seize territory) and have a reasonable chance of success to justify the sacrifice.

The second aspect is *jus in bello*, which concerns the moral standards of warfare [5]. Even if a war is started for just causes, the parties must abide by the principles of humanity: not to attack, not to use excessive force, and to follow the rules of proportionality. Thus, Walzer argues that war can be inevitable, but even in such cases it is necessary to minimize suffering and protect the innocent.

Applying Walzer's theory to the war in Ukraine, it can be clearly seen that Russia's invasion violates both principles of just war. From a *jus ad bellum* perspective, Russia's aggression does not meet the criteria for a just war. The Kremlin justified the invasion with various pretexts ranging from "protecting the Russian-speaking population" to fighting the "NATO threat," but none of these reasons can be recognized as valid under the classical just war theory. Ukraine posed no

threat to Russia and its sovereignty was recognized by the international community, making the attack an act of unprovoked aggression.

From a *jus in bello* point of view, the Russian army's actions are also inconsistent with the moral principles of warfare. Walzer emphasized that even in war there must be limits, chief among them the prohibition against deliberate attacks on civilians. However, during the conflict, Russian troops repeatedly struck residential areas, hospitals, and critical infrastructure, which violates the principle of discrimination (distinguishing between military and civilian targets). Mass killings of civilians, shelling of cities and other war crimes directly contradict the moral norms of war, which protect the innocent.

On the other hand, Ukraine's defense can be justified within the framework of *jus ad bellum*. Ukraine is fighting a defensive war to protect of its sovereignty, territorial integrity and right to self-determination. Its resistance to aggression is morally legitimate and consistent with the principle of self-defense, which Walzer sees as the key basis for a just war. Moreover, the international community's assistance to Ukraine (supplying arms, imposing sanctions against the aggressor) can also be interpreted as a just action aimed at restoring lawful order.

Thus, if we evaluate the war in Ukraine through the prism of Walzer's just war theory, it becomes obvious that Russia is waging an unjust war both in terms of the reasons for its outbreak and the methods of its conduct. In contrast, Ukraine has a moral right to defend itself because its struggle meets the criteria of just defense. Walzer emphasizes that the international community must not only condemn aggression, but also actively oppose it in order to restore justice and prevent further crimes.

3. War and Justice: Theories and Reality

3.1. International law and justice

International law plays a key role in establishing the rules governing wars and armed conflicts. It aims to limit the use of force, protect human rights and ensure accountability for war crimes. The fundamental legal instruments governing armed conflict are the UN Charter (1945), the Geneva Conventions (1949) with Additional Protocols (1977) and the Rome Statute of the International Criminal Court (1998).

The UN Charter establishes the principle of the prohibition of the use of force against the territorial integrity or political independence of any state (Article 2(4)), except in cases of self-defense (Article 51) or military action authorized by the UN Security Council. This is a fundamental principle of international law aimed at preventing aggression and protecting states from unlawful interference in their internal affairs. However, its observance depends on political

realities, in particular on the structure of the UN Security Council, where the veto power of its permanent members, including Russia, makes it difficult to make effective decisions.

The Geneva Conventions and their Additional Protocols regulate the humanitarian aspects of warfare, including the protection, the treatment of prisoners of war and the prohibition of barbaric methods of warfare. Under these norms, attacks on civilians, destruction of civilian infrastructure and ill-treatment of prisoners of war constitute war crimes. The International Criminal Court (ICC), established by the Rome Statute, investigates and punishes crimes of aggression, crimes against humanity, although its jurisdiction is limited by the fact that not all states, including Russia, recognize its authority.

In the case of the war in Ukraine, these legal norms make it possible to assess the actions of the parties involved from the perspective of international law. Russia's invasion constitutes a flagrant violation of Article 2(4) of the UN Charter, as it was not based on the right of self-defense or the approval of the UN Security Council. This act of aggression undermines the international legal framework and recalls past precedents where the use of force without legitimate justification has destabilized world security.

In addition, numerous war crimes have been documented during the conflict, including the deliberate targeting of civilian infrastructure, the killing of civilians, the forced deportation of Ukrainians, torture and mass murder. These actions violate the basic provisions of the Geneva Conventions and fall under the jurisdiction of the ICC, which has already initiated investigations into war crimes in Ukraine. However, the effectiveness of accountability remains questionable, as criminal proceedings at the international level can last decades and the enforcement of sentences faces political and legal complexities.

On the other hand, Ukraine's armed resistance is consistent with international law, as it is based on the right to self-defense enshrined in Article 51 of the UN Charter. In addition, the international community's military and economic support to Ukraine, including sanctions against Russia and arms supplies, can be regarded as a legitimate measure aimed at restoring justice and protecting the country's sovereignty.

However, the war in Ukraine has also revealed the weaknesses of international law. Despite the existence of clear norms, their implementation faces a number of problems. One of the main ones is the ineffectiveness of the UN in preventing aggression. Because of the veto power of the permanent members of the Security Council, Russia was able to block resolutions condemning its actions rendering the UN virtually powerless in the face of violations of international law.

Another problem is the limited mechanisms for accountability. Although the International Criminal Court and other international judicial bodies have begun investigating crimes in Ukraine,

the justice process is lengthy and complex. Perpetrators of crimes may escape punishment, especially if their state does not recognize the jurisdiction of international courts.

In addition, double standards in the application of international law weaken its legitimacy. Some countries, such as the United States, do not always follow international legal norms, which gives rise to accusations of a selective approach to justice. This reduces the credibility of international institutions and gives aggressors the opportunity to justify their actions by referring to past precedents when violations of international law did not have serious consequences.

Thus, the war in Ukraine demonstrates both the key importance of international law in conflict regulation and its serious weaknesses. On the one hand, existing legal norms clearly characterize Russia's actions as illegal and provide mechanisms for accountability. On the other hand, the institutional weakness of the UN, the limited capacity of international justice and political factors make the system of international law insufficiently effective in preventing and punishing aggression. This creates the need for further reform of international legal institutions so that they can respond more quickly and rigorously to cases of violations.

3.2. International response: restoring justice or geopolitical interests?

The concept of justice in war remains one of the key themes of political philosophy and international law. The question of justice in war is not only a question of who is right and who is wrong, but also a broader analysis of what moral and legal principles are applicable in a conflict. The war in Ukraine vividly demonstrates how philosophical ideas, international legal norms, and actual political decisions intersect.

International law sets formal boundaries for permissible behavior in times of war. The UN Charter prohibits wars of aggression, but allows states the right of self-defense. The Geneva Conventions regulate the protection of civilians and prisoners of war, and the Rome Statute of the International Criminal Court defines war crimes and crimes against humanity. However, these norms do not always lead to real responsibility of the aggressor, which makes it necessary to turn to philosophical concepts of justice.

The philosophy of war offers different ways of assessing justice in conflict. John Rawls, in *The Law of Peoples*, argued that the international community must confront aggressive states that threaten a just order. Ukraine, as a democratic state, is defending its sovereignty and human rights, while Russia's actions undermine the principles of international justice. Sanctions against the aggressor and support for the victim of aggression, according to Rawls, are justified measures. Immanuel Kant in *"Toward Perpetual Peace"* argued that peace is possible only if moral principles and respect for the sovereignty of nations are observed. Russia, by starting the war, violated the basic principles of Kantian philosophy, while Ukraine, defending its independence, acts in

accordance with the moral duty of the nation. By supporting Ukraine, the international community fulfills a moral obligation to resist injustice.

Michael Walzer, in *Just and Unjust Wars*, articulated the concept of just war, which distinguishes between *jus ad bellum* (the justness of going to war) and *jus in bello* (the moral standards of warfare). Russian aggression violates both of these principles: the war was launched without strong moral or legal justification, and crimes against were repeatedly committed in the course of hostilities. Ukraine, by contrast, is waging a defensive war, which meets the criteria of a just struggle.

The question of justice in international relations is complicated not only by moral dilemmas but also by geopolitical interests. The economic sanctions imposed against Russia formally comply with the principles of international law and moral responsibility for aggression, but their effectiveness remains debatable. They do not stop the war immediately, but only weaken the aggressor's economy the long term. After the invasion began, unprecedented measures were taken: freezing the assets of the Russian Central Bank and Russian oligarchs, embargoing oil and gas, excluding Russian banks from the SWIFT system. These sanctions are in line with the Rawls-Walzer concept of justice, as they punish the aggressor without direct military intervention. However, their consequences are also felt by the international community: rising fuel prices, inflation, food crisis in developing countries that depend on grain supplies from Ukraine. Not all states support the sanctions - China, India and a number of other countries continue trade relations with Russia, guided by their own economic interests. This demonstrates one of the main challenges of international justice - its selective application and dependence on pragmatic calculations of individual states.

Military support for Ukraine is another tool that some see as a manifestation of justice, while others see it as a factor in the escalation of the conflict. The United States, the United Kingdom, the EU and other countries are supplying Ukraine with weapons, including air defense systems, tanks, ammunition and long-range missiles. Proponents of such aid argue that it is a necessary measure to prevent the aggressor from winning, which is consistent with the principles of self-defense and just war. Moreover, from the perspective of Kantian ethics, supporting Ukraine is a moral obligation of states defending human rights and sovereignty. However, critics warn of the risk of prolonging the conflict, escalating it and possibly drawing NATO into a direct military clash. Question is also where the line between legitimate support and involvement in the war lies: while sanctions are seen as a diplomatic tool of pressure arms transfers directly affect the course of hostilities and can be perceived as indirect involvement in the conflict.

An equally complex aspect of the international response to the war has been the problem of refugees and humanitarian aid. More than 8 million Ukrainians have been displaced from their

homes, and the response of the international community has been mixed. European countries such as Poland, Germany, Italy and others have provided Ukrainians with housing, financial support and work opportunities, while other regions have been more restrictive in welcoming refugees. This imbalance underscores the political context of humanitarian protection. At the same time, anti-migrant sentiment is growing in some European countries, which raises the question of how universal the principles of justice remain in the context of the global crisis.

Thus, while the international community claims to defend justice, the practical realization of this principle faces political, economic, and strategic constraints. The war in Ukraine was not only a test of international law and moral theories, but also a demonstration of how difficult it is to apply these principles in the context of global politics, where decisions are made not only on the basis of norms, but also on the basis of national interests.

4. Justice in the War in Ukraine

4.1. Assessing the Justice of the War in Ukraine: Key Philosophical Principles

Philosopher Michael Walzer in his book *Just and Unjust Wars* (1977) proposed a theory of just war, dividing it into two key aspects: *Jus ad bellum* (the justness of starting a war) and *Jus in bello* (the justness of waging a war), as we have already discussed. If we view the war in Ukraine through this prism, we can draw conclusions about the extent to which Russia's and Ukraine's actions are consistent with these principles.

The justness of starting a war is determined by the existence of a legitimate cause, righteous intent, legitimate authority and exhaustion of diplomatic means. Russia claims that its goal is the "denazification" and "demilitarization" of Ukraine, but independent investigations do not confirm that there is a threat in Ukraine that requires armed intervention. Moreover, there had been no acts of aggression by Ukraine against Russia. The invasion was accompanied by a violation of Ukraine's territorial integrity, which is contrary to the UN Charter. Russia rejected diplomatic offers, ignoring the Minsk agreements and negotiations with the West. Thus, its attack cannot be considered just under the criteria of *jus ad bellum*.

In contrast, Ukraine is fighting a defensive war, protecting its territory and citizens. Sovereign states have the right to self-defense under Article 51 of the UN Charter, and the international community (UN, EU, NATO) recognizes the legitimacy of Ukraine's defense. Ukrainian armed forces did not cross the border of Russia before the invasion, which proves the absence of aggression on their part. Therefore, from the point of view of *Jus ad bellum*, Ukraine's actions fully comply with the principles of just war.

But even if a war is just for the reasons it was started, it must be conducted in accordance with moral and legal standards. *Jus in bello* requires that the parties in the conflict observed the principles of discrimination (distinction between military and civilian targets), proportionality (use

of force within reasonable limits) and humane treatment prisoners. In this aspect, Russia's actions have caused the greatest number of complaints.

For example, massive attacks on civilian infrastructure, such as the shelling of residential areas in Kyiv, Kharkiv, Chernihiv and Odessa, lead to civilian deaths. In Mariupol, Russian forces bombed a drama theatre where hundreds of civilians, including children, were sheltering. Mass graves of executed civilians were discovered in Bucha, Izyum and other towns. Russia is using prohibited weapons, including cluster munitions and thermobaric missiles, which violates the Geneva Conventions. In addition, there have been cases of forced deportation of Ukrainian citizens, including the forced removal of children to Russia.

Ukraine generally adheres to the norms of warfare, but its actions also controversial. For example, Moscow considers strikes on military facilities on Russian territory, such as airfields, oil depots and ammunition depots, as a violation of *Jus in bello*. However, from the point of view of international law, this is permissible because the facilities are of strategic importance and are used for warfare. In some cases, the Ukrainian military has also been accused of harsh treatment of prisoners, which has been the subject of investigations. But, on the whole, the Ukrainian army has demonstrated a commitment to the principles of just warfare, which is not the case with Russia, which systematically violates international norms.

Thus, applying Walzer's principles to the war in Ukraine, we can conclude that Russia's invasion does not meet the criteria of a just war, while Ukraine is engaged in legitimate defense. Moreover, Russia's methods of warfare include numerous war crimes, while Ukraine has mostly adhered to international law.

4.2. The future of war and post-war justice

Holding Russia accountable for the unleashed war and the crimes committed remains one of the key tasks of the international community. The International Criminal Court is investigating war crimes, including the deliberate killing of civilians, the destruction of civilian infrastructure, mass deportations and the use of prohibited weapons. The question of creating a special tribunal similar to the Nuremberg process is being actively discussed among Western countries and international organizations. Such a tribunal could become a legal mechanism for punishing Russia's top leadership responsible for the aggression against Ukraine. One of the most important aspects of responsibility is also the issue of reparations: Ukraine is demanding compensation from Russia for destroyed cities, economic losses and damage to civilians. There is an idea to use Russia's frozen assets abroad to finance Ukraine's reconstruction, but this is generating legal and political controversy.

Ukraine's future largely depends on the support of the international community. Rebuilding the country after the devastation caused by the war will require significant financial resources, and

the EU, the United States, and international organizations have expressed their readiness to participate in this process. In addition to material assistance, Ukraine's integration into European and transatlantic structures is a crucial factor.

The issue of Ukraine's accession to the EU is seen as a strategically significant step that strengthens not only the Ukrainian economy but also its political stability. NATO membership remains controversial: on the one hand, it would guarantee Ukraine's security, but on the other hand, it raises concerns about a possible escalation of tensions with Russia.

Analyzing the war in Ukraine through the lens of philosophical theories shows that Russia's invasion does not meet the criteria of a just war because it violates the principles of *Jus ad bellum* and *Jus in bello*. In contrast, Ukraine is waging a defensive war, which meets moral and legal standards, but faces ethical dilemmas related to the methods of warfare and international support. The response of the international community is also far from absolute consistency: despite desire for justice, the geopolitical interests of individual countries and economic considerations impose restrictions on sanctions, military aid and humanitarian support. The war in Ukraine has tested international institutions and principles of justice, and its outcome will determine not only the fate of Ukraine, but also the future of the world order as a whole.

5. Conclusion

The war in Ukraine has become not only the biggest geopolitical upheaval of the 21st century, but also a serious test for international norms of justice, morality and law. In this study, drawing on the political-philosophical concepts of John Rawls, Immanuel Kant, and Michael Walzer, we examined the war in the context of the justice of starting, waging, and ending a war, as well as the international response to the conflict.

The analysis has shown that Russian aggression contradicts the principles of just war (*Jus ad bellum*), as it does not meet the criteria of self-defense or prevention of a greater evil, but is a gross violation of international law and territorial sovereignty of Ukraine. In its turn, Ukraine, defending its independence and its citizens, is waging a just defensive war, corresponding to the Kantian principles of moral obligation of states and political justice according to Rawls.

In the course of military operations (*Jus in bello*), Russia systematically violates the principles of discrimination and proportionality through attacks on civilian targets, massacres and crimes against humanity. In contrast, Ukraine, while facing the inevitable complexities of warfare, has generally adhered to international humanitarian law, seeking to minimize harm to civilians.

The reaction of the international community is largely in line with the principles of justice, as it is aimed at supporting the victim of aggression and punishing the aggressor through sanctions and diplomatic isolation of Russia. However, certain problems have also emerged: some countries

act out of pragmatic interests, and the distribution of international aid remains uneven, which demonstrates the difficulties in the practical realization of global justice.

A post-war settlement will require careful adherence to the principles of justice. According to Kant, the restoration of peace must be based on the rule of law, not on immediate political interests. Russia should be held accountable for war crimes, Ukraine should receive the necessary support for reconstruction, and the international community should develop mechanisms to prevent new wars of aggression. In this sense, Rawls's ideas of justice as fairness can become the basis for a long-term peace settlement. Thus, the war in Ukraine demonstrates a deep gap between the philosophical principles of justice and their realization in real politics. Nevertheless, the pursuit of justice remains a determining factor in international relations. The future of Ukraine and the whole world depends on how effectively the international community can apply these principles, restore the broken balance of justice and create conditions for a more peaceful and just international order.

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THE RISE OF RIGHT-WING ANTIGLOBALISM IN EUROPE

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Kyryllov M. P., Kalyuzhna A. B. The rise of right-wing antiglobalism in Europe. The article examines anti-globalism as a response to the economic, political, and social consequences of globalization, distinguishing globalization as an objective process from globalism as an ideology. It analyzes right-wing anti-globalist movements in Western Europe and their positions on protectionism, immigration, national sovereignty, and European integration, as well as the limited practical impact of their policies when in power.

Keywords: anti-globalism, globalization, protectionism, right-wing antiglobalists, European Union, economic nationalism.

Кириллов М. П., Калюжна А. Б. Підйом правого антиглобалізму в Європі. Стаття аналізує антиглобалізм як реакцію на економічні, політичні та соціальні наслідки глобалізації, розмежовуючи її як об'єктивний процес і глобалізм як ідеологію. Розглядаються праві антиглобалістські рухи Західної Європи, їхні позиції щодо протекціонізму, міграції, національного суверенітету та європейської інтеграції, а також обмежені практичні результати їхньої політики при владі.

Ключові слова: антиглобалізм, глобалізація, протекціонізм, праві антиглобалісти, Європейський Союз, економічний націоналізм.

1. Introduction

In the last 15 years societal and political demands, problems and issues of European politics have changed dramatically. These shifts have resulted in the emergence of new issues, reshaping voter priorities across the region. This led to significant changes in Europe and was a reason for the rise of various movements opposing the current state of affairs and promoting the idea of change. Those movements are known as antiglobalists and have a big popularity in modern-day Europe. However, they have different understanding of changes and their ways, thus they have different factions. One of them are right-wing antiglobalists who are the most popular faction yet.

The **object** of the study is the phenomenon of antiglobalism. The **subject** is the right-wing antiglobalism, its essence, and the main right-wing antiglobalist political forces in Europe.

The **aim** is to understand the underlying essence of right-wing anti-globalist ideas promoted by these forces, identify similarities among them, and discuss their programmes and results. The following **tasks** are set to achieve the goal:

1. To briefly define globalism, globalisation and antiglobalism;
2. To define antiglobalism and point out the difference between left-wing and right-wing antiglobalists;
3. To focus on right-wing antiglobalists, provide a list of such movements and political parties, primarily in Western Europe;
4. To make a review of the results of those movements that have managed to come to power in their countries.

2. Responses to globalisation in Europe: Right-wing anti-globalism

2.1. Globalisation, globalism and their problems

Globalization is an old phenomenon that has existed throughout human history, but it has reached an unprecedented scale in recent decades. It is a complex process that affects many areas of life,

including culture, society, and politics. However, this discussion focuses specifically on the economic aspect of globalization, as it is the main subject of interest. Before analyzing anti-globalism, it is necessary to understand the phenomenon it criticizes – globalization itself and the related concept of globalism.

Globalization can be defined as the process of integrating national economies into a global economic system. It includes the expansion of economic activities beyond national borders, the growing influence of transnational corporations, the internationalization of economic problems, and the increasing interdependence of countries [2, p. 22]. *Globalism*, in contrast, is an ideological viewpoint that supports and promotes globalization, arguing that liberalized global markets and free trade are the most effective way to ensure economic development for all countries [2, p. 23]. In short, globalization is an objective economic process driven by free trade policies, reduced tariffs, the rise of large corporations, and the formation of international economic unions. Globalism, on the other hand, is a perspective that praises this process, views it as inherently beneficial, and supports its further acceleration [3, p. 5–11].

Despite its advantages, globalization has serious economic problems that give rise to anti-globalist ideas. First, deep economic interdependence makes the global system fragile, allowing crises to spread rapidly across countries, as seen in events such as the Great Depression, the 2008 financial crisis, and the COVID-19 recession. Second, globalization often increases economic inequality: developed countries and transnational corporations benefit disproportionately, weakening local industries in poorer states, deepening dependence, and widening the gap between rich and poor nations [1].

2.2. Antiglobalism and its variations

These drawbacks of economic and trade liberalization have led to the rise of antiglobalist movements in Europe. Although these movements are diverse and include both moderate and radical elements, they share several core views. They argue that globalization increases inequality, allows transnational corporations to destroy domestic industries, encourages the relocation of production to low-wage countries and deindustrialization at home, promotes monopolization that weakens the middle class, and ultimately makes the global economic system more vulnerable to crises [4].

After summarizing the main points of antiglobalism, we have to point out the differences between its variants. These differences reflect two perspectives, which divide antiglobalists on left-wing and right-wing ones. In general, left-wing antiglobalists focus on criticizing economic inequality, the influence of TNCs on the country and its politics, the idea and practice of free trade, supporting worker's rights and, in some cases, the environmental changes caused by TNCs

industrial activity. At the same time, right-wing antiglobalists advocate for protectionism and defend home industries, increasing national economic sovereignty and promoting autarky, increasing tariffs and making immigration laws stricter. As we can understand from the name of this article, our main goal is to examine the various European right-wing antiglobalist movements, which have experienced a dramatic growth in popularity over the last 10 years and continue to grow more and more popular. Thus, we will not touch the subject of the left-wing antiglobalists and look over their right-wing counterparts – primarily in Western Europe.

2.3. Main right-wing antiglobalist movements in Europe

A common trend can be observed across different European countries: the spread of right-wing anti-globalist sentiments, which are expressed and promoted primarily through political parties and their leaders rather than by the countries as a whole. This subsection examines several national cases.

The first country we will address is Germany and its controversial Alternative für Deutschland (Alternative for Germany or AfD) party. It was founded in 2013 by economists, academics, journalists, and minor politicians. It advocates economic isolationism and support for domestic businesses. It rose after the 2015 migrant crisis, winning 12.6% in 2017, 10.4% in 2021, and 20.8% in 2025, with polls now at 25.5% [8]. AfD opposes EU centralization, calls for a euro exit, supports strict immigration controls, deportations, lower social spending on migrants, tax cuts for small businesses and the middle class, rejects green transition policies, and favors nuclear/coal energy and advocates easing sanctions on Russia [5].

The second country under consideration is France and its main opposition party, Rassemblement National (RN). Founded in 1972 by Jean-Marie Le Pen, initially promoted ethnic nationalism, anti-immigration, and protectionism. Popularity surged under Marine Le Pen, now at 34%. RN supports protectionism, tax cuts, social benefits, reduced state intervention, economic nationalism, rejection of green priorities, and civic nationalism. Like AfD, it exemplifies right-wing anti-globalism [10].

The next country to examine is the United Kingdom and a British ‘Reform UK’ party. It was founded in 2019 by Nigel Farage (former member of the UK Independence Party) as the Brexit Party and advocates for national sovereignty. Renamed in 2020, it now polls at 32%. Its platform mirrors AfD and RN, emphasizing stricter immigration, support for “British values,” business-friendly policies, and tax cuts [11].

The fourth country is Italy and its leading right-wing party, Fratelli d’Italia (FdI), founded in 2012 by Giorgia Meloni, Ignazio La Russa, and Guido Crosetto from a split with the People of Freedom party. The party is rooted in post-fascist nationalism, conservatism, and Euroscepticism.

Initially, with just 2–4% support, it now leads with 26%, and Giorgia Meloni is Italy's first female prime minister. FdI favors economic protectionism, state support for Italian industries, lower taxes, family welfare, national production, anti-immigration policies, traditional values, and prioritizes jobs over green transition [7].

The next country is Hungary, known for its Prime Minister Victor Orbán and his controversial views on globalization. The party has its origins in the early 1990s as a national-liberal party Fidesz, which had later evolved into a right-wing anti-globalist party. Viktor Orbán has led it and the country since 2010, promoting domestic middle-class and business support, anti-immigration policies, and clashes with the EU over sovereignty issues [6].

The next country is the Netherlands and its main right-wing party, the Party for Freedom (PVV), founded in 2006 by Geert Wilders after leaving People's Party for Freedom and Democracy (VVD). His platform is anti-immigration, Eurosceptic, and nationalist, protecting Dutch identity and borders. Polling 25–30%, PVV supports protectionism, lower taxes, less EU regulation, expanded welfare for Dutch citizens, rejects the green transition, and positions itself as defending freedom and democracy against globalism [9].

The final country examined is Spain and its main right-wing party, Vox, headed by Santiago Abascal. Founded in 2013 by former members of the People's Party (PP) who criticized the government's stance on national unity and immigration, Vox promotes Spanish nationalism, strict immigration controls, and traditional values, opposing political correctness and regional separatism, especially Catalan independence. Now the third-largest party in Spain with 15% support, Vox advocates lower taxes, business deregulation, protection of national industries, social conservatism, stricter immigration policies, and rejects the EU's green agenda to protect workers and farmers [14].

2.4. The results and achievements of the right-wing antiglobalist governments

Following the overview of anti-globalist movements in selected EU countries, the focus now shifts to their practical achievements once in government.

Now, looking at the successes of Hungarian and Italian right-wing anti-globalist governments, their achievements appear limited. In Hungary, migration trends have not reversed, and the country continues to serve as a transit state for migrants to Western Europe [13]. Hungary remains heavily dependent on the EU, with around a quarter of its trade tied to Germany. While Fidesz lowered taxes to support domestic businesses, the country remains committed to the EU's free-trade rules and far from achieving economic autarky.

Similarly, in Italy, Meloni's government has introduced subsidies for domestic industries, slowed the green transition, and taken measures against illegal migration [12]. However, Italy

remains bound by EU laws and common social, economic, and trade policies, making significant reforms difficult and slow, and limiting the implementation of the party's broader vision.

3. Conclusions

To sum up, the modern right-wing anti-globalist movement has emerged as a reaction to the perceived drawbacks of a liberal, globalized economic and social system. These movements promote economic protectionism, stricter immigration controls, traditional values, support for domestic businesses, and closer ties with powers like Russia, China, and the Trump-era US.

Their dramatic rise across Western Europe and beyond reflects a deep crisis in traditional liberal values and highlights a challenge to the existing European order. Given their growing popularity, these movements have the potential to significantly disrupt the current political status quo.

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THE ROLE OF FOREIGN LANGUAGES IN INTERNATIONAL CONFLICT RESOLUTION

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Liubenko M. Y., Ilchenko V. V. The role of foreign languages in international conflict resolution. The article considers foreign languages as a key factor in international conflict resolution. In the context of globalization, effective communication supports conflict prevention and peaceful settlements. The study highlights linguistic competence in diplomacy, international law, and mediation as a basis for mutual understanding, legal accuracy, and trust.

Keywords: diplomacy, foreign languages, international conflicts, international law, mediation.

Любенко М. Ю., Ільченко В. В. Роль іноземних мов у вирішенні міжнародних конфліктів. У статті розглянуто іноземні мови в якості ключового фактору у вирішенні міжнародних конфліктів. В умовах глобалізації ефективна комунікація сприяє запобіганню виникнення конфліктів та мирному врегулюванню. Наголошено на значенні мовної компетентності у дипломатії, міжнародному праві та медіації як основи взаєморозуміння, правової точності й довіри.

Ключові слова: дипломатія, іноземні мови, медіація, міжнародне право, міжнародні конфлікти.

1. Introduction

In recent decades, the number of international conflicts involving political, economic, and legal dimensions has significantly increased. Modern conflicts rarely remain limited to military confrontation; instead, they are accompanied by complex diplomatic negotiations, economic sanctions, international legal procedures, and mediation efforts. A clear example of this tendency is the full-scale invasion of Ukraine by the Russian Federation, which has demonstrated how international conflicts extend far beyond the battlefield and require constant communication within international organizations, courts, and diplomatic platforms. In this context, effective communication through foreign languages becomes a crucial factor in presenting positions, negotiating agreements, and ensuring compliance with international legal norms, given the fundamental role that translation and multilingual communication play in diplomacy and international relations [5, p. 34]. Translation and interpretation act as essential mechanisms for mutual understanding, enabling parties with different native languages to engage in meaningful international dialogue [4, p. 327].

This article is dedicated to examining the role of foreign languages in international conflict resolution and their significance for maintaining stability in the global economic and legal environment. The **object** of the research is international conflict resolution as a process within the global economic and legal space. The **subject** of the article is foreign languages as a tool of communication in diplomatic, legal, and mediation processes related to international conflicts. The **relevance** of this study is determined by the growing need for accurate and unambiguous language use in international relations, especially in situations where misinterpretation may lead to escalation, legal disputes, or ineffective implementation of international decisions.

A brief overview of the problem of international conflict resolution shows that several key aspects require detailed analysis. First, it is essential to examine the role of language in diplomatic negotiations, particularly during armed conflicts, where each formulation may influence political and legal outcomes. Second, the importance of linguistic precision in international legal documents, including treaties, resolutions, and decisions of international courts, should be analyzed, as legal responsibility and enforcement depend directly on wording. Third, special attention must be paid to the function of foreign languages in mediation processes, where mutual understanding and trust between conflicting parties are fundamental for reaching peaceful settlements. Finally, the role of foreign languages in ensuring transparency and legitimacy of international actions in response to conflicts, including sanctions and humanitarian initiatives, should be assessed. These aspects stipulate the relevance of the present study.

Thus, the *aim* of this study is to analyze the role of foreign languages in the process of international conflict resolution and determine their significance for effective communication in the global economic and legal space. To achieve this goal, the following *tasks* have been defined:

1. to examine the role of foreign languages in diplomatic negotiations during international conflicts;
2. to analyze the importance of linguistic accuracy in international legal documentation;
3. to identify the function of foreign languages in mediation and peacebuilding processes;
4. to assess the impact of foreign language competence on trust and cooperation between conflicting parties.

2. Foreign languages in international conflict resolution: diplomatic, legal, and mediation dimensions

2.1. The role of language in diplomatic negotiations during international conflicts

Diplomatic negotiations represent one of the primary mechanisms for managing and resolving international conflicts. Language plays a central role in this process, as it serves not only as a means of transmitting information but also as an instrument for shaping intentions, positions, and compromises. In situations of heightened tension, each diplomatic statement must be formulated with extreme precision, since ambiguous or poorly translated expressions may lead to misunderstandings and escalation of conflict. Successful negotiation requires linguistic and cultural sensitivity as well as expertise in language use [6, p. 35].

The importance of foreign languages in diplomacy has become particularly evident in the context of the full-scale invasion of Ukraine by the Russian Federation. Since the beginning of the conflict, diplomatic communication has intensified within international organizations such as the United Nations, the European Union, and NATO. Official statements, resolutions, and negotiations

conducted in foreign languages have played a decisive role in articulating positions, coordinating international responses, and maintaining dialogue among states. The ability of diplomats and state representatives to communicate effectively in widely used foreign languages, primarily English and French, has ensured clarity, consistency, and coherence in international discussions.

Moreover, the use of foreign languages in diplomacy contributes to trust-building between negotiating parties. Addressing counterparts in a shared or mutually understood language reduces the psychological distance between actors and facilitates constructive dialogue [1, p. 145]. In international conflicts, where mistrust is often deeply rooted, linguistic competence becomes an essential component of diplomatic professionalism and an important factor in conflict de-escalation.

2.2. Linguistic accuracy in international law and mediation processes

International conflict resolution is closely linked to international law, as legal instruments establish the framework for peace agreements, ceasefires, sanctions, and accountability mechanisms. Foreign languages are the primary medium through which international legal documents are drafted, interpreted, and enforced. Therefore, linguistic accuracy is of critical importance, since even minor differences in wording may result in divergent legal interpretations [2, p. 495].

The war against Ukraine has clearly demonstrated the significance of language in international legal proceedings. Applications submitted to international courts, resolutions adopted by international organizations, and official legal assessments of actions during the conflict rely on precise terminology and standardized legal language. Any ambiguity in translation or interpretation may undermine the legal validity of decisions and weaken international mechanisms of responsibility.

In mediation processes, foreign languages serve as a bridge between conflicting parties and mediators. Mediators must ensure that all participants fully understand the terms of proposed agreements and the consequences of their implementation. This requires not only linguistic competence but also familiarity with legal and diplomatic discourse [5, p. 37]. The effectiveness of mediation largely depends on the mediator's ability to convey meaning accurately and neutrally, avoiding language that may be perceived as biased or confrontational.

Furthermore, the use of foreign languages enhances transparency and legitimacy in international conflict resolution, emphasizing the need for precision to uphold fairness and avoid unintended legal outcomes [3]. When legal and diplomatic documents are accessible in widely spoken languages, they can be evaluated by the international community, experts, and civil society, which strengthens compliance with international norms and contributes to long-term peacebuilding.

3. Conclusions

This study highlights several key insights regarding the role of foreign languages in international conflict resolution within the global economic and legal space. Foreign languages function not merely as technical tools of communication but as strategic instruments that influence diplomacy, international law, and mediation practices. Translation and linguistic competence contributes to preventing misunderstandings, ensuring legal accuracy, and fostering trust between conflicting parties [1 p. 146; 5, p. 39].

The analysis of contemporary international conflicts, including the full-scale invasion of Ukraine by the Russian Federation, demonstrates that effective communication in foreign languages is essential for coordinating international responses, conducting legal procedures, and facilitating dialogue aimed at peaceful resolution. As global interactions grow increasingly complex, the role of foreign languages and multilingual strategies in conflict management will continue to expand [5, p. 34].

In conclusion, enhancing foreign language education for specialists in international relations, law, and economics is a necessary condition for strengthening international cooperation and improving mechanisms of conflict resolution. Future research may focus on the impact of multilingualism on international organizations and the development of linguistic strategies for peacebuilding and global security [5, p. 39].

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REGENERATIVE EXPERIENCE DESIGN AS A KEY TO THE FUTURE OF THE HOSPITALITY INDUSTRY

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Lymarenko I. R., Startseva N. M. Regenerative Experience Design as a Key to the Future of the Hospitality Industry. The article examines the transition of the hospitality industry from the conventional «do no harm» model of sustainability to the concept of regenerative experience design, aiming to create a net positive impact on the social-ecological systems of destinations. The research highlights that regenerative thinking treats a hotel or tourism object as an integral part of a living system. The core concept is based on three interconnected dimensions: transforming the host-guest relationship into a partnership of co-creation, implementing net positive operational design like nature-based solutions, and focusing on the transformational impact on the guest's values. The study concludes that regenerative design is a new business model essential for the long-term viability of the sector and has particular relevance for post-conflict recovery, specifically in Ukraine.

Keywords: co-creation, hospitality industry, long-term viability, partnership, transformational impact, regenerative experience design, social-ecological system.

Лимаренко І. Р., Старцева Н. М. Дизайн регенеративного досвіду як ключ до майбутнього індустрії гостинності. Стаття досліджує перехід індустрії гостинності від традиційної моделі «не нашкодь» у сфері сталості до концепції регенеративного дизайну досвіду, що має на меті створення чистого позитивного впливу на соціально-екологічні системи DESTINATIONS. Дослідження підкреслює, що регенеративне мислення розглядає готель чи туристичний об'єкт як невід'ємну частину живої системи. Ключова концепція ґрунтується на трьох взаємопов'язаних вимірах: трансформації відносин «господар-гість» у партнерство зі співтворення, впровадженні операційного дизайну з позитивним ефектом, такого як еко-рішення, що не зашкоджують природі, та фокусуванні на трансформаційному впливі на цінності гостя. Зроблено висновок, що регенеративний дизайн є новою бізнес-моделлю, необхідною для довгострокової життєздатності галузі, яка має особливе значення для післявоєнного відновлення, зокрема в Україні.

Ключові слова: дизайн досвіду, регенеративна гостинність, співтворення, сталий туризм, чистий позитивний вплив.

1. Introduction

In the face of escalating global crises, including climate change and biodiversity loss, society increasingly demands that businesses move beyond merely minimizing harm towards actively contributing to the planet's and communities' restoration. The long-standing paradigm of sustainable development, defined by the «do no harm» principle, proves to be insufficient for the challenges of our time [1]. Modern approaches are shifting towards the regenerative paradigm, which focuses on generating a net positive impact [2]. Within this transformation, the hospitality industry holds a critical position, acting as a powerful social-ecological agent that shapes travellers' behavior while significantly impacting local ecosystems and cultural landscapes. Therefore, the search for a new model, known as regenerative hospitality, is becoming a strategic necessity.

The *relevance* of the study is stipulated by the urgent need for the hospitality sector to transition from a consumption-based economy to a restorative one, ensuring the long-term viability of destinations and communities. The *object* of the research is the process of designing guest experiences in the hospitality industry while the *subject* is the conceptual framework, principles, and strategic imperatives of regenerative experience design in the context of the future of the

hospitality sector. The *aim* of the research is to provide a comprehensive analysis of regenerative experience design as a future-oriented business model and to outline its strategic implications for industry stakeholders. To achieve this goal, the following *tasks* have been underlined:

1. to define the regenerative paradigm within the hospitality context;
2. to identify the key dimensions of regenerative experience design;
3. to analyze the operational and technological imperatives of regenerative business models;
4. to explore the potential role of regenerative approaches in national recovery, particularly in Ukraine.

2. The regenerative paradigm and experience design

The regenerative approach offers a qualitatively new vision for the roles of the guest, the host, and the destination itself. Traditional tourism often views the consumer as a passive recipient of service; however, the regenerative approach transforms the guest into an active participant in the restoration process – a co-creator of value [3]. This conceptual shift is fundamental, as regeneration moves beyond mere sustainability by embracing a systemic understanding of living systems and interdependence principles [1]. A regenerative hotel is not simply located in the destination; it functions as an integral part of its living system [4].

2.1. Dimensions of regenerative experience design

Regenerative experience design centers on three interconnected dimensions: the Host-Guest relationship, operational service design, and transformational impact.

The Host-Guest relationship must evolve into a partnership rooted in mutual education and shared responsibility. The guest is not an external observer but a contributor to regenerative outcomes. This often starts with «regenerative onboarding», a brief educational introduction that empowers the visitor to understand and facilitate the positive impact of their stay, such as participating in Zero Waste practices, supporting local circular economies, or engaging in local ecological restoration programs [5]. The focus shifts from unilateral service delivery to shared co-creation and mutual accountability [6, p. 79].

2.2. Operational design for net positive impact

The second dimension is operational service design, which must adhere to the principles of net positive operations, where every action not only minimizes harm but actively generates benefit. This translates into tangible practices like moving from the standard Farm-to-Table model to Regenerative Farm-to-Table, where the hotel's cuisine supports local farms actively involved in soil and biodiversity restoration [4].

A pioneering example of this approach is the «Hortel» model, a term derived from the crasis of «horticultural» and «hotel» [2]. Originating as an eco-innovative B2B service, the Hortel concept was prototyped at the Four Points by Sheraton Catania. It involves converting underutilized leisure spaces into urban vegetable gardens that supply fresh raw food to the hotel's restaurant. This model implements nature-based solutions adapted to the hospitality sector, contributing to local urban biodiversity and using biophilic tactics to reconnect guests with nature [2]. Waste is treated as a resource-composting which feeds local gardens, and filtered water is reused for irrigation. These regenerative practices are strategically integrated into the operational logic, creating a closed-loop ecosystem where every action has a positive consequence for people, community, and nature. As noted in the research on the South African hospitality sector, effective regenerative adaptations include enhancing biodiversity conservation and investing in resilient infrastructure [6]. Strategic technological integration, in particular Artificial intelligence, Internet of Things, is also becoming crucial in facilitating circular economy principles and managing these complex net-positive operations [7]. In the high-end segment, this approach is formalized through the Regenerative Luxury Certification. Unlike traditional luxury, which often emphasizes material excess, this certification redefines luxury as a meaningful, conscious experience. It focuses on hotels becoming «impact hubs» where boutique services are tied to transparent environmental and social regeneration goals. This certification ensures that luxury stays contribute to the long-term health of the destination, turning the concept of prestige into a tool for systemic healing [8].

2.3. Transformational guest impact

The final dimension is transformational impact. A regenerative experience affects not only the physical destination but also the travellers' internal landscape. Guests who participate in the regeneration process, such as contributing to mangrove restoration or zero-waste initiatives (as seen in leading Asian luxury resorts [7]), return home with a new value system, becoming agents of change in their own communities [5]. This type of engagement fosters a sense of reciprocity and interconnection with the social and ecological systems of the host location. The regenerative approach thus contributes to cultural evolution, shifting the focus from consumption to co-creation and from passive rest to active restoration.

3. Conclusions

Regenerative experience design is not merely an ethical layer or a marketing trend; it is a new, viable business model that ensures the long-term prosperity of the hospitality industry by generating shared value for all stakeholders [5]. It represents a critical transition from a consumption-based economy to an economy of restoration, where success indicators include the health of the destination, community well-being, and the quality of human relationships [1].

For Ukraine, navigating the complex path of post-war recovery and restoration, the regenerative approach holds particular significance. Rebuilding tourist infrastructure offers a unique opportunity to integrate ecological, social, and cultural recovery from the outset. A regenerative hotel can serve as a catalyst for «green recovery», becoming a hub for collaboration between business, local communities, and the natural environment. These practices support the development of a new economy of reciprocity, where tourism functions not as an industry of extraction, but as a tool for harmonizing people and destination. Therefore, regenerative experience design is the key to a future of hospitality where both people and the planet can thrive.

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PATHWAYS TO A CASHLESS ECONOMY: COMPARATIVE INSIGHTS FROM SPAIN AND UKRAINE

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Lytiuha Ye. S., Oliynyk N. A. Pathways to a Cashless Economy: Comparative Insights from Spain and Ukraine. The article analyses the transition to a cashless economy in Spain and Ukraine, focusing on economic, legal, and social drivers of digitalisation. The comparison shows Spain's strong regulatory framework and Ukraine's high technological readiness and public openness. Strengthening trust through biometric authentication, multi-layer verification, and digital literacy is identified as key to secure cashless development.

Keywords: biometric security, cashless society, Central Bank Digital Currency (CBDC), crypto-assets, digital payments, MiCA, public trust.

Литюга Є. С., Олійник Н. А. Шляхи до безготівкової економіки: порівняльний аналіз Іспанії та України. У статті проаналізовано перехід до безготівкової економіки в Іспанії та Україні з урахуванням економічних, правових і соціальних чинників цифровізації. Порівняння засвідчує регуляторну стійкість Іспанії та високу технологічну готовність і відкритість суспільства в Україні. Обґрунтовано важливість зміцнення довіри через біометрію, багаторівневу верифікацію та цифрову грамотність.

Ключові слова: безготівкове суспільство, біометричний захист, криптоактиви, МіСА, суспільна довіра, цифрові платежі, цифрова валюта центрального банку (CBDC).

1. Introduction

The global shift toward a cashless society has become a key feature of contemporary financial transformation driven by digitalisation, fintech innovation, and changing consumer behaviour. Since the early 21st century, electronic money and platforms such as PayPal have enabled instant transactions, while the emergence of Bitcoin – issued independently of states and banks – marked the rise of decentralised digital finance. Subsequent blockchain systems, including Ethereum, Ripple, and Litecoin, expanded this ecosystem, contributing to the rapid growth of cryptocurrencies. Ukrainian scholars Hurina N. V., Voloshin V. S. and Gonchar, V. V view digital money as a natural outcome of technological progress and increasing demand for transaction speed, while also highlighting risks for less developed economies [6; 14]. Obe O. R. A. notes that COVID-19 pandemic significantly accelerated this transition by fostering contactless payments and neo-banking services [9].

The object of the study is the financial systems of Spain and Ukraine in the context of global digitalisation and the transition toward a cashless economy. *The subject* of the study comprises the economic, social, and regulatory processes influencing the adoption of cashless payments and digital financial technologies. *The aim* of the research is to analyse and compare the readiness of Spain and Ukraine to move toward a cashless society, identify key drivers and risks of this transition, and assess its implications for economic stability and public trust.

2. Transition to a cashless economy: comparative analysis of Spain and Ukraine

2.1. Economic and technological readiness

The shift toward a cashless society is largely driven by economic efficiency. Digital payments provide instant settlements, lower cash-handling costs, and create transparent audit trails that limit

the shadow economy and improve tax collection. One study reported a 9.8% reduction in crime in Missouri after replacing cash-based social benefits with electronic transfers [10]. Globally, digitalization also speeds up and simplifies cross-border payments.

In this context, a comparative analysis of the experiences of Spain and Ukraine is of particular scientific interest, as these two countries represent different models of economic development but share a common aspiration for the digital transformation of their financial systems (Table 1).

Table 1

Economic Indicators, Fintech Adoption, and CBDC Progress

Criterion	Spain	Ukraine
1. Level of cashless payments	Part of the Eurozone; demonstrates a steady rise in digital transactions. Cashless payments in the euro area increased by 7.4% in H1 2024 and 8.6% in H2 2024 compared with 2023; card payments = 56–57% of all transactions [2; 3].	Shows exceptional readiness for a cashless future. In 2024, 87% of adult men and 75% of women used digital payments (mobile money, cards, online transfers) [15].
3. CBDC strategy	Digital Euro viewed as a sovereign response to digitalization but delayed in implementation (approx. 2029)	E-hryvnia pilot testing planned for 2025, ahead of ECB's Digital Euro timeline [8].
4. Role of CBDC in the economy	Serves mainly as a monetary control instrument in peacetime.	Tool of national resilience and transparency; supports targeted, programmable allocation of \$42 billion in external financing for recovery [8].
5. Cryptocurrency adoption	Among the Top 30 globally; crypto transaction volume €73 billion (Jul 2023–Jun 2024). 27.7% of the population familiar with crypto; 8.9% ownership (above EU average) [1].	Ranked 6th globally in crypto-asset adoption due to use of crypto for savings, transfers, and donations amid war and instability [13].

Source: Authors' compilation based on European Central Bank [2; 3], World Bank [15], National Bank of Ukraine [8], Disruption Banking [1], and Visit Ukraine Today [13].

The data show that Spain combines strong institutional digitalization and steady growth in cashless payments, though its CBDC progress remains slow. Ukraine displays higher technological adaptability and faster uptake of digital payments, with the e-hryvnia advancing more rapidly. Thus, Spain's readiness is stable and structured, while Ukraine's is more dynamic and innovation-driven.

2.2. Institutional and legal framework

From a legal standpoint, Matla G. Ch. argues that ensuring monetary sovereignty in a cashless society requires stronger privacy protections, particularly within the EU [7]. Spain demonstrates significantly higher regulatory readiness: it is fully aligned with the MiCA framework and is participating in the preparatory phase of the Digital Euro project planned for 2029 [5]. Ukraine, in contrast, is still developing its regulatory system. The Law “On Virtual Assets” (2021) is only partly implemented, needs Tax Code amendments, and requires alignment with MiCA and FATF standards. Ukraine also lacks unified licensing and robust financial monitoring mechanisms [8; 13]. Therefore, Spain represents a largely completed regulatory model, while Ukraine remains in the process of institutional formation.

2.3. Key barriers and social attitudes

Despite the significant economic advantages, a complete rejection of cash transactions is accompanied by a range of social, technological, and ethical risks, which cast doubt on the possibility of establishing a fully cashless society (Table 2).

Table 2

Key Barriers to Building a Fully Cashless Society

Type of barrier	Essence of the problem	Potential consequences
Cyber risks and technological dependence	Reliance on digital infrastructure increases exposure to cyberattacks and system failures.	Loss of access to funds; digital bank runs; potential financial system instability.
Financial exclusion	Cashless systems require digital skills and Internet access, which some groups lack.	Social inequality; widening digital divide.
Loss of privacy	Digital transactions create full traceability and risk excessive surveillance.	Reduced financial freedom; privacy violations; public distrust.

Source: Authors' compilation based on Hurina [6], Voloshin & Gonchar [14], Obe [9], Matla Garcia Chavolla [7], Pritchard [10], European Securities and Markets Authority [8], World Bank [15], and National Bank of Ukraine [8].

As shown in Table 2, the key barriers to achieving a fully cashless economy are both technological and social in nature. In addition to these barriers, social attitudes toward cash and digital payments also play a crucial role in determining the pace of the transition to a cashless society, as shown in Table 3.

Social Attitudes and Trust in Digital Payments

Criterion	Spain	Ukraine
Social dependence on cash	7.8% of the population relies exclusively on cash; among those aged 65+, the figure reaches 15.2% [8].	High digital inclusion; cash dependence minimal compared with EU states [11; 15].
Trust in digital payments	Trust is primarily shaped by system reliability. A 2024 Eurozone survey showed that 74% of respondents experienced no technical problems when using POS payment methods during the previous month, indicating high functional stability [4].	Ukrainian consumers show high acceptance of digital payments, with 80% mostly or fully trusting them; however, 98% express concern about fraud affecting relatives, and only 24% consider themselves well informed about digital fraud. Trust remains conditional, as 67% feel safer with additional verification (e.g., OTP), while older generations –particularly Boomers – are viewed as the most vulnerable group (75%) [12].

Source: Authors' compilation based on Santander Bank [11]; World Bank [15]; NBU [8]; ECB (Eurosystem) [4]; Visa Stay Secure Study 2025 [12].

The data indicate that Spain's transition to a cashless society is slowed primarily by the persistent reliance on cash among older population groups, despite high system reliability. Ukraine, in contrast, shows strong public trust in digital payments and minimal dependence on cash, yet this trust is accompanied by heightened concern about fraud and perceived vulnerability among older users. Overall, Spain faces social conservatism, while Ukraine demonstrates social openness combined with security-driven caution.

3. Conclusions

In conclusion, the comparative analysis of Spain and Ukraine confirms that both countries are moving toward a cashless financial ecosystem, though along different trajectories. Spain benefits from a mature regulatory environment and stable payment infrastructure but remains socially constrained due to persistent reliance on cash among older population groups. Ukraine, conversely, demonstrates high technological readiness and strong public openness to digital payments, yet its regulatory framework and public awareness of cyber risks require further improvement.

To strengthen public trust several measures, appear essential. First, the wider adoption of biometric authentication (such as fingerprint or facial recognition) would enhance transactional security and reduce vulnerability to fraud. Second, expanding multi-layered verification systems, including behavioral analytics and dynamic one-time passwords, could reinforce users' sense of protection. Third, national awareness campaigns aimed at improving digital literacy, particularly among older consumers, would help reduce perceived vulnerability and increase confidence in digital payments.

Overall, both Spain and Ukraine are steadily progressing toward a cashless future. However, ensuring inclusiveness, cybersecurity, and public trust remains crucial for the long-term stability of digital financial transformation.

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DEVELOPMENT AND TRANSFORMATION OF THE EUROPEAN UNION: FROM INTEGRATION SUCCESS TO CONTEMPORARY CRISES

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Lytvynchuk A. P., Lavrinenko I. M. Development and Transformation of the European Union: From Integration Success to Contemporary Crises. The European Union stands as one of the most ambitious experiments in supranational governance, evolving from a post-war economic cooperation initiative into a complex political and economic union encompassing 27 member states. This article examines the EU's developmental trajectory from its foundational successes in fostering integration to its contemporary struggles with multifaceted crises. The analysis traces the Union's evolution through key phases: the initial Coal and Steel Community's economic integration model, the establishment of common institutions and policies, the transformative expansion eastward following the Cold War's end, and the deepening integration through monetary union. However, this integration success story has been increasingly challenged by a series of interconnected crises that have tested the Union's cohesion and legitimacy. The 2008 financial crisis exposed fundamental flaws in the eurozone's architecture, while the 2015 migration crisis revealed deep divisions over burden-sharing and European values. Brexit represented an unprecedented challenge to the integration paradigm, while the rise of Eurosceptic movements across member states has questioned the democratic legitimacy of European governance. More recently, the COVID-19 pandemic and the war in Ukraine have simultaneously strained EU resources while paradoxically catalyzing new forms of cooperation and integration.

Keywords: European Union, European integration, supranational governance, eurozone crisis, migration crisis, Euroscepticism, democratic legitimacy, monetary union, eastward enlargement, institutional adaptation.

Литвинчук А. П., Лавріненко І. М. Розвиток та трансформація Європейського Союзу: від успіху інтеграції до сучасних криз. Європейський Союз є одним із найамбітніших експериментів у наднаціональному управлінні, еволюціонуючи від повоєнної ініціативи економічного співробітництва до складного політичного та економічного союзу, що охоплює 27 держав-членів. У цій статті розглядається траєкторія розвитку ЄС від його фундаментальних успіхів у сприянні інтеграції до сучасної боротьби з багатогранними кризами. Аналіз простежує еволюцію Союзу через ключові фази: початкову модель економічної інтеграції Співтовариства вугілля та сталі, створення спільних інституцій та політики, трансформаційне розширення на схід після закінчення холодної війни та поглиблення інтеграції через валютний союз. Однак ця історія успіху інтеграції дедалі більше зазнає сумнівів через низку взаємопов'язаних криз, які випробували єдність та легітимність Союзу. Фінансова криза 2008 року виявила фундаментальні недоліки архітектури єврозони, тоді як міграційна криза 2015 року виявила глибокі розбіжності щодо розподілу тягаря та європейських цінностей. Втрата став безпрецедентним викликом для парадигми інтеграції, тоді як зростання євроскептичних рухів у державах-членах поставило під сумнів демократичну легітимність європейського управління. Зовсім недавно пандемія COVID-19 та війна в Україні одночасно виснажили ресурси ЄС, парадоксально каталізуючи нові форми співпраці та інтеграції.

Ключові слова: Європейський Союз, європейська інтеграція, наднаціональне управління, криза єврозони, міграційна криза, євроскептицизм, демократична легітимність, монетарний союз, східне розширення, інституційна адаптація.

1. Introduction

The story of European integration is at once inspiring and paradoxical. *The object* of this article is the European Union itself, not only as a set of institutions but as a living process of cooperation that has shaped the destiny of an entire continent. *The subject* is the EU's transformation: how a project that began as a symbol of peace and prosperity gradually found itself caught in the turbulence of crises that question its very foundations. *The aim* of this work is to trace that journey, to show how the Union moved from being the poster child of regional integration to an institution constantly tested by the storms of politics, economics, and global change.

To reach this goal, the article sets several *tasks*. It must first reflect on the EU as a unique supranational creation, something never fully attempted before in history. It must then uncover the

dual character of the Union, born from economic pragmatism but inevitably growing into a political actor on the world stage. It must also explore the sequence of crises—the Eurozone shock, Brexit, the pandemic, the rise of nationalism, and the shifting balance of world power—that have shaken the European project. Finally, it should consider what these challenges reveal about the Union’s resilience, its legitimacy, and its future direction.

The problem that runs through this study is the striking paradox of the European Union. For decades, it was celebrated as proof that former rivals could bind their destinies together, overcoming war and division through shared institutions and common rules. Yet today, this same project is beset by fragmentation, politicization, and doubt. How can something once hailed as a triumph of unity now appear so fragile? This tension lies at the heart of the article.

The relevance of such an inquiry is beyond question. The EU is not only a regional organization; it is a laboratory of supranational governance whose success or failure matters far beyond its borders. Its ability to weather crises, to reinvent itself when necessary, will shape not only the future of Europe but also the credibility of integration as a response to a fractured world. Understanding the EU’s passage from success to crisis is, therefore, not just an academic exercise but a vital reflection on the possibilities of cooperation, resilience, and shared destiny in an age of uncertainty.

2. Historical Foundations of the European Union

The European Union emerged out of the ruins of post war Europe when peace stability and reconstruction became the central motivations for leaders determined to prevent a return to the cycles of conflict that had devastated the continent and it is here that the object of integration first took shape in the form of the European Coal and Steel Community of 1951 a practical framework for pooling resources that carried with it a vision of deeper unity (Haas 1958; Lindberg 1963) this unique supranational construction differed from traditional alliances because it combined economic cooperation with binding institutions that gradually extended into political life and created a model unlike any other in the international system [4].

From its earliest days the EU was simultaneously an economic and political project designed to tie prosperity to peace but quickly expanding into a broader experiment in governance and collective action (Moravcsik 1998; Nye 1971) the rationale for integration shifted under the weight of globalization from a narrow focus on trade liberalization to a wider emphasis on normative values such as human rights democracy and social cohesion [10] as the Union grew through successive enlargements it was not merely promoting stability on its post socialist borderlands but also challenging its own capacity to integrate diverse states and societies under a common legal

and political framework [19] the EU's identity as both economic actor and political power made it distinctive yet also exposed it to persistent debates about legitimacy coherence and purpose [9].

Over the past two decades however the European Union has been increasingly defined by crises that have tested its resilience and credibility the Eurozone crisis revealed the fragility of monetary integration without full fiscal union while Brexit exposed the limits of solidarity in a climate of rising nationalism and skepticism toward supranational authority[13] the COVID 19 pandemic forced an unprecedented response through the Recovery Fund which some scholars describe as a paradigm shift toward deeper fiscal integration [13] yet these steps unfolded against the backdrop of a so called polycrisis in which overlapping shocks from financial turmoil to migration pressures and geopolitical instability compound each other and amplify the strains on European governance [12] observers note that the very success of integration creates dilemmas in times of disruption when citizens demand legitimacy effectiveness and solidarity but institutions struggle to deliver [1].

In this paradox lies the core problem and relevance of the research for the EU has long been celebrated as a symbol of unity cooperation and collective strength but its recent trajectory shows how fragile that achievement can be when confronted by economic social and political pressures that cut across member states the subject of this article is therefore the transformation of the EU from a celebrated success story to an embattled institution the aim is to analyze this transformation in order to understand how integration evolves under stress and the tasks set include an exploration of its historical foundations its dual political and economic nature and its responses to successive crises the problem statement rests on the contradiction between the EU's promise of unity and the reality of fragmentation while the relevance of this inquiry is underscored by the fact that the future of European integration carries consequences not only for its member states but for the stability and governance of the international order itself (Zeitlin and Nicoli 2021; Webber 2019; Berend 2017).

3. From the Treaty of Rome (1957) to the European Economic Community

The Treaty of Rome in 1957 marked a decisive transformation of the European project from sectoral integration toward comprehensive economic cooperation through the European Economic Community and European Atomic Energy Community. The treaty established the framework for a customs union and common market by reducing tariffs, harmonizing policies, and enabling the free movement of goods, services, capital, and people. This design reflected what Ernst Haas described as the spillover effect, where cooperation in one sector creates pressure for deeper integration in others (Haas 1958 *The Uniting of Europe*). Leon Lindberg argued that these economic dynamics inevitably had political consequences, as customs union commitments required coordination in fiscal, social, and regulatory areas [11].

The customs union embodied broader political ambitions to stabilize Europe and enhance its global economic role. Joseph Nye demonstrated that economic arrangements often serve as foundations for political cooperation (Nye, 1971), making the Treaty of Rome more than an economic charter but a step toward supranational institutions managing both markets and political aspirations. Andrew Moravcsik emphasized that Rome reflected state interests and elite social purposes, viewing deeper integration as guaranteeing prosperity and security in a globalizing world [10].

Political ambitions were embedded within economic agreements from the beginning. The customs union carried implicit promises of solidarity and collective decision-making, while debates over agricultural policy and competition rules exposed the need for institutions balancing national sovereignty with common interests. The European Economic Community became both a trade liberalization mechanism and a political arena where questions of governance, legitimacy, and authority emerged [19]. Scholars note that the EU's evolution could not be understood solely in economic terms, as pursuing a customs union was inseparable from constructing a political community redefining Europe's global position [12].

Following Rome, the Community experienced enlargement and institutional deepening, culminating in the Single European Act of 1986. The first enlargement in 1973 brought Denmark, Ireland, and the United Kingdom, followed by Greece in 1981 and Spain and Portugal in 1986. Each expansion introduced new dynamics while testing institutional capacity to manage diverse interests. Ivan Berend notes that enlargement was both a strength and challenge, broadening markets while testing cohesion [19]. The inclusion of post-authoritarian states demonstrated the Community's role as a democratization magnet in Southern Europe [19], signaling its evolution into a political community tied to shared values [18]. The Single European Act represented the most substantial reform since Rome, aiming to complete the internal market by 1992 through removing barriers to free movement. This reflected globalization logic, as European states sought enhanced competitiveness through integrated markets [10]. The Act institutionalized qualified majority voting, expanded Parliament's role, and reinforced Commission authority, establishing the supranational governance model characterizing later integration [4]. Moravcsik argued that governments were motivated by maintaining prosperity against global competition, requiring empowered Community institutions [10]. By the mid-1980s, the Community had become a larger, more institutionalized system prepared for monetary and political union [11].

4. The Peak of Integration Success

The period from the early 1990s to the mid-2000s marked the zenith of European integration, characterized by unprecedented political union, monetary integration, and territorial expansion that transformed the European Union into a global actor. This era demonstrated the EU's capacity to

deepen integration while simultaneously expanding its membership, creating what many scholars considered the most successful example of regional integration in modern history. The Maastricht Treaty (formally known as the Treaty on European Union), which was signed on February 7, 1992, created the European Union (Britannica, 1998). This landmark agreement represented a fundamental transformation from economic cooperation to comprehensive political union. The treaty's purpose was to prepare for European Monetary Union and introduce elements of a political union (citizenship, common foreign and internal affairs policy) [1]. The treaty established economic convergence criteria, concerning the inflation rate, public finances, interest rates and exchange rate stability (European Parliament), creating the framework for monetary integration that would culminate in the euro.

It is perhaps for the creation of the euro that Maastricht will be best remembered. With just a few words the Maastricht Treaty laid the foundations for an economic and monetary union, setting the objective of promoting economic and social progress "through the strengthening of economic integration. Overall, the Maastricht Treaty constituted one of the most important treaty changes in the history of European integration. It included provisions on the creation of an Economic and Monetary Union (EMU), including a single European currency [17]. The introduction of the euro represented not merely a technical achievement but a profound symbol of European unity and shared sovereignty.

The Schengen Agreement fundamentally transformed European mobility by creating a passport-free zone that embodied the principle of free movement. The Schengen Agreement is a treaty which led to the creation of Europe's Schengen Area, in which internal border checks have largely been abolished. It was signed on 14 June 1985, near the town of Schengen, Luxembourg by five founding member states. Schengen, a village in southern Luxembourg on the river Moselle, located where the territories of the initial contracting parties of the Schengen Agreement (France, Germany and the Benelux States) meet, has become a synonym for the abolition of internal border controls and for free movement in Europe.

The implementation of Schengen represented the practical realization of one of the EU's fundamental freedoms. The gradual phasing-out of internal borders under the Schengen agreements was followed by the adoption of Directive 2004/38/EC on the right of EU citizens and their family members to move and reside freely within the EU. This created an unprecedented zone of mobility that allowed over 400 million Europeans to travel, work, and live across member states without border controls, fundamentally altering the European experience of citizenship and belonging.

The eastern enlargement represented the EU's greatest geopolitical success, extending democracy and stability across post-communist Europe. The largest enlargement of the European Union, in terms of number of states and population, took place on 1 May 2004. The simultaneous

accessions concerned eight Central and Eastern European countries (the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia), plus two Mediterranean countries (Malta and Cyprus). Bulgaria and Romania became members on 1 January 2007, completing this historic expansion.

In May 2004, the 15 states of the European Union (EU-15) welcomed ten new Member States in what was the largest expansion in the history of European integration. This enlargement demonstrated the EU's transformative power as a democratizing force. The EU's enlargement policy aims to unite European countries in a common political and economic project. Guided by the Union's values and subject to strict conditions, enlargement has proved to be one of the most successful tools in promoting political, economic and social reforms. The integration of post-communist countries symbolized the healing of Europe's Cold War division and the triumph of democratic values over authoritarianism.

The challenges of managing such dramatic expansion were significant. One of the concerns about eastern enlargement was how the dramatic increase in the number of Member States – from 15 to 25 in 2004, 27 in 2007 and 28 in July 2013 – would affect the functioning of the EU [19]. Despite these concerns, the enlargement process demonstrated the EU's institutional adaptability and its capacity to maintain cohesion while accommodating diversity.

The combination of deepening integration and territorial expansion established the European Union as a major global actor capable of projecting influence through economic power, diplomatic initiatives, and normative leadership. The Common Foreign and Security Policy, established by Maastricht, provided the institutional framework for coordinated external action, while the EU's economic weight – enhanced by enlargement and monetary union – gave it significant leverage in international trade and diplomacy. The success of this period lay in the EU's ability to demonstrate that regional integration could serve as a model for global governance, combining economic prosperity with democratic values and peaceful conflict resolution.

5. Contemporary Crises and Challenges

The period after 2008 marked a profound turning point for the European Union, as successive crises exposed deep structural weaknesses in its institutions and governance. Long-standing debates about the democratic deficit and the legitimacy of EU decision-making resurfaced with intensity. While supranational institutions such as the European Commission and the European Parliament were designed to represent collective European interests, they were frequently criticized for lacking transparency and accountability in the eyes of citizens [5]. Tensions between supranationalism and national sovereignty grew sharper, as member states sought to protect their domestic authority while facing pressures for deeper integration to manage cross-border

challenges [12]. These legitimacy debates laid the foundation for the political polarization that would intensify during subsequent crises.

The Eurozone crisis of 2008–2012 was the first major shock to test the Union's resilience in the twenty-first century. Triggered by the global financial crash, the crisis soon escalated into a sovereign debt emergency in Greece, Portugal, and Spain. The EU's response exposed a fundamental dilemma between austerity measures demanded by creditor countries and the need for solidarity with struggling member states [15]. Institutions such as the European Central Bank and the newly created European Stability Mechanism played crucial roles, but their interventions were often seen as technocratic impositions rather than democratic choices, reinforcing the perception of a legitimacy gap [11]. The Eurozone crisis revealed that monetary integration without a fully fledged fiscal union left the EU vulnerable, raising questions about the long-term viability of the euro.

Just as the EU began to recover from the financial crisis, the migration and refugee crisis of 2015–2016 delivered another blow. Large inflows of refugees from Syria, Afghanistan, and North Africa sparked deep divisions among member states over burden-sharing and border control. While Germany and Sweden adopted relatively open-door policies, several Central and Eastern European countries rejected compulsory quotas, framing migration as a threat to sovereignty and identity [19]. The crisis fuelled nationalism and Euroscepticism, providing fertile ground for far-right movements across the continent. It also highlighted the limits of solidarity in an EU that prided itself on free movement and humanitarian values, exposing stark East–West and North–South divides.

In 2016, the Union faced an unprecedented rupture with the Brexit referendum, which led to the withdrawal of the United Kingdom in 2020. Brexit was a historic moment: the first time a member state chose to leave the EU, shattering the assumption that integration was irreversible. As Douglas Webber argues, Brexit not only undermined the EU's credibility but also emboldened Eurosceptic movements in other countries [16]. While the EU managed to maintain unity during the withdrawal negotiations, the loss of one of its largest economies and strongest military powers was a blow to its image of cohesion and stability [13]. Brexit raised fundamental questions about the balance between national democracy and supranational governance, reinforcing the sense of fragility at the heart of the European project.

Geopolitical and security challenges have further compounded the EU's vulnerability. Russia's war in Ukraine, beginning with the annexation of Crimea in 2014 and escalating into a full-scale invasion in 2022, forced the EU to confront its dependence on external powers for security and energy. In response, the EU adopted unprecedented sanctions against Russia and mobilized support for Ukraine, demonstrating its capacity to act as a geopolitical player [9]. At the

same time, the war revealed the urgent need for energy security and greater strategic autonomy, as Europe sought to reduce dependence on Russian gas and diversify its supply chains [12]. These events underscored the EU's dual identity as both an economic bloc and a political actor, now thrust into the center of global security debates.

Finally, the EU faces internal political fragmentation, driven by the rise of populist and far-right movements across member states. Parties in Italy, France, and Germany have capitalized on dissatisfaction with Brussels, while governments in Hungary and Poland have openly clashed with EU institutions over rule of law, judicial independence, and media freedom [1]. This erosion of liberal democratic norms within the Union itself raises uncomfortable questions about its ability to enforce its own standards and maintain unity around shared values [4]. Populism and Euroscepticism weaken collective decision-making and threaten to hollow out the normative foundations of integration.

Together, these crises – financial, migratory, political, geopolitical, and institutional – have produced what scholars call a “polycrisis,” in which overlapping challenges magnify each other and strain the EU's cohesion. They mark the transformation of the Union from a celebrated success story of integration into an embattled institution, forced to navigate between ambition and fragility, sovereignty and solidarity, legitimacy and effectiveness.

6. Transformation of the EU in the 21st Century

The story of the European Union in the twenty-first century is not only one of crises and fragmentation but also of resilience and adaptation. Following the turmoil of the Eurozone crisis and the unprecedented disruption of the COVID-19 pandemic, the EU demonstrated an ability to mobilize resources and design collective solutions that would have been unthinkable in earlier decades. The creation of the European Stability Mechanism after 2012 and the Recovery and Resilience Facility in 2020 represented paradigm shifts in fiscal integration, showing that solidarity could emerge from necessity [13]. These instruments strengthened the EU's capacity to act in moments of economic emergency, setting precedents for future joint borrowing and spending. At the same time, the European Green Deal launched in 2019 positioned the Union as a global leader in climate governance, seeking to make Europe the first climate-neutral continent by 2050 and tying recovery efforts directly to environmental sustainability [12]. In this way, crisis management and long-term vision converged to reshape the EU's integration logic.

Alongside fiscal and environmental adaptation, the EU has embarked on an ambitious digital and technological transformation. Policymakers recognized that in an era of global digital competition, European sovereignty required new frameworks for innovation and regulation. Initiatives such as the Digital Services Act and the Digital Markets Act illustrate how the EU has

positioned itself as a global rule-maker for the digital economy, particularly in its regulation of Big Tech companies [9]. Efforts to foster “digital sovereignty” include investments in artificial intelligence, cybersecurity, and infrastructure, reflecting a broader ambition to secure Europe’s technological independence and competitiveness. These policies demonstrate the EU’s capacity not only to adapt to external challenges but also to shape the governance of emerging domains.

Another dimension of the EU’s twenty-first-century transformation has been its pursuit of strategic autonomy. The recognition that Europe cannot rely indefinitely on external powers for security and defense has gained traction, especially after Russia’s aggression in Ukraine. The strengthening of Permanent Structured Cooperation (PESCO), increased defense spending, and debates over a European defense union all reflect efforts to build capacity for independent action. Energy security has also become central to the autonomy agenda, as the war in Ukraine exposed the dangers of dependence on Russian gas and highlighted the need to diversify supplies [12]. Strategic autonomy thus encompasses both military and economic dimensions, linking defense, energy, and technology in a new framework of sovereignty.

The question of enlargement remains one of the most significant challenges for the EU’s future. After the transformative eastern enlargement of 2004–2007, debates about expanding into the Western Balkans, as well as offering membership prospects to Ukraine and Moldova, have gained urgency. Enlargement continues to be a symbol of the EU’s success in exporting stability and democracy, but it also poses institutional and political dilemmas [19]. The integration of countries with diverse political systems, economic capacities, and security vulnerabilities raises difficult questions about the Union’s ability to maintain cohesion and effectiveness. At the same time, enlargement is tied to the EU’s identity as a geopolitical actor: offering a credible membership perspective to Ukraine and Moldova after Russia’s invasion is not only a political choice but also a strategic imperative [15]. The future of enlargement will therefore test the EU’s capacity to balance ambition with institutional adaptation, solidarity with pragmatism.

7. Conclusion

The European Union stands at a critical juncture in its evolutionary journey, having transformed from a post-war economic cooperation project into a complex supranational entity that continues to redefine itself under mounting pressures. This trajectory from integration success to ongoing transformation reflects the fundamental paradox at the heart of the European project: the tension between national sovereignty and collective governance, between unity and diversity, between ambition and pragmatism.

The crises that have buffeted the EU over the past two decades—from the financial upheaval of 2008 to the migration challenges of 2015, from Brexit’s institutional shock to the pandemic’s

test of solidarity, and now the geopolitical realignment triggered by Russia's war in Ukraine—have served a dual function. While these challenges have exposed the Union's structural vulnerabilities and highlighted the limits of its consensus-based decision-making processes, they have simultaneously acted as catalysts for innovation and deeper integration in unexpected areas. The creation of NextGenerationEU, the unprecedented coordination of sanctions against Russia, and the gradual movement toward strategic autonomy all demonstrate the EU's capacity to adapt and evolve under pressure.

Yet the question that emerges from this analysis is not merely whether the EU will survive its current trials, but what form it will take as it navigates an increasingly multipolar and uncertain world. The forces pulling toward greater integration—economic interdependence, shared security threats, climate imperatives, and technological competition with global rivals—remain powerful. However, the countervailing pressures of national political dynamics, populist movements, and divergent strategic cultures within member states create persistent centrifugal forces that cannot be ignored.

The EU's future likely lies neither in the federalist vision of its founding fathers nor in a return to purely intergovernmental cooperation, but in a more flexible and differentiated form of integration. This may involve accepting that not all member states will move forward at the same pace on every issue, while maintaining the core principles and institutions that have anchored European cooperation for seven decades. The Union's ability to manage this complexity—to remain coherent while embracing diversity, to deepen integration while respecting national identities, to project power while maintaining its values—will ultimately determine whether it emerges from this period of transformation as a more resilient and unified actor or succumbs to the fragmenting forces that challenge its very existence.

In this light, the EU's ongoing transformation should be understood not as a crisis of European integration, but as its natural evolution in response to a changing world. The question is not whether the Union will change, but whether it can change quickly and intelligently enough to meet the challenges of the 21st century while preserving what makes it unique: a voluntary association of democratic nations committed to peace, prosperity, and shared values in an increasingly turbulent world.

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SINGAPORE'S LOGISTICS INFRASTRUCTURE: CURRENT STATE AND DEVELOPMENT PROSPECTS

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Makhovytska A. I., Radchenko O. I. Singapore's logistics infrastructure: current state and development prospects. The article analyses the current state and trends in the development of Singapore's logistics infrastructure. It examines the dynamics of logistics efficiency according to the LPI index, as well as the performance indicators of seaports and Changi Airport in the post-pandemic period. The role of digital technologies, artificial intelligence and automation in ensuring the competitiveness of the industry is highlighted. The prospects for development until 2040 are outlined, in particular the expansion of the Tuas port and the construction of Terminal 5 at Changi Airport.

Keywords: Changi Airport, digitalisation, logistics infrastructure, Singapore, Tuas Port.

Маховицька А. І. Радченко О. І. Логістична інфраструктура Сінгапуру: сучасний стан та перспективи розвитку. У статті проаналізовано сучасний стан та тенденції розвитку логістичної інфраструктури Сінгапуру. Розглянуто динаміку ефективності логістики за індексом LPI, а також показники роботи морських портів та аеропорту Чангі у постпандемічний період. Висвітлено роль цифрових технологій, штучного інтелекту та автоматизації у забезпеченні конкурентоспроможності галузі. Окреслено перспективи розвитку до 2040 року, зокрема розширення порту Туас та будівництво терміналу 5 аеропорту Чангі.

Ключові слова: аеропорт Чангі, логістична інфраструктура, порт Туас, Сінгапур, цифровізація.

1. Introduction

The analysis of the modern global economic landscape gives every reason to conclude that efficient logistics infrastructure is a decisive factor in the competitiveness of countries. In the context of global instability, post-pandemic recovery, and disruptions in maritime supply chains (such as the crisis in the Red Sea), the resilience and adaptability of major transport hubs become paramount.

The relevance of this study lies in Singapore's leading role in the global logistics system. The country combines a strategic geographical location with highly-developed maritime and aviation infrastructure, advanced digitalisation and effective state regulation. Singapore's experience in logistics modernisation, automation and artificial intelligence implementation is of considerable scientific and practical interest.

The object of the study is Singapore's logistics infrastructure, *the subject* is the current state, performance indicators, and development prospects of seaports and Changi Airport.

The aim of the research is to analyze the current state of Singapore's logistics infrastructure and identify key development trends.

To achieve this target, the following *tasks* are set:

- to assess development of logistics and its efficiency based on the Logistics Performance Index;
- to analyze maritime and aviation infrastructure in Singapore;
- to outline future development prospects of logistics infrastructure.

2. Singapore's logistics infrastructure

2.1. Development of Singapore's logistics infrastructure

Singapore has long been recognised as a global logistics hub, which can boast world-class infrastructure, a strategic location and reliable trade policies. In recent years, the city-state has taken significant steps to strengthen the resilience of supply chains, using technology and innovative policies to overcome global disruptions.

In 2023, the World Bank named Singapore as the world's leading logistics hub based on Logistics Performance Index (Fig. 1).

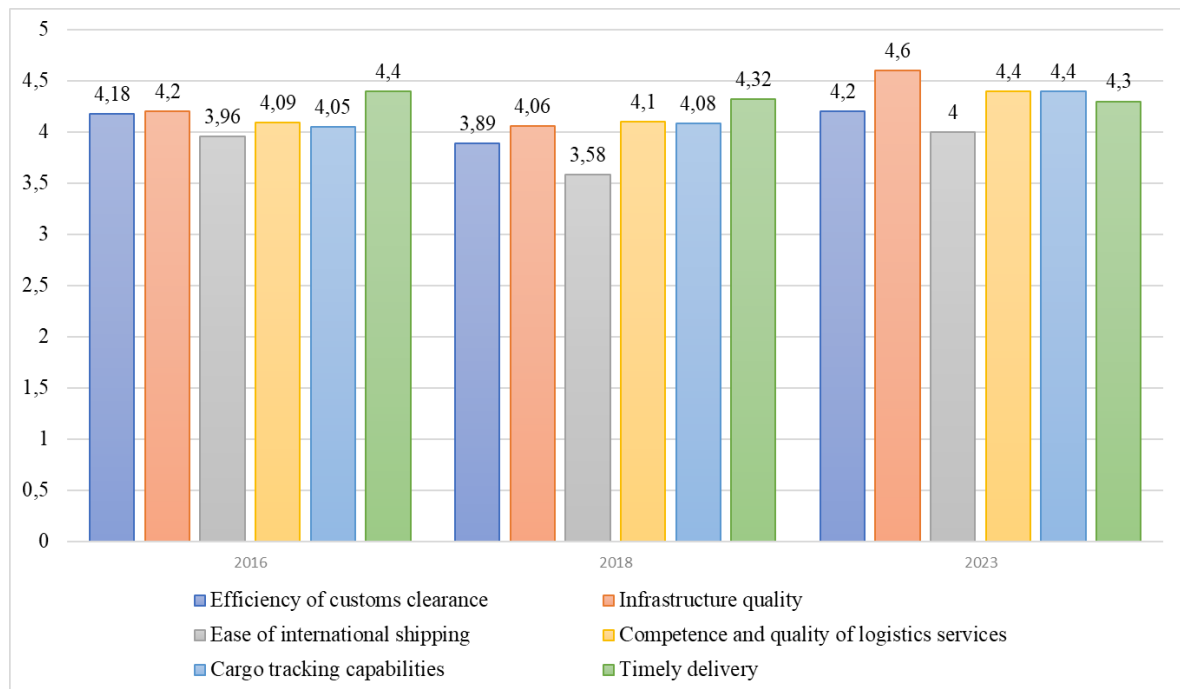


Figure 1. Dynamics of Singapore's Logistics Performance Index for 2016, 2018, and 2023 [3].

According to 2023 data, the highest rating (4.6) in Singapore's logistics index structure was given to infrastructure quality, which is directly related to technological innovations and capital investments. Significant progress has also been made in cargo tracking capabilities: thanks to the integration of artificial intelligence, this indicator has risen to 4.4 (compared to 4.05 in 2016). The ease of international shipping index reached 4.0 [1, p. 344].

Singapore also reaches first place in the world in terms of customs clearance efficiency. Singapore Customs processes 99% of applications for electronics permits within 10 minutes [2].

Singapore's location at the crossroads of major shipping routes which handles about 20% of all global container transportation and almost a quarter of global trade by sea freight volume [10].

Another crucial element of logistics infrastructure is free trade zones, where goods are not subject to VAT until they are entered the domestic market. For example, electronics manufacturers regularly take advantage of this opportunity by importing components from several countries,

completing assembly in Singapore, and then distributing products in the region without accumulating customs duties [10].

Digital cargo tracking systems and a unified National Trade Platform, which integrates documentation between government agencies, shipping lines and logistics providers, are actively used. Real-time visibility of cargo status, automated customs clearance, and predictive analytics for congestion management create an ecosystem where information moves as efficiently as physical goods [10].

Due to these advantages and features of logistics, Singapore is considered to be a home to a large number of logistics companies offering a wide range of services, from sea, air and land transport to warehouse logistics, customs clearance and last-mile delivery. Thanks to its strategic location and developed infrastructure, Singapore has become one of Asia's leading logistics hubs.

In 2023, there were about 14.5 thousand operators in the transport and warehousing industry in Singapore, confirming the high diversification of the country's logistics sector (Fig. 2).

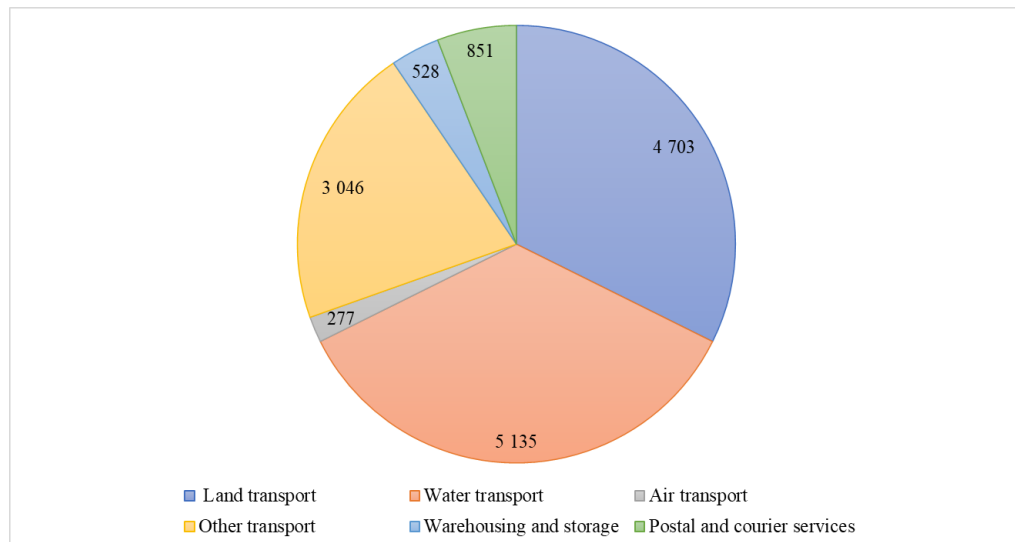


Figure 2. Transport and warehousing operators in Singapore, 2023 [1].

Thus, Singapore's logistics system is characterised by a high technological level, integrated transport flows and a focus on quality and efficiency, making the country one of the world's leading logistics centers.

2.2. Current state of Singapore's logistics infrastructure

The Port of Singapore is consistently among the world's leading maritime capitals. It is a hub for nearly 200 shipping lines connecting to more than 600 ports in over 120 countries worldwide. On average 140,000 vessels call at the port each year [5].

In 1990, Singapore handled 5.2 million TEUs, and by 2023, this figure had grown to 39 million TEUs (Fig. 3), making it the second busiest port in the world.

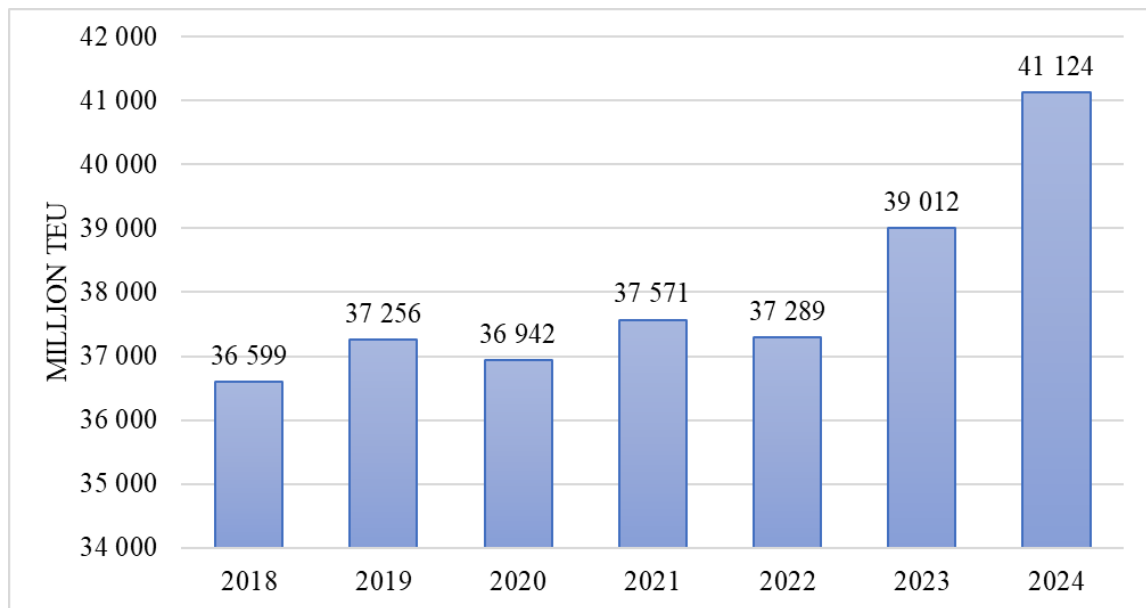


Figure 3. Total capacity of container ports in Singapore from 2018 to 2024 [2].

In 2024, the figure reached 41.1 million TEUs. This volume increased as shippers redirected cargo after the crisis in the Red Sea. Moreover, this is due to the complex work of terminals distributed between the Tanjong Pagar, Keppel, Brani and Panjang Terminals, but by 2027 all operations will be transferred to the port of Tuas [7].

Besides maritime logistics, Changi Airport, one of the world's leading cargo airports, plays a significant role. It has established itself as the main aviation hub in the Asia-Pacific region. It is served by 80 airlines operating more than 7,400 flights to more than 400 cities in 100 countries [5].

In 2024, Changi handled 1.99 million tons of air cargo, which is 14.6% more than in 2023 (Fig. 4). The five main markets were China, Australia, USA, Hong Kong and India [4].

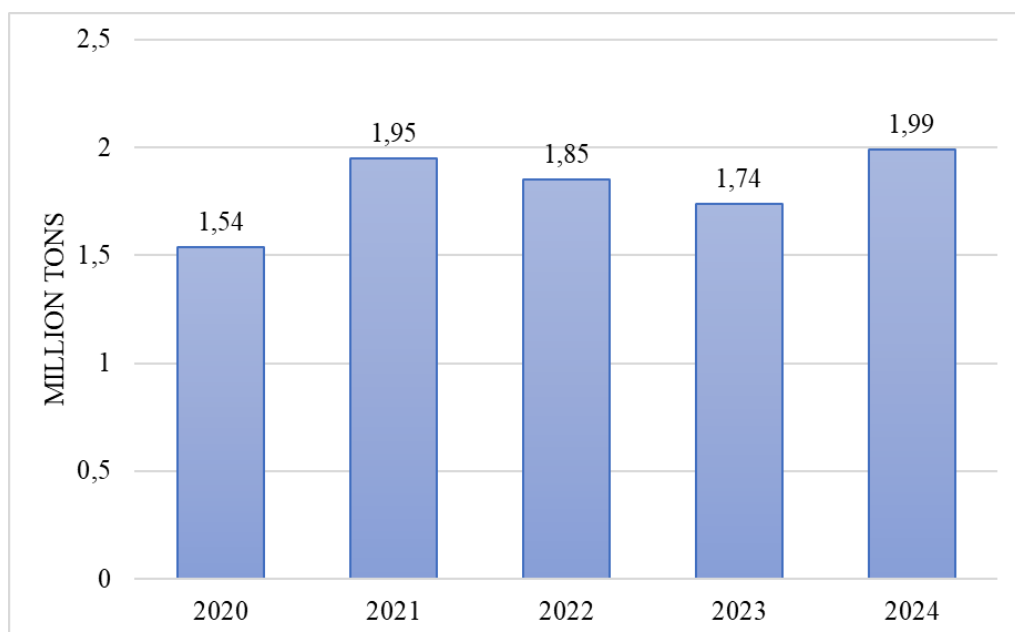


Figure 4. Volume of air cargo transportation in 2020-2024 [2].

Such growth is explained by a significant improvement in cargo flows between Singapore and China, as well as with USA, and the recovery of electronics exports and re-exports from Singapore. Other contributing factors were the high global demand for cross-border e-commerce shipments and the shift from ocean to air freight because of disruptions in maritime transport [4].

Thanks to the continuance of investment from global biopharmaceutical giants such as Thermo Fisher, Sanofi, BioNTech and MSD, Singapore has also become a priority location for regional distribution of pharmaceutical products. It has also established itself as a regional cold chain logistics hub, with a well-developed system of temperature-controlled warehouses that can handle pharmaceutical, food and high-tech products [4; 10].

2.3. Prospects for the development of Singapore's logistics infrastructure

Looking ahead, the development of Tuas Port reflects Singapore's commitment to maintaining its leadership in the maritime sector. By 2040, this next-generation port is expected to handle 60 million TEUs and will incorporate advanced technologies, including automated cranes that can be remotely controlled and operate up to five simultaneously [8].

Speaking of air transport, in May 2025, construction of a new Terminal 5 began at Changi Airport, which is scheduled to open in the mid-2030s alongside the Changi East Industrial Zone (CEIZ) – a new 1,080-hectare cargo village. It is expected that after 2030 the terminal and Airport Logistics Park will increase the country's cargo capacity to 5.4 million tons per year. According to airport authorities, the upcoming Terminal 5 is designed to integrate air, land, and sea transport networks. This integration aims to strengthen the Changi's role as a worldwide hub by facilitating seamless passenger travel, optimizing cargo operations, and reinforcing connections with regional and international markets [6; 9].

Therefore, artificial intelligence (AI) plays a vital role in the transformation of this sector, with more than 57% of companies already using it, one of the highest rates in Asia. The Singaporean government is investing over SGD 150 million in the development of digital infrastructure and AI-based projects, particularly as part of the Enterprise Compute Initiative [9].

Although Singapore's logistics sector is thriving, it faces challenges such as land scarcity and the need for constant innovation to maintain a competitive edge. However, these challenges encourage creative solutions and open up new career opportunities in areas such as vertical warehousing and digital twin technology for supply chain optimisation [3].

Thus, the future of Singapore's logistics sector is tied to further automation, digitisation and infrastructure modernisation. Companies setting up their logistics centers in the country are strategically preparing to leverage these opportunities, at the same time gaining direct access to one of the world's most active economic regions through a key trading hub that unites global markets.

3. Conclusion

The analysis shows that Singapore possesses one of the most advanced and efficient logistics infrastructures in the world. Its leading position is ensured by a strategic geographical location, highly developed maritime and aviation hubs, an efficient customs system, extensive digitalisation and, primarily, the active use of artificial intelligence.

The Port of Singapore and Changi Airport play a key role in global trade flows, demonstrating stable growth in cargo handling even under post-pandemic and geopolitical challenges. Future development prospects, including the expansion of Tuas Port and the construction of Terminal 5 at Changi Airport, confirm Singapore's long-term strategy to strengthen its competitiveness and maintain its status as a global logistics hub.

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ILLUSTRATIVE MATERIAL

1. Singapore Department of Statistics. *Key Indicators by Industry Group in All Services Industries*. URL: <https://tablebuilder.singstat.gov.sg/table/TS/M601471> (accessed: 20.12. 2025).
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HOTEL BRAND NAMES AS A FACTOR SHAPING CONSUMER PERCEPTION IN THE INTERNATIONAL HOSPITALITY MARKET

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Markunas S. V., Startseva N. M. Hotel brand names as a factor shaping consumer perception in the international hospitality market. The article examines the influence of hotel brand names on consumer perception of hotel image, quality, and value in the international hospitality market. It analyzes the role of linguistic, cultural, and marketing factors in shaping the image of hotel chains in the context of globalization. Particular attention is paid to the use of foreign languages in hotel names, their associative impact on potential customers, and their ability to enhance competitive advantages in the global tourism market. Based on an analysis of international hotel brands, key trends and patterns in the formation of brand names are identified, as well as their impact on consumer trust, recognition, and expectations. The findings contribute to a deeper understanding of hotel branding strategies and may be applied in the development of effective brand names that support market positioning and long-term customer loyalty in the global hospitality industry.

Keywords: associative impact, competitive advantage, consumer perception, hotel brand name, hotel chain, international hospitality market.

Маркунас С. В., Старцева Н. М. Назви готельних брендів як чинник формування сприйняття споживачів на міжнародному ринку гостинності. У статті досліджується вплив назв готельних брендів на сприйняття споживачами іміджу, якості та цінності готельних послуг на міжнародному ринку гостинності. Аналізується роль лінгвістичних, культурних і маркетингових чинників у формуванні образу готельних мереж в умовах глобалізації. Особливу увагу приділено використанню іноземних мов у назвах готелів, їх асоціативному впливу на потенційних клієнтів та здатності посилювати конкурентні переваги на світовому туристичному ринку. На основі аналізу міжнародних готельних брендів визначено ключові тенденції та закономірності формування назв брендів, а також їх вплив на довіру споживачів, впізнаваність і очікування. Отримані результати сприяють глибшому розумінню стратегій готельного брендингу та можуть бути використані для розроблення ефективних назв брендів, що підтримують ринкове позиціонування і довгострокову лояльність клієнтів у глобальній індустрії гостинності.

Ключові слова: асоціативний вплив, готельна мережа, конкурентна перевага, міжнародний ринок гостинності, назва готельного бренду, сприйняття споживачів.

1. Introduction

In the context of globalization of the tourism market, the hotel industry faces fierce competition not only at the national level, but also internationally. One of the key intangible assets of a hotel enterprise is its brand, and an integral part of that brand is its name. The name of a hotel brand not only serves as a means of identification, but also plays an important role in shaping the first impression and expectations of quality and service among potential guests from different countries [8].

In the international market, the brand name acts as a means of intercultural communication. The use of foreign languages, primarily English, as well as neutral or international lexical constructions, allows hotel chains to expand their geographical presence and adapt to a multinational audience. In this regard, studying the influence of hotel brand names on the perception of the international market is *relevant* and practically significant.

The *object* of the research is hotel branding in the international hospitality market. The *subject* of the study is the linguistic, cultural, and marketing characteristics of hotel brand names and their impact on consumer perception. The *purpose* of this article is to analyze the influence

of hotel brand names on the formation of the image and perception of hotel services in the international market. The *tasks* of the study are to:

1. examine the theoretical foundations of hotel brand name formation;
2. identify linguistic and cultural factors influencing the perception of hotel brand names in the international market;
3. analyze the marketing significance of hotel brand names in shaping consumer trust and behavior;
4. determine key strategies for creating effective hotel brand names in the context of globalization.

2. Theoretical foundations of hotel brand name formation

A brand in the hotel industry is a set of associations, emotions, and expectations that arise in the consumer when the hotel name is mentioned [6, p. 6]. The brand name is the primary element of branding and serves as the starting point for building recognition.

From a linguistic point of view, hotel brand names can be divided into several groups:

- international (universal, easily understood in different languages);
- English-language-based;
- geographically oriented;
- symbolic and abstract [2, p. 106–111].

International and English-language-based names are particularly popular in the international market, as English serves as a global means of business and tourist communication. Such names minimize language barriers and contribute to better brand memorability [1, p. 12]. In addition, phonetic features are taken into account when forming a name: ease of pronunciation, absence of negative associations in other languages and cultures, and euphony [7, p. 724–726].

2.1 Cultural aspects of hotel brand name perception

Despite the advantages of international names, cultural context remains an important factor in their perception. A name that works well in one country may evoke neutral or even negative associations in another cultural environment [10, p. 213–215].

Therefore, international hotel chains pay considerable attention to preliminary linguistic and cultural research. The name should be semantically neutral, have no undesirable meanings, and meet the cultural expectations of the target audience [3, p. 4].

In some cases, a combined branding strategy is used, in which the international name is combined with local elements. This allows the global identity of the brand to be preserved while emphasizing the cultural characteristics of the region.

2.2 The marketing significance of a hotel brand name

From a marketing perspective, a hotel brand name serves as a signal of quality. It shapes consumer expectations even before they have any direct experience with the service [4, p. 11]. In the international market, where customers often do not have the opportunity to assess the level of service in advance, the name becomes one of the key factors in the decision to make a reservation.

In addition, the brand name affects the hotel's digital presence: ease of search in online booking systems, recognition on social media, and the effectiveness of advertising campaigns [9, p. 6]. Short, memorable, and internationally understandable names have a competitive advantage in the digital space.

2.3 The influence of hotel brand names on consumer trust and behavior

One of the key aspects of hotel brand perception in the international market is the level of trust that potential customers develop even before they actually use the service. In this context, the brand name acts as an initial signal of reliability and professionalism [5, p. 21]. Research in the field of consumer behavior shows that customers tend to prefer brands with recognizable and understandable names, especially when choosing a hotel in an unfamiliar country.

In the international tourism market, consumers often face uncertainty due to language barriers, differences in service standards, and cultural characteristics. In these conditions, the name of a hotel brand becomes a factor in reducing perceived risk. International names that are not tied to a specific national culture create a sense of universality and predictability of quality.

In addition, the brand name influences the emotional perception of the hotel. Lexical elements associated with comfort, luxury, tranquility, or prestige create positive expectations in consumers. For example, the use of words and roots associated with the concepts of “premium,” “relaxation,” “harmony,” or “elegance” enhances the emotional appeal of the brand and contributes to the formation of loyalty.

Thus, the name of a hotel brand has a direct impact on consumer behavior.

2.4 Strategies for creating effective hotel brand names

Creating a successful hotel brand name requires a comprehensive approach that combines linguistic, marketing and cultural aspects. One of the most common strategies is to create neutral, universal names that can be easily adapted to different markets.

Another strategy is to use associative names that evoke positive emotions and images linked to leisure, travel or high-quality service. Such names do not necessarily have a direct meaning, but they work effectively on a subconscious level.

Some hotel brands use a personalisation strategy, including the founder's surname or a unique identifier in the name. This helps to create a sense of tradition, stability and an individual approach to the customer.

The choice of strategy depends on the target audience, geographical presence and positioning of the hotel in the international market.

3. Conclusions

Based on the analysis, we can conclude that hotel brand names are an important factor in shaping the perception of the international market. They perform a multifaceted function, combining elements of identification, communication, marketing, and cultural adaptation. A well-chosen name helps reduce consumer risks, build trust, and strengthen the competitive position of a hotel business.

In the context of globalization and digitalization of the tourism industry, the importance of brand names continues to grow. International hotel chains increasingly view brand names as a strategic resource that can influence the long-term sustainability and reputation of a company.

Prospects for further research in this area are related to analyzing the influence of linguistic and cultural factors on the effectiveness of brand names in different regions of the world, as well as studying the role of digital technologies in transforming the perception of hotel brands.

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THE EVOLUTION OF IMF LENDING INSTRUMENTS (1945–2025)

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Matskova T. P., Kalyuzhna A. B. The Evolution of IMF Lending Instruments (1945–2025). This paper examines the evolution of the International Monetary Fund's lending instruments from its establishment in 1945 to 2025. The study focuses on the transformation of IMF lending mechanisms in response to changing global economic conditions, financial crises, and the growing complexity of balance-of-payments challenges. Particular attention is paid to the development of key lending instruments, including Stand-By Arrangements, the Extended Fund Facility, concessional lending under the Poverty Reduction and Growth Trust, rapid emergency financing instruments, and precautionary credit lines. The paper analyzes how these instruments have adapted to address both crisis response and crisis prevention, highlighting the IMF's role in strengthening global financial stability and supporting member countries during periods of systemic shocks.

Keywords: International Monetary Fund, IMF lending instruments, global financial stability, balance-of-payments support, concessional lending, precautionary credit lines.

Мацкова Т. П., Калюжна А. Б. Еволюція кредитних інструментів Міжнародного валютного фонду (1945–2025). У статті досліджується еволюція кредитних інструментів Міжнародного валютного фонду з моменту його створення у 1945 році до 2025 року. Основна увага приділяється трансформації механізмів кредитування МВФ у відповідь на зміну глобальних економічних умов, фінансові кризи та ускладнення платіжного балансу. Проаналізовано розвиток ключових інструментів кредитування, зокрема програм «стенд-бай», Розширеного фонду фінансування, пільгового кредитування в межах Трастового фонду скорочення бідності та сприяння зростанню, інструментів екстреного фінансування та запобіжних кредитних ліній. У статті розкривається роль МВФ у зміцненні глобальної фінансової стабільності та підтримці країн-членів під час масштабних економічних потрясінь.

Ключові слова: Міжнародний валютний фонд, кредитні інструменти МВФ, глобальна фінансова стабільність, платіжний баланс, пільгове кредитування, запобіжні кредитні лінії.

1. Introduction

The International Monetary Fund (IMF) has played a central role in the international monetary system since its establishment in 1945. Created in the aftermath of World War II, the Fund was designed to promote exchange rate stability, facilitate international trade, and provide temporary financial assistance to member countries experiencing balance-of-payments difficulties. Over time, global economic conditions, the nature of financial crises, and the structure of international capital flows have changed significantly, requiring continuous adaptation of the IMF's lending framework [11].

IMF lending instruments represent the core operational mechanism through which the Fund fulfils its mandate of safeguarding global financial stability. From relatively simple post-war credit arrangements, the IMF has developed a diversified toolkit that includes short-term stabilization loans, long-term structural facilities, concessional financing for low-income countries, precautionary credit lines, and rapid emergency instruments [4]. The evolution of these instruments reflects lessons learned from successive global crises, including the debt crises of the 1980s, the financial turmoil of the 1990s, the global financial crisis of 2008–2009, and the COVID-19 pandemic.

The object of this study is the IMF's lending framework as a dynamic system of financial instruments, while the *subject* is the evolution of IMF lending instruments between 1945 and 2025.

The *aim* of the article is to analyze the historical development, functional diversification, and contemporary role of IMF lending instruments in addressing global economic challenges. To achieve this goal, the following *tasks* are set:

- to examine the historical foundations of IMF lending instruments;
- to analyze key stages in the evolution of IMF facilities;
- to assess the role of modern precautionary, concessional, and emergency lending tools.

2. Historical foundations of IMF lending instruments (1945–1980s)

In the early decades of its existence, the IMF's lending activity was based on a limited number of standardized instruments. The Stand-By Arrangement (SBA) became the primary mechanism for providing short- to medium-term financial assistance to countries facing temporary balance-of-payments problems (Table 1) [11]. SBAs were typically accompanied by policy conditionality aimed at restoring macroeconomic stability, particularly through fiscal and monetary adjustments. Early applications of Stand-By Arrangements illustrate the practical role of this instrument in stabilizing national economies. One of the first SBAs was approved for Mexico in 1952 in the amount of approximately USD 20 million, aimed at addressing external payment imbalances and supporting fiscal stabilization. In the 1960s, the IMF increasingly used SBAs to assist larger economies facing balance-of-payments pressures, including the United Kingdom in 1961, which received an SBA of about USD 1 billion to stabilize the pound sterling, and India in 1967, where IMF support helped manage foreign exchange shortages and macroeconomic imbalances. These early cases demonstrate how SBAs functioned as short-term stabilization tools within the IMF's post-war lending framework [11].

As global economic imbalances became more complex, especially in developing economies, the IMF introduced the Extended Fund Facility (EFF) in 1974. Unlike SBAs, the EFF was designed to address long-term structural balance-of-payments difficulties by supporting comprehensive economic reforms over an extended period [2]. The first EFF arrangements were granted to countries experiencing persistent external imbalances linked to structural weaknesses rather than temporary shocks. Early beneficiaries included developing economies in Latin America and Asia, where EFF-supported programs focused on structural reforms such as trade liberalization, fiscal restructuring, and improvements in public sector management. These early cases highlighted the shift in IMF lending toward longer-term engagement and deeper policy adjustment.

Table 1

First SBAs approved (1952–1970)

Year	Country
1952	First to Mexico (\$20 million)
1961	UK (\$1 billion)
1967	India (\$200 million)

Compiled by the author using data from [5; 11].

During this period, IMF lending largely reflected the fixed exchange rate environment of the Bretton Woods system and its immediate aftermath. However, the collapse of that system and the growing integration of international financial markets gradually increased the demand for more flexible and specialized lending instruments.

3. Reforms and diversification after the crises of the 1990s

The financial crises of the 1990s, particularly in Mexico and East Asia, exposed significant weaknesses in the existing IMF lending framework. These crises demonstrated that uniform lending arrangements were often insufficient to address systemic banking failures, capital account volatility, and sudden stops in capital flows. In response, the IMF reformed its approach by strengthening conditionality, enhancing financial sector surveillance, and tailoring lending programs more closely to country-specific vulnerabilities. This period laid the groundwork for the later introduction of precautionary instruments and faster-disbursing facilities designed to prevent crises rather than merely respond to them [5].

The scale and structure of IMF-supported programs during the 1990s provide clear evidence of these weaknesses. As shown in Table 2, crisis-response packages approved for Mexico, Indonesia, and the Republic of Korea were unprecedented in size compared to earlier IMF arrangements. The exceptionally large financing volumes reflected the systemic nature of the crises, which extended beyond traditional balance-of-payments problems to include banking sector collapse, loss of investor confidence, and contagion effects across financial markets. At the same time, the need for such large-scale interventions raised concerns about the effectiveness of existing lending instruments and their ability to prevent crises rather than merely contain their consequences.

Table 2

Major IMF Programs in the 1990s

Country	Program	Amount (USD bn)	Year
Mexico	SBA	17,8	1995
Indonesia	SBA	10	1997
Korea	SBA	21	1997

Compiled by the author using data from [5].

The experience of these large-scale programs highlighted several structural limitations of IMF lending at the time, including delayed crisis response, insufficient attention to financial sector vulnerabilities, and the procyclical effects of policy conditionality. As a result, the IMF increasingly recognized the need to diversify its lending toolkit, improve program design, and strengthen crisis-prevention mechanisms, which later led to the development of precautionary credit lines and more flexible emergency instruments.

At the same time, the IMF expanded its engagement with low-income countries by consolidating concessional lending mechanisms, recognizing the need for softer financial terms and stronger development-oriented objectives.

4. Concessional and emergency lending instruments

As global economic disparities widened and the vulnerability of low-income countries became more evident, the International Monetary Fund significantly expanded and refined its concessional and emergency lending framework. A central element of this framework is the Poverty Reduction and Growth Trust (PRGT), which consolidates the IMF's concessional lending activities and is specifically designed to support low-income member countries facing persistent balance-of-payments constraints [7]. Unlike non-concessional IMF lending, PRGT facilities offer financing at reduced or zero interest rates, longer repayment periods, and grace periods, thereby easing the debt burden on economically vulnerable states.

The PRGT includes several key instruments, most notably the Extended Credit Facility (ECF) and the Rapid Credit Facility (RCF). The ECF is intended for countries experiencing protracted balance-of-payments problems rooted in structural weaknesses. It supports multi-year economic reform programs aimed at restoring macroeconomic stability, strengthening institutions, and fostering inclusive and sustainable growth [7]. In contrast, the RCF provides rapid financial assistance to countries facing urgent balance-of-payments needs, particularly when the capacity to design or implement a comprehensive economic program is limited. The RCF is characterized by streamlined conditionality, which allows for faster disbursement of funds in crisis situations.

Practical application of these instruments can be observed in a number of low-income countries. For example, Guinea received support under the Extended Credit Facility during 2017–2020 to address structural fiscal imbalances, strengthen public financial management, and improve macroeconomic stability. Similarly, emergency assistance under the Rapid Credit Facility was provided to countries such as Afghanistan and Burkina Faso in 2020 to help cover urgent balance-of-payments needs and finance essential public expenditures during periods of economic distress [1].

In addition to concessional lending, the IMF has established rapid-disbursement emergency tools under its General Resources Account to tackle acute external shocks. The Rapid Financing

Instrument (RFI) serves all IMF member countries, regardless of income level, and is designed to provide swift financial support in response to events such as natural disasters, sharp commodity price fluctuations, or external demand collapses. Similar to the RCF, the RFI features limited ex post conditionality, reflecting the urgent nature of the financing needs it addresses [8].

An illustrative example of the RFI's use is Ethiopia, which received emergency financing in 2020 to address sudden external financing gaps and support critical imports amid severe economic disruption. This assistance allowed the authorities to stabilize the external position while implementing short-term fiscal measures aimed at protecting vulnerable households and maintaining essential economic activity [8].

These emergency instruments play a crucial role in preventing short-term liquidity shortages from escalating into full-scale macroeconomic crises. By ensuring quick access to foreign exchange resources, the RFI and RCF help countries maintain essential imports, stabilize financial systems, and preserve critical public spending during periods of acute stress [8]. The importance of these instruments became especially evident during the COVID-19 pandemic, when the IMF rapidly scaled up emergency financing and temporarily increased access limits to support a record number of member countries [1].

Overall, concessional and emergency lending instruments represent a vital component of the IMF's modern lending toolkit. They complement traditional adjustment programs by providing targeted, timely, and affordable financial assistance, particularly for countries with limited fiscal space and heightened vulnerability to external shocks.

5. Precautionary lending and crisis prevention instruments

Following the global financial crisis of 2008–2009, the IMF significantly strengthened its crisis prevention toolkit. The introduction of precautionary instruments marked a shift toward proactive financial support aimed at enhancing market confidence.

The Flexible Credit Line (FCL) provides pre-approved access to large amounts of IMF resources for countries with very strong economic fundamentals and policy frameworks, without ex post conditionality. Countries such as Mexico and Colombia have used the FCL primarily as a confidence-building tool rather than drawing on the funds [3].

For countries with sound policies but some remaining vulnerabilities, the IMF introduced the Precautionary and Liquidity Line (PLL). In addition, the Short-term Liquidity Line (SLL) was created to address short-term external liquidity needs of countries with strong fundamentals [9]. Together, these instruments form the core of the IMF's modern crisis prevention framework. The main IMF lending instruments and their respective purposes are summarized in Table 3.

Table 3

Main IMF Lending Instruments and Their Purpose

Instrument	Purpose
Stand-By Arrangement (SBA)	Short-term balance-of-payments support
Extended Fund Facility (EFF)	Long-term structural adjustment
Poverty Reduction and Growth Trust (PRGT)	Concessional lending for low-income countries
Rapid Financing Instrument (RFI)	Emergency financing for urgent shocks
Flexible Credit Line (FCL)	Precautionary support for strong economies
Precautionary and Liquidity Line (PLL)	Crisis prevention with conditional access
Short-term Liquidity Line (SLL)	Short-term liquidity support

Compiled by the author using data from [6; 11].

Taken together, the precautionary lending instruments outlined above reflect a fundamental shift in the IMF's approach from reactive crisis management to proactive crisis prevention. By offering qualified member countries access to contingent financial resources before market pressures fully materialize, these instruments help reduce the likelihood of sudden capital outflows, exchange rate instability, and loss of investor confidence. Unlike traditional adjustment programs, precautionary facilities primarily serve as insurance mechanisms, strengthening credibility and signaling sound policy frameworks to international markets. As a result, the IMF's modern precautionary toolkit enhances the resilience of the global financial system by mitigating systemic risks and limiting the transmission of shocks across economies.

6. Recent developments and future directions (2020–2025)

The period from 2020 to 2025 represents one of the most transformative phases in the history of IMF lending instruments. The COVID-19 pandemic acted as a systemic stress test for the global financial architecture, compelling the IMF to deploy its full range of lending tools simultaneously. In response, the Fund combined large-scale emergency financing through the Rapid Financing Instrument and the Rapid Credit Facility with debt service relief initiatives and a historic allocation of Special Drawing Rights (SDRs), significantly enhancing global liquidity and supporting member countries facing acute external financing pressures [10].

Beyond immediate crisis response, this period prompted a comprehensive reassessment of the IMF's lending framework. Temporary increases in access limits, streamlined approval procedures, and greater flexibility in program design demonstrated the importance of speed and adaptability in the face of global shocks. These measures underscored a shift toward a more agile and responsive IMF, capable of addressing both global and country-specific vulnerabilities without undermining institutional safeguards [10].

Between 2023 and 2025, the IMF conducted a series of policy reviews aimed at strengthening the long-term sustainability and credibility of its lending instruments. These reviews focused on recalibrating access limits, refining surcharge policies, and updating operational guidance for both precautionary and concessional facilities. Particular attention was given to balancing adequate financial support with concerns related to moral hazard, debt sustainability, and equitable access to IMF resources [6].

At the same time, the scope of IMF lending has expanded in response to emerging global risks. Climate-related shocks, increasingly frequent and severe, have heightened balance-of-payments vulnerabilities, especially in small states and developing economies. In parallel, the rapid growth of digital finance and cross-border capital flows has introduced new channels of financial instability. Rising sovereign debt levels, exacerbated by consecutive global shocks, have further increased the demand for coordinated lending and debt restructuring frameworks. These developments require continuous adaptation of IMF lending instruments to ensure their relevance in a more complex and interconnected global economy [6].

Looking ahead, the IMF's future lending strategy is likely to place greater emphasis on integration between traditional financing instruments, precautionary tools, and global liquidity mechanisms such as SDRs. Strengthening cooperation with regional financial arrangements and development institutions is also expected to play a growing role. Overall, the period 2020–2025 highlights the IMF's evolving role not only as a crisis lender, but also as a key pillar of global financial resilience in an era of persistent uncertainty.

7. Conclusions

The evolution of IMF lending instruments from 1945 to 2025 reflects the Fund's continuous adaptation to changing global economic conditions. From a narrow set of post-war stabilization tools, the IMF has developed a comprehensive and flexible lending framework that addresses crisis response, crisis prevention, and long-term development needs.

Modern IMF lending instruments play a crucial role in maintaining global financial stability by providing timely liquidity, supporting structural reforms, and strengthening market confidence. Continued policy reviews and institutional reforms are essential to ensure that the IMF's lending toolkit remains effective, credible, and responsive to future global economic challenges.

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LE RÔLE DE LA POLITIQUE MONÉTAIRE EN PÉRIODE D'INFLATION ET L'APPROCHE INTERNATIONALE DE SA MISE EN ŒUVRE

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Mishchenko Yu., Bezvesilna N. T. Le rôle de la politique monétaire en période d'inflation et une approche internationale de sa mise en œuvre. Cet article examine le rôle de la politique monétaire en contexte d'inflation croissante et analyse les mécanismes de son influence sur la stabilité macroéconomique. Les principaux instruments de régulation monétaire sont étudiés, notamment les taux d'intérêt, les opérations d'open market et les coefficients de réserves obligatoires, ainsi que leur impact sur la dynamique de la masse monétaire, du crédit et du taux de change. Une attention particulière est portée à l'expérience internationale, y compris aux pratiques de la Banque centrale européenne et des pays ayant adopté un régime de ciblage de l'inflation.

Mots-clés : politique monétaire, inflation, banque centrale, taux d'intérêt, réglementation monétaire, opérations d'open market.

Міщенко Ю., Безвесільна Н. Т. Роль монетарної політики в умовах інфляції та міжнародний підхід до її реалізації. У статті досліджується роль монетарної політики в умовах зростання інфляції та аналізуються механізми її впливу на макроекономічну стабільність. Розглядаються основні інструменти грошово-кредитного регулювання, зокрема процентні ставки, операції на відкритому ринку та нормативи резервування, а також їхній вплив на динаміку грошової маси, кредитування та валютний курс. Особлива увага приділяється міжнародному досвіду, включаючи практики Європейського центрального банку та країн, що запровадили режим інфляційного таргетування.

Ключові слова: монетарна політика, інфляція, центральний банк, процентна ставка, грошово-кредитне регулювання, операції на відкритому ринку.

1. Introduction

Objectif de l'article c'est d'étudier le rôle de la politique monétaire en période d'inflation croissante, analyser les principaux instruments de sa mise en œuvre et résumer l'expérience internationale (en particulier celle de la BCE et des pays dotés d'un régime de ciblage de l'inflation) afin d'évaluer leur impact sur la stabilité macroéconomique.

L'objet de recherche de l'article donné ce sont les mécanismes et instruments de politique monétaire en période d'inflation, ainsi que leur mise en œuvre dans différents pays du monde.

L'actualité de cet article est dans le contexte contemporain de bouleversements économiques mondiaux provoqués par les guerres, les pandémies, les chocs énergétiques et les perturbations des chaînes d'approvisionnement, l'inflation constitue l'un des principaux défis pour les économies nationales. La politique monétaire est un outil essentiel pour maîtriser l'inflation et stabiliser le système financier. Étant donné que les pays adoptent des approches différentes – allant d'un ciblage strict de l'inflation à des stratégies de banque centrale plus flexibles –, l'analyse de l'efficacité de ces mécanismes est cruciale pour comprendre la dynamique macroéconomique contemporaine et formuler des recommandations en matière de politique monétaire optimale.

Dans les systèmes économiques modernes, la politique monétaire occupe une place centrale parmi les instruments de régulation étatique, car elle permet à la banque centrale de garantir la stabilité et la prévisibilité macroéconomiques. Face à des risques inflationnistes croissants, l'importance des décisions monétaires s'accroît considérablement, car ce sont elles qui déterminent

la dynamique de la masse monétaire, le comportement des marchés financiers et les anticipations des agents économiques.

L'efficacité de la politique monétaire dépend directement de la clarté des orientations stratégiques, de la transparence des décisions et de la capacité de la banque centrale à réagir rapidement aux facteurs internes et externes. Il est donc nécessaire d'analyser les avantages et les inconvénients de ces approches, ainsi que leur importance pour la formation d'anticipations d'inflation rationnelles et la garantie d'une stabilité économique à long terme. Les résultats obtenus offrent une vision globale du fonctionnement de la politique monétaire dans le contexte actuel et de son efficacité dans la maîtrise de l'inflation.

2. La politique monétaire et ses principaux instruments

La politique monétaire est un ensemble de mesures prises par l'État, représenté par la banque centrale, dans les secteurs monétaire, financier et du crédit, visant à atteindre certains objectifs stratégiques de développement économique du pays. La particularité de la politique monétaire est qu'elle doit toujours avoir un objectif général précis et mesurable. Actuellement, la plupart des banques centrales du monde utilisent le taux d'inflation comme indicateur de cet objectif.

L'expérience a démontré que le maintien d'une inflation modérée sur le long terme procure aux agents économiques un sentiment général de stabilité et de prévisibilité macroéconomiques, ce qui constitue un fondement solide pour un développement économique durable. L'ensemble classique des instruments de politique monétaire comprend les taux d'intérêt, les réserves obligatoires des banques et les opérations d'open market [1, p. 5].

Des taux d'intérêt plus élevés contribuent à freiner l'inflation. Toutefois, le crédit bancaire et le développement économique en général peuvent être menacés dans ce contexte. Des taux d'intérêt plus bas offrent la possibilité d'accélérer artificiellement l'inflation. Outre l'inflation, le taux d'escompte influe sur le taux de change. Toutes choses égales par ailleurs, plus le taux d'intérêt est bas dans un pays, moins sa monnaie nationale est soutenue.

Cette relation fonctionne particulièrement bien dans un contexte de libre circulation des capitaux. Les opérations d'open market consistent pour une banque centrale à acheter et vendre des titres (généralement des obligations d'État) sur le marché libre. Les banques centrales utilisent les opérations d'open market comme principal outil de politique monétaire.

L'objectif principal est de contrôler les taux d'intérêt à court terme et la taille de la base monétaire afin d'influer sur la masse monétaire. Le taux d'intérêt cible est atteint par l'achat ou la vente de titres d'État ou d'autres instruments financiers. Lors d'opérations d'open market, on utilise le ciblage d'indicateurs financiers tels que l'inflation, les taux d'intérêt et les taux de change [2].

2.1. Expérience internationale

La Banque centrale européenne (BCE) utilise les principes suivants pour évaluer sa stratégie de politique monétaire dans sa pratique quotidienne :

- premièrement, l'efficacité – la stratégie doit garantir la réalisation effective des objectifs ultimes de la politique monétaire ;
- deuxièmement, la responsabilité : la stratégie devrait inclure la formulation et l'annonce d'objectifs intermédiaires, ce qui garantira une plus grande responsabilité de la banque centrale envers la société ;
- troisièmement, la transparence : le processus de fixation des objectifs et de prise de décisions fondé sur la stratégie doit être compréhensible par le public ;
- quatrièmement, l'orientation à moyen terme : la stratégie doit permettre d'atteindre l'objectif ultime à moyen terme, fournissant ainsi une base pour la formation d'anticipations d'inflation rationnelles, tout en laissant une certaine marge de manœuvre pour réagir aux écarts à court terme par rapport à la référence.

Dans les pays en transition, le ciblage monétaire était quasiment inexistant jusqu'au milieu des années 1980, et dans les années 1990, seulement 10 % environ de ces pays annonçaient des objectifs de masse monétaire. La moindre utilisation du ciblage monétaire par rapport au ciblage des taux de change dans les pays en développement s'explique par le fait que, dans ces pays, les taux de change sont plus étroitement corrélés aux objectifs ultimes de la politique monétaire que les agrégats monétaires.

Le niveau des prix dans les pays en développement dépend largement des fluctuations des taux de change, tandis que l'instabilité de la vitesse de circulation de la monnaie dans ces pays engendre une relation incertaine entre la masse monétaire et les indicateurs macroéconomiques. Aujourd'hui, de nombreux pays appliquent avec succès des politiques de ciblage de l'inflation. Parmi eux figurent la Nouvelle-Zélande, le Royaume-Uni, le Canada, l'Espagne, l'Australie, la Finlande, la Suède, l'Israël et le Chili. La République tchèque a été le premier pays en transition à adopter le ciblage de l'inflation. La Pologne, la Hongrie, la Slovaquie, la Slovénie et les pays baltes suivent également cette voie [3].

Compte tenu des facteurs susmentionnés, la politique monétaire présente plusieurs avantages importants. Premièrement, son indépendance permet à la banque centrale de réagir rapidement aux chocs externes et internes, garantissant ainsi la stabilité économique globale.

Deuxièmement, son mécanisme ne repose pas uniquement sur un lien rigide entre la masse monétaire et le niveau des prix, ce qui rend l'approche plus flexible et adaptable à l'évolution de la conjoncture économique.

Troisièmement, une politique monétaire indépendante renforce la confiance dans la banque centrale, car elle démontre sa capacité à prendre des décisions professionnelles et impartiales. De

plus, des objectifs de politique clairement formulés et compréhensibles la rendent transparente et accessible à la population.

Cependant, cette approche présente aussi des inconvénients. En particulier, une trop grande latitude d'action de la banque centrale peut engendrer un risque de décisions arbitraires ou imprévisibles ayant des répercussions sur l'économie. De plus, l'adoption de mesures monétaires restrictives peut provoquer une instabilité de la production, car la hausse des taux ou la restriction des liquidités ont souvent pour effet de réduire l'activité économique. Un autre problème réside dans le risque de ralentissement de la croissance économique, qui peut être un effet secondaire de la mise en œuvre de politiques visant à contenir l'inflation.

3. Conclusions

La politique monétaire, mécanisme fondamental de régulation de l'économie, joue un rôle déterminant dans la maîtrise de l'inflation et la stabilité des prix. Le recours aux taux d'intérêt, aux opérations d'open market et aux réserves obligatoires permet à la banque centrale d'influer sur les flux monétaires, l'activité de crédit et le taux de change.

Toutefois, le succès d'une telle politique dépend de plusieurs facteurs: l'indépendance de l'autorité de régulation, la stabilité du système financier, la transparence de la communication et la cohérence avec les autres axes de la politique économique. Malgré les lacunes et les risques existants, une politique monétaire menée avec compétence crée les conditions propices à la réduction des pressions inflationnistes, au renforcement de la confiance dans la monnaie nationale et à une croissance économique durable.

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DEMOGRAPHIC TRENDS IN THE MODERN WORLD

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Mitin T. M., Karpusenko M. V. Demographic trends in the modern world. The article reveals the concept of demography, its historical significance for humanity and its close relationship with the economy of any country in the world. Special attention is paid to modern trends that have greatly influenced the total population in the world, the economic strategies of various countries, the environmental factor, political decisions, etc. Demography, unlike other processes, affects all economic processes in any country in the world, as it concerns the number of people, their gender and age, the rate of population growth or decline, and all migration processes. It is from people that such basic economic indicators as: GDP, demand, supply, the country's budget, the percentage of the working-age population, exports, imports, etc. The main trend during the 20th century has traditionally been an extremely rapid increase in population due to much lower mortality and longer life expectancy than ever before, but in the 21st century this trend has changed to the opposite, due to an even more sharp decline in birth rates and led to an aging population. This emphasizes the importance of in-depth research into all demographic factors and finding effective ways to avoid the demographic crisis.

Keywords: demography, humanity, overpopulation, extinction, population aging, current trends.

Мітін Т. М., Карпусенко М. В. Демографічні тенденції у сучасному світі. Стаття розкриває поняття демографії, її історичного значення для людства та тісного взаємозв'язку з економікою будь-якої країни світу. Особлива увага приділена сучасним тенденціям, які дуже сильно вплинули на загальну кількість населення у світі, економічним стратегіям різноманітних країн, екологічному чиннику, політичним рішенням тощо. Демографія, на відміну від інших процесів, впливає на всі економічні процеси у будь-якій країні світу, оскільки торкається теми кількості людей, їх статті та віку, швидкості приросту або убавання населення, усім міграційним процесам. Саме від людей походять такі основні економічні показники як: ВВП, попит, пропозиція, бюджет країни, відсоток працездатного населення, експорт, імпорт тощо. Основною тенденцією протягом 20 століття традиційно було надзвичайно швидке збільшення населення через набагато нижчу смертність та більшу тривалість життя, ніж коли-небудь раніше, проте у 21 столітті ця тенденція змінилась на протилежну, через ще більше різке зниження народжуваності та призвела до старіння населення. Це підкреслює важливість поглибленого дослідження усіх демографічних чинників та пошуку ефективних шляхів уникнення демографічної кризи.

Ключові слова: демографія, людство, перенаселення, вимирання, старіння населення, сучасні тенденції.

1. Introduction

At the turn of the 19th and 20th centuries, due to the development of humanity: its technologies, logistics and medicine, social structure, infant mortality began to decline sharply, and life expectancy gradually increased, which led to a new speed for history, an increase in population. This process lasted for decades and led to an increase from 1.5 billion to over 8 billion people [7; 6] in the 21st century. This may give a misleading impression of overpopulation. However, in the future, primarily in the most developed countries, the birth rate began to fall even more sharply, which is already leading to a decrease in the population in Europe and its aging, which indicates the high *relevance* of this problem. Since the *object* of this topic is people, and the *subject* of demographic research in different periods, the *aim* of this article is to analyze demographic processes from the time of modernization to the present day, to isolate individual factors, and to compare individual countries. The *tasks* will be to reach specific conclusions after mastering all historical facts about demographic changes using official population statistics and derived indicators, as well as economic indicators, and then to develop certain steps to improve the main

demographic countries for sustainable development and avoiding many of the problems that are currently threatened by modern demographic trends, especially in Europe and East Asia.

2. Demographic trends in the modern world: history, deceit, threats, attempted solutions

2.1. Historical prerequisites of the current demographic situation

Since the end of the 19th century, in the most developed countries of the world, due to the process of accelerated modernization of society, which involves the development of technology, logistics and medicine, the standard of living of people began to grow rapidly, which led to a decrease in infant mortality and an increase in average life expectancy. Also, important factors were the development of the system, the improvement of human rights, sustainable economic development, a relatively small number of wars due to the dominance of colonial empires. All this also made it possible to democratize society and reduce infant mortality.

As mortality began to decline rapidly to 250 per 1000 newborns in 1850, and later to 37 in 2025 (in the most developed countries the figure is below 5 deaths per 1000) [1; 2] the number of people began to increase rapidly, as the birth rate fell very moderately.

As indicated in the sources, the population began to grow geometrically since 1700. The reason for this process was a very moderate decrease in the birth rate for that period. Approximately from 7 to 6 children per 1 woman in the period from the Middle Ages to the beginning of the 20th century [3]. And, as is known, the increase in the number of people due to higher birth rates causes an even faster rate of population growth in the next generation, since there are more potential parents, that is, we are faced with a classic geometric progression. Thus, humanity as a whole has entered a unique period when the birth rate greatly exceeds mortality. This has never happened in history, for thousands of years the total population grew very slowly, and sometimes decreased due to epidemics, the lack of medicine and security institutions such as the police.

This process of the fastest population growth is described by the first stage of demographic transitions, in the second transition mortality - due to the implementation and improvement of all components of human development - drops almost to zero. Also, thanks to technology, people are able not to survive, but to live, namely to have easier and safer work, better housing, and the latest medicines. Because of this, the average life expectancy began to gradually increase: from 35 years to 50-60 years [4], as a result of which the population began to age. The increase in life expectancy also affected the population. In turn, the birth rate began to decline moderately, and, due to the fact that mortality is close to zero and almost does not decrease, the difference between birth and death rates begins to decrease, which reduces population growth in percentage terms. It is worth noting

that in absolute terms, growth can accelerate. For example, if in a particular period the population increases from 2 billion to 4, and then from 4 to 7 for the same periods, then the absolute number increased by 3 billion in the 2nd period instead of 2 billion in the 1st, but in percentage terms it will be only 75%, not 100%.

In the third stage, these processes continue, and mortality begins to increase due to the aging population. And the main trend is a sharp decrease in the birth rate. The coefficient of reduction from approximately 4-6 children per 1 woman to 2.1, which is the reproduction rate. This number is higher due to, although low, mortality at a young age. The population still continues to grow due to a longer life expectancy (about 70 years), but as a percentage this is a small increase. As of 2025, the world has passed this stage on average (currently the average birth rate is 2.3).

The main consequences of the decline in the birth rate are a fundamentally different way of life: urbanization, which implies smaller areas (a small apartment instead of a large plot); less need for children to work (previously, children from a young age were needed in the household and were a necessary support, but now children are an economic burden until about 20 years old); culture of people (a completely different vision of society in the need for children), and the cultural factor has a chain effect, when some people have a certain number of children, others take this indicator as a basis; education (the more a person studies, the more he takes a career as his goal, and not creating a family with children, and creating a family is postponed until a later date), as well as educated people are more prone to inflation due to creating a family, less educated, in turn, make this decision more easily; information component (people spend more time in social networks and other information environments, which takes time and reduces the importance of children).

The fourth stage of the demographic transition is marked by the fact that mortality and fertility rates become equal and the population stops growing due to the continuation of the trends indicated in stage 3. Life expectancy increases to 75-80 years, but this is not enough to increase the population, since at this age there is no childbearing and the increase in the duration of the population does not increase the total number at once. In general, mortality and fertility rates begin to stabilize. This stage is characteristic of the most developed countries. Less developed countries are at stages 2 and 3.

The fifth stage is the continuation of these trends in the future, it is highly likely that mortality will reach a minimum in all countries and will plateau, and it is much more difficult to make predictions about fertility. Other things being equal, fertility will be stably low at the level of 1 to 2 children per woman. There will be stable depopulation and population aging will stop at the level of 50-60 years on average. An example of such a phenomenon is Japan, which has been gradually decreasing in population since the end of the 2000s.

Despite this, the average population is still growing by 70 million people per year and exceeds 8 billion, which may give the misleading impression that humanity is threatened by overpopulation, but this is not so. As of 2025, the population growth rate is 0.9%, in the 60s it exceeded 2% [7; 6], which indicates a slowdown in population growth. And the trend towards a complete halt in population growth and the beginning of depopulation. A vivid example is China, which after constant growth suffered the consequences of the "one family - one child" policy and now even the simplification of this policy cannot correct the situation and the country for the first time began to decrease in population. Other countries are also constantly facing this phenomenon.

2.2. Consequences of the demographic crisis

The consequences of all these processes are very significant and already affect the course of events today and will affect even more in the future. If we are talking about economic consequences, then this is a slowdown in the growth of the labor force, which creates supply and demand, which is less than it could be, if there were more people. That is, it can be argued that global GDP as a result of modern demographic trends has become less than it could be. Also, as a result of all demographic transitions, the population structure has shifted very much towards aging, so both in terms of preferences and, accordingly, demand will shift towards the preferences of the older generation, and more significant is the decrease in the working-age population expressed as a percentage and the increase in the burden in the form of people of retirement age. This is the main economic challenge.

It is worth noting that many countries with the lowest demographic indicators have already begun to deal with this problem mainly by raising the retirement age: from approximately 60 to 65-70 (depending on the country) in the EU countries and beyond, which increases the number of people of working age and reduces social expenses for retirement [5]. Theoretically, this can be effective due to improved living conditions and medicine. Also, the development of technologies, in particular artificial intelligence, can "free the hands" of humanity. But on the other hand, modern instability, wars, tariff restrictions, epidemics such as Covid-19, etc. deepen the demographic problem and economic consequences.

As noted above, all countries are in somewhat different demographic conditions due to cultural, economic, political, historical, infrastructural and geographical factors. If South Korea has an indicator of 0.72 children per woman as of 2023, European countries from 1 to 2 children per woman, in Central and South Asia the coefficient ranges from 1.5 to 5 children per woman, and some African countries (Niger, Chad, Congo, Somalia) reach 6 children per woman [3]. This is due to being at different stages of demographic transition. All this creates a huge imbalance in the proportions of the population of countries. If in all continents the world population is

decreasing, then in Asia the population remains approximately the same, and in Africa it is increasing significantly.

Due to the development of logistics (cars, airplanes, ships, etc.), infrastructure and economic opportunities, deepening globalization, improving relations between countries, the migration process has become easier than ever before in history. As a result of this phenomenon, many people from poor countries migrate to more prosperous countries. For example, from Africa and the Middle East to America and Europe, which has become a mass phenomenon in recent decades, due to similar languages of communication, this process is somewhat easier. For example, in Africa there was previously colonial rule and English, French, Italian, German and other languages from Europe became widespread, so it is easier and more attractive for Africans to adapt to life in European countries and North American countries with these languages. They also migrate to wealthier Arab countries (for example, Saudi Arabia) or to North Africa (Egypt, etc.).

This process causes the following problem: the wealthy countries become even wealthier, and the poor become poorer due to the increase in the population in wealthy countries due to migration.

But the main problem of this phenomenon is the failure of the policy of multiculturalism. For example, in Europe, for the most part, migrants did not want to accept the traditional way of life of the countries that accept these migrants, but began to follow a different path: not going to work or living on government benefits, which is a frequent case. There are also cases of crime, which is much more common in percentage terms than among local residents. Often, migrants create their own enclaves and live separately, which creates a huge number of challenges, both economic and political, and since the population of Africa and Asia has not yet passed the 3 stages of demographic transition, and the population of Europe is decreasing, this threatens to create an imbalance and disrupt the cultural traditions of Europe and its social structure.

3. Conclusions

In general, the modern demographic crisis is one of the most important in history, since even world wars did not have such an impact on the number of people in the world. However, this trend was inevitable, since the area of the planet and its infrastructure to meet all the necessary needs of humanity are finite. However, there are several challenges ahead, which can be overcome to avoid many crises and maintain the process of sustainable development. For this, countries with a fertility rate below 2.1 should pursue a policy of increasing this rate through both economic incentives, such as payments to newborns, and cultural changes from the childfree trend to the trend that involves the formation of families with children. To do this, a strategy should be created that can include both social advertising and tax reductions for families with children. There should also be

a more reasonable migration process that involves the adoption of the culture of the host country and the absence of state subsidies after the migrant's adaptation period. There should also be state benefits for the purchase of housing, which is also an important factor in forming a family. There should also be more decisive steps to confront regimes that start and support wars, which also negatively affects demography and stability in the world. Only a set of actions can solve the global problem of depopulation and move between overpopulation and depopulation along with population aging.

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LE RÔLE DES ÉTATS-UNIS DANS LA FORMATION ET LE DÉVELOPPEMENT DE L'INTÉGRATION RÉGIONALE DES PAYS D'ASIE ORIENTALE DANS LA SECONDE MOITIÉ DU XX^e SIÈCLE ET LE DÉBUT DU XXI^e SIÈCLE

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Momot A. G., Bezvesilna N. T. Le rôle des États-Unis dans la formation et le développement de l'intégration régionale des pays d'Asie orientale dans la seconde moitié du XX^e siècle et le début du XXI^e siècle. Cet article examine le rôle de la politique américaine dans la formation et le développement de l'intégration régionale des pays d'Asie orientale du milieu du XX^e siècle au début du XXI^e siècle. Les principales étapes de l'influence américaine sur les processus politiques, économiques et sécuritaires de la région sont analysées. Une attention particulière est portée à la stratégie américaine « en étoile » et au soutien apporté aux réformes économiques et aux transformations démocratiques au Japon, en République de Corée et à Taïwan.

Mots-clés : États-Unis d'Amérique, Asie de l'Est, intégration régionale, sécurité, politique économique, démocratie, RPC.

Момот А. Г., Безвесільна Н.Т. Роль США у становленні та розвитку регіональної інтеграції країн Східної Азії у другій половині XX – на початку XXI століття. У статті досліджено роль політики Сполучених Штатів у становленні та розвитку регіональної інтеграції країн Східної Азії із середини XX – до початку XXI століття. Проаналізовано основні етапи впливу США на політичні, економічні та безпекові процеси регіону. Особливу увагу приділено американській стратегії «Hub-and-Spoke», підтримці економічних реформ та демократичних перетворень у Японії, Республіці Корея і Тайвані.

Ключові слова: Сполучені Штати Америки, Східна Азія, регіональна інтеграція, безпека, економічна політика, демократія, КНР.

1. Introduction

Au cours de la seconde moitié du XX^e siècle et au début du XXI^e siècle, l'Asie orientale est devenue un centre névralgique de l'ordre et du développement mondiaux. La croissance économique du Japon, de la Corée du Sud et de Taïwan, ainsi que le renforcement significatif de la République Populaire de Chine, se sont accompagnés de transformations profondes dans les domaines de la sécurité, de l'économie, de la politique et de l'intégration régionale et mondiale. Dans ce contexte, le rôle de la politique américaine, qui a influencé la mise en place de l'architecture de sécurité d'après-guerre, la coopération économique et les transformations politiques des États d'Asie orientale, revêt une *actualité particulière*.

L'étude porte sur l'influence de la politique américaine sur les processus d'intégration régionale en Asie de l'Est. *Son objet* est l'intégration régionale des pays d'Asie de l'Est.

Pour analyser cet impact, il est important de considérer plusieurs aspects clés. Il s'agit tout d'abord de la formation du système de sécurité dans la période d'après-guerre et de la politique d'endiguement du communisme.

La stratégie américaine dite «en étoile» définit la nature future des relations bilatérales des États-Unis avec les pays d'Asie de l'Est, notamment sur les plans économique et politique. Enfin, il est important d'évaluer l'impact de la confrontation sino-américaine sur l'intégration régionale contemporaine. Ce sont ces aspects qui justifient la pertinence de cette étude.

L'objectif étant de réaliser une analyse approfondie du rôle des États-Unis dans la formation et le développement de l'intégration régionale des pays d'Asie de l'Est, les tâches suivantes ont été définies :

1. décrire la formation du système de sécurité d'après-guerre;
2. analyser la stratégie du «hub and spoke»;
3. décrire le rôle des États-Unis dans les transformations démocratiques du Japon, de la Corée du Sud et de Taïwan;
4. évaluer les défis actuels de l'intégration dans le contexte de la compétition entre les États-Unis et la République populaire de Chine.

2. Partie principale

2.1. La formation du système de sécurité est-asiatique et la stratégie en étoile

Depuis le milieu du XXe siècle, la politique américaine a joué un rôle majeur dans l'établissement et le développement de l'intégration régionale en Asie de l'Est. Selon le contexte géopolitique, l'influence des États-Unis a soit accéléré les processus d'intégration, soit exacerbé certaines tensions entre les pays d'Asie de l'Est.

Après la fin de la Seconde Guerre mondiale, les principaux objectifs du gouvernement américain étaient d'empêcher la reprise des politiques expansionnistes du Japon et de contenir la propagation des idées communistes plus à l'est.

Pour régler les relations d'après-guerre avec le Japon, le traité de paix de San Francisco et le traité de sécurité furent signés, limitant de fait la souveraineté du pays. Afin d'empêcher la propagation du communisme, un système de coopération en étoile fut mis en place, avec la conclusion d'accords bilatéraux avec le Japon (1951), la Corée du Sud (1953) et Taïwan (1954) [3].

Une autre « méthode » de lutte contre le communisme fut la guerre de Corée (1950-1953). Les États-Unis cherchaient ainsi à préserver un territoire de l'influence chinoise et soviétique. Deux États furent alors créés: la RPDC (aux côtés de l'URSS) et la République de Corée (aux côtés des États-Unis).

Au fil du temps, les États partenaires des États-Unis en Asie de l'Est ont commencé, par le biais d'accords bilatéraux et multilatéraux, à établir des liens étroits entre eux afin d'assurer une sécurité accrue et de contrer la propagation de l'influence chinoise.

2.2. L'influence économique des États-Unis sur les processus d'intégration en Asie de l'Est

Ce sont les États-Unis qui ont jeté les bases du développement des relations commerciales et économiques, d'abord régionales puis mondiales, entre les pays d'Asie de l'Est, et ils continuent de jouer un rôle clé dans ce domaine jusqu'à aujourd'hui.

Dès le début de la coopération, le gouvernement américain a impliqué les dirigeants des États d'Asie de l'Est dans un modèle économique libéral et des politiques d'ouverture des marchés. Ainsi, les États-Unis ont commencé à exiger l'ouverture des marchés intérieurs de leurs partenaires, en contrepartie des leurs. Même dans la stratégie américaine de 1991, l'instauration d'une économie de marché figurait parmi les principales priorités [1, p. 21].

Mais, après la révolution scientifique et technologique et l'émergence des « Tigres asiatiques », le déficit commercial entre les États-Unis et les pays d'Asie de l'Est s'est creusé rapidement et régulièrement, en faveur de ces derniers. Naturellement, ce déficit ne convenait pas aux dirigeants américains, qui ont donc conclu de nouveaux accords économiques entre les deux pays [2, p. 71].

En 1997, la crise financière et économique asiatique a éclaté. Le gouvernement américain s'en est trouvé extrêmement préoccupé, car la croissance de l'économie américaine au cours des dix dernières années reposait à près de 30 % sur les exportations vers les pays d'Asie de l'Est. Par conséquent, les États-Unis ont activement apporté leur aide par le biais du Fonds monétaire international et ont davantage ouvert leur marché intérieur aux produits est-asiatiques.

En conséquence, en 1998, les gouvernements des États-Unis et du Japon ont lancé une initiative multilatérale commune, l'Initiative pour la croissance asiatique, afin de surmonter les conséquences de la crise. La Banque mondiale et la Banque asiatique de développement ont également participé à ce processus. Parallèlement, l'administration du président américain de l'époque, Bill Clinton, a entrepris d'établir des relations commerciales et économiques avec la République populaire de Chine. La signature d'un accord sur la normalisation des relations entre les deux États à la fin des années 1990 a ainsi favorisé l'adhésion de la Chine à l'Organisation mondiale du commerce en 2001 [1, p. 32].

Le gouvernement américain espérait initialement que l'adhésion à l'organisation qui établit les règles du commerce international inciterait la Chine à entreprendre des réformes fondamentales dans ce domaine. Mais le Parti communiste a profité de ces nouvelles opportunités et de sa croissance économique rapide pour consolider davantage son pouvoir intérieur et son influence régionale [3].

Il convient également de mentionner le Partenariat transpacifique (TPP), qui soutient depuis longtemps les processus d'intégration économique en Asie de l'Est. Le retrait des États-Unis de cet accord, sous la présidence de Donald Trump en 2017, a d'abord suscité l'inquiétude des États d'Asie de l'Est, compte tenu de son importance stratégique pour eux. Cependant, le président américain a par la suite signé de nouveaux accords et assuré les gouvernements des pays concernés de son soutien [1, p. 48].

2.3. Influence politique des États-Unis et transformations démocratiques dans la région

Un autre aspect de ce sujet concerne l'introduction des valeurs démocratiques et le développement des régimes politiques dans les pays d'Asie de l'Est, sous l'influence des États-Unis. Dès le début des relations diplomatiques, les dirigeants américains ont activement promu la diffusion et l'instauration de la démocratie, notamment après les événements de la Seconde Guerre mondiale et la menace de l'influence communiste.

Le Japon, la République de Corée et Taïwan en sont des exemples marquants. Malgré la consolidation des régimes autoritaires en Chine et en Corée du Nord, ces pays ont démontré la capacité à instaurer un système démocratique et sont aujourd'hui considérés comme des modèles, tant au niveau régional que mondial.

Par exemple, après sa défaite lors de la Seconde Guerre mondiale, le Japon est passé d'une monarchie impériale à une démocratie. La Corée du Sud a connu des débuts difficiles après la fin de la guerre dans la péninsule coréenne.

Pourtant, après des décennies de dictature et de coups d'État militaires, le pays s'est engagé sur la voie de la démocratie dans les années 1980. Quant à Taïwan, sa dictature à parti unique a pris fin dans les années 1990, lorsque les premières élections multipartites ont eu lieu [3].

La situation à Taïwan est intéressante. Parallèlement à l'établissement de relations diplomatiques avec la République populaire de Chine (Chine continentale) en 1979, les États-Unis ont été contraints de rompre celles avec la République de Chine (Taïwan). Le gouvernement américain a alors adopté une loi complémentaire sur les relations avec Taïwan (la loi sur les relations avec Taïwan), qui encadre de facto, et non officiellement, les relations officielles entre les États-Unis et Taipei. Cette loi stipule que les États-Unis maintiendront les liens précédemment établis avec Taïwan et confirme l'existence d'obligations envers ce pays. Il convient toutefois de noter que le document précise que toute tentative visant à déterminer l'avenir de Taïwan par des moyens non pacifiques suscitera de vives inquiétudes aux États-Unis. Cependant, rien ne garantit clairement que les États-Unis interviendront militairement pour défendre directement Taïwan [3].

3. Conclusions

Le rôle des États-Unis est donc primordial dans le processus d'intégration régionale en Asie de l'Est. D'une part, ils ont contribué à la croissance économique des pays d'Asie de l'Est, hissant la région au rang de puissance mondiale ; d'autre part, ils ont renforcé la sécurité de leurs partenaires. Aujourd'hui encore, les États-Unis demeurent leur principal garant de sécurité, même si, d'autre part, cela limite leur souveraineté sur certains points. Les principaux défis à venir demeurent : l'influence toujours croissante de la RPC et sa concurrence avec les États-Unis, et par conséquent

les difficultés à approfondir l'intégration ; le problème de la sécurité et des revendications territoriales, par exemple entre la Corée du Sud et la Corée du Nord, la Chine et Taïwan.

Par conséquent, à l'avenir, l'intégration régionale des pays d'Asie de l'Est dépendra de la capacité, principalement des dirigeants américains, à trouver un équilibre entre coopération et compétition.

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PROSPECTS FOR ATTRACTING CHINESE INVESTMENT IN UKRAINE'S ECONOMIC RECOVERY

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Momot A. H., Meleshchenko O. O. Prospects for attracting Chinese investment in Ukraine's economic recovery. The article examines the role of the People's Republic of China in contemporary global investment flows and analyzes the current state of Ukrainian–Chinese investment cooperation. On this basis, key risks and barriers to Chinese investment capital in Ukraine are identified, and priority areas for attracting Chinese investment to Ukraine's post-war recovery are determined. Furthermore, the analysis indicates that the implementation of the investment potential requires a comprehensive renewal of state policy and institutional reforms.

Keywords: investment capital, investment potential, post-war recovery, risks and barriers, the People's Republic of China, Ukrainian–Chinese investment cooperation.

Момот А. Г., Мелещенко О. О. Перспективи залучення китайських інвестицій у відновлення економіки України. Стаття описує роль Китайської Народної Республіки у сучасний світових інвестиційних потоках та аналізує поточний стан українсько-китайського інвестиційного співробітництва. З огляду на це, виокремлено ключові ризики та бар'єри для китайського інвестиційного капіталу в Україні та визначено перспективні напрями його залучення у післявоєнне відновлення української економіки. Крім того, аналіз свідчить, що реалізація інвестиційного потенціалу потребує комплексного оновлення державної політики та інституційних реформ.

Ключові слова: інвестиційний капітал, інвестиційний потенціал, Китайська Народна Республіка, післявоєнне відновлення, ризики та бар'єри, українсько-китайське інвестиційно співробітництво.

1. Introduction

According to the *World Investment Reports* [8] published by the United Nations Conference on Trade and Development (UNCTAD), the People's Republic of China (PRC) has moved beyond the Asia-Pacific region to become a global player, consistently ranking among the world's largest capital exporters. Despite the global expansion of Chinese capital, China's investment presence in Ukraine remains critically low. This is particularly striking given Ukraine's growing need for foreign investment for post-war recovery and the existing imbalance in bilateral economic relations: while China is Ukraine's largest trading partner, its share of foreign direct investment (FDI) in Ukraine is negligible, accounting for less than 1%. This disparity highlights the substantial unrealized potential in the investment sphere and underscores the need to identify mechanisms for activating it [1, p. 5].

An analysis of scientific publications by Ukrainian scholars, including D. Horiunov, B. Prokhorov and H. Sakhno [1], O. Drobotiuk [2], S. Zakharin [3], V. Povoroznyk, and V. Perebyinis [4], shows that most studies focus on general economic cooperation and trade-related aspects, while investment issues are addressed only marginally. Moreover, a significant share of this research was published prior to Russia's full-scale invasion of Ukraine, which limits its current relevance due to the lack of consideration of contemporary geopolitical, economic, and security challenges. Consequently, the prospects for attracting Chinese investment capital for the recovery of Ukraine's economy remain insufficiently explored, which substantiates the *relevance* of the present study.

The **object** of the study is the processes of international movement of foreign direct investment and the interaction between Ukraine and China within the system of global economic and investment links. The **subject** of this article is the set of economic relations, priority areas, and global factors determining the prospects for attracting Chinese FDI into Ukraine's economy.

The **aim** of the study is to analyze and evaluate the current state, risks, and prospects of attracting Chinese investment capital for the recovery and further sustainable development of Ukraine's economy in the post-war period.

To fulfill this aim, the following **tasks** have been specified:

1. to examine the role of China in global investment flows;
2. to analyze Ukrainian-Chinese investment cooperation;
3. to identify potential key risks and barriers to Chinese investment;
4. to determine priority areas for attracting Chinese investment in the recovery of the Ukrainian economy.

The implementation of these tasks requires consistent analysis, ranging from the global level to a specific bilateral context. With this in mind, the first step is to assess China's place in the field of international investment to understand its potential impact on the Ukrainian economy.

2. Chinese FDI in Ukraine: possibility, risks, and prospects for the recovery of Ukraine's economy

2.1. China's place in global investment processes

The Chinese government utilizes foreign investment as a key tool for its economic and political influence on the global stage. According to the CEIC Data analytical database, Chinese FDI flows over the past decade, while being sensitive to geopolitical factors, show a recovery in growth after the COVID-19 pandemic [6]. This indicates the China's desire to continue strengthening its global positions (see Table 1).

Table 1

Dynamics of China's outward FDI flows and their share in global FDI flows in 2014–2024 (USD million). Composed by the author based on materials from: Foreign direct investment: Inward and outward flows and stock, annual. UNCTAD [7].

Year	PRC, USD million	PRC's share of the world volume, %	US share of the global volume, %
2014	123 120	8,2	22,2
2015	145 667	7,8	14,2
2016	196 149	12,7	18,4
2017	158 288	9,1	18,9
2018	143 037	13,4	-14,8
2019	136 908	10,3	2,6
2020	153 710	23,7	34,6
2021	178 819	9,3	12,6
2022	163 120	10,4	19,3
2023	173 289	11,4	23,2
2024	162 780	10,1	16,6

Such expansion has its own political and economic motives, and the Belt and Road Initiative (BRI) serves as the primary program for their implementation, which is a global strategy that covers over 140 countries [4, p. 4].

China's foreign policy follows from its domestic needs; the program of the BRI is intended not only to solve internal political challenges, but also to potentially reshape the global trade order, creating a new economic alliance from China to Central Europe [4, pp. 6–7].

This global strategic architecture creates the basis for economic interaction in the investment sphere of the PRC with countries around the world. Therefore, there is a need to consider what prospects these large-scale opportunities and ambitions have in Ukraine-China investment cooperation.

2.2. Bilateral relations between Ukraine and China in the investment sphere

Chinese investors are primarily interested in the following sectors of the Ukrainian economy: agriculture, transport, industry, trade, and innovation-driven scientific and technical fields, including energy efficiency, aircraft manufacturing, and shipbuilding [3, pp. 29–30; 5].

At first glance, the dynamics of China's investment inflows into Ukraine's economy appear highly positive (see Figure 1). However, throughout the history of Ukrainian–Chinese investment cooperation, certain points of tension and even conflicts have emerged, some of which have resulted in litigation.

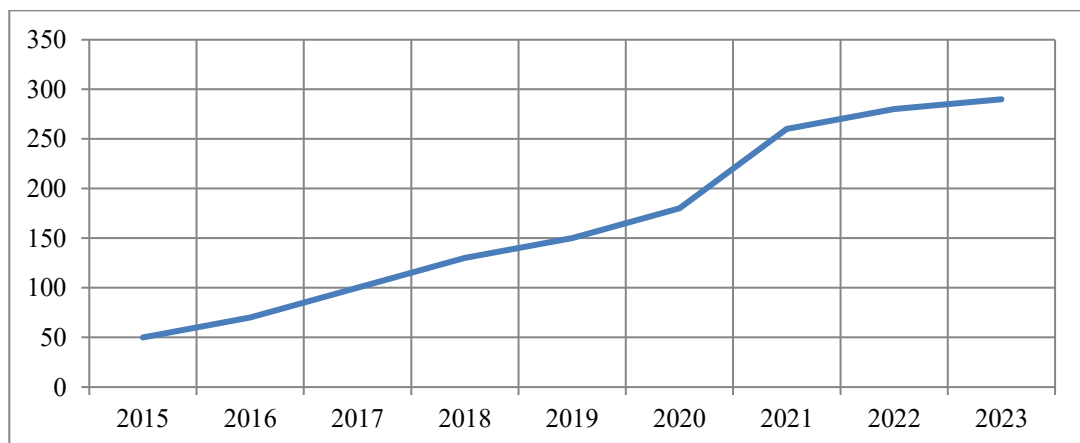


Figure 1. Dynamics of FDI inflows from the PRC to Ukraine in 2015–2023 (USD million).
Composed by the author based on materials from: *Chinese economic footprint in Ukraine* (FDI overview by country). Promote Ukraine [1].

A prominent example is the *Motor Sich* case involving the Chinese company Skyrizon, which concerns the arrest of shares previously acquired by Chinese investors and a court ruling in favor of the Ukrainian side. As a result, the Chinese investors initiated legal proceedings. This case remains ongoing, and the parties have not yet reached a settlement [1, p. 59].

The largest Chinese companies operating in Ukraine include COFCO (agriculture), Watsons (retail), CNBM, Tianjin, and Risen Energy (energy), CCEC (construction), World Fiber / Ocean Blue (recycling), and Xinwei (IT and telecommunications). By contrast, Ukrainian representative offices in China include Ukrspecexport (defense industry), Motor Sich (aviation), Creative Group (agriculture), Corum Group (heavy machinery), and FED (engineering) [1, p. 13].

With regard to Ukraine's participation in the Belt and Road Initiative (BRI), recent years have witnessed a certain intensification of cooperation, including the completion of dredging works at the Pivdennyi Port (2018), the development of a high-speed multimodal China–Ukraine–EU highway project (2019), and the construction of the East–West Gate terminal (2021) [1, pp. 35–36].

These developments represent intermediate milestones, as Ukraine's geographic and geopolitical position enables it to become a key transit hub between Asia and Europe.

2.3. Key risks and barriers for Chinese investment capital in Ukraine

Despite the fact that the war continues, discussions regarding the country's reconstruction among government and business circles have already begun.

For Chinese investors, taking into account the general indicators and situation, as well as the experience and results of previous cooperation, the following risks and barriers to Chinese investment capital can be identified:

- Military and security risks;
- Corruption and low level of transparency;
- Legislative imperfections;
- Weakness of the judicial system;
- Geopolitical risks (escalating tensions between China and the United States, Western

sanction policy against Russia, and the close ties between the PRC and the Russian Federation) [2].

These risks and barriers necessitate a selective approach to investment. In the short term, priority should be given to areas where mutual interests outweigh potential risks, with a focus on identifying sectors that address Ukraine's urgent post-war recovery needs. In the long term, however, effective cooperation will require a comprehensive update of Ukraine's state policy on foreign investment, the implementation of a set of reforms, and the development of an appropriate roadmap.

2.4. Priority sectors for attracting Chinese investment in the context of Ukraine's recovery

Despite certain points of tension in bilateral relations, Ukraine remains a potentially attractive destination for Chinese investment during its post-war recovery, especially considering the PRC is one of the global leaders in the field of international investment [8]. Considering Ukraine's urgent needs alongside China's political and economic interests, several promising sectors for the involvement of Chinese investment capital within the framework of Ukraine's reconstruction can be identified.

Infrastructure construction and logistics: A significant portion of it has been damaged by Russian military actions; conversely, a number of Chinese companies possess significant experience in implementing large-scale infrastructure projects, in particular within the framework of the BRI. In addition, joining forces based on shared interests will contribute to Ukraine's integration into international logistical hubs [4].

Agro-industrial complex: This sector constitutes a significant share of the Ukrainian economy as well as exports to the PRC. And China's interest in Ukrainian agricultural products may promote investments in their production, processing, and transportation. This, in turn, will strengthen bilateral cooperation in this field and make Ukrainian products more high-value and in-demand on the global market [2].

Housing and communal sector: Its restoration is a priority, as the housing of millions of Ukrainians, along with industrial facilities and shopping centers, has been either completely destroyed or severely damaged by Russian shelling. Chinese construction companies have considerable experience in the mass construction of affordable housing with the implementation of the latest technologies [5].

Green energy and ecology: Renewable energy sources should become one of the key components of the reconstruction process, in accordance with the UN Sustainable Development Goals and EU policy. The PRC is a global leader among manufacturers of equipment for renewable energy and has the necessary technical and financial resources to support it. China is actively involved in innovative and advanced technologies, so Ukrainian specialists can cooperate with the Chinese side regarding sustainable development in environmental issues [1].

Development of transit potential: Ukraine's geopolitical position may provide it with the role of a transit state in the development of Asian-European trade corridors and cooperation between the BRI and the Trans-European Transport Network (TEN-T), which is a part of the EU-China Short-Term Action Plan [1, pp. 35–36].

Although the identified sectors involve significant mutual benefits for both parties, their practical implementation depends on Ukraine's ability to create an appropriate legal environment and transparent investment mechanisms.

3. Conclusions

Thus, the following conclusions can be drawn:

1. At present, China is one of the world's leading exporters of investment capital, with its share in global foreign direct investment (FDI) flows exceeding 10%. In addition, the Belt and Road Initiative (BRI) serves as a powerful instrument of the PRC's foreign and domestic policy, enabling the Chinese government to mobilize financial resources for the implementation of large-scale development programs abroad.

2. A critical imbalance characterizes Ukrainian–Chinese economic relations: despite the People's Republic of China being Ukraine's largest trading partner, the share of Chinese investment in Ukraine remains below 1%. This situation indicates substantial unrealized potential, constrained by past legal disputes and the insufficient attractiveness of Ukraine's investment climate.

3. Three main groups of risks can be identified: military and security risks, institutional weaknesses, and geopolitical tensions. The latter are associated with strained US–PRC relations, as well as continued Sino–russian cooperation despite Russia's military aggression against Ukraine. Under these conditions, Ukraine should pursue a cautious and pragmatic investment policy.

4. In the context of post-war recovery, the most promising sectors for attracting Chinese investment include infrastructure construction and logistics, the agro-industrial complex, housing and municipal construction, green energy, and the development of Ukraine's transit potential as a hub between Asia and Europe.

Attracting Chinese investment capital represents a viable avenue for Ukraine's economic recovery, provided that comprehensive institutional reforms are undertaken and state investment policy is updated. At the same time, such a strategy must account for national security considerations and support the country's long-term economic development.

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PUBLIC DIPLOMACY AS AN INSTRUMENT FOR SHAPING UKRAINE'S POSITIVE INTERNATIONAL IMAGE

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Moroz K. V., Marchenko N. O. Public diplomacy as an instrument for shaping Ukraine's positive international image. The article explores the role of public diplomacy in shaping Ukraine's positive image on the global stage. It analyzes key directions, instruments, and challenges faced by the state in communicating with foreign audiences. Special attention is paid to cultural diplomacy, digital platforms, and civil society engagement. The study outlines the prospects for developing public diplomacy as an effective instrument of foreign policy positioning.

Keywords: communication, culture, diplomacy, foreign policy, image, international relations, Ukraine.

Мороз К. В., Марченко Н. О. Публічна дипломатія як інструмент формування позитивного міжнародного іміджу України. У статті розглядається роль публічної дипломатії у формуванні позитивного іміджу України на міжнародній арені. Проаналізовано основні напрями, інструменти та виклики, що постають перед державою у процесі комунікації з іноземною аудиторією. Особлива увага приділяється культурній дипломатії, цифровим платформам та участі громадянського суспільства. Визначено перспективи розвитку публічної дипломатії як ефективного засобу зовнішньополітичного позиціонування.

Ключові слова: дипломатія, зовнішня політика, імідж, комунікація, культура, міжнародні відносини, Україна.

1. Introduction

Since the beginning of the full-scale Russian invasion, Ukraine has faced an urgent need to actively shape its international image and resist hostile disinformation campaigns. In this context, public diplomacy has become not just a complementary tool to traditional diplomacy, but a strategic instrument that allows the country to speak directly to foreign audiences, build trust, and promote its values. *The relevance* of this study lies in the growing role of public diplomacy in strengthening Ukraine's global standing amid geopolitical instability and hybrid threats. The war has significantly intensified Ukraine's efforts to communicate with the international community, defend its narrative, and advocate for its national interests, constructing a "Strategic Self".

The object of this research is Ukraine's public diplomacy, considered as a key element of its foreign policy and a mechanism for shaping international perceptions. This includes the work of official institutions such as the Ministry of Foreign Affairs and the Ukrainian Institute, as well as the contributions of civil society and digital platforms. *The subject* of the study is the range of instruments, strategies, and institutional practices that Ukraine employs in 2025 to enhance its reputation abroad. These include cultural diplomacy, expert exchanges, educational programs, and digital communication campaigns, which together form a coherent system of public engagement [6].

The aim of the study is to assess how effectively Ukraine's public diplomacy contributes to the formation of a positive international image and to identify the most promising directions for its further development in the face of global and regional challenges.

To achieve this goal, *the tasks* of the research are defined as follows:

1. to outline the conceptual foundations of public diplomacy and its relevance for Ukraine;

2. to analyze current practices and the key institutional actors involved in public diplomacy;
3. to evaluate the impact of cultural, digital, and civil diplomacy on international perceptions;
4. to develop recommendations for strengthening Ukraine's public diplomacy in the post-conflict and integration context.

2. Public Diplomacy in Ukraine's Foreign Policy Strategy

By 2025, public diplomacy has become not just a soft power tool but a strategic direction in Ukraine's foreign policy. It helps the country communicate its position to the world, shape positive perceptions, and respond to the challenges of war and global instability.

One of the most visible and effective areas is cultural diplomacy. Ukrainian films, exhibitions, music, and literature all contribute to the country's image, showcasing its uniqueness and openness. These initiatives are implemented through the Ukrainian Institute, the Ministry of Culture, and with the support of the Ministry of Foreign Affairs [5].

Digital diplomacy has gained particular importance since 2022. Through social media, online campaigns, and digital platforms, Ukraine shares the truth about the war, counters disinformation, and builds the image of a strong democratic state. This is not just a reaction — it is strategic communication that fosters international solidarity [6; 4].

Expert diplomacy and educational exchanges also play a key role. Ukrainian researchers, analysts, and students participate in international forums, research programs, and academic partnerships. This helps deepen understanding of Ukraine as a reliable partner committed to reform and development [1]. Civil society diplomacy deserves special mention. Volunteer organizations, diaspora groups, and activists often operate independently of the state, yet their contribution to shaping Ukraine's image abroad is significant and authentic [1; 2].

Despite these successes, challenges remain. Coordination between institutions is not always effective, and strategic planning is limited by available resources. It is also important that public diplomacy be clearly aligned with broader foreign policy goals — particularly European integration and cooperation with NATO.

3. Institutional Framework and Strategic Priorities

Today, Ukraine's public diplomacy is supported by a well-developed institutional framework. The Ministry of Foreign Affairs plays a leading role, but effective communication also requires coordination with the Ukrainian Institute, the Presidential Office, Parliament, and other bodies. Clear mandates, interagency cooperation, and strategic vision are essential for success. In recent

years, national branding strategies have emerged, and public diplomacy has begun to be integrated into foreign policy documents — a positive step forward [5].

Strategically, Ukraine uses public diplomacy to demonstrate its belonging to the European community and its commitment to human rights, democracy, and cultural diversity. The country actively participates in EU programs, NATO platforms, UNESCO initiatives, and the Eastern Partnership.

Cyber diplomacy and information security have also become priorities. Cooperation with the EU in cybersecurity and hybrid threat response is part of a broader strategy to position Ukraine as a responsible and capable international actor [3].

4. Conclusions

Public diplomacy has proven to be one of Ukraine's most effective tools for shaping its international image in times of war and uncertainty. Through cultural, digital, expert, and civil society diplomacy, the country has managed to build global solidarity, counter disinformation, and present itself as a resilient and democratic European state. The analysis shows that Ukraine's public diplomacy is not limited to symbolic gestures — it is a strategic, multi-level effort involving institutions, professionals, and grassroots actors. Its success depends on coordinated communication, long-term planning, and integration with broader foreign policy goals.

At the same time, challenges remain. Institutional fragmentation, limited resources, and the need for clearer strategic messaging hinder the full potential of public diplomacy. Addressing these issues will be essential for Ukraine's post-conflict recovery and its path toward Euro-Atlantic integration. Looking ahead, public diplomacy should continue to evolve as a flexible and inclusive platform for international engagement. Strengthening institutional capacity, investing in digital resilience, and expanding cultural and educational outreach will help Ukraine maintain and grow its global presence in the years to come.

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DIPLOMATIC ETIQUETTE AS AN INSTRUMENT OF SOFT POWER: HOW GESTURES AND SYMBOLS INFLUENCE INTERNATIONAL RELATIONS

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Moskalenko E. O., Kalyuzhna A. B. Diplomatic etiquette as an instrument of soft power: how gestures and symbols influence international relations. The article explores the role of diplomatic etiquette, gestures and symbols as instruments of soft power in modern international relations. The theoretical foundations of Joseph Nye's concept and their interconnection with protocol practices are also analysed. Specific attention is dedicated to nonverbal communication and symbols used to demonstrate the cultural uniqueness of nations. Based on the analysis of specific cases, it is demonstrated that following etiquette norms significantly impacts the dynamics of international relations and the establishment of a nation's global reputation.

Keywords: diplomatic etiquette, soft power, non-verbal communication, diplomatic protocol, international relations, cultural diplomacy, symbolism.

Москаленко Є. О., Калюжна А. Б. Дипломатичний етикет як інструмент м'якої сили: як жести і символи впливають на міжнародні відносини. У статті досліджується роль дипломатичного етикету, жестів і символів як інструментів м'якої сили в сучасних міжнародних відносинах. Також аналізуються теоретичні основи концепції Джозефа Найя та їх взаємозв'язок з протокольною практикою. Особлива увага приділяється невербальній комунікації та символам, що використовуються для демонстрації культурної унікальності націй. На основі аналізу конкретних випадків показано, що дотримання норм етикету суттєво впливає на динаміку міжнародних відносин та формування міжнародної репутації держави.

Ключові слова: дипломатичний етикет, м'яка сила, невербальна комунікація, дипломатичний протокол, міжнародні відносини, культурна дипломатія, символіка.

1. Introduction

The role of diplomatic etiquette is rapidly growing in modern international politics, as it promotes effective communication between states and their representatives. Protocol and etiquette in diplomacy are not just polite and beautiful gestures. It is the language of international relations, in which every detail is important. During the era of globalisation, when international relations are characterised by instability and complexity, adherence to the rules of diplomatic protocol and etiquette helps a country to form a positive image on the global stage and prevent conflicts. Modern diplomatic protocol and etiquette serve not only as a tool for external formalities, but also as an important indicator of the level of mutual understanding and preparedness to cooperate among countries [1].

The *relevance* of the study is determined by several factors. In 21st century international relations, there has been a refocusing from hard forms of influence to soft power strategies, making the study of diplomatic etiquette as an instrument of such influence extremely relevant. The cultural diversity of participants in international communication highlights the importance of understanding and correctly interpreting gestures, symbols and protocol norms in order to prevent conflicts and misunderstandings. The insufficient theoretical development of the relationship between diplomatic etiquette and the concept of soft power in domestic international relations science requires an in-depth analysis of this issue.

An analysis of recent studies indicates a growing scientific interest in soft power instruments in international relations. Joseph Nye's fundamental work known as "Soft Power: The Means to

Success in World Politics" (2004) [13] laid the theoretical foundation for understanding soft power as a state's ability to achieve desired results through attraction rather than coercion. Researchers of cultural diplomacy emphasise the importance of non-verbal communication, gestures and symbols in building trust between states. At the same time, the issue of systematic analysis of diplomatic etiquette as a comprehensive instrument of soft power remains understudied. There is a lack of empirical studies demonstrating the specific mechanisms by which compliance with or violation of protocol norms influences the dynamics of bilateral and multilateral relations.

The *object* of the study is diplomatic etiquette in the system of modern international relations.

The *subject* of the study is gestures, symbols and protocol norms as instruments for implementing a state's soft power strategies in the international arena.

The *aim* of this article is to conduct a comprehensive study of the mechanisms used to employ diplomatic etiquette, gestures and symbols to promote national interests and shape a positive global image of the state through the prism of the concept of soft power. To achieve this goal, the following *tasks* have been identified:

1. analyse the theoretical foundations of the concept of soft power and its relationship with diplomatic etiquette in the system of international relations;
2. to investigate the functional significance of gestures as elements of non-verbal communication in diplomatic practice and their influence on the formation of trust between states;
3. to determine the role of symbols and rituals in diplomatic etiquette as means of demonstrating cultural identity and political status;
4. to consider practical cases of the application of diplomatic etiquette as an instrument of soft power and to identify patterns of influence of protocol norms on the effectiveness of diplomatic interactions;
5. to substantiate the role of diplomatic representatives as mediators of cultural meanings and symbolic systems in the implementation of soft power strategies.

2. Diplomatic etiquette as an instrument of soft power: theoretical foundations and practical application

2.1. Soft power and diplomatic etiquette: conceptual foundations and the role of non-verbal communication in diplomatic practice

Moving on to a theoretical overview of diplomatic etiquette in the context of soft power, it is worth noting that it is based on several key components. First of all, the foundations of soft power, as proposed by Joseph Nye, are that states can influence others not through coercion or economic pressure, but through their culture, values, and political institutions [13]. Various instruments of soft power are used to establish trusting relations between states, including cultural diplomacy, gestural communication, symbols and etiquette, which in turn shape a positive image and

contribute to the establishment of trusting relations between countries. These elements create shared values and cultural codes that enhance the effectiveness of diplomatic relations [12; 13].

The second element is diplomatic etiquette as a system of norms and rules, which serves as a mechanism for social regulation in international relations. Diplomatic etiquette establishes certain standards of behaviour and forms the symbolism of various events and rituals that have a significant impact on how a state is considered by others in international relations. A state's compliance with diplomatic protocol and etiquette guarantees respect from other actors on the global arena, helps to avoid misunderstandings and conflicts, and also maintains the prestige and dignity of the parties. This set of norms and rules defines both formal and informal gestures, the use of state symbols, and rules of greetings, which are an integral part of establishing successful diplomatic relations [2; 10].

It should be noted that there is a close connection between soft power and diplomatic etiquette. Etiquette and symbols at diplomatic meetings serve as symbols of cultural and political identity, rather than simple formalities. They act as catalysts for strengthening a state's soft power, increasing its attractiveness and influence in the international arena. Etiquette, gestures and symbols contribute to the formation of a positive state image, which is a key factor in a globalised environment where competition is growing day by day [12; 14]. This theoretical approach shows that diplomatic etiquette is not only about standards of behaviour, but also a powerful tool of soft power that undoubtedly determines the power and effectiveness of modern international politics.

Gestures play an extremely important role in diplomacy. They are a powerful tool of non-verbal communication that complements verbal communication and significantly influences the development of international relations. In practice, there are many types of diplomatic gestures, including formal greetings, bows, handshakes, symbolic actions such as exchanging gifts, or jointly performing protocols. All these gestures have considerable symbolism, which in turn shows trust, openness to cooperation and respect, or, if viewed from a negative perspective, distance and rejection. The correct meaning and execution of these gestures can form the basis for establishing a positive image of a country on the global stage [3; 4; 11]. It is well known that non-verbal communication tools such as gestures, facial expressions, posture, tone of voice, etc. are quite effective means of influence, as they convey intentions and emotions that cannot always be expressed through words. When it comes to diplomacy, it is extremely important to use non-verbal communication, because diplomacy involves a high level of formality and complexity of contacts, and behaviour and gestures can be a sign of tolerance or, conversely, a sign of hostility and conflict. Renowned scientists confirm that gestures play a significant role in building trust and maintaining meaningful dialogue between parties [3]. It is also important to remember cultural differences, which can significantly influence the perception of gestures and symbols in diplomacy. For example, what is considered a generally accepted norm and a sign of politeness and respect in one

culture may have the opposite meaning in another and be considered offensive. To prevent various misunderstandings and to develop constructive and successful dialogue, diplomats must take into account a number of cultural characteristics. Awareness of cultural codes and symbols is one of the key parts of diplomatic etiquette and allows non-verbal communication to be used as a tool of soft power, thereby helping to strengthen inter-state relations [7; 11]. Based on this, the significance of gestures in diplomacy goes far beyond simple manners. Gestures are an integral part of soft power, allowing diplomats to transmit signals of trust, respect and openness in complex international circumstances.

In diplomatic etiquette, symbols and rituals are extremely important – they serve as a powerful communication tool through which states demonstrate their values, status and cultural identity in international relations. National flags, official insignia and established dress codes play a key role in diplomatic meetings: they help to create an atmosphere of mutual respect, emphasise the independence and equality of each party, and ensure the necessary formality of the event. Such symbols serve as visual cues that allow participants to immediately understand the position and rank of their partners, which is essential for effective interaction and compliance with diplomatic rules [7; 10]. There are many examples in international practice where the correct use of symbols in diplomacy helps to establish relations or reduce conflicts. When national flags are raised at official meetings, state awards are exchanged, or traditional national dress is worn, these are not mere formalities. These are important symbolic steps that show respect for the other side and help build trust. Thanks to such actions, diplomatic negotiations become more effective, and these techniques themselves become a powerful tool of soft power [3; 7; 11]. It turns out that in diplomatic etiquette, symbols and rituals are important methods of cultural and political communication, which simultaneously regulate official behaviour and help a country strengthen its soft power on the global arena.

2.2 Practical application of protocol norms for establishing a global image of the state: analysis of diplomatic cases

When discussing the use of diplomatic etiquette as an instrument of soft power, it is worth noting how gestures, symbols and adherence to protocol can effectively influence, for example, the course of negotiations and, more generally, the progress of building relations between states on the global stage. Looking at specific diplomatic situations, we can see how certain symbols and gestures change the mood of negotiations, strengthen trust, contribute to a positive outcome of negotiations, or, conversely, destroy trust and lead to conflict situations [4; 11]. Protocol and etiquette play a crucial role in multilateral diplomacy, especially given the cultural diversity of participating states, which can complicate international communication. Protocol norms provide a standardised format for interaction, guarantee the principles of respect and equality between parties, and help prevent

conflicts and misunderstandings. Researchers rightly note that without clear rules of etiquette, multilateral diplomacy loses its effectiveness, as cultural and ethical aspects are fundamental to achieving consensus [10; 16]. An illustrative example of the successful use of protocol as a soft power tool is Emmanuel Macron's state visit to India in January 2024. During this visit, Narendra Modi personally met the French president at the airport, contrary to standard protocol, which usually requires a lower-ranking official to do so. This symbolic gesture of exceptional respect played an important role in strengthening the strategic partnership between the two countries. This non-verbal signal created a favourable backdrop for the signing of agreements in the areas of trade, defence and nuclear cooperation, and underscored the shared vision of 'Horizon 2047,' demonstrating India's soft power through cultural sensitivity and a high level of hospitality [8]. It is also worth mentioning another example of positive adherence to diplomatic protocol — Chinese President Xi Jinping's state visit to Malaysia in April 2025, where all traditional ceremonies were observed, which in turn contributed to the strengthening of bilateral relations. This exemplary approach demonstrates how protocol promotes trust and economic cooperation, counteracting protectionism, and serves as a model for modern state visits. The visit was covered in the international media as a success for China's 'soft power' in ASEAN, with Malaysia's support as chair of the organisation in 2025. This highlights the role of etiquette in stabilising regional relations [5; 9]. At the same time, violations of protocol norms can lead to serious diplomatic complications. In particular, incidents involving the incorrect placement of national flags or the mistaken seating of officials at multilateral events have been perceived as disrespectful to the sovereignty of the states concerned. Even seemingly minor gestures can attract international attention, as when Michelle Obama's brief touch of Queen Elizabeth II's back at Buckingham Palace in 2009 generated considerable debate about adherence to royal protocol [15]. This example illustrates how even well-intentioned gestures, when not aligned with cultural protocol, can create unnecessary diplomatic distraction or criticism. Another striking example concerning a breach of diplomatic protocol is worth mentioning. This incident occurred during US President Donald Trump's visit to the United Kingdom in July 2018, at Windsor Castle. Although this is not the most recent case, it illustrates a typical problem that is still relevant today. It is also related to the royal family. Trump broke etiquette by going in front of Queen Elizabeth II during a guard of honour, which was perceived as disrespectful to royal protocol, where guests are expected to remain in place. This incident drew criticism in the British media and diplomatic circles, weakening the soft power of the US and complicating further negotiations [6].

Such protocol miscalculations have led to diplomatic protests, public scandals and the deterioration of bilateral relations, as confirmed by analyses of typical cases of diplomatic protocol violations. In the context of implementing a soft power strategy, diplomatic representatives act as

mediators of cultural meanings and symbolic systems. Their activities go beyond the traditional representation of national interests and involve the interpretation and transmission of cultural codes, symbols and traditions, which ensures deeper mutual understanding between partner states and contributes to the development of inter-state trust. Effective performance of this role requires diplomats to have a thorough knowledge of the cultural specifics of recipient countries, the ability to adapt communication strategies and proper adherence to diplomatic protocol. It is precisely this multidimensional competence that allows the diplomatic corps to strengthen the state's soft power tools, shaping a favourable international image and laying the foundation for stable bilateral and multilateral relations [7; 14].

3. Conclusions

The study confirms that diplomatic etiquette, gestures and symbols are effective instruments of soft power in the modern system of international relations. Analysis of theoretical principles has shown that states can achieve desired results through the appeal of their own culture and adherence to protocol norms, rather than through coercion. It has been established that non-verbal communication in diplomacy performs a critically important function of conveying signals of trust, respect and openness to cooperation. At the same time, the article emphasises the need for cultural competence among diplomats, as identical gestures can have opposite meanings in different cultural contexts. An analysis of practical cases has demonstrated how compliance with protocol norms contributes to the strengthening of strategic partnerships. Conversely, violations of etiquette lead to diplomatic complications and a weakening of a state's soft power. It has been proven that diplomatic representatives act as mediators of cultural meanings, whose multidimensional competence allows them to effectively use soft power tools to shape a favourable international image. In multilateral diplomacy, protocol norms are particularly important as a mechanism for standardised interaction in conditions of cultural diversity. It follows that diplomatic etiquette in a globalised environment is transforming from a set of formal rules into a strategic foreign policy tool that determines the power of a state's soft power in the international arena.

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THE ROLE OF THE AFRICAN UNION IN COMBATING POVERTY AND INEQUALITY

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Mukomel S. V., Zmiiova I. V. The role of the African Union in combating poverty and inequality. The article explores the role of the African Union in reducing poverty and inequality in Africa. It reviews the current socio-economic situation, outlines key AU strategies, and evaluates their effectiveness through recent data on poverty levels and the Gini index in several African countries.

Keywords: African Union, current situation, inequality, poverty, socio-economic development.

Мукомел С. В., Зміїова І. В. Роль Африканського Союзу у боротьбі з бідністю та нерівністю. У статті досліджується роль Африканського Союзу у скороченні бідності та нерівності в Африці. У ній розглядається поточна соціально-економічна ситуація, окреслюються ключові стратегії Африканського Союзу та оцінюється їхня ефективність на основі останніх даних про рівень бідності та індекс Джині в кількох африканських країнах.

Ключові слова: Африканський Союз, бідність, нерівність, поточна ситуація, соціально-економічний розвиток.

1. Introduction

In the context of modern global development, the issues of poverty, inequality, and social exclusion remain the key problems among the most urgent challenges for African countries. Despite the continent economic growth and rich natural resources, a significant part of the population still lives below the poverty line. These problems slow down social progress and create deep disparities between urban and rural areas. These issues and the need to ensure sustainable development across Africa in line with the goals of the African Union (AU) and the Agenda 2063 strategy shape the *relevance* of this study.

The *object* of the study is the African Union as a regional organization promoting social and economic development and the *subject* of the study is the role the AU plays in the aim to reduce poverty and inequality among the population.

The *aim* of this study is to analyze the role of the African Union in combating poverty and inequality, as well as to assess its achievements and challenges.

The following *tasks* are set to achieve the purpose:

- to describe the socio-economic situation in Africa, focusing on poverty and inequality;
- to review the main African Union strategies and initiatives aimed at reducing poverty and inequality;
- to analyse the results of the implemented African Union programs using poverty and inequality indicators;
- to identify the key problems and challenges that hinder the fight against poverty and inequality in Africa.

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2. The current socio-economic situation in Africa

Poverty and inequality remain some of the most pressing socio-economic problems in Africa. Despite steady economic growth in some regions, the benefits of development are unevenly distributed. A large share of the population continues to live in poverty, particularly in Sub-Saharan Africa, where access to basic services such as healthcare, education, and clean water is still limited. Unemployment, especially among young people, remains high, while informal employment dominates the labor market, offering little social protection or income stability [5].

Economic inequality also persists both between and within countries. Wealth is concentrated in the hands of a small elite, while rural populations face structural disadvantages such as low productivity and lack of infrastructure. These disparities contribute to social exclusion and hinder long-term sustainable development across the continent [3].

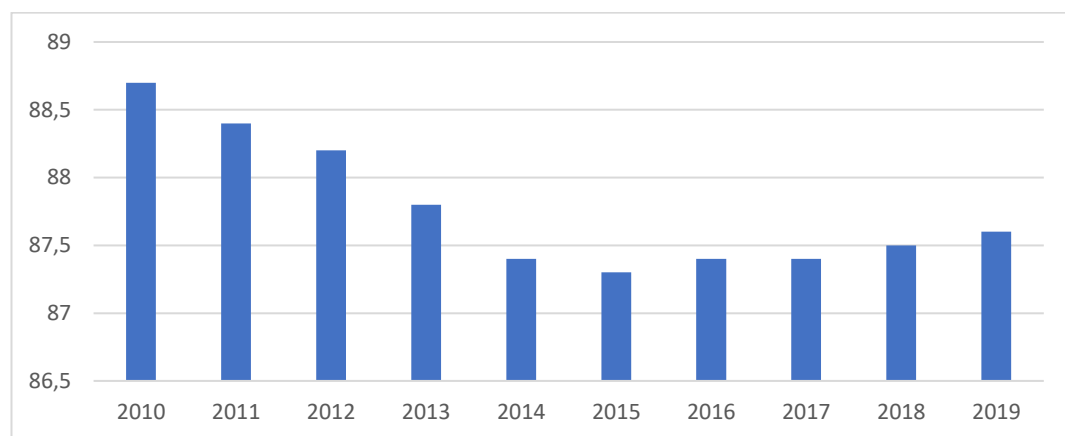


Fig. 1. Percentage of people in Africa with income below \$5.50 per day, %

Source: Composed by the author, using materials from [7].

According to Figure 1, which shows the percentage of people in Africa living on less than \$5.50 per day, poverty remains widespread across the region. Despite some progress in poverty reduction during the early 2000s, the rate has remained persistently high in recent years, reflecting the fragility of African economies and their dependence on external factors such as global commodity prices and climate conditions.

The situation is so critical that reliable and up-to-date statistics on poverty and inequality are often unavailable or incomplete. This is mainly due to limited institutional capacity, insufficient funding for data collection, and political instability in several African countries. Many governments lack regular household surveys, while conflicts and weak governance further reduce the quality and timeliness of socio-economic data. As a result, researchers and international organizations often rely on estimates rather than precise measurements, making it difficult to fully capture the true scale of poverty and inequality in Africa.

3. African Union strategies and initiatives

Talking about the African Union's strategies and initiatives, the most significant is Agenda 2063 Program. The Agenda 2063 is the African Union's long-term strategic framework for transforming the continent into a global powerhouse of the future. It reflects the Pan-African vision of unity, self-determination, freedom, and shared prosperity. Adopted in 2013 during the 50th anniversary of the Organization of African Unity, this agenda shifts the continent's focus from political liberation to inclusive social and economic development, regional integration, peace, and good governance. It aims to make Africa an integrated, prosperous, and peaceful continent driven by its own citizens and recognized as a strong global actor [1].

Agenda 2063 outlines a 50-year development trajectory (2013–2063) that includes a clear 10-year implementation plans to ensure measurable progress. It emphasizes people-centered growth, gender equality, empowerment of youth, and the reduction of poverty and inequality. The framework also identifies flagship initiatives in key sectors such as agriculture, infrastructure, healthcare, and education, which are essential for sustainable development and social inclusion. Overall, Agenda 2063 serves as a roadmap for achieving long-term economic transformation, social justice, and the full realization of Africa's potential on the world stage.

4. Results and effectiveness of implemented programs

Within the framework of the African Union's sustainable development and regional integration strategies aimed at reducing poverty and improving living standards, several African countries have shown gradual progress. The share of people living on less than \$5.50 per day has slowly decreased, reflecting some positive changes in economic growth, social policy, and human capital development.

As it is shown in Figure 2, countries like Cameroon and Egypt have experienced a steady decline in poverty rates, likely due to structural reforms and better employment conditions. In contrast, Chad and Nigeria continue to face extremely high poverty levels, with more than 80–90%. However, the data show slow but noticeable progress toward reducing poverty, although inequality between countries in the region remains significant.

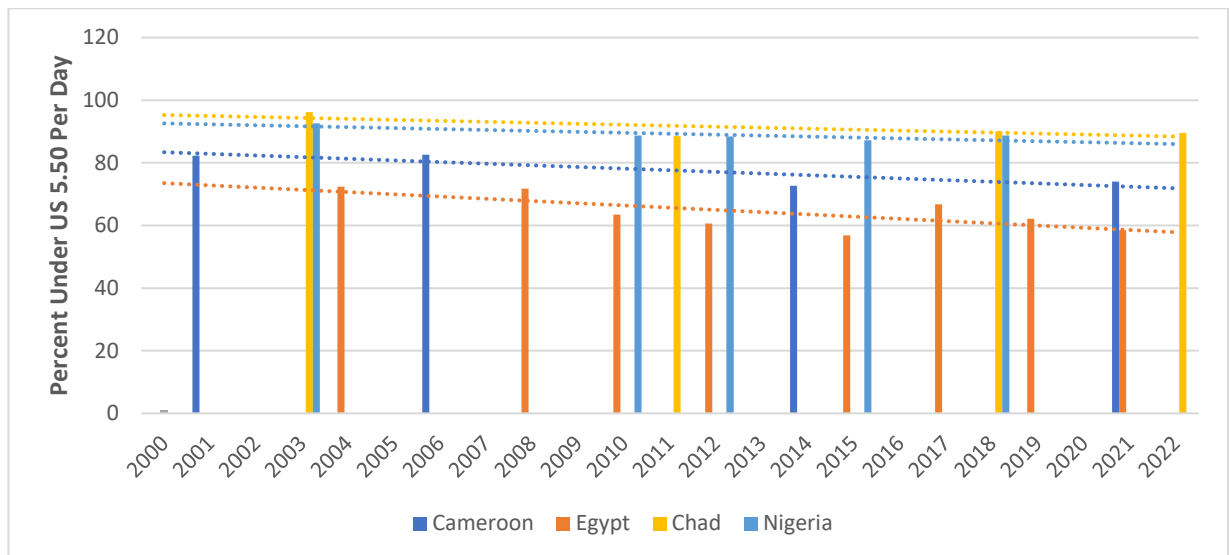


Fig. 2. Dynamics of the percentage of people in African countries
with an income below \$5.50 per day, %

Source: Composed by the author, using materials from [6].

Moreover, the African Union's strategy for inclusive growth and reducing inequality, through initiatives such as Agenda 2063 and regional development programs, has helped some countries make progress toward more balanced income distribution. Investments in education, infrastructure, and job creation have contributed to narrowing social gaps and improving access to basic services (Fig.3).

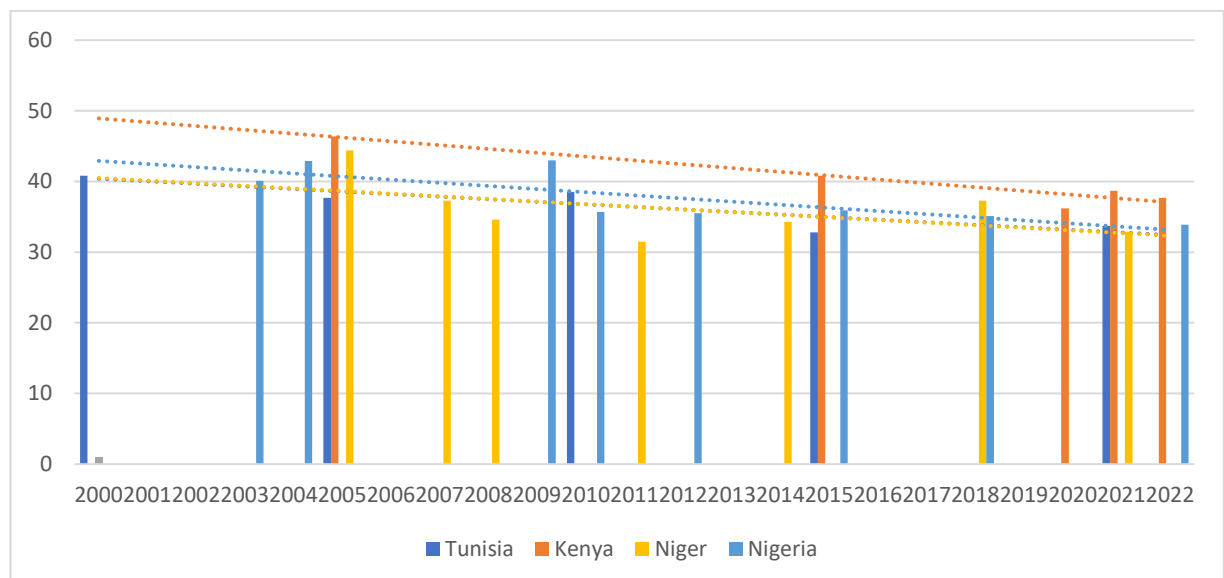


Fig. 3. Dynamics of the Gini index in African countries

Source: Composed by the author, using materials from [4].

Figure 3 shows the Gini index dynamics in some countries, reflecting gradual progress in reducing inequality. Tunisia demonstrates a steady downward trend, indicating a more equal

income distribution. Kenya and Niger also show mild but consistent declines, suggesting that economic reforms and social initiatives are having a long-term impact. Nigeria continues to display relatively high inequality, highlighting structural issues such as uneven regional development and limited access to economic opportunities, but anyway the data suggest that while inequality remains a challenge, African Union initiatives have contributed to gradual improvement in several member states.

5. Problems and challenges

Even with the African Union's efforts, many states still face obstacles that slow down real progress. A common issue is the lack of money: national budgets are often too small to support education, healthcare, social protection, or infrastructure. Through this, even well-planned AU programs cannot fully work. Another problem is political instability. In places where governments change often or where conflicts continue, it becomes almost impossible to carry out long-term reforms. Weak institutions and corruption make the situation worse, as public resources do not always reach the people who actually need help.

Global events have added even more pressure. The COVID-19 pandemic led to economic decline, job losses, and growing inequality. Countries with fragile healthcare systems struggled the most and are still recovering. In addition, international tensions and wars influence African economies through higher prices, shortages of goods, and falling investment. All these factors together limit the speed and effectiveness of development across the continent [2].

6. Conclusions

The African Union plays an important and growing role in combating poverty and inequality across the continent. Through long-term frameworks such as Agenda 2063, the AU sets common goals for reducing poverty, expanding access to education and healthcare, improving infrastructure, and creating better economic opportunities. Its strategies encourage inclusive growth, regional cooperation, and social protection, which help countries move toward fairer income distribution and stronger economic stability. The results shown in poverty and Gini index trends indicate that some member states have already benefited from AU-led reforms and development programs. However, the AU's impact is limited by challenges such as lack of funding, political instability, corruption, and global crises. Even so, the AU provides essential coordination, guidance, and support that help African countries take steady steps toward reducing poverty and inequality, making it a key driver of long-term social and economic progress on the continent.

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WHY SMALL STATES SOMETIMES EXERT MORE INFLUENCE THAN LARGE ONES

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Muradova V. B., Lavrinenko I. M. Why small states sometimes exert more influence than large ones.

The article explores the paradoxical phenomenon wherein small states demonstrate disproportionate influence in international relations despite their limited material resources. Through examination of strategic location, soft power mechanisms, coalition-building, and issue-specific prioritization, the study reveals that state influence is not solely determined by population size or military capability. The research presents case studies of Singapore, Switzerland, Israel, Qatar, and the United Arab Emirates, demonstrating how small nations leverage their advantages to shape global politics and achieve their foreign policy objectives. The article concludes that in the contemporary multipolar world order, small states possess unique comparative advantages in mediation, niche diplomacy, and economic innovation.

Keywords: coalition-building, diplomatic influence, geopolitics, international relations, mediation, small states, soft power, strategic positioning.

Мурадова В. Б., Лавріненко І. М. Чому малі держави інколи впливають більше, ніж великі. У статті розглядається парадоксальне явище, коли малі держави демонструють непропорційно великий вплив у міжнародних відносинах, незважаючи на обмежені матеріальні ресурси. Шляхом аналізу стратегічного розташування, механізмів м'якої сили, формування коаліцій та пріоритизації окремих питань дослідження виявляє, що вплив держави визначається не лише розміром населення чи військовою потужністю. Дослідження містить тематичні дослідження Сингапуру, Швейцарії, Ізраїлю, Катару та Об'єднаних Арабських Еміратів, демонструючи, як малі нації використовують свої переваги для формування світової політики. Статтю завершує висновок про те, що в сучасному багатопольному світовому порядку малі держави мають унікальні порівняльні переваги в посередництві, спеціалізованій дипломатії та економічній інновації.

Ключові слова: багатопольність, геополітика, дипломатія, м'яка сила, медіація, міжнародні відносини, малі держави, стратегічне розташування.

1. Introduction

The traditional understanding of international power has long been dominated by the realist school of thought, which posits that state influence is directly proportional to military capacity, territorial size, and population. This paradigm, however, increasingly fails to explain contemporary geopolitical phenomena. Small nations such as Singapore, Switzerland, and Qatar frequently exercise disproportionate influence in international affairs, shaping global policies and serving as crucial mediators in conflicts involving much larger powers. This apparent contradiction presents a fundamental challenge to conventional theories of international relations and warrants systematic scholarly investigation.

The contemporary global system has undergone significant transformation since the Cold War's conclusion. Nuclear deterrence has effectively eliminated large-scale military confrontations between superpowers, making traditional hard power less decisive in resolving international disputes. Simultaneously, globalization and technological advancement have created new avenues for influence that do not depend upon military might. Small states have adapted strategically to this evolving landscape, developing sophisticated mechanisms to project power and shape international outcomes despite their material limitations.

The relevance of this study lies in understanding how power operates in the twenty-first century international system. As the world becomes increasingly multipolar and as new challenges such as climate change, pandemics, and cyber security transcend traditional state boundaries, the capacity of smaller nations to contribute meaningfully to global governance becomes paramount. Moreover, recognizing the sources of small state influence provides valuable insights for developing nations seeking to enhance their international standing and security.

The object of this research is the mechanism through which small states exert influence in international relations. *The subject* encompasses the strategies, resources, and institutional arrangements that enable small nations to affect outcomes in global politics. *The aim* of the investigation is to identify and analyze the principal factors that allow small states to project influence disproportionate to their material capabilities.

Toward achieving this aim, the following *tasks* are established:

1. To define and characterize small states within the contemporary international system;
2. To examine the principal strategies through which small states generate influence, including geographic positioning, soft power, coalition-building, and niche specialization;
3. To analyze illustrative case studies demonstrating successful influence projection by small states;
4. To assess the implications of small state influence for the future of international relations and global governance.

2. The Sources and Mechanisms of Small State Influence

2.1. Defining Small States and Their Structural Constraints

Within international relations scholarship, no universally accepted definition of "small states" exists [2]. Approaches vary from objective indicators—population, territory, military expenditure—to subjective assessments of autonomy in international affairs. In this analysis, small states are understood as nations with limited capacity to act independently in the security realm and therefore compelled to consider the interests of larger international actors [3].

Importantly, population or territory do not always correlate with real influence [10]. Ukraine, despite its size, remains vulnerable to pressure from great powers, whereas resource-poor Singapore has become an economically dynamic and diplomatically influential actor. This contrast highlights the need to explore alternative sources of power beyond traditional metrics [11].

Small states also face structural vulnerabilities—limited diplomatic resources, narrower institutional expertise, and reduced ability to shape events beyond their region [2]. Yet these

constraints may become advantages in mediation, coalition-building, and issue-specific diplomacy, where flexibility and perceived neutrality enhance their influence [7].

2.2. Geographic Position as Strategic Asset

Strategic geographic positioning represents perhaps the most fundamental source of small state influence [8]. States controlling critical chokepoints, trade routes, or positions of geopolitical significance can leverage this advantage despite limited military or economic resources. Singapore exemplifies this principle: controlling the Strait of Malacca, one of the world's most critical shipping lanes connecting the Indian and Pacific Oceans, Singapore has transformed its geographic position into extraordinary economic and political influence [5]. Through careful cultivation of relationships with all major powers and maintenance of strict neutrality in regional great power competitions, Singapore has established itself as indispensable to regional stability and global maritime commerce [13].

Similar advantages accrue to small states situated at the intersection of competing great power interests. Cyprus, positioned strategically in the Eastern Mediterranean and serving as a gateway linking Europe, Asia, and Africa, has capitalized upon its location to emerge as a regional energy hub and crucial node in international trade corridors [4]. The island nation has leveraged its geographic significance to secure membership in the European Union, establish military partnerships with Greece and Israel, and position itself as a platform for infrastructure development connecting Europe to the Middle East and Asia.

Geographic advantage extends beyond mere location to include access to critical natural resources. The Gulf states, including Qatar and the United Arab Emirates, have transformed petroleum and natural gas reserves into instruments of diplomatic influence far exceeding their military or demographic weight. Through strategic deployment of financial resources derived from hydrocarbon exports, these small nations have established themselves as crucial international mediators and regional power brokers, hosting diplomatic initiatives and investing in both soft power and hard infrastructure throughout the Middle East and beyond [3].

2.3. Soft Power and Diplomatic Innovation

Soft power—the ability to achieve desired outcomes through attraction rather than coercion—constitutes perhaps the most important contemporary source of small state influence [9]. According to Joseph Nye, whose concept of soft power has become foundational in international relations theory, a state's soft power depends upon three principal resources: its culture, its political values and governance models, and its foreign policies when others perceive them as

legitimate [9]. Paradoxically, small states often enjoy advantages in developing soft power precisely because they lack the capacity to threaten others through military force.

Switzerland provides an exemplary case [1]. Through constitutional commitment to permanent neutrality, Switzerland has cultivated a reputation as an impartial actor capable of hosting sensitive negotiations between adversaries. Swiss diplomacy has served as the venue for discussions between the United States and Iran, facilitating humanitarian exchanges and diplomatic communication despite formal enmity between these powers [8]. Switzerland's neutrality, combined with a global reputation for administrative competence, financial stability, and respect for international law, enables Swiss mediators to approach conflicts with credibility that larger, more obviously interested parties cannot achieve.

Liechtenstein, a microstate lacking military resources altogether, has similarly developed sophisticated soft power strategy focused upon financial services, intellectual property protection, and artistic patronage [2]. Through specialized expertise in particular domains and association with enlightened governance, Liechtenstein has maintained sovereignty and international relevance despite its minimal material resources. The nation has become a recognized center for international legal expertise, hosting important international institutions and serving as venue for specialized negotiations where its lack of geopolitical interests renders it particularly valuable as a neutral forum [6].

Qatar demonstrates the capacity of small states to deploy financial resources as soft power instrument [3]. Through investment in media infrastructure—most notably the Al Jazeera network—cultural initiatives, sporting events, and educational partnerships, Qatar has vastly amplified its international presence and influence. The nation's hosting of the 2022 FIFA World Cup and its role as primary mediator in Afghan peace negotiations underscore how a small nation can leverage financial resources and strategic positioning to shape outcomes in affairs of global significance [7].

2.4. Coalition-Building and Institutional Leverage

Small states rarely influence international affairs through unilateral action [10]. Instead, they frequently aggregate their limited individual power into collective influence through coalition-building and strategic alliance formation. This strategy proves particularly effective within multilateral institutions where voting procedures and consensus-building mechanisms allow smaller nations to exercise influence disproportionate to their material capacity [7].

Within the United Nations system, where each nation possesses a single vote regardless of size, small states have repeatedly demonstrated capacity to set agendas and shape outcomes [13]. Denmark, a mid-sized Scandinavian nation, successfully championed the establishment of the

United Nations Peacebuilding Commission, leveraging its position as an influential actor within international development discussions to advance an agenda that reflected both its values and strategic interests. Through persistent engagement, strategic alliance-building, and demonstrated expertise in specific domains, Denmark secured acceptance of institutional innovations that enhanced global capacity to address post-conflict reconstruction [13].

The formation of country coalitions around shared interests further amplifies small state influence [7]. Groups of developing nations have negotiated successfully in trade negotiations by pooling their aggregate economic significance and presenting unified positions. Small island states, particularly vulnerable to climate change, have formed powerful coalitions within United Nations climate negotiations, effectively using their numerical presence and moral authority as existentially threatened populations to shape international climate governance frameworks [4].

The principle of coalition-building extends to formal regional organizations where small states occupy seats alongside larger neighbors. ASEAN, the Association of Southeast Asian Nations, exemplifies this dynamic: smaller members such as Singapore and Vietnam have exerted disproportionate influence through strategic coalition formation, issue-specific expertise, and institutional innovation [13]. Singapore's development of the concept of "ASEAN centrality" in regional affairs has positioned even this tiny city-state as arbiter of regional norms and mediator of great power competition within Southeast Asia [11].

2.5. Issue-Specific Prioritization and Specialized Expertise

Small states necessarily limit the breadth of issues upon which they seek to exert influence [2]. This constraint, however, generates strategic advantage when small nations concentrate resources and expertise upon domains of particular national interest or where global attention remains limited. By developing specialized knowledge and demonstrating commitment to specific issue areas, small states can achieve outsized influence relative to their overall power [8].

Switzerland has leveraged this principle effectively in international humanitarian law, becoming recognized authority on conventions governing armed conflict, treatment of prisoners, and protection of civilians [1]. The International Committee of the Red Cross, based in Geneva and maintaining intimate relationships with Swiss authorities, has enhanced Swiss credibility on humanitarian issues globally. Similarly, Liechtenstein has concentrated diplomatic resources upon international criminal law, successfully advocating for amendments to the Rome Statute establishing the International Criminal Court—an achievement that amplified Liechtenstein's voice in international legal affairs disproportionately [6].

Despite its small population and limited territory, Israel has emerged as a global hub of technological innovation, particularly in agriculture, water management, and cybersecurity. This

specialization in high-value sectors has afforded Israel outsized economic influence and technological prestige that substantially exceeds its demographic weight. Israeli innovations in agricultural technology addressing water scarcity, for instance, have made the nation an invaluable partner for countries throughout the Middle East, Africa, and beyond, creating networks of technological and economic interdependence that translate into political influence [9].

3. Case Studies of Small State Influence

3.1. Singapore: Economic Innovation and Strategic Positioning

Singapore's transformation from a colonial trading post into a global economic power exemplifies how geographic positioning, strategic leadership, and innovative policy can enable a small state to exercise extraordinary international influence [5]. With a population of approximately 5.9 million and a land area smaller than most major cities, Singapore possesses no significant natural resources and must import virtually all its energy and much of its food supply.

Despite these constraints, Singapore has become the world's seventh-largest economy by GDP per capita and a crucial node in global supply chains [5]. This achievement rests upon visionary leadership committed to developing human capital, establishing transparent governance, and positioning Singapore as a strategic hub in global commerce. The nation's location along the Strait of Malacca—through which approximately one-third of global maritime trade passes—provides geographic advantage that Singapore has actively cultivated through development of world-class port facilities, air transport infrastructure, and financial services [13].

Singapore's foreign policy, articulated by founding Prime Minister Lee Kuan Yew and continued by his successors, emphasizes neutrality in great power competition while building strategic partnerships with all major powers [5]. This approach has enabled Singapore to serve as venue for crucial diplomatic negotiations—including meetings between United States and North Korean officials in 2018 and between Chinese and Taiwanese leaders in 2015—where its reputation for impartiality and its non-threatening status made it uniquely valuable [11]. Through consistent maintenance of strategic flexibility and refusal to align permanently with any major power, Singapore has preserved its autonomy while making itself indispensable to regional peace and stability [13].

Singapore's influence extends to global economic governance, where its participation in trade negotiations and multilateral institutions far exceeds what one would expect from a nation of its size [10]. The city-state has played instrumental roles in negotiations over international trade agreements, maritime law, and financial regulation, leveraging its expertise in commerce and finance to shape rules governing global economic affairs [3].

3.2. Switzerland: Neutrality and Mediation as Foreign Policy

Switzerland provides perhaps the most instructive case of how small state can achieve enduring international influence through institutional innovation and strategic specialization [1]. Switzerland's commitment to permanent neutrality, constitutionally enshrined and consistently maintained across multiple centuries, has enabled the nation to establish a unique role within international affairs as reliable mediator and forum for diplomatic dialogue [8].

The Swiss government and numerous Swiss-based organizations have leveraged this neutrality to develop specialization in conflict mediation, humanitarian law, and international diplomacy [1]. The International Committee of the Red Cross, headquartered in Geneva, has become the primary custodian of international humanitarian law and operates as neutral intermediary in conflicts worldwide. The International Labour Organization, the World Health Organization, and numerous other international organizations have established headquarters in Switzerland, attracted by the nation's reputation for neutrality and stability [7].

Switzerland's diplomatic activities have expanded substantially since the end of the Cold War, with the Swiss government developing comprehensive peace promotion strategy encompassing civilian mediation, conflict prevention, and peacebuilding [1]. The nation has invested in specialized capacity-building for peace professionals and has established itself as recognized expert in conflict resolution mechanisms. Through institutional development and specialized expertise, Switzerland has exerted an outsized influence on global conflict and peace practices despite its population of only 8.7 million.

Switzerland's role in facilitating communications between adversarial states demonstrates practical application of these capabilities [8]. The nation regularly serves as "protecting power" for countries lacking diplomatic relations—for instance, representing United States interests in Iran and Cuban interests in the United States. This intermediary role provides Switzerland with unique information and influence, positioning Swiss authorities as trusted facilitators in circumstances where other mediators would prove less acceptable to hostile parties [4].

3.3. Qatar: Financial Resources and Diplomatic Innovation

Qatar demonstrates how small states with access to substantial financial resources can leverage these assets to achieve influence vastly exceeding their military or demographic capacity [3]. With a population of fewer than 3 million people and a territory occupying only 11,500 square kilometers, Qatar has nonetheless emerged as one of the world's most influential diplomatic actors, largely through deployment of petroleum and natural gas wealth.

The Qatari government has utilized sovereign wealth funds derived from hydrocarbon exports to establish Qatar as a major international investor, acquiring stakes in global financial

institutions, supporting technological innovation, and establishing cultural institutions of worldwide significance [7]. Through creation of the Al Jazeera network, Qatar established itself as influential media actor capable of shaping international discourse. Through hosting of the 2022 FIFA World Cup, Qatar demonstrated capacity to organize events of global cultural importance. Through strategic investment in international education and cultural exchange, Qatar has cultivated soft power and networks of influence throughout the international system [9].

Most significantly, Qatar has established itself as crucial international mediator, particularly in Middle Eastern conflicts [3]. The Qatari government brokered peace agreements in Lebanon, facilitated negotiations in the Israeli-Palestinian conflict, and served as primary mediator between Taliban leadership and international actors during Afghan peace negotiations. This mediation role has afforded Qatar diplomatic access and influence in affairs of far greater strategic significance than would normally accrue to a nation of Qatar's size [7].

These results underscore Qatar's recognition that contemporary global politics rewards states without hard power when they invest in soft power and mediation. By making itself valuable as neutral mediator in conflicts affecting major powers, and by deploying financial resources strategically to advance this role, Qatar has amplified its international standing substantially beyond what material metrics would predict [10].

3.4. The United Arab Emirates: Mediation and Regional Integration

The United Arab Emirates similarly demonstrates how small states can leverage financial resources, strategic positioning, and diplomatic innovation to achieve influence [3]. With a population of approximately 9.9 million and rising, the UAE occupies a crucial position along global sea lanes controlling access to the Persian Gulf. The nation has transformed hydrocarbon wealth into diversified economy and established itself as an international business and financial hub [4].

The UAE has pursued ambitious mediation strategy, brokering peace agreements between Pakistan and India, mediating disputes between Ethiopia and Eritrea, and facilitating the Abraham Accords establishing diplomatic relations between Israel and several Arab states [7]. These diplomatic successes have positioned the UAE as a central actor in Middle Eastern affairs and expanded its influence throughout the broader international system [11].

The UAE has further leveraged its geographic position and financial resources to develop specialized roles in international commerce and logistics [5]. The Jebel Ali port in Dubai has become one of the world's busiest container ports, and the Emirates has invested heavily in air transportation infrastructure, positioning itself as crucial intermediary linking Asia, Europe, and

Africa in global supply chains. This economic specialization has translated directly into diplomatic influence and negotiating power [8].

4. Conclusions

This analysis shows that international influence is determined not by population or military capacity but by the strategic use of geography, soft power, diplomatic expertise, and coalition-building. Small states, despite limited resources, often succeed in mediation and niche diplomacy, allowing them to shape international outcomes more effectively than their size would suggest.

The transformation of the global system — including the rise of multilateral institutions, the reduced role of hard power, and the expansion of soft-power instruments — has created new opportunities for smaller nations. Globalization has further increased the value of strategic locations and specialized expertise. In future, global challenges such as climate change, cybersecurity, and technological governance will continue to open space for small-state leadership. Those that invest in expertise, cultivate soft power, and maintain strong commitments to international law will remain influential actors.

Overall, even materially limited states can enhance their international standing through strategic specialization, effective diplomacy, and responsible governance, making them important contributors in today's multipolar world.

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THE ROLE OF FOREIGN LANGUAGES IN INTERNATIONAL BUSINESS COMMUNICATION

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Musaeva I., Koniashvili I. The role of foreign languages in international business communication. The article analyses the importance of foreign language competence in international business communication. It highlights the role of multilingual skills in market expansion, intercultural understanding, corporate negotiations, and brand identity. Special attention is paid to the ethical and cultural dimensions of business interaction in a globalised environment.

Keywords: business communication, foreign languages, intercultural competence, multilingualism, negotiations.

Мусаєва І., Коніашвілі І. Роль іноземних мов у міжнародному діловому спілкуванні. У статті розглядається значення володіння іноземними мовами в міжнародній діловій комунікації. Проаналізовано роль мовної компетентності у розширенні ринків, міжкультурному розумінні, корпоративних переговорах та формуванні бренду.

Ключові слова: ділове спілкування, іноземні мови, міжкультурна компетентність, багатомовність, переговори.

1. Introduction

The *relevance* of the study is determined by the growing importance of international business communication in the context of globalisation and digitalisation. Modern companies operate in multicultural environments where effective communication directly influences economic success.

The *object* of the study is international business communication. The *subject* of the study is the role of foreign languages in business interaction.

The *aim* of the research is to analyse how foreign language competence contributes to effective communication in international business.

The objectives of the study are:

1. to examine foreign languages as a strategic business skill;
2. to analyse intercultural competence in business communication;
3. to explore language use in corporate negotiations and branding.

2. Foreign languages in international business

2.1. Foreign languages as a strategic business skill

Foreign language competence is a key factor in business development. According to the European Commission, companies that invest in language training achieve up to 25% higher export growth [1, p. 15].

Language knowledge facilitates access to new markets, prevents misunderstandings, and strengthens negotiation outcomes. Understanding a partner's language often means understanding their business culture and logic.

2.2. Intercultural competence and communication ethics

Communication success depends not only on vocabulary but also on cultural awareness. Different cultures interpret politeness, directness, and formality differently.

Edward T. Hall stated: “Culture is communication and communication is culture” [2, p. 91]. Language learning develops empathy, tolerance, and the ability to adapt communication strategies in multicultural environments.

2.3. Corporate communication and negotiations

English is the global business language, but multilingual strategies remain important. Companies such as IKEA and Coca-Cola adapt their content to local markets, strengthening customer trust and brand loyalty.

In negotiations, using even basic phrases in a partner’s native language creates emotional connection and improves cooperation.

2.4. Language as part of brand identity

Language shapes corporate identity. Poor translation or cultural insensitivity can damage reputation.

Therefore, international companies employ professional translators and language managers to ensure consistent global communication.

3. Conclusions

Foreign languages are a fundamental element of international business communication. They support market expansion, ethical interaction, and cultural adaptation. Despite technological progress, human linguistic competence remains essential because it enables understanding of emotions, cultural nuances, and intentions. Mastering foreign languages means mastering global communication and cooperation.

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BALANCING ECONOMIC EFFICIENCY AND SOCIAL SUSTAINABILITY IN MIGRATION POLICY: A COMPARATIVE STUDY

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Mynko M. S., Kalyuzhna A. B. Balancing economic efficiency and social sustainability in migration policy: a comparative study. This article analyzes the migration models of Germany, the UAE, and Japan. It examines the crisis of multiculturalism and the concept of "differential inclusion." Based on 2023 Federal Criminal Police Office of Germany (BKA) statistics, the study demonstrates a correlation between cultural background and crime rates, challenging purely constructivist theories. The pragmatic approaches of the UAE and Japan are explored as alternatives to the European welfare-centric model. The role of destructive social incentives in migrant marginalization is identified.

Keywords: migration models, multiculturalism, differential inclusion, Germany, UAE, Japan, social security.

Минко М. С., Калюжна А. Б. Баланс між економічною ефективністю та соціальною стабільністю в міграційній політиці: порівняльне дослідження. У цій статті аналізуються моделі міграції Німеччини, ОАЕ та Японії. Розглядається криза мультикультуралізму та концепція «диференційованої інклюзії». На основі статистичних даних Федерального відомства кримінальної поліції Німеччини (ВКА) за 2023 рік у дослідженні демонструється кореляція між культурним походженням та рівнем злочинності, що ставить під сумнів суто конструктивістські теорії. Прагматичні підходи ОАЕ та Японії розглядаються як альтернатива європейській моделі, орієнтованій на соціальне забезпечення. Визначається роль деструктивних соціальних стимулів у маргіналізації мігрантів.

Ключові слова: моделі міграції, мультикультуралізм, диференційована інклюзія, Німеччина, ОАЕ, Японія, соціальний захист.

1. Introduction

International migration is defined as the movement of persons away from their place of usual residence and across an international border to a country of which they are not nationals. This phenomenon is driven by a variety of factors, including economic opportunities, political stability, and social safety. Modern migration can be categorized into several types: labor migration, forced displacement, and family reunification, depending on the motive and legal status of the movement.

Modern migration studies, grounding on the classical typology of S. Castles and M. Miller, distinguish between several models of integration, ranging from *differential exclusion* to *multiculturalism* [4]. Recent geopolitical shifts and empirical data suggest a global crisis of the latter. While the multicultural model (in other words liberal model), exemplified by Germany's Willkommenskultur, faces challenges related to public security and social fragmentation, alternative models based on strict economic pragmatism and differential exclusion, such as those in the UAE and, increasingly, Japan demonstrate resilience, albeit at the cost of certain liberal values. Contemporary research further problematizes the concept of inclusion, arguing that even within open societies, structural barriers create forms of differential inclusion that lead to marginalization and crime [3; 9].

The *relevance* of this study is stipulated by the global shift from idealistic multiculturalism to pragmatic, often protectionist migration policies. Understanding the long-term consequences of

the German universal integration model versus the UAE's segregated efficiency model is crucial for developing sustainable national strategies in a polarized world.

The **object** of the study is the national migration policies of Germany, the United Arab Emirates, and Japan. The **subject** of the study is the relationship between national migration integration models and their implications for social security and economic efficiency.

The **aim** of the article is to compare the socio-economic outcomes of the multicultural model and the restrictive economic model. Specifically, it seeks to analyse how these systems navigate the complex balance between economic efficiency, the social support of socially and economically marginalized migrant groups, and the long-term preservation of national identity.

To achieve this aim, the following **tasks** have been defined:

1. to categorize contemporary migration regimes;
2. to critically assess the agency of migrant groups in the integration process in the case of Germany and evaluate the correlation between state incentive structures and social security outcomes;
3. to explore the pragmatic "fortress" migration strategies of the UAE and Japan as alternative mechanisms for balancing labor needs with the preservation of national identity.

This study hypothesizes that the challenges facing European multicultural policies, such as Germany's *Willkommenskultur*, are primarily influenced by the welfare state's incentive structures, which may inadvertently encourage long-term economic inactivity among certain migrant populations. Thus, it is suggested that integration outcomes are shaped more by the interaction between these systemic incentives and the behavioral agency of specific communities than by structural exclusion alone.

2. Migration as it is: people's or government's flaws?

2.1. Typologies of migration regimes: between inclusion and exclusion

Contemporary political science discourse typically categorizes state approaches to migration based on the classical typology established by S. Castles and M. Miller. According to their framework, nation-states historically navigate between three ideal-typical models of integration [4]:

1. **Differential exclusion model:** This model can be characterized by the acceptance of migrants solely as temporary laborers. They are integrated into the labor market but are strictly excluded from the welfare state, citizenship, and political participation. Historically associated with the *Gastarbeiter* system in Germany or the current *Kafala* system in the Gulf states. This approach treats migration as a purely economic transaction.

2. **Assimilation model:** This model offers a path to citizenship but demands the abandonment of the migrant's original cultural, linguistic, and social characteristics in favor of the dominant national culture (historically characteristic of France).

3. **Multicultural model:** The state accepts cultural diversity and grants migrants rights without demanding complete assimilation, assuming that adherence to the law is sufficient for coexistence (characteristic of modern Germany 2015 and Sweden).

However, recent scientific research shows that these rigid boundaries are becoming increasingly permeable. According to M. Ravid, the binary distinction between inclusion and exclusion is often misleading. Instead, contemporary borders are defined by “differentiated inclusion” – a process whereby migrants are formally included in society but subject to varying degrees of subordination and hierarchy [9].

Based on the works of Mezzadra and Neilson, it becomes clear that modern borders do not simply block movement, but act as a method of filtering and stratifying the population [8].

Conventionally, one could divide people into ‘useful,’ ‘temporary,’ or ‘illegal,’ stimulating stratification within society. Thus, in a multicultural model (as observed in Germany), migrants may experience some form of social marginalisation, leading to security risks.

In contrast, the UAE model effectively prevents social marginalization within the domestic social fabric by employing a strategy of explicit legal exclusion and segregated efficiency. Within this framework, any significant breach of legal or contractual obligations renders the migrant subject to immediate deportation [10].

This theoretical perspective allows us to see the cases of Germany and the Emirates not as opposites, but as different mechanisms of population management: one through the illusion of integration, and the other through a transparent system of legal segregation.

2.2. The limitations of the constructivist approach: cultural incompatibility and security risks

The constructivist approach, which currently has absolute dominance in migration studies, posits that the marginalization and criminalization of migrants are social constructs produced by state-imposed barriers, racial differentiation, and systemic exclusion. Scholars like M. Ravid and N. De Genova argue that differential inclusion and systemic racism serve as the primary driver of social deviance by keeping certain groups in a state of permanent subordination [3; 9]. However, this framework fails to explain significant empirical anomalies observed in recent criminal statistics.

Thus, the constructivist focus on systemic barriers often overlooks two other critical perspectives: *rational choice theory* and *culturalism*. The modern interpretation of rational choice theory in the context of migration views individuals as subjects who maximise their own benefit,

taking into account the existing incentives of social security systems [7]. This allows us to explain the formation of dependency traps not as a result of systemic oppression, but as a result of rational decisions made by migrants in conditions of high social benefits. At the same time, the culturalist approach emphasises that fundamental values and civilisational identity are determining factors of social cohesion [6]. From this perspective, the success of integration depends on the cultural distance between migrants and the host society, rather than solely on the institutional efforts of the state.

As the result, the academic tendency to view integration problems solely as a consequence of state-imposed barriers or racial differentiation ignores the fundamental variable of cultural compatibility and the divergent value systems of migrant groups. The systemic argument implies that the host state's legal framework affects all non-citizens equally; however, empirical data from Germany demonstrates a drastic disparity in integration outcomes among different nationalities operating under the exact same legal conditions.

An analysis of the Federal Criminal Police Office (BKA) data for 2023 reveals a striking contrast that undermines the narrative of victimhood often promoted in migration studies [2].

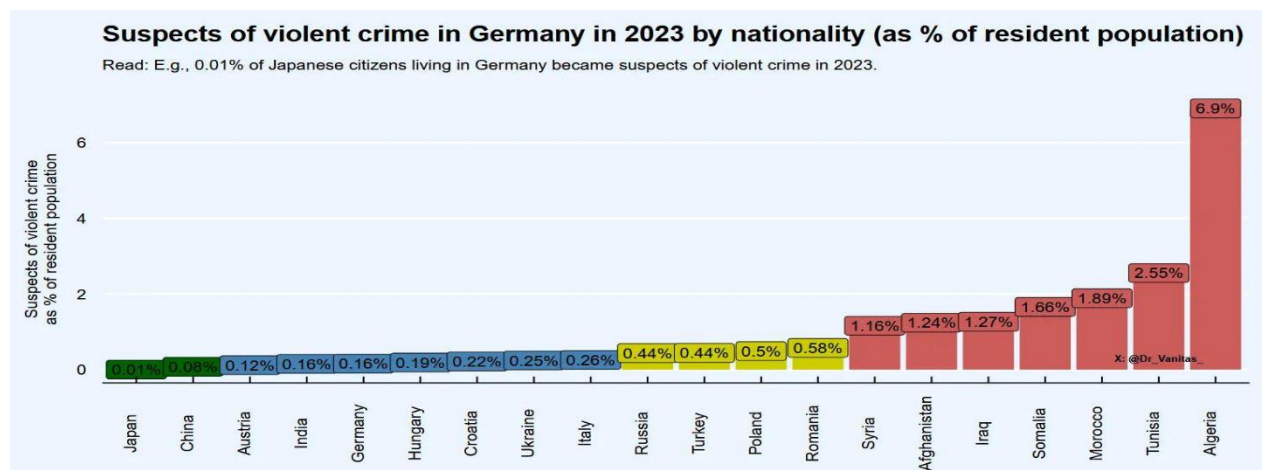


Figure 1. Suspects by nationality per capita in Germany (2023).

Source: compiled based on Federal Criminal Police Office (BKA) data [2].

As demonstrated in Fig. 1, there is no uniform migrant crime rate; rather, there is a distinct correlation between specific cultural origins and the propensity for violent crime. For instance, Japanese nationals residing in Germany – a group that is also racially and linguistically distinct from the native population – show a negligible suspect rate of 0.01% (only 2 suspects out of approximately 39,000 residents).

In stark contrast, nationals from Algeria exhibit a suspect rate of 6.9%. Despite the Algerian community being smaller in absolute numbers (~25,000) than the Japanese community, the absolute number of suspects is exponentially higher (1,729 individuals). If Ravid's theory of

differential inclusion or exclusion were the sole determinant, both groups – being non-European foreigners – should face comparable systemic challenges.

One may argue that variation in cultural and behavioral norms across migrant communities, rather than limitations of the receiving system alone, may contribute to observed differences in security outcomes. Therefore, the security crisis cannot be fully understood without acknowledging the role of cultural compatibility and the specific behavioral norms that different groups bring into the host society.

This statistical reality validates the Ship of Theseus paradox referred to by D. Murray [1]. The core concept suggests that while incremental modifications may seem inconsequential in the short term, the cumulative effect over time results in a final state that bears no resemblance to the original entity. A similar process occurs within society, which cannot maintain its identity if it rapidly replaces its population with groups holding diametrically opposed values. The failure of the multicultural model is no longer limited to crime statistics; it has manifested in the public political space.

The rise of political Islam in Europe has led to open challenges to the constitutional order, exemplified by rallies organized by groups like Muslim Interaktiv, where slogans such as "Kalifat ist die Lösung" (The Caliphate is the solution) are displayed on German streets [5]. Such events confirm that the uncontrolled influx of migrants has not resulted in diversity, but rather in the importation of radical ideologies that reject the host state's legal and cultural foundations.

2.3. Cases of the UAE and Japan: "fortress" approach

In contrast to the European attempt to combine migration with total social inclusion, the United Arab Emirates and Japan demonstrate the viability of the Differential Exclusion Model described by S. Castles [4]. These states treat migration primarily as an economic variable, strictly separating labor utility from citizenship rights to preserve national identity.

The UAE model operates on a rigid dichotomy. For low-skilled labor, the state employs the *Kafala* system, which ties the legal status of workers directly to their employer. While criticized by human rights organizations for banning trade unions and establishing no non-discriminatory minimum wage, this system provides the state with absolute control over demographic flows [10]. Conversely, for high-value human capital, the UAE has introduced the Golden Visa, granting 5-10 years of residence for investors and talents. This selective approach allows the state to extract economic value while preventing the formation of a permanent, socially alienated underclass that drains the welfare system.

Japan represents a more nuanced evolution of this pragmatism. Historically resistant to immigration, Tokyo has recently opened its doors via the Specified Skilled Worker (SSW)

program to fill labor gaps [12]. A key feature of this policy is its tiered structure: while the SSW (i) category is limited to five years without family reunification, the SSW (ii) category for highly skilled specialists allows for an indefinite stay and permits workers to bring their family members, acknowledging the need for long-term stability for talent.

This cultural resilience is reinforced politically. The rise of the Sanseitō party in 2025, which campaigns on "Japan First" slogans and opposes uncontrolled foreign influx, signals that the Japanese public is acutely aware of the European crisis and is determined to prioritize social cohesion over diversity [11].

Thus, both the UAE and Japan can be understood as prioritizing institutional and cultural continuity, designing migration policies in ways that limit the transformative impact of large-scale inflows on existing societal structures. These nations ensure that migration remains an engine for economic growth rather than a source of civilizational tension.

2.4. Comparing migration policy incentives

Different migration policy incentives in Europe, the UAE, and Japan shape labor participation, social integration, and the broader socio-economic outcomes of migrant populations, resulting in different patterns.

1. In Germany, the *Bürgergeld* system provides social benefits that may inadvertently create a welfare dependency trap. By providing a level of social support that ensures survival within isolated communities without mandatory labor market participation, the state creates a “gray zone” where integration is demotivated. In contrast, the UAE’s *Kafala* system operates on a rigid enforcement mechanism where legal residency is strictly tied to active employment, ensuring that non-compliance leads to immediate deportation.

2. The European approach of providing humanitarian loopholes often results in a "social reservoir" effect, where the state inadvertently imports social challenges rather than labor. This leads to the formation of parallel societies and high-risk urban districts, as seen in major European metropolises. Conversely, the UAE and Japan prioritize institutional and cultural continuity, filtering inflows to ensure that migration remains an economic asset rather than a catalyst for civilizational transformation.

3. The current welfare-centric policy in Europe has created a perceived sense of injustice among the local youth, who face increasing tax burdens to support economically inactive populations. This economic friction, combined with the pressure of what is described as “reverse racism” and historical guilt [1], serves as a primary driver for the radicalization of the youth and the surge in support for far-right political parties.

3. Conclusions

Our analysis of migration models in Germany, the UAE, and Japan reveals a fundamental shift in the global management of human mobility. The study confirms that the crisis of the European multicultural model is rooted in the dysfunctional incentive structures of the modern welfare state. While constructivist theories often emphasize systemic exclusion, empirical reality suggests that the primary driver of marginalization in open societies is the failure to transition welfare recipients into the active labor force.

Key findings comparing the multicultural and “fortress” approaches can be summarised as follows:

1. European multicultural model provides social support systems that may inadvertently encourage long-term welfare dependency. This creates a “grey zone” of social inactivity that contributes to higher security risks and radicalization within migrant communities.

2. The approaches of the UAE and Japan demonstrate that institutional and cultural continuity can be preserved by prioritizing merit-based migration. By filtering inflows based on economic needs and ensuring strict legal compliance, these nations are trying to harness migration as a tool for national growth without compromising social cohesion.

The findings suggest that a sustainable migration policy should be based on meritocratic values, i.e. providing opportunities to migrants on the basis of their merits – their economic contribution and compliance with the law. This approach should combine economic pragmatism with strict legal filters, ensuring that the state’s hospitality is solely contingent upon a migrant’s contribution to the host nation’s economy and respect for its constitutional order. Thus inclusion should end where the abuse of hospitality and disrespect for the host’s legal order begins.

Future research should focus on improving legal mechanisms for terminating inclusion measures and subsequently deporting migrants who have crossed generally accepted boundaries, particularly in cases of persistent non-compliance with the legal and cultural integrity of the host country.

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FRANCHISING IN THE CONTEXT OF THE CURRENT INTERNATIONAL INTEGRATION PROCESS

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Nikitenko V. Yu., Zmiiova I. V. Franchising in the context of the current international integration process. The article analyses key aspects of the impact of globalisation on the development of international integration. Franchising is described as a tool for adapting business models to national markets. The author examines the mechanisms for adapting franchising models and provides recommendations for the optimisation of franchising strategies.

Keywords: adaptation mechanism, franchising, globalisation process, integration, optimisation, strategy..

Нікітенко В. Ю., Зміїова І. В. Франчайзинг в контексті сучасного процесу міжнародної інтеграції. У статті аналізуються ключові аспекти впливу глобалізації на розвиток міжнародної інтеграції. Франчайзинг описується як інструмент адаптації бізнес-моделей до національних ринків. Досліджено механізми адаптації франчайзингових моделей. Представлено рекомендації щодо оптимізації франчайзингових стратегій.

Ключові слова: інтеграція, механізм адаптації, процес глобалізації, оптимізація, стратегія, франчайзинг.

1. Introduction

In the current economic climate, globalisation is one of the key factors affecting the development of the world economy, including the strategies of international businesses. It transforms traditional approaches to doing business, causing companies to adapt to new market conditions and the cultural characteristics of the various countries.

The **relevance** of the study consists of the fact that the growth of global market integration creates not only new opportunities for enterprises but also a number of challenges that require a comprehensive review of development strategies at the international level. In this context, franchising is one of the most effective strategies for expanding companies' activities overseas, making it possible to combine standardised business models with local adaptation.

The **aim** of the study is to research franchising strategies as a tool for international integration, as well as to identify key factors influencing their development and effectiveness. The article also aims to offer a thorough overview of modern approaches to franchising in the context of globalisation, examine the mechanisms for adapting business models to different regional markets, and analyse practical cases of successful international franchising.

The **object** of the study is the process of international integration of enterprises through franchising, and the **subject** is the mechanisms and features of implementing franchising strategies in global markets.

The main **tasks** of the study are:

1. to provide an overview of globalisation processes and their impact on international integration;

2. to study the adaptation mechanisms of franchising models to different markets;
3. to identify key success factors and risks in international franchising;
4. to make recommendations for optimising international integration strategies through franchising.

2. Franchising: opportunities and risks for businesses

2.1. Franchising and its validity in the current integration process

Franchising is a kind of business cooperation where one business (franchisor) grants the right to conduct certain business activities using its trademark, technologies, know-how or other intellectual property to another business entity (franchisee) for a set period of time, in a limited territory and on certain terms [2].

The following types of foreign franchising can be distinguished like that:

Table 1

Classification of international franchising types

Franchising type	Description
Manufacturing type	This type implies the production of goods by the franchisee using the franchisor's technological resources and the distribution of goods under the franchisor's brand.
Distribution type	This type includes the production of goods by the franchisor, their sale on special terms to the franchisee, who then resells them to end consumers.
Service type	This type suggests that the franchisee provides services on behalf of the franchisor, created by the franchise owner.
Commodity type	This is a trademark franchise that allows franchisees to sell or manufacture products under the franchisor's trademark.

Source: Composed by the author, using materials from [1]

Globalisation is significantly changing the approach companies use to enter international markets, and franchising is becoming one of the most effective tools in this context: economic integration, facilitation of trade and capital movement are creating conditions for the rapid growth of well-known brands beyond national borders with relatively low costs and risks. At the same time, the effectiveness of such extension directly depends on the ability of businesses to consider cultural differences, local regulations, and specific consumer behaviour, ranging from adjusting

product ranges and marketing decisions to maintaining consistent standards of quality and brand reputation [8].

2.2. Adaptation mechanisms of franchising models

Being a global business development strategy, franchising can only be successful when uniform corporate standards are combined with regard for the local conditions of each market.

In manufacturing franchising, the key is to use local raw materials and upgrade tech operations while complying with international quality standards and environmental requirements, which allows you to stay competitive and meet consumer expectations in different countries. Distribution franchising is adapted by establishing effective logistics, building partner networks and incorporating regulatory standards applicable to a specific market [6].

In the service segment, the main tool is adjusting service standards to reflect cultural traditions and consumer behaviour. Customers in different countries have different expectations regarding service quality, service speed, and level of individualisation. When it comes to the commodity type franchising, the primary role is to adapt the product range, packaging, and marketing approaches, which makes it possible to meet the purchasing power, tastes, and local habits of consumers, thus ensuring the brand's appeal in international markets [7].

All these strategies are actively used by such popular franchise companies as McDonald's and KFC restaurants or Nova Poshta services. So, the mechanisms of adaptation can be broken down as follows:

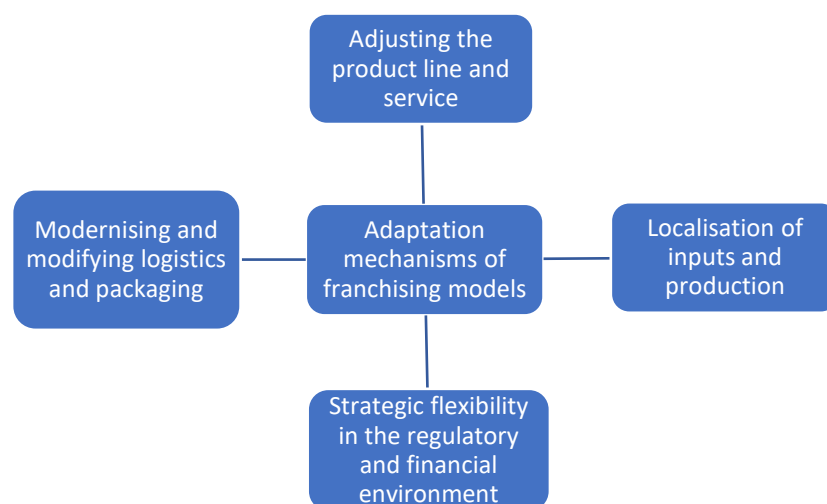


Figure 1. Adaptation mechanisms of franchising models

Source: Composed by the author, using materials from [3]

International franchising provides companies with extensive opportunities. In particular, it allows them to quickly expand into new markets, as growth occurs through partners who invest

their own resources and have a better understanding of local environments. It also significantly reduces the costs and risks associated with establishing new branches.

Another key advantage is local adaptation: local entrepreneurs are more familiar with cultural aspects, customer expectations, and even details of customer behaviour. This allows services or products to be adapted to the specifics of each market while maintaining brand consistency. In addition, the franchising model allows financial risks to be transferred between the franchisor and the franchisee, which helps make growth more sustainable, while entering the global arena increases brand awareness and its prestige.

However, along with opportunities, international franchising also comes with certain risks. One of the most difficult ones is legal and regulatory compliance, as these vary from country to country. From trademark registration to taxation rules, each new country sets its own conditions, and meeting them requires additional effort. Cultural differences are no less important a challenge. What works well in one country may not meet the requirements of customers in another, especially in the case of educational approaches or service style. The support of franchisees also creates complications. For example, providing training, consulting or quality control remotely is complicated by time zones and cultural barriers. In addition, the issue of intellectual property protection is a major risk, as the level of legal protection varies from one country to another [5].

2.3. Guidelines for improving international development strategies with the help of franchising

The best partner to start your franchise development is ProRiat Franchise Development. A team of experts and marketing specialists will support you in taking your first steps and help you understand the opportunities available on the global market. As is the case with any new international consolidation, there will be challenges ahead, such as cultural distinctions, legal matters, contract negotiations, and intellectual property issues, to name a few [7].

To strengthen global integration through franchising, it is necessary to accomplish the following:



Figure 2. Ways to optimise the integration process with the help of a franchise

Source: Composed by the author, using materials from [4]

Thus, franchising serves as a powerful channel for global integration, as it combines unified corporate standards with consideration for local conditions. This creates an environment where international business coexists in harmony with local specifics, fostering the development of entrepreneurship and economic links between countries.

3. Conclusions

After analysing the information above, it can be concluded that franchising plays an important role in international trade, and in recent years the increasing internationalisation of this form of economic cooperation has been growing. Franchising is one of the most effective and relevant approaches to business development, which supports international integration, ensures global integration, and, at the same time, provides opportunities for local entrepreneurship. A new trend is emerging in transnational companies, which is not only about the initial choice of franchising or transforming its operations into a franchise system, but increasingly about using it as a tool for economic growth.

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THE ENERGY DIMENSION OF SUSTAINABLE DEVELOPMENT: ECONOMIC IMPACT OF INDUSTRIAL PRODUCTION ON THE CARBON FOOTPRINT

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Nikulina K. V., Oliynyk N.A. The energy dimension of sustainable development: economic impact of industrial production on the carbon footprint. The article examines the relationship between industrial development, energy consumption, and CO₂ emissions amid global economic change. It analyses industrial pollution drivers, energy-use trends in leading economies, and regional differences in emissions, highlighting the continued carbon intensity of industry despite renewable growth. The study stresses risks to achieving SDG 12 and the need for further integrated analysis to support sustainable economic development.

Keywords: industry, energy consumption, CO₂ emissions, technological development, sustainable development, energy efficiency, renewable energy, global economy.

Нікуліна К. В., Олійник Н. А. Енергетичний вимір сталого розвитку: економічний вплив промислового виробництва на вуглецевий слід. Стаття досліджує взаємозв'язок між промисловим розвитком, енергоспоживанням та викидами CO₂ в умовах глобальних економічних змін. Проаналізовано чинники промислового забруднення, тенденції енергоспоживання у провідних країнах і регіональні відмінності у викидах. Наголошено, що попри розвиток відновлюваної енергетики промисловість залишається значним джерелом вуглецевого забруднення, що ускладнює досягнення ЦСР, зокрема Цілі 12, та потребує подальшого комплексного аналізу для забезпечення сталого розвитку.

Ключові слова: промисловість, енергоспоживання, викиди CO₂, технологічний розвиток, сталий розвиток, енергетична ефективність, відновлювана енергетика, глобальна економіка.

1. Introduction

Today, the global economy is undergoing a profound structural transformation driven by rapid industrial and technological development, which has increased energy demand and placed industrial processes at the centre of CO₂ emission formation. The growing intensity of industrial resource consumption directly contradicts the Sustainable Development Goals, particularly Goal 12 (Ensure Sustainable Consumption and Production Patterns) [1; 3]. In this context, the climate crisis and environmental pollution necessitate a reassessment of existing energy and production models.

The relevance of the study is determined by the growing environmental challenges linked to industrial expansion and increasing energy consumption, which intensify carbon emissions and hinder the achievement of sustainable development objectives; within this context, *the object* of the study is CO₂ emissions generated by industrial production processes, while *the subject* of the study focuses on the impact of industrial and technological factors on carbon pollution levels and energy use. *The aim* of the study is to assess the influence of global economic processes on CO₂ emissions in the industrial sector within contemporary international economic development, and *the tasks* of the study include identifying current trends in industrial energy consumption and emissions, analysing the role of industrial and technological drivers, and determining the key production processes shaping energy demand.

1. Analysis of Energy Consumption and Emissions in the Industrial Sector

The central framework for this analysis is Sustainable Development Goal 12 (Ensure Sustainable Consumption and Production Patterns) [7], which emphasises the necessity of transforming economic models to achieve environmental balance. However, this goal faces a direct challenge, as energy demand is inextricably linked to economic growth.

In 2024, the total global energy demand increased by 2.2%, significantly exceeding the average annual growth rate of 1.3% observed during 2013–2023. At the same time, electricity demand grew faster than GDP, rising by 4.3%—the largest absolute increase in the history of observations [6]. These figures indicate that the global economy is becoming more energy-intensive, increasing electricity consumption per unit of economic activity.

According to the Global Energy Review [6], there is a marked regional differentiation in energy demand growth. Developing countries, particularly in Developing Asia, exhibit the highest increases in global demand, while developed economies demonstrate moderate or even declining growth rates. This defines a specific structure of the global energy balance, in which the primary burden of rising consumption falls on dynamic developing economies. Simultaneously, developed countries focus their efforts on improving energy efficiency and transitioning to non-fossil energy sources. Global energy consumption remains uneven: the primary consumers are China, the USA, and India, with China maintaining leadership both in terms of consumption volumes and renewable energy capacity [4]. Despite the dominance of these countries, global energy demand continues to grow in other regions of the world.

According to the International Energy Agency (IEA), in 2024 the industrial sector became one of the main drivers of the global increase in electricity demand, accounting for nearly 40% of the total growth. At the same time, electricity consumption within the industrial sector rose by almost 4%, representing a significant acceleration compared to 2023. This growth was driven by increased activity in electricity-intensive industries, particularly metallurgy, the chemical industry, mechanical engineering, and electronics manufacturing.

The development of equipment for renewable energy – specifically batteries and components for electric transport – also contributed to higher electricity demand within the industrial sector itself. Industrial revival was further supported by activity in related sectors, such as construction and transportation, where the expansion of digital infrastructure became an additional factor increasing global electricity demand. Taken together, these processes generated a chain reaction of energy consumption growth, encompassing both large enterprises and auxiliary industries. These trends directly influenced the structure of global electricity generation, as illustrated in Figure 1.

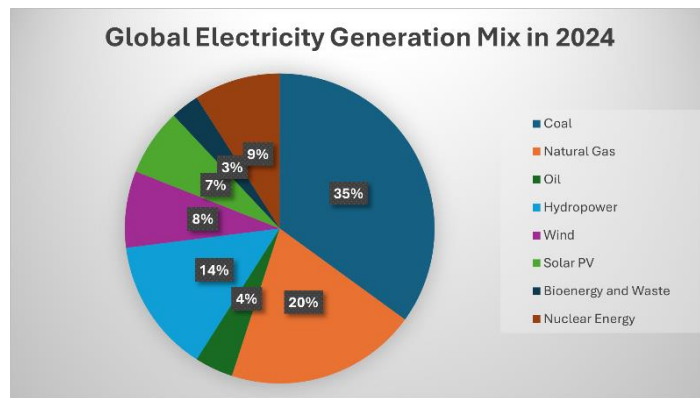


Figure 1. Global electricity generation mix in 2024.

Source: Composed by the author, using data from: International Energy Agency, Global Energy Review 2025 [6].

From the generation side, global electricity production increased by 4% in 2024, with over 80% of this growth supplied by clean energy sources (solar ~40%, wind ~15%, hydro ~16%, nuclear ~4%). Production from fossil fuels rose by only 1% (<20% of the growth). Nevertheless, fossil fuels remain the backbone of energy systems in developing countries. Overall, in 2024 coal accounted for 35% of global electricity generation, while natural gas contributed over 20%. In China and India, coal continues to dominate (60–75%), whereas its share is declining in the USA and the EU. Table 1 summarises the corresponding global CO₂ emissions (million tonnes of CO₂) for 2022–2024.

	CO ₂ emissions* (Mt CO ₂)			Growth rate	
	2022	2023	2024	2022-23	2023-24
World	36819	37270	37566	1.2%	0.8%
United States	4717	4567	4546	-3.2%	-0.5%
European Union	2683	2455	2401	-8.5%	-2.2%
China	12013	12552	12603	4.5%	0.4%
India	2691	2836	2987	5.4%	5.3%

*Include industrial process emissions

Table 1. CO₂ emissions (million tonnes) with growth rates by period 2022–2024.

Source: International Energy Agency, Global Energy Review 2025 [6].

The analysis of 2024 data reveals a complex and ambiguous relationship between industrial activity and global CO₂ emissions. At the global level, direct emissions from industrial processes decreased by 2.3% [5; 6]. However, this trend masks divergent regional dynamics and the secondary, indirect impact of industry on overall energy consumption. A key factor in this reduction was the decline in cement production in China (almost 10%) due to the real estate crisis.

At the same time, in other emerging market and developing economies (EMDE), particularly in India, the expansion of industrial activity and infrastructure development became the main drivers of increased overall energy consumption. This, in turn, stimulated a rise in emissions from fossil fuel combustion (total growth of 1.5% in EMDE and 5.3% in India), as energy demand exceeded the capacity of low-carbon generation.

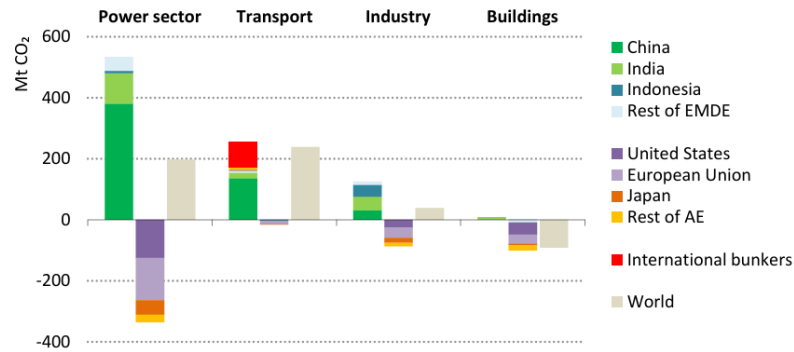


Figure 2. Change in CO₂ emissions from combustion by sector and region, 2022–2023 [2, p. 19].

Thus, according to the data (Fig. 2), the largest share of emissions is attributable to the energy sector, a significant portion of which directly supports industrial production needs. Meanwhile, the industrial sector stands out separately, ranking third in terms of emissions volume after the transport sector. Considering that industry consumes a substantial share of the generated energy while simultaneously producing its own emissions during manufacturing processes, it can be asserted that its operations constitute a significant portion of overall pollution. This distribution allows for the clear identification of key emission sources and outlines potential avenues for optimising industrial processes to reduce their environmental impact.

2. Conclusions

This study highlights key trends in industrial energy consumption and its impact on global CO₂ emissions. Energy intensity is increasing, as electricity consumption grows faster than economic output, and electricity use per unit of industrial production continues to rise, indicating declining efficiency. Industry remains a major source of energy demand, particularly in developing economies, where energy-intensive sectors and reliance on fossil fuels persist. The expansion of green-tech manufacturing and digitalised industries further increases electricity needs, while production, transport, and logistics within value chains amplify indirect emissions from the energy sector. Overall, these trends show that efficiency gains lag behind industrial growth, posing a challenge to sustainable development and calling for further analysis of economic and sustainability interactions.

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THE ROLE OF SMALL AND MEDIUM ENTERPRISES IN ECONOMIC GROWTH

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Oliinyk A. V., Izotova L. I. The role of small and medium enterprises in economic growth. The article explores the importance of small and medium enterprises (SMEs) for the sustainable development of national and global economies. It focuses on the role of SMEs in job creation, innovation, and regional growth. The study analyzes key barriers that limit SME expansion and outlines strategies for their successful integration into the digital and globalized economic environment.

Keywords: small and medium enterprises, entrepreneurship, innovation, employment, economic growth.

Олійник А. В., Ізотова Л. І. Роль малого та середнього бізнесу в економічному зростанні. У статті досліджено значення малих і середніх підприємств (МСП) для сталого розвитку національних і світової економік. Розглянуто їхній внесок у створення робочих місць, інновації та регіональний розвиток. Проаналізовано ключові бар'єри, що обмежують розширення МСП, і запропоновано стратегії для їх успішної інтеграції в цифрове та глобалізоване економічне середовище.

Ключові слова: малі та середні підприємства, підприємництво, інновації, зайнятість, економічне зростання.

1. Introduction

Small and medium enterprises (SMEs) are a cornerstone of modern economies. They contribute significantly to employment, innovation, and competitiveness, serving as an engine for inclusive and sustainable economic growth. SMEs operate in various sectors—from manufacturing and trade to services and technology — forming the foundation of most national business ecosystems.

The *relevance* of this study is due to the fact that SMEs account for more than 90% of registered companies globally and employ over half of the world's labor force. In developing economies, they play a crucial role in reducing poverty, stimulating entrepreneurship, and enhancing productivity [4].

The *object* of the research is the functioning of SMEs in the global economy.

The *subject* is the impact of SMEs on sustainable economic growth.

The *aim* is to identify the contribution of SMEs to national development and the challenges they face in an increasingly digitalized and competitive world.

The *main tasks* include:

1. to determine the economic importance of SMEs;
2. to analyze their role in innovation and employment;
3. to explore the main challenges in financing and regulation;
4. to propose recommendations for improving SME development policies.

2. The Role of SMEs in Economic Systems

2.1. Job Creation and Income Generation

SMEs are a vital source of employment. According to the International Labour Organization (ILO), they generate around 70% of total employment in developing economies. Due to their

flexibility, small firms can adapt quickly to market changes, provide local jobs, and respond to consumer needs more efficiently than large corporations [2].

For many individuals, especially youth and women, SMEs serve as an entry point into the labor market. They promote self-employment, encourage entrepreneurship, and enhance income distribution within communities. The development of small enterprises also stimulates demand for local goods and services, thereby strengthening domestic markets.

2.2. Innovation and Technological Development

Innovation is another key contribution of SMEs. Unlike large corporations, small firms often take greater risks and introduce creative solutions faster. Many technological advancements in digital services, green technologies, and healthcare originate from small innovative enterprises.

Furthermore, SMEs promote technology diffusion by cooperating with larger firms, universities, and research institutions. This interaction enhances national innovation systems and accelerates overall productivity growth.

2.3. Regional and Inclusive Growth

SMEs are particularly important for balanced regional development. They contribute to reducing inequality between urban and rural areas by creating jobs locally. Local enterprises strengthen community ties, generate tax revenues for municipalities, and encourage the growth of local infrastructure and services.

In addition, SMEs promote social inclusion. They support vulnerable groups by offering employment in areas with limited access to large-scale industries, helping to stabilize regional economies and prevent migration from rural to urban centers.

2.4. Barriers and Challenges to SME Development

Despite their undeniable importance, SMEs face numerous barriers that limit their potential.

Financial constraints remain the most significant problem. Many small firms lack access to affordable credit or investment capital due to insufficient collateral and high lending risks. Traditional banks often view small businesses as unreliable borrowers, which restricts their ability to expand.

Administrative and regulatory burdens are another major obstacle. Complex tax systems, corruption, and excessive paperwork discourage entrepreneurs from formalizing their businesses or entering international markets.

Digital transformation represents both an opportunity and a challenge. On one hand, digitalization opens access to e-commerce, marketing, and global communication. On the other

hand, many SMEs lack digital literacy, infrastructure, or resources to implement modern technologies.

Global competition also poses a challenge. In an open market, SMEs must compete with multinational corporations that have larger budgets, advanced technologies, and global distribution networks. Without state support or cooperation networks, small enterprises struggle to survive [3].

2.5. Strategies and Support Mechanisms for SMEs

To strengthen SMEs, both governments and international organizations must develop supportive ecosystems. Key measures include:

Access to finance: creation of microcredit programs, venture capital funds, and state-backed guarantees to reduce lending risks.

Simplified regulations: digitalization of bureaucratic processes and transparent taxation systems to encourage business formalization.

Innovation promotion: grants and subsidies for research, development, and technological modernization.

Digital skills training: educational initiatives to help entrepreneurs master e-commerce, online marketing, and data management.

International cooperation: participation in trade fairs, business incubators, and regional partnerships to facilitate global integration.

Successful examples can be observed in the European Union, where programs like Horizon Europe and COSME support small businesses through innovation financing and digital transformation [1, p. 66]. Similar policies in Asian economies, such as South Korea and Singapore, have also led to rapid SME growth and competitiveness.

3. Conclusions

The conducted research confirms that small and medium enterprises (SMEs) play a decisive role in shaping sustainable, inclusive, and innovation-driven economic growth. Their contribution extends far beyond the creation of jobs — SMEs act as a stabilizing element of national economies, ensuring flexibility and resilience during financial crises, pandemics, and geopolitical disturbances. The adaptability of small businesses enables them to quickly respond to changes in consumer demand and global market conditions, helping maintain the dynamism of the private sector even in periods of economic instability. The analysis also demonstrates that SMEs are a fundamental source of innovation and technological renewal. Through constant interaction with customers, research institutions, and large corporations, they introduce new products, services, and management models that stimulate competition and productivity. The role of SMEs in promoting

digital transformation is particularly significant, as they often serve as the first adopters of digital tools, e-commerce, and online services. Their innovative potential contributes to the development of knowledge-based economies and supports the transition to environmentally sustainable production.

Furthermore, SMEs are vital for social and regional development. They create opportunities in local communities, reduce unemployment, and support the integration of vulnerable groups, including women and youth, into the labor market. In rural and underdeveloped regions, small enterprises often act as the only stable source of income, thereby helping to reduce inequality and migration pressure toward large cities. This highlights their importance for achieving the United Nations Sustainable Development Goals (SDGs), particularly those related to decent work, innovation, and reduced inequalities.

However, to fully realize their potential, SMEs require comprehensive and coordinated support from both national governments and international institutions. The formation of an enabling environment — through simplified taxation, improved access to finance, transparent regulations, and educational programs — is essential for enhancing their competitiveness. It is equally important to develop digital infrastructure and provide targeted grants that encourage the adoption of innovation and environmental technologies.

At the international level, cooperation and exchange of experience between countries can accelerate SME development and integration into global value chains. Initiatives such as the European Union's COSME and Horizon Europe programs, the World Bank's SME financing projects, and OECD recommendations demonstrate the effectiveness of multi-level support systems. Implementing similar frameworks in developing economies can significantly enhance SME sustainability and innovation capacity.

In the context of Ukraine, the SME sector holds exceptional importance for post-crisis recovery and long-term stability. Strengthening small businesses, particularly in production, logistics, and digital services, can become a strategic tool for rebuilding regional economies, increasing exports, and attracting investment. Therefore, government policies should prioritize SME development as a foundation for inclusive, resilient, and innovation-oriented growth.

In conclusion, small and medium enterprises remain one of the most powerful drivers of economic progress, technological advancement, and social stability. Their flexibility, creativity, and close connection to local communities make them an irreplaceable component of both national and global economic systems.

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THE ROLE OF PUBLIC DIPLOMACY IN ENSURING REGIONAL STABILITY IN THE XXI CENTURY

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Onaiko A. D., Marchenko N.O. The role of public diplomacy in ensuring regional stability in the XXI century. The article explores the role of public diplomacy in ensuring regional stability in contemporary international relations. It analyzes the transformation of public diplomacy in the 21st century under the influence of globalization, digital communications and information flows. The study examines the main instruments and functions of public diplomacy as a component of soft power and their impact on regional cooperation and conflict prevention. Particular attention is paid to the challenges posed by digital technologies and social media in state communication strategies. The article concludes by emphasizing the importance of effective public diplomacy for fostering trust, mutual understanding, and long-term regional stability.

Keywords: public diplomacy, regional stability, soft power, digital communications, international relations, conflict prevention.

Онайко А. Д., Марченко Н.О. Роль публічної дипломатії у забезпеченні регіональної стабільності у XXI столітті. Стаття досліджує роль публічної дипломатії у забезпеченні регіональної стабільності в умовах сучасних міжнародних відносин. Проаналізовано трансформацію публічної дипломатії у XXI столітті під впливом глобалізації, цифрових комунікацій та інформаційних потоків. У роботі розглянуто основні інструменти та функції публічної дипломатії як складової м'якої сили та їхній вплив на розвиток регіональної співпраці та запобігання конфліктам. Особлива увага приділяється викликам, пов'язаним із застосуванням цифрових технологій та соціальних медіа в комунікаційних стратегіях держав. У висновках підкреслюється значення ефективної публічної дипломатії для зміцнення довіри, взаєморозуміння та довгострокової стабільності в регіонах.

Ключові слова: публічна дипломатія, регіональна стабільність, м'яка сила, цифрові комунікації, міжнародні відносини, запобігання конфліктам.

1. Introduction

In the XXI century, the system of international relations is increasingly characterized by geopolitical instability, regional conflicts, and the growing influence of information and communication technologies. Under these conditions, public diplomacy has emerged as one of the key non-coercive instruments for maintaining regional stability and preventing escalation of conflicts. Unlike traditional diplomacy, which primarily operates at the intergovernmental level, public diplomacy directly addresses foreign publics, shaping perceptions, attitudes, and trust.

The relevance of this study lies in the growing importance of public diplomacy as a component of soft power in contemporary international relations. In the context of globalization and digitalization, states increasingly rely on public diplomacy to promote their values, improve their international image, and foster dialogue at the regional level. Digital communication platforms and social media have significantly transformed the mechanisms of public diplomacy, expanding its reach while simultaneously creating new challenges related to information security, disinformation, and credibility.

The object of this research is public diplomacy as an element of soft power within the system of modern international relations. *The subject* of the study includes the instruments, mechanisms, and communication strategies of public diplomacy that contribute to regional stability.

Theoretical foundations of public diplomacy have been developed in the works of scholars such as Joseph S. Nye, Hans Melissen, and Yan Wang, who emphasize its role in international communication and the formation of soft power. However, despite extensive academic interest, the issue of how public diplomacy adapts to the digital environment and influences regional stability remains insufficiently explored. This gap is particularly evident in studies that analyze the challenges associated with digital communication and information flows in regional contexts.

The aim of this study is to analyze the role of public diplomacy in ensuring regional stability in the XXI century, with particular attention paid to its transformation under the influence of digital technologies.

The tasks of the research include:

1. analysing the concept and essence of public diplomacy as an instrument of soft power and defining its role in contemporary international relations;
2. identifying and systematising the main functions and instruments of public diplomacy;
3. examining the impact of information technologies and digital communications on the development of public diplomacy;
4. determining the key challenges and limitations in the implementation of public diplomacy in the modern international environment;
5. assessing the importance of public diplomacy for ensuring long-term regional stability and substantiating its stabilising potential.

2. Theoretical Foundations of Public Diplomacy as a Tool of Regional Stability

2.1. Concept and Essence of Public Diplomacy

Public diplomacy differs fundamentally from traditional state-to-state diplomacy in its direct engagement with foreign populations. Where conventional diplomacy operates through official governmental channels, public diplomacy addresses civil society actors, media outlets, cultural organizations, and academic networks. The distinction lies not merely in target audiences but in operational logic: public diplomacy seeks to shape perceptions and attitudes rather than negotiate formal agreements.

Matyash I. B. emphasizes the temporal dimension of this approach. Public diplomacy operates as a sustained communicative strategy rather than a series of discrete interventions [3]. Trust and mutual comprehension develop gradually through repeated interaction. This temporal investment distinguishes public diplomacy from crisis-driven political messaging or short-term propaganda campaigns.

Public diplomacy employs a wide range of instruments, including cultural exchanges, educational programs, public communication initiatives, and information campaigns. As noted by O. Vysotskyi, these instruments enable states to transmit values, historical narratives, and policy priorities in a non-coercive manner, thereby enhancing their credibility and attractiveness in the international arena [1]. Persuasion, dialogue, and openness constitute the core principles of public diplomacy, distinguishing it from traditional forms of diplomatic engagement.

In the context of contemporary international relations, public diplomacy has become increasingly important due to the intensification of information flows and the growing role of public opinion in shaping foreign policy outcomes. As a result, public diplomacy functions not only as a supplementary foreign policy tool but also as an independent mechanism of international influence [5].

2.2. Public Diplomacy as a Component of Soft Power

Nye's soft power framework provides the conceptual foundation for understanding public diplomacy's strategic function. Soft power denotes the capacity to achieve foreign policy objectives through attraction rather than coercion, drawing on cultural appeal, political values, and perceived policy legitimacy. Public diplomacy operationalizes soft power by translating abstract national attributes into concrete communicative practices [10].

The relationship between soft power and public diplomacy remains asymmetric. Soft power represents potential influence deriving from national characteristics; public diplomacy comprises deliberate efforts to activate that potential. Not all soft power resources translate into effective public diplomacy outcomes. Cultural prestige may exist independently of state action, but converting that prestige into political influence requires strategic communication [2].

Matyash I.B. emphasizes that public diplomacy enhances soft power by creating platforms for intercultural dialogue and cooperation, which contribute to the formation of positive and stable international relationships [4]. Educational exchanges, cultural initiatives, and academic cooperation play a significant role in fostering long-term connections that can later translate into political and economic partnerships.

In the XXI century, the development of digital communication technologies has significantly expanded the scope of public diplomacy. Online platforms, social media, and digital communication channels enable states to engage directly with foreign publics, bypassing traditional diplomatic intermediaries. As O. Vysotskyi notes, these transformations increase both the effectiveness and the vulnerability of public diplomacy, as states must address challenges related to information credibility, disinformation, and audience fragmentation [11].

2.3. Regional Stability in Contemporary International Relations

Regional stability refers to a condition of relative equilibrium in which the likelihood of armed conflict is minimized and peaceful coexistence among states is maintained [3]. It is influenced by a complex interaction of political, economic, social, and informational factors, among which trust and effective communication occupy a central position.

In contemporary international relations, regional stability increasingly depends on the ability of states to manage tensions through dialogue and preventive communication. Public diplomacy contributes to this process by facilitating mutual understanding, reducing misperceptions, and providing platforms for constructive engagement. According to Vysotskyi O., transparent communication and consistent messaging are essential for preventing the escalation of regional disputes and strengthening confidence-building measures [1].

Public diplomacy also plays an important role in countering misinformation and hostile narratives that may destabilize regional environments. By promoting accurate information and fostering dialogue between societies, states can create a more predictable and secure regional context. Nye argues that the effective use of soft power instruments, including public diplomacy, enhances the legitimacy of state actions and supports long-term peacebuilding efforts [10].

3. Tools and Mechanisms of Public Diplomacy

3.1. Cultural and Educational Diplomacy

Cultural diplomacy represents one of the core instruments of public diplomacy and focuses on shaping a positive image of the state through cultural expression and intercultural dialogue. It encompasses such forms as art, music, literature, cinema, exhibitions, and cultural events, which allow states to present their national identity, values, and traditions to foreign audiences [2].

Analytical studies indicate that cultural initiatives within the framework of public diplomacy contribute to strengthening international cooperation by creating informal channels of communication between societies. International festivals, exhibitions, and cultural programs reduce stereotypes, and promote a favorable perception of a country abroad [3]. These activities not only enhance the cultural visibility of a state but also encourage the participation of foreign partners in joint projects, thereby strengthening interstate relations.

For instance, programs like the Fulbright Exchange and British Council initiatives demonstrate how sustained cultural engagement builds long-term influence beyond immediate political objectives. These programs create networks of alumni who later occupy influential positions in their home countries, maintaining favorable attitudes toward host nations.

Educational diplomacy represents another important dimension of public diplomacy. It includes academic exchanges, scholarship programs, joint educational initiatives, and international

research cooperation. Educational exchanges contribute to the formation of long-term professional and personal networks, which later serve as a foundation for political, economic, and scientific cooperation [6]. Participation of foreign students in national educational programs increases their awareness of the host country's social and cultural environment and strengthens its international reputation.

The combination of cultural and educational diplomacy forms a comprehensive approach to engaging foreign audiences. According to analytical materials on public diplomacy and regional stability, such an integrated strategy enhances trust, supports dialogue, and contributes to sustainable regional cooperation [8].

3.2. Informational and Digital Diplomacy

Informational diplomacy serves as an essential modern instrument of public diplomacy that enables states to communicate their political positions, strategic priorities, and cultural values to international audiences. It relies on both traditional and digital media, public statements, press releases, and information campaigns aimed at shaping public opinion and countering misinformation [8].

The development of digital technologies has led to the emergence of digital diplomacy as a distinct component of public diplomacy. Digital diplomacy utilizes online platforms, social media, virtual events, and other digital tools to engage directly with foreign publics. This form of communication allows states to respond promptly to international developments, adapt messages to changing circumstances, and interact with diverse audiences, including experts, journalists, and civil society representatives [11].

A key feature of digital diplomacy is its capacity to tailor communication to specific target audiences. This personalization enhances the effectiveness of public diplomacy by increasing transparency and fostering trust [5]. Through digital channels, states are able not only to disseminate information but also to involve foreign non-governmental organizations, academic communities, and opinion leaders in discussions related to national initiatives and international cooperation [8].

Moreover, digital diplomacy enables the implementation of large-scale information campaigns with relatively limited financial and organizational resources. Such campaigns can reach wide international audiences and contribute to creating a favorable information environment, which is particularly important for reducing tensions and preventing conflicts at the regional level [7].

The COVID-19 pandemic accelerated this digital transformation, as traditional face-to-face diplomatic events moved online. States had to rapidly adapt their public diplomacy strategies to

virtual formats, with some proving more successful than others in maintaining engagement and credibility in digital environments.

However, digital diplomacy introduces new vulnerabilities. Digital platforms amplify both accurate information and disinformation, creating environments where truth and falsehood compete on equal terms. Social media algorithms prioritize engagement over accuracy, potentially rewarding sensationalism. States deploying digital diplomacy must navigate these challenges while maintaining credibility.

The integration of informational and digital diplomacy with cultural and educational initiatives forms a comprehensive system of public diplomacy. This system enhances a state's ability to promote its foreign policy objectives, strengthen long-term regional stability, and develop constructive interstate relations based on dialogue and mutual understanding [11].

3.3. Institutional and Non-State Actors in Public Diplomacy

Both governmental institutions and non-state actors implement public diplomacy, and their interaction determines its effectiveness in foreign policy communication. Governmental bodies, especially foreign affairs ministries and diplomatic missions, coordinate public diplomacy strategies. They are responsible for formulating communication priorities, managing cultural and educational initiatives, and representing national interests abroad [1].

Alongside official institutions, non-state actors such as non-governmental organizations, academic institutions, think tanks, and civil society initiatives contribute significantly to public diplomacy efforts. The involvement of non-state actors increases the credibility of public diplomacy, as such actors are often perceived by foreign audiences as more independent and trustworthy than official government representatives [6].

Academic and educational institutions occupy a special place in public diplomacy due to their role in international exchanges, joint research projects, and expert cooperation. These forms of interaction create stable professional networks and promote long-term dialogue between societies. Vysotskyi O. emphasizes that expert and academic diplomacy facilitates mutual understanding and reduces the risk of misinterpretation in international relations, particularly at the regional level [1].

Analytical reports of the National Institute for Strategic Studies (NISS) underline the importance of institutional cooperation between state authorities and civil society in strengthening public diplomacy mechanisms. Such cooperation allows states to expand their international outreach, adapt communication strategies to regional contexts, and support stability through dialogue and trust-building measures [5].

The combination of institutional and non-state actors forms a comprehensive public diplomacy framework. This framework enhances the attractiveness of the state, improves the effectiveness of communication with foreign audiences, and contributes to regional stability by fostering sustainable international partnerships and reducing tensions through continuous dialogue [5].

4. Conclusions

Public diplomacy plays an increasingly important role in supporting regional stability in the XXI century. Functioning as a component of soft power, it strengthens trust-based communication, reduces misperceptions, and enhances the legitimacy of interstate interaction. Cultural, educational, informational, and digital instruments together form a comprehensive system that facilitates dialogue and prevents escalation in sensitive regional environments.

The digital transformation of public diplomacy introduces both opportunities and challenges. Digital platforms expand operational reach and enable direct engagement with foreign populations. However, they simultaneously create vulnerabilities related to credibility erosion, information manipulation, and audience fragmentation. These challenges require ongoing conceptual and practical reassessment of traditional public diplomacy frameworks.

The effectiveness of public diplomacy ultimately depends on strategic coherence and perceived authenticity. Public diplomacy succeeds when state messaging aligns with observable policy actions and when engagement appears genuinely dialogical rather than manipulative. States that use public diplomacy purely for short-term propaganda purposes risk long-term credibility damage that undermines their soft power resources.

This study has identified the main instruments and functions of public diplomacy in the context of regional stability. However, the conceptual framework outlined here requires further empirical validation through region-specific case studies. Regions exposed to hybrid information threats and communication-driven tensions offer particularly valuable contexts for future research. Such studies would clarify how public diplomacy mechanisms function under adversarial conditions and identify best practices for maintaining credibility amid information warfare.

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EVOLUTION OF THE POLICY OF NUCLEAR DETERRENCE IN THE SYSTEM OF INTERNATIONAL SECURITY

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Ostretska A. S., Lavrinenko I. M. Evolution of the policy of nuclear deterrence in the system of international security. Nuclear deterrence is an important element of international security. This article analyses its evolution from the period of World War II and the Cold War to contemporary approaches. It outlines the transition from the doctrine of mutually assured destruction to flexible and integrated models and defines the role of nuclear non-proliferation and international treaties in ensuring strategic stability.

Keywords: arms control, international security, mutually assured destruction, nuclear deterrence, nuclear non-proliferation.

Острецька А. С., Лавріненко І. М. Еволюція політики ядерного стримування в системі міжнародної безпеки. Ядерне стримування є важливим елементом міжнародної безпеки. У статті проаналізовано його еволюцію від періоду Другої світової війни та Холодної війни до сучасних підходів. Окреслено перехід від доктрини взаємно гарантованого знищення до гнучких та інтегрованих моделей і визначено роль ядерного нерозповсюдження та міжнародних договорів у забезпеченні стратегічної стабільності.

Ключові слова: взаємно гарантоване знищення, контроль над озброєннями, міжнародна безпека, ядерне нерозповсюдження, ядерне стримування.

1. Introduction

Nuclear weapons have become one of the most important factors determining international security since the middle of the XX century. Their emergence radically changed perceptions of the nature of military conflicts and the balance of power in the world. Before World War II, strategic superiority was determined by the economic and military potential of states, and later the ability to inflict irreparable damage on the enemy due to the nuclear arsenal came to the fore. This led to the formation of the concept of nuclear deterrence as a key element of international relations.

The *relevance* of the study of this topic is due to the fact that the policy of nuclear deterrence remains an important component of global security even today. Despite the end of the Cold War, the world has not become more predictable: new states are striving to achieve nuclear status, and traditional nuclear players are improving their arsenals. Nuclear deterrence continues to affect interstate relations, forms geopolitical alliances and forces countries to seek a balance between deterrence and the risk of escalation.

The *object* of the study is the policy of nuclear deterrence as an element of international relations and global security. The *subject* of the study is the historical stages of the development of the concept of nuclear deterrence and current problems and trends in its functioning in the context of new geopolitical and technological challenges.

The *aim* of the study is to highlight the evolution of nuclear deterrence policies – from its origins to its current state – with a focus on historical background and current issues affecting international security in the face of new geopolitical and technological challenges.

The following *tasks* are set to achieve the purpose:

- to consider the formation of the concept of nuclear deterrence during World War II and in the early stages of the Cold War;
- to investigate the transformation of nuclear deterrence strategies from classical models to modern approaches in the face of new geopolitical and technological challenges;
- to assess the current scale of nuclear weapons proliferation and the role of international legal mechanisms in limiting it.

2. Evolution of the policy of nuclear deterrence

2.1. Formation of the concept of nuclear deterrence during the Second World War and at the early stage of the Cold War

The foundations of the policy of containment were formulated by American diplomat George Kennan in the 1940s. In the context of the Cold War, this approach later evolved into nuclear deterrence, which became closely linked to the doctrine of mutually assured destruction (MAD). The MAD doctrine is based on the principle that any attempt to launch a first nuclear strike will inevitably lead to a devastating retaliatory strike by the enemy, effectively rendering war pointless and serving as a factor in preserving peace.

During World War II, the idea of nuclear weapons was just beginning to take shape, but it was already influencing the military and political strategies of states. An important role was played by Albert Einstein's letter to US President Franklin Roosevelt, in which the scientist urged him to develop an atomic bomb in response to Germany's aggressive policy [2, p. 27]. This became the catalyst for the launch of the Manhattan Project, a large-scale scientific and industrial programme by the United States, Great Britain and Canada aimed at creating atomic weapons.

A real turning point came in August 1945, when the United States dropped two bombs on the Japanese cities of Hiroshima and Nagasaki, resulting in over 200,000 deaths [4]. These events demonstrated to the world the real power of nuclear weapons and their ability to change the course of war. The longest period of relative stability in the 20th century was characterised by a bipolar international system and the phenomenon of the 'Cold War'. During the Cold War, the United States and the Soviet Union possessed roughly equal military capabilities, which led to an arms race and, at the same time, mutual deterrence from direct armed conflict.

One of the first public arguments in favour of a policy of deterrence in relations with the USSR was George Kennan's article 'The Sources of Soviet Conduct,' published in Foreign Affairs magazine in 1947. Already in 1949, the USSR detonated its first atomic bomb, RDS-1, as part of tests codenamed 'First Lightning,' which signalled the country's entry into the nuclear race [3]. As a result, in 1950, NATO adopted its first Strategic Concept, which envisaged the use of nuclear weapons as a key element in deterring the USSR.

2.2. Transformation of nuclear deterrence strategies: from classical models to modern approaches in the face of new geopolitical and technological challenges

In the classic version of Cold War deterrence, the core of the strategy was the concept of Mutual Assured Destruction. The essence of MAD was that both superpowers – the United States and the Soviet Union – possessed sufficient nuclear potential to inflict catastrophic losses on each other in the event of an attack by the enemy.

At the same time, this concept had significant limitations and risks. The most famous case was the Caribbean crisis of 1962, when the world found itself on the brink of direct nuclear conflict. The constant danger of MAD stimulated the search for more flexible and adaptive strategies of nuclear deterrence.

In the early 1960s, the United States and NATO began to implement the concept of ‘Flexible Response,’ which provided for multi-stage response scenarios instead of an unambiguous ‘all or nothing’ approach. At the same time, the first series of Strategic Arms Limitation Talks (SALT I) began, culminating in January 1972 with the signing of two documents: the Anti-Ballistic Missile Treaty (ABM Treaty) and the Interim Agreement on the Limitation of Strategic Offensive Arms [5].

After the end of the Cold War, and especially in the 21st century, the concept of nuclear deterrence has undergone a significant transformation, shifting to more flexible and adaptive approaches. Modern states and military-political alliances are increasingly using the concept of ‘integrated’ deterrence, which combines nuclear and non-nuclear means.

It is important to note that innovative technologies have also significantly changed the nature of nuclear weapons, their control systems, and the environment in which deterrence policy is formed. For example, the integration of artificial intelligence, cyber operations, hypersonic systems and space technologies simultaneously increases the accuracy and speed of decision-making, but also creates new vulnerabilities, reduces response times and complicates control and verification. That is why a combination of political agreements, transparency, cyber defence and effective verification mechanisms is necessary to ensure the stability of deterrence.

2.3. Proliferation of nuclear weapons and the role of international legal mechanisms in limiting it.

Since its first use in 1945, nuclear weapons have fundamentally changed the nature of warfare and the global balance of power, and their proliferation remains one of the most serious challenges to international security in the modern world. In response to these threats, the international community has developed a system of treaties and agreements aimed at preventing the proliferation of nuclear weapons and limiting their use. The key document in this area is the Treaty

on the Non-Proliferation of Nuclear Weapons (NPT), signed in 1968 and currently joined by 189 states.

Today, nine countries in the world possess nuclear weapons. Five of them are officially recognised as nuclear powers under the NPT: the United States, the United Kingdom, France, China and Russia. Four other countries have acquired nuclear capabilities outside the treaty: India, Pakistan, Israel and North Korea. The total number of nuclear warheads exceeds 12,000, with the United States and Russia accounting for about 90% of the stockpile [6]. There are also a number of 'threshold' states that have the technological and scientific potential to develop nuclear weapons in a relatively short period of time. Countries such as Iran, Japan and Saudi Arabia demonstrate that technical potential can quickly be transformed into a real arsenal if the political decision is made.

It is important to note that, in the interests of all parties, the NPT promotes cooperation in the peaceful use of nuclear technology under the supervision of the International Atomic Energy Agency (IAEA) [1, p. 21], which monitors the use of nuclear materials and prevents their diversion to military programmes. For example, thanks to the Agency's activities, undeclared nuclear activities were detected in South Korea (2004), Egypt (2004) and Iran (2005), confirming the central role of the IAEA in preventing the proliferation of nuclear weapons and controlling the use of nuclear technology for peaceful purposes. In addition to the NPT, the Strategic Arms Reduction Treaty (START), the Treaty on the Prohibition of Nuclear Weapons (TPNW), as well as regional nuclear-weapon-free zones and export control regimes that prevent the proliferation of weapons of mass destruction, play an important role.

3. Conclusion

Nuclear deterrence policy has become one of the key factors in international security in the second half of the 20th century and early 21st century. Its evolution from rigid bipolar models based on mutually assured destruction to more flexible and comprehensive approaches reflect the changing nature of international threats. Nuclear deterrence played an important role in preventing direct military confrontation between leading powers, while maintaining a constant risk of escalation, which was particularly evident during the crises of the Cold War.

In today's world, the effectiveness of deterrence is determined not only by the number of nuclear warheads, but also by the quality of political decisions, the reliability of control mechanisms and the role of international treaties. The proliferation of nuclear technologies and new technological challenges highlight the need for greater international cooperation, transparency and accountability as key conditions for maintaining global stability.

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EMOTIONAL MARKETING AND ITS INFLUENCE ON CONSUMER DECISIONS

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Papusha A. A., Marchenko N. O. Emotional marketing and its influence on consumer decisions. Emotions profoundly influence human decision-making, and they play an important part in consumer behavior in today's marketplaces. As competition rises, traditional marketing strategies based exclusively on pricing and product functioning become ineffective. This article investigates emotional marketing, specifically how emotions influence consumer perceptions, purchase decisions, and brand relationships. The study demonstrates how emotional appeals strengthen brand-consumer relationships by examining the neurological foundation of emotions and their application in marketing. The essay also examines essential elements like storytelling, symbolism, and emotional connection, with real-world examples from firms like Google, McDonald's, and Dove. The findings indicate that emotional marketing is an important part of modern marketing tactics, favorably influencing brand awareness, loyalty, purchase intention, and product perception.

Keywords: Emotional marketing; consumer behavior; emotions; brand perception; storytelling; purchase decision.

Папуша А. А., Марченко Н. О. Емоційний маркетинг та його вплив на рішення споживачів. Емоції глибоко впливають на прийняття рішень людьми та відіграють важливу роль у поведінці споживачів на сучасних ринках. Зі зростанням конкуренції традиційні маркетингові стратегії, засновані виключно на ціноутворенні та функціонуванні продукту, стають неефективними. Ця стаття досліджує емоційний маркетинг, зокрема, як емоції впливають на сприйняття споживачів, рішення про покупку та стосунки з брендом. Дослідження демонструє, як емоційні звернення зміцнюють стосунки між брендом і споживачем, досліджуючи неврологічну основу емоцій та їх застосування в маркетингу. В есе також розглядаються такі важливі елементи, як розповідь історій, символіка та емоційний зв'язок, на прикладах з реального світу, таких як Google, McDonald's та Dove. Результати дослідження показують, що емоційний маркетинг є важливою частиною сучасної маркетингової тактики, позитивно впливаючи на впізнаваність бренду, лояльність, намір покупки та сприйняття продукту.

Ключові слова: емоційний маркетинг; поведінка споживачів; емоції; сприйняття бренду; розповідь історій; рішення про покупку.

1. Introduction

Emotions play a crucial role in human perception and behavior, making it impossible to overlook emotional marketing, which for many firms means influencing consumer decisions [1; 2]. This article examines the phenomenon, its mechanisms, and its impact on consumer behavior, discussing its characteristics and role in shaping perceptions, communication, and decision-making.

The *object* of this study is emotional marketing as a component of modern marketing activities. The *subject* of this study is the influence of emotional marketing tools and emotional appeals on consumer behavior, decision-making, and consumer-brand relationships. The *relevance* of this study is determined by the increasing role of emotions in consumer decision-making and the widespread use of emotional marketing in contemporary business practice.

A brief overview of emotional marketing highlights key aspects for study. The nature and expression of human emotions form the basis of emotional influence in marketing [1], while their ability to override rational thinking affects judgment and decision-making [2]. In addition, the role of emotional appeals—such as trust, happiness, nostalgia, and belonging—in consumer behavior and the use of emotional marketing to strengthen consumer-brand relationships should be

analyzed. Finally, the impact of emotional marketing on decision-making and brand loyalty confirms its relevance in modern marketing strategies.

These features necessitate specific attention and investigation, and they define the significance of this study. Thus, the *goal* of this study is to look into the concept of emotional marketing and gain a better knowledge of how emotions influence consumer behavior.

To achieve this aim, the following *tasks* have been defined:

1. To define the nature and role of emotions in human behavior;
2. To examine the impact of emotions on personal relationships and cognitive processes, including decision-making;
3. To analyze the main emotional appeals used in marketing;
4. To describe how businesses use emotional marketing to influence consumer behavior;
5. To assess the effect of emotional marketing on consumer-brand relationships.

2. Emotional marketing and how it influences our decisions

2.1. What is emotion and why it is related to marketing

Consumers are no longer motivated only by practical benefits or pricing; instead, they seek meaningful relationships and authentic brand experiences. This change underscores the increased role of emotion in determining consumer views and purchasing decisions, elevating emotion to the center of modern marketing.

The American Psychological Association (APA) describes emotion as a complex reaction that includes experiential, behavioral, and physiological components. Emotions are the result of personally significant experiences, and they encompass subjective experience, physiological response, and expressive behavior. Feelings are the conscious experience of emotions influenced by memories, beliefs, and interpretations [5]. Emotions and sentiments influence how people perceive events and make decisions, including consumer behavior.

This emotional paradigm explains why purchase decisions are rarely based solely on rational judgment. Consumers like companies that inspire pleasant feelings, reflect their beliefs, and fit with their ambitions. Authenticity has thus become the currency of trust, with individuals gravitating toward firms whose messages appear authentic and emotionally meaningful. Instead of strictly transactional interactions, people establish emotional bonds with businesses that tell interesting tales and provide unforgettable experiences.

As a result, marketers are increasingly relying on emotional appeal to foster deeper, value-driven relationships with audiences. Understanding how emotions influence perception, behavior, and loyalty enables marketers to move beyond product-focused communication and connect with customers on a more personal level. This link serves as the cornerstone for emotional marketing, which aims to integrate brand identification with consumers' emotional demands and experiences.

2.2. What is emotional marketing

Emotional marketing has the word "emotions" in its name, which directly signals a connection with feelings. If marketing itself means interaction with and promotion of a brand or product, then emotional marketing focuses on the emotions of buyers. Its main goal is to create a close connection with customers and build long-term relationships through feelings [4].

How does it work? For instance, marketers often use storytelling to provoke an emotional connection between a person and a brand or product. This connection can be based on coziness and comfort, as every person seeks peace and a sense of security. Emotional marketing is also closely related to family -oriented advertising. Products intended for family use, such as mattresses, furniture or home decorations, are frequently promoted in a warm and friendly family atmosphere, where the family members are happy and everyone understands each other. As a result, people who buy products advertised in this way subconsciously hope to achieve the same harmonious atmosphere shown in the advertisement.

Sometimes, brands also use negative emotions: anger, envy, regret, and other similar emotions [2]. However, this approach is quite risky, because if these emotions are used incorrectly, they can cause a weak connection between the brand and the consumer or even the opposite – discourage people from wanting to associate with the brand at all.

2.3. How emotional marketing influences consumers

In times of market saturation, emotional marketing is critical in affecting customer behavior because emotional want frequently trumps rational need. According to researchers, in addition to price and quality, consumers are increasingly seeking intangible values such as trust, emotional comfort, and dreams [3, p. 287]. Emotional marketing converts products and services into symbolic and cultural experiences by instilling emotions in their core value. This strategy promotes stronger consumer-brand interactions, impacting perception, decision-making, and purchase intentions. For example, Jellycat's storytelling gives items emotional significance, which increases engagement, loyalty, and post-purchase satisfaction [3, p. 287].

Emotional marketing not only improves product perception and purchase decisions accordingly, but also raises customer awareness and brand identification. In this setting, emotional marketing reflects a postmodern strategy that emphasizes emotional value and psychological symbolism in consumer behavior.

2.4. Real cases of emotional marketing

Real-life campaigns show how emotional marketing shapes consumer perceptions and strengthens brand–audience relationships. A notable example is Google’s Super Bowl advertisement “**Dream Job,**” which portrays a father preparing for a job interview using Google Pixel 9 and the AI chatbot

Gemini Live [7]. Instead of highlighting technical features, the campaign emphasizes the emotional value of parenthood and how parenting skills translate into professional strengths [7]. This human-centered approach creates emotional connection and positions the product as a tool for personal growth and confidence rather than a substitute for human intelligence.

Similarly, multinational brands like McDonald's and Coca-Cola employ emotional marketing to maintain relevance and emotional ties rather than simply raising brand awareness. McDonald's, for example, uses emotive storytelling to emphasize common scenarios that appeal with customers [8]. One campaign depicts a teenage guy receiving his mother's old car, which represents trust, sacrifice, and family support, before concluding with a meaningful gesture of bringing home a McDonald's meal [8]. This technique increases emotional attachment to the brand by associating it with warmth, family, and shared experiences.

Another strong example of emotional marketing is Dove's campaign on the impact of social media on young girls' self-esteem. The advertisement contrasts an idealized online image with the reality of a vulnerable pre-teen after filters and makeup are removed, highlighting unrealistic beauty standards [8]. The message is reinforced by an emotional ending and a statistic showing that 80% of girls alter their appearance online by age 13 [8]. Through the hashtag #TheSelfieTalk, Dove encourages public discussion and social awareness. Overall, this example shows that emotional marketing is most effective when brands authentically address human experiences and meaningful social issues.

3. Conclusion

The data presented in this article highlights the significant role of emotional marketing in shaping consumer behavior in modern markets. Emotions strongly influence brand perception, product evaluation, and purchasing decisions, often outweighing rational factors such as price or functionality. By appealing to emotions such as trust, empathy, comfort, and belonging, emotional marketing enables brands to build deeper and more lasting relationships with consumers. Through storytelling and emotive imagery, products and services are transformed into meaningful psychological experiences that guide consumers through the decision-making process. As illustrated by campaigns from Google, McDonald's, and Dove, authentic emotional narratives strengthen brand loyalty, encourage repeat purchases, and contribute to long-term brand value.

Finally, emotional marketing reflects a trend toward a postmodern marketing style that emphasizes emotional value and psychological symbolism in consumer behavior. When used ethically and intelligently, emotional marketing benefits brands while also improving the consumer experience, making it a strong and necessary tool in modern marketing practice.

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LES SCANDALES DE CORRUPTION COMME FACTEUR D'AFFAIBLISSEMENT DE LA COOPERATION ECONOMIQUE INTERNATIONALE DE L'UKRAINE : L'EXEMPLE DE L'AFFAIRE ENERGOATOM

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Parkhomenko O., Bezvesilna N. T. Les scandales de corruption comme facteur d'affaiblissement de la coopération économique internationale de l'Ukraine : l'exemple de l'affaire Energoatom. Cet article analyse l'impact du vaste scandale de corruption qui a secoué NNEGC Energoatom (novembre 2025) sur la situation économique internationale de l'Ukraine. Il examine les détails de l'affaire impliquant T. Mindich, la réaction des autorités et les conséquences juridiques controversées, notamment la déchéance de nationalité du prévenu, qui a compliqué la procédure judiciaire.

Mots-clés: Scandale de corruption, NNEGC Energoatom, interaction économique internationale, climat d'investissement, Timur Mindich, intégration européenne.

Пархоменко О., Безвесільна Н. Т. Корупційні скандали як чинник послаблення міжнародної економічної взаємодії України: на прикладі справи «Енергоатому». У статті проаналізовано вплив масштабного корупційного скандалу в НАЕК «Енергоатом» (листопад 2025 р.) на міжнародну економічну суб'єктність України. Розглянуто деталі справи за участі Т. Міндіча, реакцію державного керівництва та суперечливі юридичні наслідки, зокрема втрату фігурантом громадянства, що ускладнило правосуддя.

Ключові слова: корупційний скандал, НАЕК «Енергоатом», міжнародна економічна взаємодія, інвестиційний клімат, Тимур Міндіч, євроінтеграція.

1. Introduction

L'objectif de cet article est d'analyser l'impact du scandale de corruption entourant NNEGC Energoatom sur les interactions économiques internationales de l'Ukraine, en particulier sur l'attractivité des investissements, la confiance des partenaires internationaux, les conditions de financement extérieur et les perspectives de coopération industrielle.

L'objet de l'étude est l'impact des scandales de corruption dans les entreprises publiques stratégiques sur l'entité économique internationale de l'Ukraine, son climat d'investissement, ses liens économiques étrangers et ses relations avec les donateurs internationaux (en utilisant l'exemple du cas Energoatom).

L'actualité de cet article tient au renforcement du rôle de la coopération économique internationale pour l'Ukraine dans le contexte de la reconstruction d'après-guerre, mais les scandales de corruption dans les secteurs stratégiques, notamment dans l'énergie, affectent considérablement la confiance des investisseurs, le soutien politique des partenaires internationaux et la réputation de l'État sur la scène mondiale. L'analyse du cas spécifique de NNEGC « Energoatom » permet d'évaluer en profondeur comment les problèmes de gestion interne et les dysfonctionnements institutionnels se transforment en risques économiques externes pour l'Ukraine.

La corruption dans les secteurs stratégiques de l'administration publique constitue une menace systémique pour la stabilité économique et la coopération internationale. Dans le cas de

l'Ukraine, qui connaît des réformes de grande envergure et cherche à s'intégrer plus profondément aux marchés européens et mondiaux, le problème de la corruption revêt une importance particulière. En novembre 2025, un vaste scandale de corruption au sein de l'entreprise publique NNEGC Energoatom, impliquant l'homme d'affaires Timur Mindich, a attiré l'attention non seulement du public national, mais aussi de la communauté internationale.

Pour un pays en phase de redressement économique et dépendant des financements et investissements extérieurs, cet incident a constitué un test révélateur de sa capacité à garantir l'état de droit et à protéger les ressources publiques.

Le but de cet article est d'analyser l'impact du scandale de corruption entourant Energoatom sur la participation économique internationale de l'Ukraine, et en particulier sur la dynamique de la confiance des investisseurs, du soutien politique et des partenariats industriels.

2. Les scandales de corruption comme facteur d'affaiblissement de la coopération économique internationale de l'Ukraine

2.1. Description d'une affaire de corruption.

En novembre 2025, les autorités anticorruption ukrainiennes, en coopération avec les forces de l'ordre, ont mis au jour une vaste affaire de corruption au sein de l'entreprise publique Energoatom. L'opération NABU baptisée « Midas » a révélé un système de « pots-de-vin » systématiques d'un montant de 10 à 15 % de la valeur des contrats, qui auraient été exigés des sociétés contreparties. Selon les premières estimations, les dégâts pourraient atteindre environ 100 millions de dollars américains. Les figures clés de l'enquête étaient plusieurs dirigeants de l'entreprise et l'homme d'affaires Timur Mindich, qui, selon les enquêtes journalistiques, exerçait une influence informelle sur la prise de décision dans le domaine des marchés publics [1].

2.2. Dimension politique et lien avec le président

Le scandale a pris une importance particulière du fait de la figure de Timur Mindich, qui entretenait des liens de longue date avec le président ukrainien Volodymyr Zelensky, était l'un des cofondateurs du studio «Kvartal 95» et appartenait au cercle de ses partenaires de longue date. Bien que Zelensky se soit publiquement désolidarisé de la personne impliquée, les médias internationaux et les groupes de réflexion ont souligné que cet aspect crée des risques supplémentaires pour la réputation de l'État et renforce les doutes quant à la réelle indépendance de l'administration publique. Après la diffusion de ces informations, le président a déclaré qu'une réponse immédiate était nécessaire et a démis de leurs fonctions plusieurs hauts responsables, dont le ministre de la Justice et le ministre de l'Énergie. Des sanctions ont également été imposées contre

Mindić et ses associés, mais ces restrictions ont été assouplies par la suite, ce qui a suscité des critiques de la part du public et des observateurs internationaux.

2.3. Conséquences juridiques: allègement des sanctions, perte de la citoyenneté et fuite des personnes impliquées

Une étape importante dans le déroulement des événements a été la déchéance de la citoyenneté ukrainienne de Mindich. Bien que le gouvernement ait présenté cette décision comme un moyen d'éliminer son influence sur les processus nationaux, elle a eu l'effet inverse: après avoir perdu sa citoyenneté, il est devenu beaucoup plus difficile de le traduire en justice, y compris par le biais de procédures d'extradition. En outre, il a été rapporté que plusieurs autres accusés impliqués dans des affaires de corruption ont quitté le territoire ukrainien au cours des premières phases de l'enquête. Cela a remis en question l'efficacité du contrôle des forces de l'ordre et a réduit la probabilité d'un procès en bonne et due forme.

Les partenaires internationaux ont exprimé des inquiétudes persistantes quant au fait qu'une réponse aussi faible de l'État puisse indiquer une défaillance institutionnelle dans la garantie de l'état de droit, notamment dans les secteurs stratégiques.

2.4. Risques de réputation et confiance des investisseurs

Pour les investisseurs étrangers, le niveau de corruption dans les principaux secteurs publics est l'un des critères fondamentaux pour prendre des décisions en matière de coopération.

La sape de la confiance dans la gestion des actifs nationaux entraîne:

3. risques d'investissement accrus;
4. croissance de la valeur du capital;
5. réduction du volume des investissements directs étrangers;
6. changements dans les conditions d'accès aux projets de partenariat public-privé.

Dans le secteur de l'énergie, fondamental pour l'économie, la corruption crée des obstacles supplémentaires à la modernisation des infrastructures, à l'obtention de prêts à long terme et à la mise en place de partenariats technologiques.

2.5. Conditions politiques de l'assistance internationale

L'Ukraine étant largement dépendante des financements extérieurs, les incidents de corruption ont des répercussions sur: exigences des organisations internationales en matière de réformes; conditions d'octroi de crédit et d'assistance technique; évaluation de l'efficacité de l'administration publique.

La corruption au sein des entreprises stratégiques révèle directement des vulnérabilités structurelles, obligeant les partenaires à exiger des garanties supplémentaires de transparence et de contrôle.

Violation de la coopération industrielle. Étant donné qu'Energoatom est un acteur clé du secteur de l'énergie nucléaire, ce scandale pourrait avoir des conséquences négatives: négociations avec les sociétés énergétiques internationales ; projets conjoints de modernisation des réacteurs; fourniture d'équipements critiques; exécution des obligations contractuelles.

2.6. Réaction des acteurs internationaux

Union européenne. Les institutions européennes ont réagi immédiatement à l'incident. Les représentants de l'UE ont insisté sur la nécessité d'une enquête transparente et d'une action cohérente de la part des autorités ukrainiennes [4].

Allemagne. Le gouvernement allemand a souligné que la confiance en Ukraine ne se maintient que si l'enquête est véritablement indépendante et si toutes les personnes impliquées sont prêtes à rendre des comptes [6].

États-Unis. Les diplomates américains ont souligné que tout soutien financier supplémentaire pour l'Ukraine dépendra largement de l'efficacité des mesures anticorruption [6].

Les groupes de réflexion et les médias internationaux considèrent cette affaire comme un test de résistance pour le système anticorruption ukrainien. Un résultat positif pourrait renforcer la confiance dans l'État, tandis qu'un échec ne ferait qu'accentuer les doutes quant à sa capacité à moderniser la gouvernance [5].

2.7. Implications pour l'investissement et la coopération

Conséquences à court terme: report des décisions d'investissement; surveillance accrue des entreprises publiques; attention accrue de la part des organismes de réglementation internationaux.

Conséquences à moyen terme: augmentation de la prime de risque; accès plus difficile aux prêts à long terme; exigences de réforme plus strictes.

Conséquences à long terme: baisse de l'attractivité des investissements; ralentissement de la modernisation du secteur énergétique; formation d'une image négative persistante concernant le niveau des risques de corruption.

3. Conclusions

Le scandale de corruption chez Energoatom démontre à quel point les faiblesses de gestion internes affectent la position économique internationale d'un État. La réaction rapide des autorités aurait pu être un signal positif, mais l'allègement des sanctions, la perte de citoyenneté du principal acteur

impliqué et la fuite de plusieurs suspects ont considérablement sapé la confiance des partenaires internationaux.

L'achèvement de l'enquête, ses conséquences juridiques concrètes et la réforme de la gouvernance d'entreprise auront un impact décisif sur la perception de l'Ukraine en tant que partenaire économique fiable à long terme. Surmonter avec succès les conséquences de ce scandale peut renforcer la réputation de l'État, tandis que l'inaction ou des mesures timides peuvent constituer des obstacles importants à l'intégration plus poussée de l'Ukraine dans le système économique mondial.

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WORLD GRAIN PRODUCTION: CURRENT TRENDS

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Patynka V. H., Zmiiova I. V. World grain production: current trends. The article examines current trends in the development of the global grain market in the context of globalization. It defines the role of the grain market in the agricultural sector, its structure, and importance for food security. The authors consider mechanisms of state regulation and conduct a comparative analysis of practices in the EU, Canada, and Ukraine.

Keywords: agricultural sector, food security, globalization, grain market, sustainable development.

Патинка В. Г., Зміїова І. В. Світове виробництво зерна: сучасні тенденції. У статті проаналізовано сучасні тенденції розвитку світового ринку зерна в умовах глобалізації. Визначено роль зернового ринку в агропродовольчому секторі, його структуру та значення для продовольчої безпеки. Розглянуто механізми державного регулювання та здійснено порівняльний аналіз практик ЄС, Канади й України.

Ключові слова: агропродовольчий сектор, глобалізація, продовольча безпека, ринок зерна, сталий розвиток.

1. Introduction.

Today, for the modern world, grain production is one of the strategic industries of any country. In today's world, globalization affects all sectors of the economy, including the agricultural sector. One of the most important areas of globalization is the grain production market. Given the growing global population and rising demand for food, the study of the current state and trends of the global grain market is becoming extremely relevant. Indicators of the level of development of agriculture are the number of actively employed people in this industry, as well as the share in the GDP structure.

The grain market most clearly reflects the general patterns of development of the commodity agricultural market. The study of the global grain market in the context of globalization is of great importance for understanding the processes taking place in agriculture and the economy as a whole. The *relevance* of this topic lies in the fact that cereals are an important part of the global food chain and affect food security and economic stability of different countries.

Sales of grain are also an important component of the grain market at the present stage. To maintain and develop national production, it is necessary to interact with other countries. This is due to the fact that the sales system provides a link between producers and consumers of grain and its processed products, fosters the promotion and preservation of products.

The *object* of the study is the characteristics of the global grain production market. The *subject* is the impact of globalization on grain production.

The *aim* of this study is to analyze the current state of the global grain market and determine the impact of globalization on its functioning. This goal necessitates solving the following *tasks*:

- to distinguish the essence of the grain market functioning in the context of globalization;
- to reveal the key factors of the grain market at the present stage;
- to analyze the functions of the grain market;

- to study the state regulation principles towards grain market;
- to carry out a comparative analysis of forms and methods of grain production regulation in the EU, Canada, and Ukraine.

2. Current trends of the world grain market in the context of globalization

2.1. The grain market – its place and impact in the structure of the globalized agro-industrial complex

The processes of modern globalization are very common phenomena in contemporary economic life. Historically, the world has been globalizing throughout its development. The law of globalization is an objective law of human development. This means that globalization processes cannot be canceled, postponed or stopped.

Globalization is a process of worldwide economic, political and cultural integration and unification. The main consequences of this process are the division of labor, worldwide migration of capital, human and production resources, standardization of legislation, economic and technical processes, and the convergence of cultures of different countries. This is an objective process that is systemic in nature, i.e. it covers all spheres of society. As a result of globalization, the world is becoming more connected and interdependent on its subjects [6].

The historical origin of the market and market relations can be explained by the social division of labor, the emergence of exchange transactions and the development of commodity production. Some scholars define it as “a system of economic relations between people, covering the processes of production, distribution, exchange and consumption”. A modern economic dictionary defines the market as “economic relations related to the exchange of goods and services, which result in the formation of demand, supply and price” [3, p. 14]. Therefore, in our opinion, it is the commodity that determines the features, functions, characteristics of each market, and it is the object of the relationship between the seller and the buyer. Thus, agricultural commodities form the agricultural market.

The grain market is a system of commodity and monetary relations that arise between its participants in the process of production, storage, trade and use of grain on the basis of free competition, free choice of directions of grain sales and price determination, as well as state control over its quality and storage [3].

The grain market is a rather complex phenomenon, so from an economist’s point of view, it includes social, financial and economic components. At the same time, the grain market is a set of buyers and sellers, and the interaction between them makes it possible to exchange, distribute, store, process grain and produce products based on it [3]. In addition, the grain market has a strategy and a goal of functioning, i.e. it should ensure economic and food security of the country,

provide all necessary raw materials for industrial sectors, and satisfy the population with necessary food.

The grain market is a complex economic and organizational system of management and performs the following functions [2]:

- informational – that is, through demand, supply and price, the market thus informs the subjects about the required quantity, quality of grain on the market, which creates a rational opportunity to purchase and produce products, in an unstable market;
- regulatory – due to supply and demand in the market, the required level of production and consumption of grain is determined;
- sanitizing – the essence is to select among market participants through competition, leaving economically sustainable business units and providing space for more efficient producers;
- economic – the indicators are manifested in the volume of grain and goods production, which is sufficient for consumption and distribution;
- social – satisfaction of the need for grain and bakery products, for the necessary standard of living;
- financial – stimulates the activities of agricultural producers, ensures the effectiveness of the tax system;
- organizational – through the conclusion of an agreement between producers and consumers, which provides for a free choice of a partner;

2.2. Basics of regulation of the world grain market

Grain farming plays an important role in the national economy. To ensure its effectiveness, the level of grain production must fully meet the needs of domestic demand and ensure the growth of export potential.

Market principles of management and the presence of contradictions in the grain market objectively determine the need for state regulation. The system of state regulation of the grain market is a complex system of legal, economic, organizational and administrative measures, which includes the management apparatus that should ensure direct and feedback relations between the state and consumers and producers aimed at ensuring competitive grain production to meet the domestic needs of the state and increase the grain export potential.

The state recognizes the priority of the grain market, promotes its development and stable functioning. The main principles of the state policy on regulation of the grain market are: providing priority budgetary, credit and investment support to the subjects of the regime of pledged grain purchases and subjects of the state agrarian intervention; ensuring the internal needs of the state; establishing the amount of the budget loan calculated on the basis of the minimum purchase price;

preventing restrictions on the movement of grain and its products; controlling the quality of grain and storage; introducing modern resource-saving technologies; leasing services for the grain market [4].

The system of state regulation of the grain market allows us to distinguish two separate types of regulation:

- regulation by deviations – the state is forced to intervene in market processes when there is a deviation of any indicator in the functioning of the grain market from the established norms of food security;

- regulation by critical parameters – state intervention in market processes when indicators of grain market functioning reach an unacceptable level, for example, state procurement interventions when market prices for grain fall below a certain minimum level, or commodity interventions when market prices for grain increase above the maximum level of their fluctuations in the markets.

Economic methods are actively used by countries with more developed economies (the US, Canada, Australia, and the EU) and are the methodological basis for state regulation of the grain market. A number of economic methods are used in the Ukrainian grain market to address certain strategic objectives of agro-food policy.

In the EU, the Council of Ministers is responsible for regulating the grain market, while the European Commission, working in conjunction with the intergovernmental body, the Cereals Committee, is responsible for drafting the legislation. In order to coordinate the management and regulation of the single grain market, there are a number of national organizations that deal with the annual establishment of uniform prices, compensation payments and fees, export subsidies, revenues and taxes, and the adoption and unification of legislation. The EU countries pursue a policy of economic regulation of grain production aimed at intensive development of grain farming and widespread innovation in grain production and processing. State regulation of the grain market is carried out through prices and budget financing. Once a year, the European Community Commission develops a system of regulatory grain prices, which are approved by the Council of Ministers before the start of the next agricultural year [5].

Canada is an important country for grain farming. The country is one of the largest exporters of grain and grain products. Canada was the third largest exporter of wheat in 2022-2023. Canada's experience shows that a state-owned corporation – a monopolist in the purchase of grain – is an effective market regulator when the state has a goal to increase grain production and ensures planned production volumes for centralized supply abroad. This helps to achieve strategic targets, but over time causes discontent among the rural population, as it tends to bureaucratize and reduce transparency of pricing [5].

Ukraine is an important player in the international grain market, one of the guarantors of food security in the world, and has the potential to increase grain production and exports. In the 2022– 2023 marketing year (July 1, 2022 to June 30, 2023), Ukraine exported 48.99 million tons of grains and pulses. The state recognizes the priority of the grain market, promotes its development and stable functioning.

The main principles of the state policy on grain market regulation are as follows

- to meet the domestic needs of the state in food, seed, fodder, and technical grain and measures to increase its exports;
- to guarantee agricultural producers the right to freely choose the use of grain and its sale price and preventing restrictions on the movement of grain and its products;
- to control grain quality and its storage [5].

3. Conclusions

The grain market is one of the main components of the globalized agro-food market. It is a rather complicated system of various relations between producers (sellers) and consumers (buyers) of grain, relevant economic ties between them, as well as the influence of regulatory authorities on its efficiency.

The combination of effective forms and methods of grain production regulation creates the basis for successful development of the industry and the increase in the export potential of the producing country. The use of the best practices of state support for the agricultural sector creates the basis for the development of a strategy aimed at ensuring the sustainable development of the grain sector as a country as a whole. Moreover, the forms and methods of state support are quite different and range from financing the activities of producers. This not only creates opportunities for the normal functioning of agricultural enterprises, but also ensures that they receive a stable income that is invested in their own development, and, ultimately, ensures the stable functioning of agricultural production in the country.

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NORTH KOREA'S NUCLEAR TRAJECTORY AND REGIONAL SECURITY

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Peftyts V. M., Kalyuzhna A. B. North Korea's nuclear trajectory and regional security. The article focuses on the so-called "nuclear factor" of the contemporary Korean Peninsula. North Korea's nuclear program is examined as a political, strategic, and security phenomenon. The study outlines the chronology of North Korea's nuclear program development within the framework of the international nuclear deterrence system. Particular attention is paid to the role of the "North Korean factor" in shaping regional and global security architectures. The article systematizes the timeline of North Korea's nuclear program in tandem with the global setting, spanning from the possibility of de-escalation on the Korean Peninsula to shifting dynamics in U.S.–North Korean relations.

Keywords: active use doctrine, DPRK (North Korea), escalation, international law, non-Proliferation Treaty (NPT), nuclear deterrence, rogue state, security architecture, Yongbyon.

Пецтиц В. М., Калюжна А. Б. Ядерна трасекторія Північної Кореї та регіональна безпека. У статті досліджується так званий «ядерний фактор» сучасного Кореєського півострова. Ядерна програма КНДР розглядається як політичний, стратегічний і безпековий феномен. У роботі окреслено хронологію становлення північнокореєської ядерної програми в межах міжнародної системи ядерного стримування. Особлива увага приділяється ролі «північнокореєського чинника» у формуванні регіональної та глобальної архітектури безпеки. У статті систематизовано етапи розвитку ядерної програми Північної Кореї у нерозривному зв'язку зі світовим контекстом: від перспективи деескалації на Кореєському півострові до мінливої динаміки американсько-північнокореєських відносин.

Ключові слова: архітектура безпеки, Договір про нерозповсюдження ядерної зброї (ДНЯЗ), ескалація, Йонбьон, КНДР, країна-ізгой, міжнародне право, ядерна доктрина, ядерне стримування.

1. Introduction

The fate of the Asia-Pacific region resembles a turbulent vortex of exceptionally complex yet fascinating political, economic, and sociological contradictions, within which the complex of Korean issues holds an unprecedented position. The division of the Korean Peninsula in the twentieth century resulted in the emergence of two distinct states – the Democratic People's Republic of Korea (DPRK) and the Republic of Korea (ROK) – each shaped by divergent political systems and ideological orientations, leading to fundamentally different models of socio-political organization. The historiographical base of the question has, without a doubt, been dictated by the paucity of primary sources, not to mention their specific character, conditioned by the state's impenetrability. Accounts from North Korea are largely represented by fragmentary testimonies of defectors, whose trustworthiness is wide open to question: for one, the chronological gap from the start of Pyongyang's atomic ambitions, and furthermore, the uncertainty over the authenticity of such reports and the absence of a guarantee against confirmation bias or an intentional or unintentional distortion of facts. Nonetheless, the present research is founded exclusively on refereed publications, with the contributions of U.S. scholars being of particular utility, as well as open-access international regulatory documents.

The *subject* of the article is the nuclear program of the Democratic People's Republic of Korea as a political, strategic, and security phenomenon. The *aim* of the article is to analyze the formation, evolution, and consolidation of the Democratic People's Republic of Korea's nuclear

program within the context of regional and global security dynamics. The study seeks to identify the key internal and external factors that shaped North Korea's nuclear trajectory and to assess the degree to which this trajectory became structurally irreversible, culminating in the legal and doctrinal entrenchment of nuclear status in the 2020s.

The article addresses a persistently *topical problem* of contemporary international relations, namely the continued destabilizing role of the DPRK's nuclear capabilities in regional and global security. Understanding the nature of the DPRK's nuclear trajectory is essential for evaluating the limitations of existing non-proliferation approaches and for formulating more realistic strategies aimed at reducing nuclear risks on the Korean Peninsula.

2. Origins and Early Development (1950s–1980s)

The provenance of the DPRK's nuclear program is widely attributed to the early 1950s, reaching a pivotal milestone in December 1952. This period saw the formal constitution of the State Academy of Sciences in Pyongyang, which subsumed a specialized research facility dedicated to nuclear physics and energy. The near total absence of verifiable documentary evidence, compounded by an extreme paucity of source material, has relegated scholarly understandings of the genesis of the North Korean nuclear program to the realm of mere conjecture. It remains arduous to discern between Pyongyang's actual catalysts and instances of the classic logical fallacy, «post hoc ergo propter hoc» – the erroneous assumption that sequence implies causality [7].

Notwithstanding Moscow's hesitation to share its «Top Secret» nuclear assets, the deployment of American nuclear-capable missiles in South Korea prompted the USSR to grant tacit authorization for North Korea's nuclear development. 1959 saw the inception of the «Furniture Factory» project in Nyongbyon under Soviet auspices. As Sino-Soviet tensions escalated, Pyongyang sought to diversify its strategic partnerships by engaging with Beijing. This resulted in a bilateral accord on nuclear research coordination signed at the close of the decade [1].

The early 1960s witnessed the culmination of the «Furniture Factory» endeavor. This period was followed by the USSR's provision of an IRT-2000 research reactor in 1965, which reached operational status by 1967. The facility served as a cornerstone for radioisotope synthesis and the cultivation of domestic nuclear expertise [8].

The year 1977 marked a pivotal tripartite agreement involving the DPRK, the Soviet Union, and the International Atomic Energy Agency, which formalized the supply of nuclear fuel under the auspices of international safeguards [3]. Faced with waning assistance from its traditional allies, Pyongyang was forced to prioritize its domestic scientific framework. Consequently, all institutions associated with atomic development were consolidated into a singular research nucleus in Phyongsan, a facility increasingly dependent on imported high-tech hardware.

In 1985, yielding to Soviet leverage, North Korea formally declared its non-nuclear status by acceding to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) [2]. This move fulfilled Pyongyang's obligations under a prior non-public accord with the USSR. In exchange for North Korea's integration into the global non-proliferation regime, Moscow committed to providing essential equipment via credit facilities, offering engineering support for the design of projected facilities, and facilitating the technical training of North Korean specialists [8].

Paradoxical as it may seem, for a relatively long period, the global community and its most influential actors did not bestow their concern upon the North Korean nuclear citadel of Yongbyon; the "Pyongyang issue" was cast to the sidelines by the tectonic shifts in the world order. U.S. interest in Kim Il-sung's true vision for the Korean Peninsula's future manifested in 1986. It took a definitive shape through the catalyst of political rhetoric which – inspired by the events of the Second Persian Gulf War – introduced the complex, multifaceted, and much-criticized phenomenon of the "rogue state" into theoretical discourse. Washington's fervor regarding this enigmatic Far Eastern nation, shrouded in an aura of unpredictability and reinforced by isolationist tendencies, emerged during the triumph of the American pole of power over the socialist camp, a time when the idea of America's inherent "global responsibility" was being nurtured in the worldview of U.S. politicians.

Pyongyang adroitly capitalized on these nuances in the overall tenor of United States foreign policy, transforming Washington's inquisitive scrutiny from a detrimental hindrance into a pivotal catalyst for the realization of its own long-coveted strategic vision [4].

3. Post-Cold War Challenges and Initial Negotiations (1990s)

In 1991, U.S. President George H.W. Bush promulgated the withdrawal of nuclear assets from the South Korean theater, which had been stationed there since the transition of the 1950s and 1960s. On December 18, 1991, the attainment of this bilateral accord was corroborated by the South Korean leader, Roh Tae-woo. This milestone was shortly followed by the formalization of the inter-Korean Joint Declaration on the Denuclearization of the Korean Peninsula. Despite the strictly hortatory nature of the document, which neither provided for an expansive construction of its provisions nor sanctioned the parties to invoke punitive measures in the event of an infringement of its peaceful tenets, it was nonetheless justly hailed as a watershed agreement [4].

On January 30, 1992, the DPRK signed a Comprehensive Safeguards Agreement with the IAEA, providing this specialized international body with current data on its nuclear infrastructure and granting formal authorization for inspections by professional emissaries. From May 1992 to February 1993, the IAEA successfully conducted six ad-hoc inspections, which revealed significant discrepancies. Consequently, with the authorization of the UN Security Council, the

Agency demanded special inspections of two previously 'undeclared' facilities. Pyongyang voiced a staunch protest, citing their status as military assets and state secrets. Invoking the principle of non-interference in its sovereign interests, North Korea initiated the procedure to withdraw from the Non-Proliferation Treaty. While subsequent negotiations between Pyongyang and Washington failed to resolve this nuclear impasse, they nonetheless prompted the DPRK to suspend the finality of its withdrawal [2].

During the negotiation process, Pyongyang maintained the operation of its 5-megawatt reactor at Yongbyon. In May 1994, North Korean nuclear technicians proceeded to discharge spent fuel rods in the absence of IAEA oversight, significantly exacerbating the nuclear-related tensions. The ensuing round of bilateral U.S.-DPRK negotiations – in which former President Jimmy Carter played a pivotal intermediary role – culminated in the Agreed Framework of October 1994. This accord mandated a U.S.-led international consortium to construct two light-water reactors (LWR) in the DPRK and provide an annual supply of 500,000 metric tons of heavy fuel oil until 2003 – the projected commissioning date for the first reactor. In exchange, North Korea committed to adhering to the NPT, freezing its gas-graphite reactors, and granting the IAEA full authority to monitor their mothballing. Furthermore, the Agreed Framework provided for negative security guarantees, effectively precluding even a hypothetical nuclear threat from the United States [6; 7].

4. Escalation and Multilateral Diplomacy (2000s–2017)

In 2001, the George W. Bush administration initiated a strategic reassessment of the North Korean trajectory in U.S. foreign policy, shifting the emphasis toward compelling Pyongyang's strict adherence to the letter of the Agreed Framework. The following year, the U.S. intelligence community briefed the government on North Korea's clandestine acquisition of Pakistani gas centrifuge technology and the illicit development of a program aimed at producing highly enriched uranium (HEU). Concurrently, the DPRK began scaling its nuclear project at Kangson, situated in the vicinity of the capital.

In April 2003, a trilateral dialogue was convened in Pyongyang, involving delegates from the United States, the People's Republic of China, and the Democratic People's Republic of Korea, aimed at addressing longstanding nuclear and security issues. This framework subsequently expanded to include three other stakeholders: Japan, the Russian Federation, and the Republic of Korea. The ensuing three-year negotiation process, as practice eloquently demonstrated, was barely able to transcend the ingrained mistrust and suspicion, save for the drafting of the Joint Statement of Principles on September 19, 2005. This document focused on reaffirming American security guarantees – specifically the non-deployment of nuclear weapons on the Peninsula – and

mandated Pyongyang's return to international oversight in both formal (NPT) and functional (IAEA) capacities.

However, disagreements regarding the provisions of this carefully negotiated document arose almost immediately. The DPRK interpreted certain passages as a tacit allowance for the provision of light-water reactors, prompting not only a denial from Washington but a categorical refusal to engage further until Pyongyang provided an unequivocal signal regarding the abandonment of its nuclear ambitions.

Tensions escalated following the inaugural North Korean nuclear test on October 9, 2006, which registered a yield of less than one kiloton. This provocation prompted the UN Security Council to adopt Resolution 1718, imposing a robust sanctions regime that prohibited the import of weaponry, luxury goods, and any dual-use technologies or materials conducive to Pyongyang's nuclear and ballistic activities. Nevertheless, the Six-Party Talks persisted, leading to the February 2007 "Initial Actions for the Implementation of the Joint Statement". This agreement stipulated the conditions for Pyongyang's reintegration into the international security architecture through a comprehensive incentive package, notably featuring energy assistance.

In 2017, North Korea advanced significantly in its nuclear and missile capabilities, as evidenced by the operational deployment of Intercontinental Ballistic Missiles (ICBMs) and a nuclear test whose yield exceeded all previous tests. Estimates of the yield, accounting for various analytical approaches, fluctuate between 140 and 250 kilotons. Furthermore, on September 3, Pyongyang proclaimed the "birth" of its national thermonuclear capability, having previously showcased photographic evidence of a device exhibiting the structural hallmarks of a Teller-Ulam design hydrogen bomb.

The ensuing months introduced unexpected course corrections to the peninsula's political life, fostering a tentative yet discernible proclivity for dialogue amidst a pervasive atmosphere of confrontation. This shift was largely catalyzed by a pivot in the stance of the Chairman of the State Affairs Commission, Kim Jong-un. Beyond facilitating several inter-Korean summits, he consented to a meeting with U.S. President Donald Trump – an unprecedented encounter that culminated in the signing of documents establishing the denuclearization of the Korean Peninsula as the cornerstone of the DPRK's foreign policy. The results of the September 2018 Pyongyang Summit exceeded even the expectations of ardent skeptics, yielding historic military agreements aimed at neutralizing mutual hostility and reviving hopes for the realization of a Special Peace and Cooperation Zone in the Yellow Sea. However, the formalization of economic cooperation remained contingent upon progress in denuclearization, which governed the implementation of international sanctions and shaped the overall dynamics of U.S.–DPRK relations.

5. Diplomacy, Denuclearization Efforts, and Legal Codification (2018–Present)

Inter-Korean discussions were revitalized by a positive signal from the North Korean leadership, indicating a readiness for an equitable dialogue, aimed at reducing the nuclear threat on the Korean Peninsula. Both parties unanimously viewed the eradication of the sinister specter of war – one that threatens to transcend conventional boundaries – as a process whose fundamental logic demanded the unequivocal recognition of the United States and the DPRK as its central protagonists. In this context, Seoul positioned itself as a voluntary intermediary, assuming the arduous task of “bridge-building”. By doing so, South Korea consistently postulated the inevitability of establishing the peninsula as a peace zone, free from nuclear weapons and nuclear threats.

By 2019, inter-Korean interactions had effectively ground to a halt. Following the collapse of the US-DPRK Hanoi Summit (February 27-28, 2019) – precipitated by profound divergences regarding the sequencing of reciprocal measures – a wave of skepticism permeated the North Korean leadership. This shift was encapsulated in Kim Jong-un’s own words, noting that the dialogue “sowed doubts about Washington’s sincere interest in improving bilateral coordination”. The North Korean leader further accused the United States of maintaining a duplicitous stance and deliberately equivocating to avoid articulating a clear “readiness to abandon its hostile policy, a prerequisite for forging new bilateral ties”. He remarked that Washington wrongly assumes that they can subjugate us through the continued application of “maximum pressure”.

In September 2022, the Supreme People's Assembly of the DPRK, in its capacity as the state's highest representative and legislative body, enacted a landmark legal instrument governing the material and structural organization of its nuclear forces. By proclaiming fundamental amendments to the prevailing military doctrine, the act codified the irreversibility of the country’s nuclear status, effectively signaling that the prospects for voluntary denuclearization have become entirely illusory.

The current iteration of the nuclear regulatory framework invests the armed forces with a mandate – couched as an unconditional right – to execute the automatic and immediate physical liquidation of the point of origin and the adversarial command structure' should the state's military command-and-control (C2) system be incapacitated. This evolution marks a formal transition toward what is termed an active use doctrine.

6. Conclusions

The present study does not pursue the strategic objective of proving the deterministic inevitability of recent and current events but seeks to identify the structural factors underlying North Korea’s nuclear trajectory and demonstrate their inherent non-randomness. The conclusion regarding the

lack limited range of alternatives for North Korea's nuclear path is not a fatalistic endorsement of an actor's impunity; rather, it provides an evidence-based assessment of the constraints shaping policy choices. It serves as the necessary first step toward resolving the nuclear impasse by addressing its root causes, rather than managing only secondary effects.

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GESTION MODERNE ET ADMINISTRATION DES ENTREPRISES

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Plakhtienko V. M., Bezvesilna N. T. Gestion moderne et administration des entreprises. L'article examine les caractéristiques de la gestion moderne et de l'administration des affaires en tant qu'éléments clés d'une gestion efficace dans une économie de marché. L'accent est mis principalement sur l'analyse de l'évolution des approches de gestion - de la gestion traditionnelle à la gestion moderne, caractérisée par l'intellectualisation des processus décisionnels, la spécialisation de la gestion et l'utilisation active des technologies de l'information, ainsi que leur refonte dans le contexte des nouveaux défis économiques.

Mots clés : gestion, administration des affaires, gouvernance, stratégie, culture organisationnelle, planification, motivation

Плахтієнко В. М., Безвесільна Н. Т. Сучасний менеджмент та бізнес-адміністрування. У статті досліджуються особливості сучасного менеджменту та бізнес-адміністрування як ключових складових ефективного управління в умовах ринкової економіки. Основну увагу зосереджено на аналізі еволюції управлінських підходів – від традиційного до сучасного менеджменту, який характеризується інтелектуалізацією процесів прийняття рішень, спеціалізацією управління та активним використанням інформаційних технологій. а також їхнє переосмислення в контексті нових економічних викликів.

Ключові слова: менеджмент, бізнес-адміністрування, управління, стратегія, організаційна культура, планування, мотивація.

1. Introduction

L'objectif de cet article est d'étudier l'essence du management moderne et de l'administration des entreprises, d'analyser leurs fonctions, leurs principes et leurs sous-systèmes, ainsi que de déterminer le rôle de ces catégories de management pour assurer le fonctionnement et le développement efficaces des entreprises dans le contexte de l'économie de marché ukrainienne.

L'objet de cette étude est de constituer des processus, fonctions, principes et sous-systèmes de gestion de la gestion moderne et de l'administration des entreprises, tels qu'ils sont formés et mis en œuvre dans les activités des entreprises.

L'intérêt de cette étude tient au fait que, dans un contexte de mondialisation, de numérisation de l'économie et de concurrence accrue, une gestion et une administration efficaces deviennent des facteurs clés de la réussite des entreprises. Dans le contexte actuel de mondialisation, de développement des technologies de l'information et de concurrence croissante, une gestion efficace devient l'un des facteurs clés du bon fonctionnement de toute organisation. La gestion et l'administration des entreprises jouent un rôle décisif dans l'élaboration de la stratégie, l'organisation des processus de production et de gestion, ainsi que dans la garantie de la stabilité et de la compétitivité des entreprises. L'étude de ces concepts est particulièrement actuel pour l'Ukraine, où le système de gestion est au stade de la formation active et de l'intégration d'approches modernes de la conduite des affaires.

2. Gestion moderne et administration des entreprises

2.1. L'essence et les fonctions du management

Les concepts de gestion et d'administration des affaires possèdent leurs propres caractéristiques distinctives et découlent des besoins urgents de l'humanité. La société, en tant que système social

complexe et multifonctionnel, demande un mécanisme de gestion qui assure l'interaction efficace de tous ses sous-systèmes et la résolution des tâches qui lui sont confiées. De ce point de vue, le mécanisme de gestion générale comprend des aspects économiques, organisationnels et socioculturels, dont le fonctionnement repose sur le respect des lois objectives du développement et de la gestion sociale. Le management consiste à gérer des personnes, et le management lui-même implique une influence intentionnelle sur un objet pour en modifier l'état ou le comportement. Le terme «management» vient du mot anglais «to manage», qui signifie «diriger», «mener» ou «s'occuper de quelque chose». Le dictionnaire fondamental Oxford English Dictionary donne l'interprétation suivante du management: «Le management est, avant tout, une manière de communiquer avec les gens.»

Les méthodes de communication sont formulées par la science; elles peuvent être étudiées et d'après ces méthodes on peut même être enseigné pour être utilisé efficacement. Deuxièmement, le pouvoir et l'art du leadership. C'est l'autorité liée à la fonction, l'obligation pour les subordonnés d'exécuter les ordres du chef; l'autorité de la personne du chef, à qui l'on obéit car il propose des solutions plus réfléchies qui contribuent à la réalisation des objectifs de l'organisation [4, p. 49]. En matière de gestion, il est nécessaire d'analyser et d'évaluer diverses situations dans lesquelles interviennent différents facteurs: la demande (volumes des ventes), la précision et les paramètres du processus de production, la fiabilité du produit, les probabilités d'événements, etc.

La prise de décision organisationnelle et ses résultats potentiels dépendent de la prise en compte opportune de ces facteurs et de la capacité à les gérer efficacement. Autrement dit, une évaluation correcte de la situation détermine l'avenir de l'organisation, l'efficacité de ses activités, sa rentabilité et sa stratégie de développement [1, p. 25].

Le management moderne diffère considérablement du management traditionnel. Ainsi, le management traditionnel repose sur l'idée que le processus de management consiste en l'exécution d'un certain nombre de fonctions de management, notamment la planification, l'organisation, la coordination, la mise en œuvre et le contrôle.

Le management traditionnel repose sur la division du processus de management en fonctions: intellectualisation des processus décisionnels; spécialisation en gestion (investissement, marketing, innovation, etc.); nouvelles fonctions liées à la complexité de l'environnement de gestion. Utilisation des technologies de l'information; planification – définir les objectifs de l'organisation et les moyens de les atteindre; contrôle – vérification de la conformité des actions de la direction aux plans et évaluation de l'efficacité des gestionnaires; coordination – assurer l'interaction entre les départements et les employés; motivation – stimuler le travail efficace et fixer des objectifs pour le personnel.

Le management moderne s'accompagne d'un certain nombre de nouvelles fonctions importantes qui diffèrent à bien des égards, et complètent à certains égards les fonctions du management traditionnel, à savoir: Utilisation des technologies de l'information.

2.2. La formation du management ukrainien et l'essence de l'administration des affaires

Le management ukrainien comporte des composantes principales qui influent directement non seulement sur la réussite des entreprises, mais aussi sur l'économie dans son ensemble, par exemple : la culture organisationnelle doit être considérée comme un facteur important de la rentabilité et de la compétitivité d'une organisation commerciale, ainsi que comme un facteur de succès, d'efficacité et parfois de survie des organisations à but non lucratif; la gestion stratégique et la planification stratégique trouvent leur application dans un nombre croissant de situations de gestion concurrentielle; diffusion des concepts, méthodes et modèles de gestion ayant prouvé leur efficacité au sein des organisations; les approches marketing en matière de gestion s'étendent aux activités des organisations publiques, aux activités des administrations municipales et de district (marketing régional). De nombreuses organisations performantes appliquent des éléments organisationnels de gestion d'entreprise dans leurs activités [3, p. 44].

L'administration des affaires, en tant que d'art de gérer une entreprise dans un environnement concurrentiel en constante évolution, est devenue pertinente en Ukraine assez récemment. Le terme «administration des affaires» recouvre deux concepts qui, à première vue, peuvent sembler incompatibles dans le cadre du fonctionnement des entités commerciales en situation de marché. L'activité commerciale, considérée comme une activité entrepreneuriale, est l'activité économique d'une entité dans un environnement de marché qui génère des revenus par la vente de produits, de biens, de services ou par la réalisation de travaux. L'administration désigne généralement la gestion des institutions gouvernementales ou l'organisation des activités de l'appareil de direction d'une entreprise, assurant une structure claire des processus et leur contrôle. Dans le domaine du management, l'administration désigne les activités professionnelles des gestionnaires ou des fonctionnaires visant à mettre en œuvre les décisions de gestion, en se concentrant sur l'exécution des tâches et la recherche des meilleures solutions pour les résoudre. Ainsi, la gestion d'entreprise est une activité axée sur une approche systématique et coordonnée de l'organisation de tous les processus de l'activité économique d'une entreprise, afin d'assurer un fonctionnement stable, de satisfaire les consommateurs, de maintenir des taux de croissance élevés des volumes de vente, de construire une image positive de l'entreprise, d'utiliser efficacement les ressources, d'interagir avec les institutions externes, ainsi que de créer les conditions du développement professionnel et de

l'évolution de carrière des employés, ce qui contribue à la réalisation des objectifs stratégiques et à l'augmentation de la valeur de l'entreprise.

On peut distinguer les principes suivants en matière de gestion d'entreprise: systématicité; approche par processus; séparation des fonctions et des pouvoirs; efficacité; capacité d'évaluer et de contrôler les paramètres des activités de tous les participants; orientation vers l'évolution de l'environnement concurrentiel et le développement des technologies. Les principaux paramètres d'un système de gestion d'entreprise sont la simplicité, la fiabilité et la mesurabilité des résultats. Une organisation peut être considérée comme un ensemble de plusieurs systèmes: production et technologie: couvre les activités de production, la mise en œuvre technologique, le contrôle de qualité des produits et services; aspects socio-psychologiques: comprend la politique du personnel, la motivation des employés, la hiérarchie managériale, le développement professionnel et le climat psychologique au sein de l'équipe; organisationnel: définit une entreprise comme une unité structurelle d'un secteur d'activité présentant certaines connexions internes et externes à l'organisation; informationnel: caractérise l'entreprise comme un sujet d'accumulation d'informations sur les consommateurs, les partenaires et les opérations, et d'utilisation des communications commerciales; aspects financiers et économiques: définit une entreprise comme une unité économique dotée de flux de trésorerie internes et externes et de principes budgétaires.

Une approche systématique en administration des affaires implique toutes les divisions de l'entreprise dans la résolution des tâches stratégiques et tactiques, permettant une définition claire des tâches et des résultats attendus des décisions commerciales à chaque étape. Cela permet également d'évaluer l'efficacité de chacun des systèmes mentionnés dans la réalisation des objectifs [2, p. 288].

3. Conclusions

Ainsi, la gestion et l'administration des entreprises jouent un rôle clé dans le développement des activités économiques des entreprises. Le modèle ukrainien de gestion moderne est en cours de formation. Pour la plupart des entreprises, son développement consiste à combiner diverses méthodes étrangères avec les systèmes administratifs et bureaucratiques existants. Par conséquent, le développement du management moderne en Ukraine consiste en une recherche constante de nouvelles approches pour accroître la compétitivité des entreprises sur le marché mondial du management.

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FROM DIPLOMACY TO SECURITY COOPERATION: UKRAINE-NETHERLANDS RELATIONS IN THE CONTEXT OF RUSSIAN-UKRAINIAN WAR

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Poliatskovyi Y. V., Kalyuzhna A. B. From diplomacy to security cooperation: Ukraine-Netherlands relations in the context of russian-Ukrainian war. The article examines the evolution of Ukraine-Netherlands relations and their transformation into a structured, mutually beneficial security partnership. It explores the transition from traditional diplomatic interactions between states to operational security cooperation in the context of the russian-Ukrainian war. Areas of cooperation include military assistance, defense-industrial coordination, cybersecurity.

Keywords: Ukraine-Netherlands, security partnership, European security, military support, bilateral cooperation.

Поляцьковий Я. В., Калюжна А. Б. Від дипломатії до безпекового співробітництва: українсько-нідерландські відносини в контексті російсько-української війни. Стаття досліджує еволюцію українсько-нідерландських відносин та їх трансформацію у структуроване обопільно-вигідне безпекове партнерство. Було розглянуто перехід від традиційної дипломатичної взаємодії між державами до операційної безпекової співпраці в контексті російсько-української війни. Сфери взаємодії включають: військову допомогу, оборонно-промислову кооперацію, кібербезпеку.

Ключові слова: Україна-Нідерланди, безпекове партнерство, європейська безпека, військова допомога, двостороння співпраця.

1. Introduction

The full-scale invasion of Ukraine by the russian Federation on 24 February 2022 triggered a fundamental transformation of the European security environment, challenging established assumptions about stability, deterrence, and resilience of international legal norms. The concerns were expressed by several leading European states regarding russia's aggression and violations of international humanitarian law. Moreover, the provision of material support and military assistance initially progressed cautiously, limiting the effectiveness of early political responses. At that time, the Netherlands emerged as one of the key European actors advancing a more operational approach to security cooperation with Ukraine, increasingly relying on bilateral and multilateral partnerships to address immediate security threats and to reinforce the broader architecture of regional and transatlantic security. Within this context, Ukraine emerged not only as a recipient of support but also as an active participant in shaping new forms of security cooperation in Europe.

The relevance of the article is determined by the growing importance of bilateral security partnerships in the post-2022 European security order.

The object of the research is Ukraine-Netherlands relations.

The subject of the research is their transformation from conventional diplomatic cooperation into a structured security partnership after 2022.

The aim of this article is to examine the evolution of diplomatic relations between Ukraine and the Netherlands, underline and analyze their transformation into a structured security partnership in the context of the russian-Ukrainian war.

2. Ukraine-Netherlands Relations before 2022: Diplomatic Foundations

2.1. Establishment and early development of diplomatic relations

Diplomatic relations between Ukraine and the Kingdom of the Netherlands were established shortly after Ukraine's declaration of independence. The Netherlands recognized Ukraine on 31 December 1991, and formal diplomatic relations were established in April 1992. During the 1990s and 2000s bilateral relations developed in a relatively stable and pragmatic manner, gradually acquiring institutionalized forms.

By the late 2000s, Ukraine-Netherlands relations were characterized by a diversified contractual and legal framework. The two states concluded numerous bilateral agreements covering areas such as investment protection and cultural exchange. Regular consultations between the ministries of foreign affairs and the development of interparliamentary contacts further contributed to the institutionalization of bilateral relations. However, despite this functional cooperation, the relationship did not evolve into a strategic or security partnership [2, pp. 422–423].

Between 2010 and 2013, bilateral relations remained focused primarily on economic and sectoral integration, including investment-driven projects and energy-related initiatives, and continued to unfold within the European Union framework. This period consolidated diplomatic ties while underscoring the absence of structured bilateral security engagement prior to 2014 [1, pp. 85–86].

2.2. Political dialogue and cooperation after 2014

The internal instability in Ukraine and the launch of Russian's aggression in eastern regions of Ukraine, annexation of Crimea, constituted a critical turning point in Ukraine-Netherlands relations, reshaping the political context of bilateral dialogue. The approach was changed; however, there was no crucial impact on bilateral relations, and the Netherlands' preference for collective policy coordination remained constant.

A decisive factor influencing direct Dutch engagement after 2014 was the downing of Malaysia Airlines flight MH17, which claimed the lives of 298 people, including many Dutch nationals. This tragedy significantly increased the political salience of Ukraine-related issues' concerning accountability, international law, and the preservation of the European security order.

Political dialogue was further complicated by domestic developments in the Netherlands, most notably the 2016 consultative referendum on the EU-Ukraine Association Agreement, which revealed public scepticism toward European integration [9].

2.3. Absence of a structured bilateral security partnership

Despite political support for Ukraine and participation in EU and NATO responses to Russia's aggression after 2014, Ukraine-Netherlands relations did not evolve further. The security response to Russia's aggression was increasingly organized through the EU instruments, the European Peace Facility (EPF), and coordinated military assistance and training missions.

This EU-centred approach explains why Dutch security engagement with Ukraine remained embedded in multilateral decision-making and implementation structures, rather than taking the form of an autonomous bilateral framework. From a Dutch foreign policy perspective, this is consistent with the broader tendency of the Netherlands to align with decisions taken in NATO and the EU in situations of major security crises [8].

3. The 2022 Invasion as a Critical Juncture in Bilateral Relations

3.1. The Netherlands' reassessment of regional and transatlantic security

Russia's full-scale invasion of Ukraine in 2022 fundamentally shattered long-standing assumptions about Europe as a stable and predictable security environment. For the Netherlands, the war marked a decisive shift in threat perception: what could no longer be framed as a distant or regional conflict was now understood as a direct challenge to European and transatlantic security. In the first days of the war, the call between the leaders of Ukraine and the Netherlands took place with the exclamation to impose sanctions against Russia and solidarity with the Ukrainian people [4]. The Netherlands, traditionally oriented toward multilateralism and crisis management, created the structural conditions for a recalibration of regional and transatlantic security thinking. Ukraine came to be understood not merely as a partner in need of support, but as a key factor shaping the future stability of the European security order [8].

In May 2022, another explicit sign of this shift emerged. Prime Minister Mark Rutte stated that the war was not only about Ukraine's freedom but also about the future of Europe and the wider transatlantic community, linking the conflict to the defence of democracy and the international legal order. He also reaffirmed the need to maintain sanctions until Russia's aggression ends and Ukraine's sovereignty is restored [4].

3.2. Ukraine's reframing from aid recipient to security partner

Since the start of the invasion, the Netherlands has emerged as one of the most proactive and pioneering countries in supporting Ukraine. However, it took some time to deliver military aid, so contributions in February and March 2022 were primarily humanitarian.

The transition from humanitarian to heavy military munitions happened in April 2022. Since that time the Netherlands has delivered a significant amount of heavy armoured vehicles and

aircraft, ranking 7th among individual contributors in terms of total aid (surpassing France and Italy, which have larger economies) [5].

The reframing of Ukraine from an aid recipient to a security partner was evident in the sphere of cybersecurity. In November 2024, the first round of Ukraine-Netherlands Cyber Dialogue took place, marking the institutionalization of bilateral cooperation in cyber defence. The focus was on countering cyber threats, protecting critical infrastructure, and exchanging lessons learned from Russia's cyber aggression. Importantly, partnership in this domain was explicitly based on reciprocity: Ukraine contributed operational wartime experience in cyber defence, while the Netherlands provided expertise, coordination mechanisms, and access to international platforms [11].

In December 2025, the Netherlands and Ukraine signed a contract about collaboration in the production of drones inside and outside of Ukraine, including the allowance of the use of Dutch-supplied weapons within Russian territory. These developments illustrate a qualitative shift from short-term assistance toward a more sustained security relationship in which Ukraine is treated as an active partner rather than merely a recipient of support [6].

In addition to cooperation in the military sphere, the Netherlands provides more than 40 specialists to investigate war crimes in Ukraine. They operate at the request of Ukraine, under the framework of the International Criminal Court (ICC) [5].

3.3. Political discourse and strategic alignment after February 2022

Political discourse after February 2022 increasingly framed cooperation with Ukraine as a matter of shared European security. Despite changes in government and political debates, this strategic course remained unchanged. The major milestone that confirms the adaptation of discourse into long-term strategic alignment was the Agreement on Security Cooperation between Ukraine and the Netherlands, signed in Kharkiv on March 1, 2024. This document institutionalizes cooperation for the coming decade and integrates accountability into the security agenda by committing the parties to support investigations and prosecutions of international crimes, including the crime of aggression, in accordance with international mechanisms [3].

4. Comparative Case-Study Analysis: Before and After 2022

The early relationship between Ukraine and the Netherlands developed as a relatively young bilateral partnership characterised by stability and pragmatism. With the initiation of high-level political dialogue, agreements covering areas such as investment protection, taxation, technical and financial cooperation, energy, were concluded, but it was still far from a strategic or security partnership [2]. The events such as Russia's annexation of Crimea, the launch of the war in eastern

regions of Ukraine, and the tragedy of flight MH17 elevated Ukraine from the periphery of the European continent to a central issue of European security, highlighting the necessity for cooperation in the military sphere. However, political dialogue during this period was further complicated by domestic developments in the Netherlands, resulting in Ukrainian-Dutch interaction being conducted predominantly through the multilateral frameworks, in line with the way the Netherlands conducts its foreign policy [9].

The post-2022 period marks a clear departure from earlier baseline, with cooperation becoming increasingly operational and institutionalised. Russia's full-scale invasion drastically changed the nature and the scope of bilateral cooperation. Dutch diplomats were among the first who understood that the EU and NATO's joint security mechanisms are constrained by consensus-based decision-making. In this context, the Netherlands pursued a pioneering approach. They came up with fast decisions to support Ukraine in the first days of the war, which was crucial assistance at a critical moment [4]. Once the necessary provisions were made, initiatives were launched immediately, allocating funds for the overhauled Czech tanks T-72, followed by the transfer of Leopard tanks later [10]. The next phase involved leadership with the provision of F-16 fighter jets with munitions. These actions showed the Netherlands' prominent role in supporting Ukraine and contributed to strengthening Ukraine's defensive capabilities against the army of occupiers [7].

By 2024, the effectiveness of the Ukrainian Armed Forces had become evident, yielding valuable lessons and enhancing interoperability. At this stage, support evolved into security cooperation with mutual benefits, particularly in areas such as drone manufacturing and cybersecurity.

5. Conclusion

Ukraine-Netherlands relations have evolved into a structured security partnership following Russia's full-scale invasion in 2022. Before the invasion, bilateral relations were characterised by pragmatic diplomatic cooperation and sectoral agreements, while security engagement remained largely embedded within EU and NATO frameworks.

The invasion constituted a critical juncture that reshaped threat perceptions and policy priorities in the Netherlands. In response, cooperation became increasingly operational, encompassing sustained military assistance, defence-industrial cooperation, cybersecurity, and accountability mechanisms. Ukraine was progressively reframed from an aid recipient into an active security partner, contributing operational experience and enhancing interoperability.

The 2024 Agreement on Security Cooperation institutionalised this shift by establishing a long-term commitment. The findings underscore the growing importance of bilateral security

partnerships to complement multilateral mechanisms and strengthen European security in the contemporary world.

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MAJOR CHALLENGES AND FUTURE PROSPECTS OF GREEN LOGISTICS IN UKRAINE

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Poliezhai D. O., Davydenko I. V. Major challenges and future prospects of green logistics in Ukraine. The article examines the key challenges and potential directions for the development of green logistics in Ukraine as part of the country's sustainable transition and integration into the European transport system. It focuses on institutional and infrastructural barriers, explores practical cases of eco-friendly logistics implementation, and outlines opportunities for innovation and digitalization in this sector.

Keywords: European integration, green logistics, innovation, sustainability, transport infrastructure, Ukraine.

Полєжай Д. О., Давиденко І. В. Основні виклики та майбутні перспективи розвитку зеленої логістики в Україні. У статті розглядаються ключові проблеми та можливі напрями розвитку зеленої логістики в Україні в контексті сталого переходу держави та інтеграції до європейської транспортної системи. Основну увагу приділено інституційним та інфраструктурним бар'єрам, аналізу практичних прикладів впровадження екологічно дружніх логістичних рішень, а також окреслено можливості для інноваційного розвитку та цифровізації в цій галузі.

Ключові слова: Європейська інтеграція, зелена логістика, інновації, сталість, транспортна інфраструктура, Україна.

1. Introduction

The *object* of this study is the green logistics sector in Ukraine, which is increasingly recognized as a crucial component of national sustainability and environmental security. The *subject* of the study includes eco-friendly technologies, innovations in transport systems, modern approaches to supply chain decarbonization, and environmental regulation within the logistics sector. The *purpose* of the article is to identify major challenges that hinder sustainable logistics development and to determine future directions for integrating Ukraine's logistics into the European green transport framework. The *relevance* of the research is determined by the urgent need to reduce the environmental pressure caused by transport operations, which remain one of the largest sources of harmful emissions. The destruction of transport infrastructure due to the ongoing war has intensified the need for reconstruction based on sustainability principles. Modernizing logistics according to European environmental requirements is fundamental for Ukraine's economic recovery and its long-term integration into the EU. This study also emphasizes the necessity to reduce CO₂ emissions, enhance energy efficiency, and introduce advanced technologies capable of transforming logistics operations in accordance with European Green Deal priorities [6].

2. Major Challenges of Green Logistics in Ukraine

The transformation of Ukraine's logistics system toward sustainability is significantly constrained by outdated transport infrastructure, regulatory weaknesses, and the insufficient environmental orientation of the national economy. A large proportion of freight transport – nearly 70% – relies on road transport, which remains the most carbon-intensive mode due to the predominance of old

and energy-inefficient vehicles. More than one-third of trucks do not meet European environmental standards, which drastically increases pollution levels and fuel consumption. In contrast, railway transport, which generates less than 1% of emissions and is considered the most environmentally efficient mode, remains underutilized because of limited electrification, outdated rolling stock, and insufficient investment in cargo terminals [2; 6].

Institutional challenges also significantly hinder progress. Environmental governance is fragmented across different agencies, resulting in inconsistent control mechanisms and the absence of a unified monitoring system for emissions generated by transport and logistics activities. There is no nationwide platform for carbon accounting or certification of logistics companies, which limits transparency and discourages environmental responsibility. Existing regulations often lack strict enforcement, and businesses rarely receive financial incentives for green modernization, which further delays the adoption of sustainable technologies [1].

Environmental risks continue to rise. Between 2016 and 2020, emissions from mobile transport sources increased by more than 10%, reaching nearly 1.8 million tonnes. Passenger cars account for around 44% of emissions, and freight vehicles - more than 18%. This persistent upward trend demonstrates the urgent need for energy-efficient logistics solutions that would reduce the environmental load on urban and industrial areas [3].

Financial barriers also represent a major challenge. The implementation of sustainable logistics solutions requires significant investment in transport electrification, the modernization of railway infrastructure, installation of renewable energy systems, and digitalization of transport operations. For many logistics operators, these investments remain economically inaccessible. In addition, Ukraine lacks comprehensive national support instruments, such as tax incentives, green loans, or subsidies for renewable energy integration, which are common in EU member states. Limited access to international financing as a result of wartime risks further restricts the modernization of the logistics sector [6].

Another important challenge concerns the insufficient development of multimodal logistics and the slow integration into European corridors. Modern green logistics relies on the balance between road, rail, sea, and inland water transport. However, Ukraine lacks modern dry ports, intermodal hubs, and efficient integration with digital transport systems that streamline the movement of goods. As a result, the logistics sector loses competitiveness while contributing to higher emissions and congestion [6].

2.1. Future Prospects for Green Logistics Development

Despite the existing obstacles, the prospects for the development of green logistics in Ukraine remain substantial. One of the key factors shaping the future of the sector is the accelerated

digitalization of transport processes. The adoption of intelligent systems for route optimization, cargo tracking, and automated decision-making can significantly reduce transportation costs and harmful emissions. International experience demonstrates that optimized logistics routes reduce fuel consumption by up to 15%, while automated warehouse systems can lower energy consumption by approximately 30% [5]. The shift to digital freight documentation and paperless customs procedures also contributes to greater transparency and eco-efficiency.

Renewable energy integration into logistics infrastructure is a promising direction. Ukrainian logistics companies are increasingly adopting solar power plants, energy-efficient lighting systems, and electrified terminals. Nova Post serves as an illustrative example, with its logistics centers equipped with solar panels that satisfy a considerable part of operational needs and reduce carbon emissions. The company is also expanding its electric vehicle fleet and investing in charging infrastructure, demonstrating how private enterprises can successfully contribute to national sustainability goals [3].

Several Ukrainian companies have already implemented environmentally oriented solutions that reflect global best practices. Euroterminal in Odesa has redirected a significant share of cargo flows from road to rail, contributing to emission reduction and easing congestion in the urban area. PRANA promotes the principle of eco-friendly delivery by using recyclable materials and participating in reforestation programs supported by international environmental initiatives [1; 3]. These examples show that environmental improvements in logistics are not only feasible but also economically beneficial.

Looking forward, the development of low-emission transport technologies, including electric and hydrogen-powered vehicles, will be crucial for aligning Ukraine's transport system with European environmental standards. The modernization of railway infrastructure, expansion of multimodal hubs, creation of eco-industrial parks, and introduction of unified carbon accounting systems will help ensure long-term sustainability. European integration processes, particularly those related to the European Green Deal, offer Ukraine new opportunities for financial support, technology transfer, and participation in cross-border environmental initiatives [5; 6].

2.2. International Experience and Its Applicability to Ukraine

International practices in sustainable logistics demonstrate that the transition to environmentally responsible transport systems requires not only technological modernization but also long-term government support and participation in global environmental initiatives. European countries, particularly those integrated into the EU transport network, implement green logistics strategies through a combination of regulatory improvements, financial incentives, and investment in multimodal transport infrastructure. These approaches are highly relevant to Ukraine, especially

in the context of aligning its transport sector with European environmental standards and participating in EU-wide green corridors.

One of the most successful examples of green logistics transformation is the development of multimodal transport systems in Germany and the Netherlands, where the shift from road to rail and inland water transport has significantly reduced emissions, improved energy efficiency, and decreased reliance on fossil fuels. The adoption of these models has been supported by investments in digital transport corridors, dry ports, and intelligent transport management systems. Similar mechanisms could be implemented in Ukraine to overcome the dominance of road transport and enhance the role of railways and seaports, which naturally have lower emission profiles.

Another important international example concerns the use of renewable energy in logistics operations. Many European logistics hubs, including those in Belgium and Denmark, rely on solar, wind, or hybrid energy systems to power warehouses, distribution centers, and cargo terminals. The implementation of these technologies contributes significantly to emission reduction and supports the development of energy-efficient supply chains. For Ukraine, where the potential for solar energy is geographically favorable, this approach is particularly promising. The experience of Nova Post, which has already installed solar power plants in several logistics centers, demonstrates the feasibility of applying these solutions on a larger national scale [2].

The integration of digital tools into logistics management is another crucial element of international best practices. Automated route planning, real-time cargo tracking, electronic documentation, and artificial intelligence significantly improve efficiency and transparency. The World Bank emphasizes that digitalization remains a fundamental component of sustainable logistics development, enabling countries to reduce emissions by optimizing transport operations and minimizing empty runs [6]. For Ukraine, which is actively developing digital customs and electronic transport systems, the expansion of these technologies can serve as a catalyst for accelerating its transition toward low-carbon logistics.

Furthermore, many EU countries implement “green incentives” such as tax reductions, subsidies for electric transport, and financial support for companies that meet environmental certification standards. These mechanisms encourage private-sector participation in sustainable transformation. Since Ukraine currently lacks such comprehensive incentive policies, adopting similar instruments could stimulate green modernization and increase the competitiveness of Ukrainian logistics companies in the European market [1; 2].

International experience in the development of eco-industrial parks is equally relevant. These parks integrate production and logistics facilities based on circular economy principles, emphasizing waste reduction, resource efficiency, and shared renewable energy systems. Given

Ukraine's need for post-war reconstruction, the creation of such parks could attract foreign investment, enhance regional development, and support the formation of new green value chains.

Overall, global experience demonstrates that sustainable logistics transformation requires coordinated actions in infrastructure modernization, regulatory reform, financial support, and digitalization. Ukraine can significantly accelerate its green transition by adopting these proven international approaches, adapting them to national conditions, and strengthening cooperation with EU partners within the framework of the European Green Deal and Trans-European Transport Network (TEN-T).

3. Conclusions

The conducted analysis demonstrates that green logistics represents a key direction for the sustainable development of Ukraine and an integral component of its European integration strategy. Although the logistics sector faces numerous challenges – ranging from outdated infrastructure and institutional fragmentation to the lack of financial incentives - the potential for its transformation remains substantial. Strengthening environmental regulation, increasing investment in renewable energy and digital technologies, and ensuring the modernization of transport infrastructure will form the foundation for long-term progress.

Practical cases of Nova Post, Euroterminal, and PRANA confirm that the introduction of sustainable logistics practices is feasible even in conditions of economic and infrastructure limitations. Their examples highlight how environmental responsibility can coexist with increased operational efficiency and competitiveness [1; 3; 4]. The successful development of green logistics will depend on coordinated government actions, strategic international cooperation, and the ability of Ukrainian companies to adopt innovative technologies.

Overall, the transition to green logistics is not only an environmental necessity but also a strategic opportunity to strengthen Ukraine's economic resilience, improve its environmental indicators, and advance integration into the European transport space. The adoption of sustainable logistics principles will contribute to energy independence, lower emissions, and create favorable conditions for long-term economic growth [2; 5; 6].

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INTERNATIONAL LOGISTICS COMPANIES AND THEIR ALLIANCES

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Potolova Y. Y., Radchenko O. I. International logistics companies and their alliances. The article reveals the essence of the concept of international logistics providers and outlines their main classifications in the modern global market. Particular attention is paid to the growing role of logistics alliances as an effective form of cooperation in the context of globalization, increasing competition, and supply chain complexity. The article analyzes the objectives and advantages of strategic partnerships between logistics companies, including cost optimization, expansion of geographical coverage, and improvement of service quality. In addition, the author considers current trends and innovations in the logistics market such as digitalization, automation, and sustainable logistics solutions, which significantly influence the development of international logistics companies and their alliances.

Keywords: international logistics, logistics providers, logistics alliances, global supply chains, strategic partnership, innovations.

Потолова Є. Ю., Радченко О. І. Міжнародні логістичні компанії та їх альянси. У статті розкривається сутність поняття міжнародних логістичних провайдерів та визначається їх основна класифікація в умовах сучасного глобального ринку. Особлива увага приділяється зростаючій ролі логістичних альянсів як ефективною форми співпраці в умовах глобалізації, посилення конкуренції та ускладнення ланцюгів постачання. Аналізуються цілі та переваги стратегічних партнерств між логістичними компаніями, зокрема оптимізація витрат, розширення географії діяльності та підвищення якості логістичних послуг. Також розглядаються сучасні тенденції та інновації на логістичному ринку, такі як цифровізація, автоматизація та розвиток сталих логістичних рішень, що суттєво впливають на діяльність міжнародних логістичних компаній та формування їхніх альянсів.

Ключові слова: міжнародна логістика, логістичні провайдери, логістичні альянси, глобальні ланцюги поставок, стратегічні партнерства, інновації.

1. Introduction

The growth of cross-border trade, globalization of supply chains, and increasing competition among multinational corporations have significantly intensified the role of international logistics companies. In these conditions, logistics providers are not only responsible for the physical movement of goods but also act as strategic partners that ensure efficiency, reliability, and sustainability of global business operations. Strategic logistics alliances allow companies to expand their geographical presence, optimize costs, share resources, and adapt to market volatility. The development of such alliances is especially relevant in the context of digitalization, environmental challenges, and disruptions in global supply chains. These aspects require detailed analysis and determine the *relevance* of this article.

The *object* of the study is international logistics companies, while the *subject* of the study is their alliances and cooperation mechanisms in the global logistics market.

The *aim* of the article is to analyze the role of international logistics companies and their alliances in the development of global business.

To achieve this aim, the following *tasks* are set:

1. to examine the concept and classification of logistics providers;
2. to analyze logistics alliances and their role in global business;
3. to identify current trends and innovations in the international logistics market.

2. International logistics companies and their alliances

2.1. The concept and classification of logistics providers

One of the main factors driving the development of logistics is constant growth in consumer demand and their high expectations. In response to this, companies trying to find the best ways to gain a competitive advantage.

Logistics is especially important for companies that operate internationally: coordinating the flow of goods and services, financial resources, and information from different countries around the world, which often carry out business operations in different time zones [2].

Logistics providers are usually companies that organize transport and logistics services, but may not be directly involved in the transportation process themselves. Such intermediary companies are the main participants in the transport and logistics market [8].

Today, any logistics company acts not only as a freight forwarder, but also as a strategic advisor to businesses. They ensure the smooth operation of supply chains and offer solutions for cutting costs and improving the processes [4].

Business models differ at strategic and operational levels, and so do the requirements for the associated logistics processes, e. g. in terms of involving external logistics service providers. When it comes to identifying different logistics models, the categories 1PL, 2PL, 3PL, 4PL, 5PL are often referred to. They are distinguished primarily by the degree of networking with external partners, the complexity of the supply chains, and the extent of mutual support and integration (Table 1) [9].

Table 1

Levels of Logistics Management

The level	The integration
First party logistics (1PL)	The company performs all logistics activities with internal resources.
Second party logistics (2PL)	A service provider performs a specific logistics operation.
Third party logistics (3PL)	A service provider covers multiple logistics workflows.
Fourth party logistics (4PL)	A service provider manages the entire supply chain.
Fifth party logistics (5PL)	A service provider uses the most advanced technologies to optimize the supply chain.

Source: [9].

The first logistics providers offered assistance exclusively in narrow areas of logistics, such as cargo transportation and warehousing. However, over time, their list of functions, services, and capabilities gradually expanded to include the preparation of permits, cargo clearance during custom control, and much more.

2.2. Logistics alliances and their role in global business

One of the effective tools for improving the performance of business operations is international logistics alliances, which bring together various participants, such as suppliers, carries, cargo handlers, and distributors. Members of transport and logistics hubs can work together to solve problems related to optimizing supply chains, cutting costs, improving service quality, and ensuring business stability in a competitive global market.

Cooperation strategies allow companies to gain access to shared resources and infrastructure, thereby reducing logistics costs, improving customer service, and stimulating innovation. Strategic cooperation within international logistics alliances is essential for increasing competitiveness and securing the stable development of companies in the era of globalization [5].

Table 2

Largest Logistics Alliances

Name of alliance	Year of establishment	Members	Main services
Worldwide Alliance	2007	15 members – AGS World Transport, Allink Transportes Internacionais, Mahe Neutral Shipping S.A.S, SACO shipping GMBH, Tianjin Consol International etc	Consolidated sea freight (LCL), full container loads (FCL), e-commerce, value-added services.
Global Logistics Alliance	2011	7000+ members – APEX International, Express Air Freight, All Cargo Solutions, KC International Logistics etc	Main services: air freight, sea freight (LCL, FCL), vehicle transport, customs clearance. Additional services: project cargo, oversized cargo (OOG), break bulk.
The Ocean Alliance	2017	COSCO Shipping, Evergreen Line, CMA CGM i OOCL	One of the largest operational agreements ever concluded between shipping companies. It has an extensive network, offers 40 maritime transport services and covers more than 100 ports around the world.
THE Alliance	2017	Hapag-Lloyd, Yang Ming, ONE (Ocean Network Express) ra HMM	Provides a wide range of services on major trade routes. The main focus is on ensuring competitive transit times and expanding port coverage to meet the needs of its customers.
Global Air Cargo Alliance	2017	160+ members – Sikkas Kwkck Handling Service, Globelink Fallow Limited, Limamar Air and Sea Services, Arkas Logistics SA etc	A wide network of independent freight forwarders and air transport agents around the world. Air transport, sea transport, land transport.

Source: [1; 10; 11; 12].

Alliances not only benefit shipping companies by combining resources and expanding their customer base, but also offer significant advantages to freight forwarders and shippers. These alliances lead to competitive prices between leading shipping companies. For example, when two companies offer the same prices, a shipper may choose the one that is part of an alliance known for its trustworthiness [1].

At the same time, there are certain challenges and risks that can impact the effectiveness of cooperation within international alliances. These include cultural differences, legal barriers, and political risks. However, the implementation of flexible strategies, adaptive management, and intercultural awareness can minimize these risks and ensure successful integration into international networks [5].

2.3. Current trends and innovations in the logistics market

The logistics industry is rapidly transforming under the influence of technological innovations, creating new opportunities for optimizing business processes. Innovations in logistics are not just changing the ways of delivering and storing goods – they are completely rethinking the management principles of supply chains [3].

One of the greatest achievements in modern international alliances is the implementation of technological innovations such as AI-controlled transport systems, blockchain, and delivery automation. These innovations contribute to significant costs savings and increased operational efficiency, which is important for improving the competitiveness of alliance members [5].

Blockchain creates an immutable digital record of all transactions and movements of goods, allowing their origin to be tracked at all stages. The main goal of such systems is to replace paper documentation flow, increase transparency, prevent document falsification, and speed up processes. This allows real-time tracking of cargo and related operations, significantly reducing the risk of fraud and delivery delays [3].

The implementation of automatization allows companies to achieve significantly higher levels of efficiency, while creating new opportunities to boost competitiveness. In the transport and logistics sector, which is the foundations of global trade and international supply chains, these advantages are especially important. The use of artificial intelligence and automated algorithms can significantly speed up processes such as order fulfilment, warehouse optimization, and route planning. With automated platforms, human resources can be allocated more efficiently, redirecting them to strategic tasks that require a creative of analytical approach [7].

In 2024, logistics faced global challenges: Houthi attacks in the Red Sea, drought in the Panama Canal, pirate attacks near the Horn of Africa, and tension in the South China Sea disrupted

supply chains. The war in Ukraine exacerbated the situation by blocking ports and disrupting international trade.

In response to these challenges, companies have begun diversifying their supply chains, seeking ways to reduce their dependence on specific suppliers and regions, finding alternative routes, and localizing production. Companies are also shifting to more flexible contracts in order to respond more quickly to market changes.

Companies are actively seeking to reduce their negative impact on the environment by implementing green technologies and optimizing logistics processes. One of the key steps is the transition to electric and hybrid vehicles, as well as the creation of infrastructure for their maintenance. For example, the start-up Aegis Energy has raised £100 million to create environmentally friendly refueling hubs for trucks and vans in the UK. These stations will offer biofuel, electricity and, in the future, hydrogen refueling [6].

3. Conclusions

Logistics operators (in particular 3PL, 4PL) are a key element of modern supply chains. Thanks to their qualifications, technologies and classification, they effectively manage complex flows in supply chains. Their main role is to ensure the reliability, speed and cost-effectiveness of deliveries, making them an essential link in achieving operational excellence in modern business.

One of the main advantages of alliances is access to shared resources and infrastructure, which reduces logistics costs and improves customer service. In addition, it promotes the exchange of experience, the introduction of innovations and the reduction of operating costs. Among the main challenges are legal and regulatory barriers, cultural differences, and the difficulties associated with the integration of new technologies.

The use of advanced technologies in logistics has become a critical success factor for modern enterprises. Competitive pressure and changing customer expectations are forcing companies to look for ways to optimize processes at all stages of the supply chain. The technological landscape of logistics is constantly evolving, offering increasingly sophisticated solutions for optimizing business processes.

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DIGITALISATION OF INVESTMENT FINANCE IN UKRAINE: FINTECH INSTRUMENTS, BLOCKCHAIN AND INSTITUTIONAL PRECONDITIONS FOR DEVELOPMENT

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Pushyna Y. S., Izotova L. I. Digitalisation of investment finance in Ukraine: fintech instruments, blockchain and institutional preconditions for development. The article analyses the impact of financial digitalisation and innovative financial technologies on the development of investment finance in Ukraine. It examines the role of digital platforms, blockchain, smart contracts and asset tokenisation in transforming investment processes. Institutional and regulatory constraints on the adoption of digital financial instruments are identified and prospects for modernising Ukraine's investment finance system in the context of digital transformation are outlined.

Keywords: financial market, fintech, blockchain, digital financial instruments, financial digitalisation, smart contracts, asset tokenization.

Пушина Є. С., Ізотова Л. І. Цифровізація інвестиційних фінансів в Україні: фінтех-інструменти, блокчейн та інституційні передумови розвитку. У статті досліджено вплив фінансової цифровізації та інноваційних фінансових технологій на розвиток інвестиційних фінансів в Україні. Проаналізовано роль цифрових платформ, блокчейн-технологій, смартконтрактів і токенизації активів у трансформації інвестиційних процесів. Визначено ключові інституційні та регуляторні обмеження впровадження цифрових фінансових інструментів і окреслено перспективи модернізації інвестиційної фінансової системи України в умовах цифрової трансформації.

Ключові слова: фінансовий ринок, фінтех, блокчейн, цифрові фінансові інструменти, фінансова цифровізація, смартконтракти, токенизація активів.

1. Introduction

Financial digitalisation has become a key driver of changes in investment finance, transforming traditional mechanisms of capital mobilisation and allocation. The transition toward digital platforms, automated financial services and decentralised capital management instruments is reshaping investment processes and market interactions, increasing transaction speed, transparency and access to investment resources.

Studies on financial market digitalisation indicate that the adoption of financial technologies is driven by the need to automate financial flows, process large volumes of data and reduce transaction costs. Due to the close link between investment activity, risk assessment, information asymmetry and trust, the financial sector has become a central area of digital innovation, with financial technologies acting as a systemic force shaping new investment models and forms of financial intermediation.

Research also highlights the growing role of decentralised financial technologies, particularly blockchain, which enables secure distributed recording of financial transactions and automated execution of contractual obligations. These technologies reduce dependence on traditional intermediaries and enhance the resilience of financial systems, while their effectiveness remains closely linked to institutional capacity, regulatory coherence and balanced supervisory frameworks.

For Ukraine, digital transformation of investment finance is especially relevant in the context of economic recovery, financial infrastructure modernisation and efforts to strengthen investment attractiveness. Digital platforms and financial technologies are viewed as instruments for improving transparency of investment flows, enhancing financial governance and reinforcing investor confidence, while practical experience in crisis conditions reveals both their mobilisation potential and existing institutional limitations.

The *relevance* of this study is determined by the need to develop investment finance in Ukraine under conditions of financial digitalisation, post-crisis and post-war economic recovery, and increasing competition for investment resources, as well as growing requirements for transparency, efficiency and investor confidence in financial markets. The *object* of this research is the investment finance system of Ukraine within the process of financial sector digital transformation, while the *subject* is the use of digital and decentralised financial instruments in investment activities, including blockchain-based solutions and digital platforms. The *aim* of the article is to analyse the impact of digital financial technologies on the development of investment finance in Ukraine and to identify key problems and prospects for their implementation in the national economic environment. To achieve this aim, the *tasks* of the research include assessing current trends in investment finance development under conditions of digitalisation, analysing the role of digital and decentralised financial instruments in investment processes, and identifying institutional and regulatory constraints affecting their adoption and practical application.

2. Development of investment finance in Ukraine under conditions of financial digitalisation

2.1. Digital financial instruments in the transformation of investment finance

The digitalisation of investment finance in Ukraine is expressed through the gradual diffusion of digital financial instruments that alter established approaches to capital mobilisation, allocation and control. The growing use of automated investment platforms, digital payment infrastructures and decentralised accounting systems facilitates faster execution of investment transactions and improves the coordination of financial flows. These instruments reduce administrative complexity and operational costs, which is particularly important for increasing the efficiency of investment activity in a transforming economic environment.

Digital financial platforms increasingly perform integrative functions by connecting investors, financial intermediaries and recipients of capital within a single technological ecosystem. Such platforms enable continuous monitoring of investment processes, improve access to information and enhance transparency of financial operations. As a result, digitalisation

contributes to mitigating information asymmetry and strengthens trust among market participants, which is a critical prerequisite for long-term investment decisions [4].

Blockchain technologies represent a core component of digital investment finance due to their ability to ensure secure, immutable and transparent recording of financial transactions. The application of blockchain-based solutions enables the automation of investment agreements through smart contracts, which execute predefined conditions without discretionary intervention. This reduces counterparty risks, limits opportunistic behaviour and increases predictability in investment relationships. In this context, decentralised financial instruments evolve from purely technological solutions into functional elements of investment infrastructure.

A further dimension of digital transformation is asset tokenisation, which allows financial and real assets to be converted into digital tokens that can be traded, transferred or used as collateral within digital ecosystems. Tokenisation enhances asset liquidity, lowers entry thresholds for investors and supports fractional ownership models. This mechanism broadens participation in investment processes and facilitates the mobilisation of capital for projects that previously faced limited access to financing [3].

The integration of digital financial instruments with innovation-driven investment strategies creates additional incentives for long-term capital formation. Digital technologies enable more accurate risk assessment, flexible investment structuring and efficient portfolio management. Consequently, digital investment finance supports the transition toward more adaptive and resilient investment models capable of responding to economic volatility and structural change.

2.2. Institutional constraints and prospects for the development of investment finance

Despite the expanding role of digital financial instruments, the development of investment finance in Ukraine is constrained by a range of institutional, regulatory and organisational factors. One of the primary challenges is the limited responsiveness of the legal and regulatory framework to rapid technological change. Existing financial regulations often do not fully account for the specific features of digital and decentralised instruments, creating legal uncertainty regarding their status, usage and protection within investment activities [1; 2].

Regulatory ambiguity increases perceived investment risks and discourages the widespread adoption of innovative financial solutions. In the absence of clear legal definitions and supervisory mechanisms both domestic and foreign investors may be reluctant to engage in digital investment instruments. This situation underscores the importance of developing a coherent regulatory approach that balances innovation support with financial stability and investor protection.

Another significant constraint is the uneven development of financial and digital infrastructure. While digital solutions offer new opportunities for investment finance, their

effective implementation requires reliable technological infrastructure, cybersecurity systems and institutional capacity. Insufficient digital literacy among market participants and a shortage of qualified professionals in financial technologies further limit the practical application of digital instruments in investment processes [5].

At the same time, institutional development plays a decisive role in shaping the future of investment finance. Research indicates that trust in digital financial instruments emerges not only from technological reliability but also from transparent governance mechanisms and predictable regulatory environments. Strengthening institutional capacity, improving regulatory clarity and investing in human capital are therefore essential for unlocking the full potential of digital investment finance.

Despite existing constraints, there are favourable prospects for the advancement of investment finance in Ukraine. The gradual alignment of national financial legislation with international standards, particularly within the broader process of economic integration, creates a foundation for adopting advanced digital financial practices. The expansion of the fintech sector and the diffusion of digital governance approaches further support institutional adaptation to new investment models.

Applied research demonstrates that blockchain-based architectures can be used to develop programmable financial markets in which investment transactions are executed according to predefined rules and verified in real time. Such systems enhance the efficiency of resource allocation, reduce operational risks and increase the transparency of financial settlements. Under appropriate institutional conditions, these solutions may contribute to the formation of a more resilient and inclusive investment finance system capable of supporting long-term economic development.

3. Conclusions

The research shows that the development of investment finance in Ukraine under current conditions is closely linked to financial sector digitalisation and the adoption of innovative financial technologies. The use of digital financial instruments transforms traditional mechanisms of investment capital mobilisation, increases operational efficiency and enhances transparency in the investment environment. Financial technologies such as digital platforms, blockchain, smart contracts and asset tokenisation reduce transaction costs, mitigate information asymmetry and strengthen trust among market participants, although their effectiveness depends on the quality of institutional and regulatory frameworks.

At the same time, the development of digital investment finance in Ukraine is limited by regulatory uncertainty, uneven financial and digital infrastructure, and insufficient digital

competencies among some market participants. Despite these challenges, FinTech and blockchain technologies represent a key direction for modernising the investment finance system and can be applied in shaping public policy and improving the practical activities of financial institutions. Further research should focus on regulatory adaptation, evaluating the effectiveness of digital financial instruments and exploring Ukraine's integration into the global digital financial system.

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THE IMPACT OF FOREIGN LANGUAGE PROFICIENCY ON THE COMPETITIVENESS OF PROFESSIONALS IN THE GLOBAL ECONOMY

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Rudenko K. S., Ilchenko V. V. The Impact of English Language Proficiency on the Competitiveness of Professionals in the Global Economy. The article examines the role of English language proficiency as a key factor influencing the competitiveness of specialists in the global economy. The study analyzes how English skills affect employability, professional mobility, and participation in international economic and legal processes. Particular attention is paid to English as a component of human capital and a practical tool for accessing global labor markets. The research is based on contemporary academic studies and statistical data.

Keywords: competitiveness, English language proficiency, global economy, human capital, labor market.

Руденко К. С., Ільченко В. В. Вплив рівня володіння англійською мовою на конкурентоспроможність фахівців у глобальній економіці. У статті розглядається роль рівня володіння англійською мовою як ключового чинника, що впливає на конкурентоспроможність фахівців у глобальній економіці. У дослідженні аналізується вплив володіння англійською мовою на працевлаштування, професійну мобільність та участь у міжнародних економічних і правових процесах. Особлива увага приділяється англійській мові як складовій людського капіталу та практичному інструменту доступу до глобальних ринків праці. Дослідження базується на сучасних наукових працях та статистичних даних.

Ключові слова: володіння англійською мовою, глобальна економіка, конкурентоспроможність, людський капітал, ринок праці.

1. Introduction

The *relevance* of this research is determined by the rapid globalization of economic relations, which has transformed labor markets into interconnected systems requiring specialists who can operate effectively in international professional environments. As multinational corporations expand, cross-border trade intensifies, and global academic and research networks grow, English has solidified its role as the dominant language of business, finance, international law, and academic discourse. This linguistic shift has created a situation in which proficiency in English is no longer merely an additional skill, but a fundamental prerequisite for competitiveness, employability, and professional mobility in the global labor market.

At the same time, the growing importance of English proficiency contributes to increasing differentiation among professionals, as unequal access to language education may limit participation in global economic processes. In this context, language competence becomes not only a tool of communication but also a factor influencing social mobility and inclusion in high-skilled segments of the labor market. The expansion of digital platforms, remote work, and international project-based employment further reinforces the role of English as a key medium for professional interaction across national boundaries. The *object* of the research is professional competitiveness in the global labor market. The *subject* of the research is the influence of English language proficiency on the competitiveness of specialists. The *aim* of the article is to examine how English language skills contribute to enhancing professional competitiveness and facilitating access to global labor markets. The *tasks* of the research include analyzing contemporary academic

studies and statistical data on the economic and professional benefits of English proficiency, as well as identifying the impact of English skills on employment opportunities, career mobility, and international collaboration.

Recent studies emphasize that language skills form an integral part of human capital and significantly affect employability and productivity. However, the practical pathways through which English proficiency contributes to competitiveness across different professional sectors and economic contexts remain insufficiently systematized, which highlights the need for further research in this area.

2. The role of English proficiency in the global labor market

2.1. English as a component of human capital

In recent decades, globalization has fundamentally reshaped labor markets by increasing cross-border mobility, standardizing professional requirements, and intensifying international competition for skilled labor. Employers increasingly seek specialists who possess not only professional qualifications but also the ability to communicate effectively in international environments. As a result, foreign language proficiency, particularly English, has become an essential element of professional competence rather than a supplementary skill.

Contemporary academic research increasingly focuses on the economic value of language skills. Studies conducted in the fields of labor economics, sociolinguistics, and education demonstrate that English proficiency positively correlates with employability, wage levels, and career advancement. Within this framework, human capital theory considers education, skills, and competencies as investments that enhance individual productivity and economic value. Proficiency in English represents a specific form of human capital that provides professionals with access to global information flows, international professional networks, and transnational labor markets. From an economic perspective, English proficiency increases the return on human capital by expanding access to higher-skilled positions and international employers. Unlike many technical skills that are occupation-specific, language competence is transferable across sectors, which enhances labor market flexibility and reduces structural unemployment risks. This makes English proficiency a multiplier rather than an isolated component of human capital. Despite widespread recognition of the importance of English as a component of human capital, the mechanisms through which language proficiency translates into specific professional advantages across different sectors of the global economy remain insufficiently systematized. In the context of globalization, the ability to communicate in English often determines the effectiveness of international cooperation, professional integration, and long-term career growth.

This research seeks to address this gap by examining English language proficiency not only as a linguistic competence but also as an economic and professional resource that shapes career trajectories in international labor markets. Grin emphasizes that language skills directly contribute to workforce productivity and competitiveness by facilitating effective communication in multinational professional environments [2, p. 18]. Proficiency in English enables specialists to participate in international projects, negotiate contracts, and adapt to multicultural professional contexts. Empirical studies further confirm that professionals with a high level of English proficiency demonstrate greater adaptability and career mobility compared to those without such skills [3, p. 5]. This pattern is particularly evident in sectors such as finance, information technology, international law, and global trade, where English functions as the primary means of professional communication.

2.2. English proficiency and employment opportunities

English language skills significantly expand employment opportunities by providing specialists with access to international vacancies and multinational companies. In the context of a globalized labor market, English proficiency often functions as a gatekeeping competence that determines access to cross-border recruitment processes. English proficiency functions as a competitive advantage by reducing communication barriers and increasing efficiency in professional interactions. In economic and legal contexts, precise communication is essential, as misunderstandings may lead to financial losses or legal disputes. In this regard, vocational English plays a particularly important role. Bilhaj highlights that vocational English enhances employability by aligning language skills with specific professional requirements [1, p. 45]. This alignment enables specialists to participate effectively in negotiations, prepare professional documentation, and engage in international cooperation.

As illustrated in Fig. 1, the highest proportion of job vacancies requiring English proficiency is observed in the Information Technology sector, which accounts for 28% of the total demand. This reflects the global nature of the IT industry and its reliance on international teams and cross-border cooperation. The Finance sector represents 24% of vacancies requiring English skills, highlighting the importance of English in international financial operations, reporting, and compliance. Similarly, International Law accounts for 20%, which underscores the role of English as a working language in international legal practice and documentation. Vacancies in Marketing and Sales constitute 16%, indicating the need for English in global brand communication and market expansion strategies. The Engineering sector, although more technically oriented, still represents 12% of positions requiring English proficiency, mainly due to international projects and cooperation with foreign partners. Overall, Fig. 1 confirms that English proficiency is a cross-

sectoral requirement and a key factor influencing employability, remuneration, and career prospects in the global labor market [4].

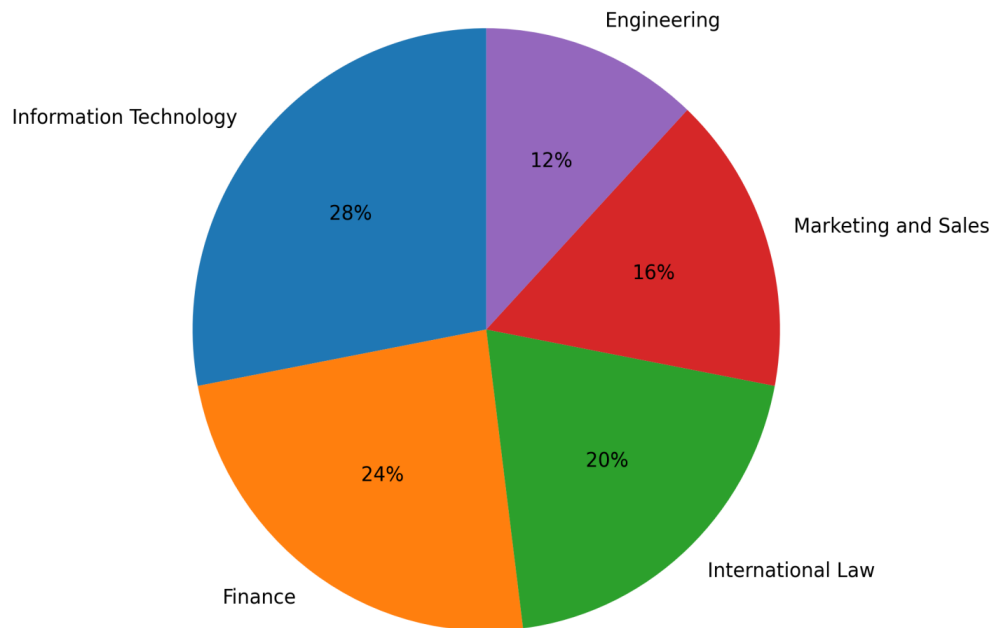


Figure 1. Share of job vacancies requiring English proficiency by sector.

Source: Composed by the author using materials from labor market analytics [4].

3. Conclusions

This study highlights several key findings regarding English language proficiency and its impact on professional competitiveness in the global labor market. The results confirm that English is a key component of human capital, significantly improving access to international employment opportunities, increasing career mobility, and strengthening long-term professional stability. Professionals with a high level of English proficiency demonstrate greater adaptability to changing labor market conditions and have better opportunities to work effectively in a transnational professional environment. English proficiency contributes to increased professional effectiveness through more effective communication, participation in international projects and access to global knowledge resources. In sectors such as finance, information technology, international law, and marketing, English has become an essential working tool rather than an additional skill, directly affecting employment and pay levels. Future research may focus on quantitative analysis of the causal relationship between English proficiency levels and specific career outcomes, as well as comparative studies examining the impact of additional foreign languages on professional competitiveness in different economic sectors and regional labor markets. These directions would contribute to a deeper understanding of the linguistic determinants of professional success in the global economy.

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GLOBALIZATION PROCESSES IN INTERNATIONAL RELATIONS: NEW OPPORTUNITIES AND MAJOR THREATS

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Rukas T. Y., Kalyuzhna A. B. Globalization processes in international relations: new opportunities and major threats. The article examines the impact of globalization on contemporary international relations. It analyzes how growing global interconnectedness promotes economic integration, cultural exchange, and technological development, while simultaneously generating challenges such as socio-economic inequality, erosion of national sovereignty, cultural homogenization, and cyber-security risks. The study emphasizes the dual nature of globalization and highlights the need for balanced international cooperation and effective policy frameworks to manage its consequences.

Keywords: globalization, international relations, economic integration, inequality, sovereignty, cyber security.

Рукас Т. Ю., Калюжна А. Б. Глобалізаційні процеси у міжнародних відносинах: нові можливості та ключові загрози. У статті досліджується вплив глобалізації на сучасні міжнародні відносини. Проаналізовано, як зростання глобальної взаємозалежності сприяє економічній інтеграції, культурному обміну та технологічному розвитку, водночас породжуючи соціально-економічну нерівність, загрози суверенітету, культурну уніфікацію та кіберризики. Наголошено на подвійній природі глобалізації та необхідності зваженої міжнародної співпраці.

Ключові слова: глобалізація, міжнародні відносини, економічна інтеграція, нерівність, суверенітет, кібербезпека.

1. Introduction

Over the past decades, globalization has intensified at an unprecedented rate, reshaping economic, political, cultural, and technological interactions between states. Globalization understood as a process of increasing cross-border interconnectedness and interdependence of states and societies through the intensification of economic exchange, political interaction, cultural communication, and technological diffusion, stands as one of the defining forces of the international system, influencing cooperation, transforming global markets, and altering communication patterns across societies. At the same time, globalization generates a wide spectrum of consequences – from expanding opportunities for development to producing new vulnerabilities, inequalities, and security risks.

Understanding the dual nature of globalization is critically important in the modern world, as its accelerating dynamics directly affect international stability, national sovereignty, and global governance. The need to evaluate both its positive and negative impacts determines the *topicality* of this study.

The *object* of the study: globalization as a systemic international phenomenon.

The *subject* of the study: the transformative effects of globalization and the key opportunities and threats it produces within contemporary international relations.

A brief overview of the issue demonstrates that analyzing globalization requires attention to several core dimensions within the international system. First, it is necessary to examine globalization as a process of deepening interdependence between states and societies. Second, the

economic dimension – including market integration, international trade, and global financial flows – must be assessed to understand both new opportunities and structural imbalances. Third, cultural and technological aspects of globalization, especially the rapid diffusion of information and digital innovations, reshape identities and modes of interaction. Fourth, the political and security consequences of global interconnectedness require analysis, as they challenge traditional notions of state sovereignty and increase exposure to cyber threats and hybrid risks. Finally, the responses of states and international organizations – from regulatory mechanisms to cooperative initiatives – should be explored to identify effective strategies for managing globalization.

The *aim* of the study: to provide an outline the nature of globalization and its dual impact on international relations, considering globalization both as a driver of cooperation and as a source of emerging challenges. To achieve this goal, the following *tasks* are set:

2. to outline the nature of globalization;
3. to examine the economic dimension of globalization and its influence on international cooperation;
4. to analyze the cultural and technological impacts of globalization;
5. to assess the political and security challenges associated with global interconnectedness;
6. to evaluate the responses of states and international organizations to globalization's opportunities and threats.

2. The Impact of Globalization on International Relations

2.1. Economic Dimensions of Globalization: Integration, Markets, and Inequality

Globalization, defined as the deepening integration of states through trade, investment, and production networks, has profoundly transformed the economic foundations of international relations. Globalization has generated substantial economic benefits. For instance, developing countries' export share rose from 16% to 30% between 1990 and 2017 [12], while global poverty fell from 36% to 9%, helping lift nearly 1 billion people out of poverty through expanded trade and productivity gains. Additionally, economic globalization has been linked to significant increases in living standards and technology diffusion over the past half-century [5].

One of the clearest indicators of this process of transformation is the growth of international trade: global trade in goods and services increased from about 25% of world GDP in the early 1970s to over 61% by 2008, reflecting a significant rise in economic interdependence among states [8]. Despite temporary disruptions caused by the 2008 financial crisis and the COVID-19 pandemic, international trade remains a central driver of global economic connectivity.

Economic unions play a crucial role in facilitating market expansion. The European Union represents one of the most advanced models of economic globalization, combining a single market

with the free movement of goods, services, capital, and labor. According to European Commission and Statista data, intra-EU trade accounts for around 60% of total trade in goods for most EU member states, while only Ireland and Slovenia reported a higher share of extra-EU trade in 2024 [2, p. 66; 6].

Another key dimension of globalization is international investment. Global foreign direct investment (FDI) inflows exceeded 1.5 trillion USD annually prior to the COVID-19 crisis, supporting infrastructure development, technological modernization, and job creation [7]. However, as Flew notes, the benefits of FDI are distributed unevenly, often favoring developed economies [7]. This imbalance is further reflected in global income distribution: the top 10% of the world's population controls more than half of total global income, while many developing countries remain dependent on low-value production and raw-material exports [3; 8].

Thus, economic globalization simultaneously promotes growth and cooperation while reinforcing structural inequalities, highlighting the need for inclusive economic policies, investment in human capital, and coordinated international responses.

2.2. Cultural and Humanitarian Aspects: Exchange, Identity, and Unification

Globalization has significantly intensified cultural and humanitarian exchange by enabling unprecedented levels of communication and interaction between societies. Digital technologies and global media platforms have made cultural products, traditions, and values accessible worldwide. Over 5.3 billion people globally use the Internet as of 2023, which has substantially expanded intercultural dialogue and facilitated the dissemination of cultural knowledge across borders [10].

International organizations play an important role in preserving cultural diversity under conditions of globalization. UNESCO, for example, supports more than 700 elements of intangible cultural heritage worldwide, aiming to protect traditional practices, languages, and customs threatened by modernization [1, p. 10]. Such initiatives contribute to cultural dialogue and promote tolerance by emphasizing shared human values.

At the same time, globalization poses serious challenges to cultural identity. The dominance of Western mass culture through global media corporations, streaming platforms, and social networks often marginalizes local traditions. According to UNESCO estimates, nearly 40% of the world's languages are at risk of extinction [11], largely due to the growing prevalence of global languages, particularly English, in education, science, and public communication. This linguistic shift reduces cultural diversity and weakens national and ethnic identities.

Another negative consequence is the commercialization of culture. Traditional crafts, art, and rituals are increasingly transformed into standardized market products aimed at global

consumers. As a result, cultural expressions may lose their symbolic meaning and authenticity, becoming detached from their original social and historical context. Thus, globalization simultaneously promotes cultural exchange and generates risks of cultural unification and identity erosion [4, pp. 36–39].

2.3. Technological Advancement and New Security Challenges

Globalization has accelerated the global diffusion of technology, significantly influencing international relations and economic development. International cooperation in fields such as space exploration, medicine, and information technology has expanded scientific knowledge and innovation capacity. The global digital economy accounts for approximately 15% of world GDP, with continuous growth driven by artificial intelligence, cloud computing, and digital platforms [8].

The rapid spread of digital technologies has facilitated international research collaboration and the development of advanced solutions in healthcare, biotechnology, and communication. However, technological globalization also creates new vulnerabilities. The protection of intellectual property has become increasingly complex, as cross-border information flows contribute to piracy, copyright infringement, and patent violations. Strengthening international legal frameworks and regulatory cooperation is therefore essential.

Cybersecurity represents one of the most serious security challenges associated with globalization. As states, businesses, and individuals become more digitally interconnected, exposure to cyber threats increases. Global losses from cybercrime exceeded 8 trillion USD in 2023, affecting critical infrastructure, financial systems, and government institutions. Cyberattacks now constitute a major component of hybrid threats in international security [9].

Furthermore, globalization raises ethical and political questions related to advanced technologies such as artificial intelligence, biotechnology, and genetic engineering. These technologies challenge existing legal norms and require international coordination to ensure ethical standards, human rights protection, and environmental sustainability. Consequently, technological globalization enhances innovation while simultaneously demanding new approaches to global governance and security [3, pp. 197–212].

3. Conclusions

Globalization has become a fundamental force transforming the contemporary international system, opening new pathways for economic development, cultural interaction, and technological advancement. By expanding access to global markets, promoting international cooperation, and accelerating scientific and technological progress, globalization has reshaped opportunities available to states and societies. At the same time, it has intensified a range of structural challenges,

including growing economic and social inequality, cultural homogenization, and emerging threats to global and national security such as cyber risks and information warfare.

Thus, globalization represents a dual phenomenon: while it generates substantial benefits, it also produces complex challenges that, if unaddressed, may undermine long-term international stability. To responsibly harness the advantages of globalization and mitigate its adverse effects, states must strengthen international cooperation, develop coordinated risk-management strategies, promote inclusive economic development, and safeguard cultural diversity. Only through a comprehensive and balanced approach can globalization be transformed into an engine of sustainable development while minimizing its vulnerabilities and reinforcing its positive contributions to the global order.

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THE RISE OF THE FINTECH POWER AND ITS IMPACT ON THE TRANSFORMATION OF THE GLOBAL FINANCIAL SYSTEM

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Rylskyi V. A., Davydenko I. V. The rise of the Fintech Power and its impact on the transformation of the global financial system. This article explores the growing influence of financial technologies (fintech) on the transformation of the global financial system. It examines the key trends driving the rapid development of fintech, such as digitalization, globalisation, and changing consumer behavior. Particular attention is paid to the role of fintech in reshaping international payments, enhancing financial inclusion, and increasing competition in global financial markets. The article also discusses challenges related to regulation, cybersecurity, and integration with traditional financial institutions, as well as the potential prospects of fintech development in the coming years.

Keywords: digitalisation, financial institutions, financial system, fintech, globalisation, regulation.

Рильський В. А., Давиденко І. В. Зростання впливу фінтеху на трансформацію глобальної фінансової системи. У статті досліджується зростаючий вплив фінансових технологій (фінтеху) на трансформацію глобальної фінансової системи. Розглядаються ключові тенденції розвитку фінтеху, зокрема цифровізація, глобалізація та зміна споживчої поведінки. Особливу увагу приділено ролі фінтеху у трансформації міжнародних платежів, розширенні фінансової інклюзії та посиленні конкуренції на світових фінансових ринках. Також висвітлюються виклики, пов'язані з регуляцією, кібербезпекою та інтеграцією з традиційними фінансовими інститутами, а також перспективи розвитку фінтеху в найближчі роки.

Ключові слова: глобалізація, фінансові інституції, фінансова система, фінтех, регуляція, цифровізація.

1. Introduction

The rapid digital transformation of the global economy has fundamentally reshaped financial systems, giving rise to financial technologies (*fintech*) as a key driver of structural change. Fintech innovations are altering the ways financial services are produced, distributed, and consumed, influencing international financial flows, market structures, and institutional arrangements. The growing integration of digital platforms, mobile technologies, artificial intelligence, and blockchain into financial activities has increased efficiency and accessibility while simultaneously challenging traditional banking models and regulatory frameworks. Against this background, the global financial system is undergoing one of the most dynamic transformations of the 21st century.

The *object* of the study is the global financial system in the context of digital transformation and the emergence of financial technologies. The *subject* of the study is the role, mechanisms and consequences of fintech influence on international financial flows, institutions and market structures. The *purpose* of this work is to analyze the growing role of fintech and identify its impact on the future development of the global financial system. The *relevance* of this article lies in its exploration of one of the most dynamic transformations of the 21st-century global economy – the rise of fintech and its influence on the structure, functioning, and accessibility of financial systems worldwide.

2. Fintech growth and its impact on the global financial system

The evolution of financial technologies marks a significant change in how people around the world get and use financial services. To understand the current fintech revolution, we should look at its historical background and the technological milestones that made it possible.

To begin with, modern fintech started forming in the 1950s when Bank of America introduced credit cards, which have transformed consumer payments. In the 1960s, electronic funds transfer systems were developed. In the late 1960s and during the 1970s ATMs and electronic stock trading systems were introduced. However, the real change happened in the 1990s with the rise of the internet and the start of online banking services [1].

The global financial crisis of 2008 pivoted the fintech landscape. People's trust in traditional financial institutions declined, as a result, new tech-driven solutions became more popular. Companies like PayPal had already made a mark, but the crisis consequences sped up the growth of alternative financial services. In 2009, Bitcoin launched, bringing blockchain technology and cryptocurrency on the stage and challenging fiat money and traditional financial institutions [4].

The smartphone boom of the 2010s gave fintech an additional boost. Mobile devices allowed financial services to reach underserved groups of customers and created new opportunities for easy, user-friendly financial operations. During this period, companies like Stripe, Square, and Robinhood emerged, each solving specific problems in traditional financial services [2].

However, with the rapid development of the fintech industry, it faces some challenges that affect its future, as well as its relationship with participants in the traditional financial system. Understanding these challenges is crucial for fintech's long-term success.

One of the major challenges are complicated regulations, which differ greatly across various countries. Current financial rules are mainly designed for traditional banks, making them often unsuitable for innovative fintech solutions. This regulatory uncertainty can create obstacles for startups trying to operate in multiple markets. Regulators must find a balance between encouraging innovations and ensuring consumer protection as well as keeping financial systems stable [4].

Cybersecurity and data privacy are also important issues. Fintech companies operate large amounts of sensitive financial data and process millions of transactions every day, making them appealing targets for cybercriminals. Data leaks can significantly harm consumer trust and lead to significant financial losses. This problem is especially challenging for smaller fintech firms that may lack the resources for more complicated cybersecurity measures in comparison with larger institutions [3].

Integrating with traditional financial institutions presents considerable difficulties as well. While some banks have welcomed partnerships with fintech companies, others see them as competitors and resist working together. This situation creates tension in the financial ecosystem and may limit the benefits of technological advancements. Additionally, outdated systems in traditional banks often struggle to connect with modern fintech solutions, leading to technical barriers to cooperation [2].

What is more, economic challenges are serious threats to the fintech industry. Many fintech companies depend on business models that prioritise growth over profit, relying on venture capital funding and low-interest rates. Economic downturns, inflation, and rising interest rates can severely affect funding availability, forcing firms to rethink their sustainability. The COVID-19 pandemic highlighted the resilience and vulnerability of fintech firms. Some of them thrived due to increased digital adoption, while others saw decreased transaction volumes and faced funding issues [3].

Despite the fact of these obstacles, the fintech sector has many opportunities to reshape the global financial system in the coming years. These opportunities include various areas of financial services and geographic markets.

Nowadays, in the digital age and with ongoing technological progress, fintech companies can use emerging technologies like artificial intelligence, machine learning, and blockchain to create improved and more efficient financial services. AI-based risk assessment models can improve lending decisions and reduce default rates, while machine learning can improve the effectiveness of fraud detection and its prevention. Blockchain technology has the potential to revolutionize cross-border payments, trade finance, and asset management through fast and secure transaction methods [5].

Expanding financial inclusion is one of the biggest opportunities for fintech. In developing countries with limited banking infrastructure, mobile-banking can offer access to savings accounts, credit, insurance and investment options to a large number of communities. Digital wallets and mobile payment systems have shown their effectiveness in markets like Kenya and China, proving how fintech can outpace traditional banking models [6].

Additionally, central bank digital currencies introduce both opportunities and challenges for fintech firms. As governments introduce digital versions of their currencies, fintech companies with expertise in digital payments and blockchain may play key roles in their implementation and distribution. This growth could speed up the digitization of financial systems all over the world creating new business models and stimulating economic prosperity [3].

Improving international payment systems is another significant growth opportunity for fintech. Traditional cross-border payments can be slow, costly and lack transparency. Fintech solutions with blockchain technology and digital currencies could shorten transaction times from days to minutes as well as greatly reducing costs. This advancement could positively affect international trade, and global economic integration [5].

When considering sustainability and the environmental impact of financial services, fintech companies can create green finance solutions that support environmental, social, and governance goals. This includes carbon trading platforms, sustainable investment tools, and funding for

renewable energy projects. As concerns about climate change grow, fintech companies that effectively address sustainability issues are likely to discover significant market opportunities.

In the global market, fintech companies should concentrate on building unique value propositions that set them apart from traditional institutions and fellow fintech competitors. Continuous innovation in user experience, service quality, and technological capabilities is essential. Companies that successfully manage regulatory challenges while staying agile will be well-prepared for new market opportunities and achieve lasting growth.

Finally, forming partnerships and making acquisitions with traditional financial institutions is important for the future of fintech. Instead of seeing banks as rivals, more fintech companies ought to recognize the advantages of collaboration. Banks bring regulatory expertise, customer trust, and financial resources, while fintech companies provide technological innovation and flexibility. This symbiotic type of relationship can bring us more financial innovations while ensuring compliance with regulations and protecting consumers.

3. Conclusion

The analysis demonstrates that fintech has become an integral component of the modern global financial system, significantly transforming its structure, mechanisms, and development prospects. The evolution of financial technologies has enhanced the efficiency, speed, and accessibility of financial services, while reshaping international financial flows and intensifying competition within financial markets. Fintech solutions have expanded financial inclusion, improved cross-border payment systems, and stimulated innovation through the use of digital platforms, artificial intelligence, and blockchain technologies. At the same time, the rapid growth of fintech has exposed a number of challenges, including regulatory fragmentation, cybersecurity risks, data privacy concerns, and vulnerability to macroeconomic instability. The future development of the global financial system will largely depend on the ability of fintech firms, traditional financial institutions, and regulators to adapt to these challenges and establish balanced frameworks that encourage innovation while ensuring financial stability and consumer protection.

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DYNAMIQUE DU DÉVELOPPEMENT DU SECTEUR DES TECHNOLOGIES FINANCIÈRES

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Rylskyi V. A., Dudka L. A. Dynamique du développement du secteur des technologies financières. Cet article examine le rôle croissant de la fintech en tant que moteur clé de la transformation du système financier mondial. Il examine les principales tendances du développement du secteur, notamment la numérisation, les innovations dans le domaine des paiements, l'élargissement de l'inclusion financière et l'activation des investissements en capital-risque. Une attention particulière est accordée à l'analyse de la dynamique des revenus mondiaux et des investissements dans les entreprises de technologie financière, ainsi qu'à l'évaluation des perspectives de leur croissance future dans le contexte des changements structurels des marchés financiers.

Mots clés: capital, fintech, institutions financières, investissements en capital-risque, système financier.

Рильський В. А., Дудка Л. А. Динаміка розвитку сектору фінансових технологій. У статті досліджується зростання ролі фінтеху як одного з ключових драйверів трансформації глобальної фінансової системи. Розглянуто основні тенденції розвитку сектору, зокрема цифровізацію, інновації у сфері платежів, розширення фінансової інклюзії та активізацію венчурного інвестування. Особливу увагу приділено аналізу динаміки глобальних доходів і капіталовкладень у фінтех-компанії, а також оцінці перспектив їхнього подальшого зростання в умовах структурних змін фінансових ринків.

Ключові слова: венчурні інвестиції, капітал, фінансова система, фінансові інституції, фінтех.

1. Introduction

Les technologies financières, ou fintech, constituent l'un des secteurs les plus dynamiques de l'économie mondiale actuelle. Elles combinent les services financiers et les innovations numériques dans le but d'améliorer l'efficacité, l'accessibilité et la sécurité des opérations financières. Bien que le terme "fintech" ne soit devenu courant que dans les années 2010, ses origines remontent à la seconde moitié du XXe siècle, lorsque l'automatisation des opérations financières a commencé.

L'objet de l'étude est le secteur mondial des technologies financières dans le contexte de la transformation numérique de l'économie mondiale et de l'évolution des marchés financiers.

Le sujet de l'étude concerne les tendances, les mécanismes et les effets de la croissance rapide du secteur fintech sur la structure des marchés financiers internationaux, les flux d'investissement et la compétitivité des institutions financières.

Le but de ce travail est d'analyser la dynamique du développement du secteur fintech, d'identifier les principaux facteurs de sa croissance et d'évaluer son influence sur l'évolution future du système financier mondial.

La pertinence de cet article réside dans l'étude du rôle croissant des fintech comme moteur d'innovation et de transformation structurelle, modifiant les modèles traditionnels de prestation de services financiers et renforçant l'intégration numérique des acteurs économiques à l'échelle mondiale.

2. Partie principale

2.1. Croissance du secteur

A en croire les données des principaux analystes du marché, cette industrie a connu une croissance dynamique au cours de la décennie écoulée. Le chiffre d'affaires total mondial s'élevait à environ 75 milliards USD en 2015; en 2024, ce chiffre s'établira à 218,8 milliards USD, ce qui indique une dynamique de plus de 190% en neuf ans. Les prévisions pour les dix prochaines années s'annoncent tout aussi spectaculaires, ce qui signifie que le marché devrait continuer de progresser de manière exponentielle: le volume annuel de croissance moyenne devrait aller de 15 à 17% par an. Ce scénario prospectif s'appuie sur une amplification anticipée de la numérisation des services financiers, l'accroissement de l'éventail d'utilisateurs de paiements numériques, particulièrement dans les pays en voie de développement, et une éventuelle incorporation de l'intelligence artificielle et de la blockchain dans les procédés interconnectés du domaine financier [4; 6].

Le graphique de la progression des revenus dans l'industrie des technologies financières à l'échelle mondiale entre 2015 et 2033, selon trois scénarios prospectifs, est illustré par la Figure 1: optimiste, modéré et pessimiste [2].

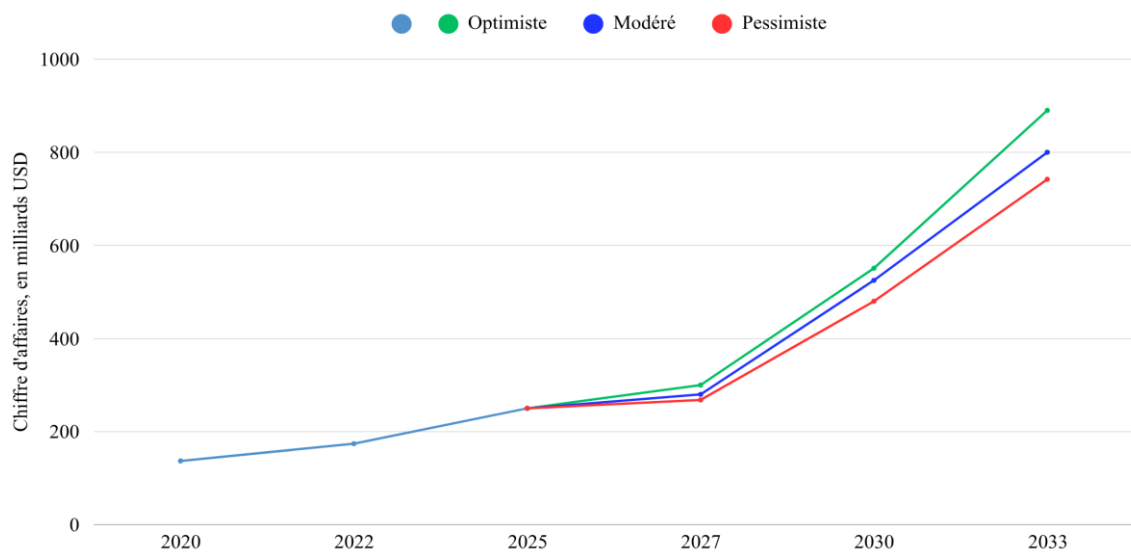


Fig.1 Croissance du chiffre d'affaires mondial du marché des technologies financières et prévisions, 2015-2033

Source: Rédigé par l'auteur à partir de documents provenant de [2].

Le diagramme illustre une augmentation continue et marquée des revenus, peu importe l'option sélectionnée. Suite à 2027, une expansion rapide du volume global du marché des solutions en matière de technologies financières peut être anticipée. Cette hausse est attribuée à l'adoption croissante de l'intelligence artificielle et de l'apprentissage automatique par les entreprises du secteur, qui facilite grandement la prestation de services, a le potentiel d'améliorer leur qualité et stimule par conséquent l'expansion du marché. Dans le contexte le plus défavorable, on estime que

le marché mondial des technologies financières pourrait s'élever à près de 740 milliards de dollars d'ici 2033. Un scénario modéré envisage une expansion jusqu'à 800 milliards de dollars, tandis qu'un scénario optimiste prévoit plus de 885 milliards de dollars. Ces statistiques attestent de la robustesse et de l'attrait du domaine des technologies financières, malgré le climat d'instabilité économique mondiale observé récemment. L'évolution actuelle indique que la fintech se profile comme l'un des segments les plus influents de l'économie mondiale en matière de croissance, surpassant le secteur bancaire conventionnel. Les facteurs clés de ce processus incluent les avancées technologiques et la croissance de la demande en solutions de paiement numériques, qui provoquent par conséquent une hausse des investissements dans le domaine [2].

Il faut souligner que, à l'opposé des secteurs financiers classiques, la fintech présente un indice de renouvellement des investissements plus important, étant donné que les sociétés technologiques ont la capacité d'accélérer le développement de leurs produits, l'accès à de nouveaux marchés et l'attraction de nouvelles catégories d'utilisateurs. Cela engendre un effet cumulatif, les investissements réussis entraînant l'arrivée de nouveaux capitaux, ce qui produit un cercle vertueux dans le contexte de l'innovation et de l'investissement [5].

2.2. Prévisions d'investissement pour le secteur

Au cours des dernières années, l'évolution des volumes d'investissement a été marquée par une volatilité notable, en raison de l'incertitude macroéconomique et des fluctuations des taux d'intérêt à l'échelle mondiale. Néanmoins, la tendance générale demeure favorable, ce qui a permis à l'activité d'investissement dans le domaine des technologies financières de poursuivre sa progression au fil de la dernière décennie. Cela reflète la foi persistante des investisseurs dans les possibilités offertes par ce secteur. D'après les prévisions du Boston Consulting Group, de McKinsey&Company et de CB Insights, le montant moyen des investissements annuels dans les sociétés de technologie financière a presque été multiplié par neuf entre 2015 et 2021. La pointe la plus haute a été relevée en 2021, quand l'investissement mondial dans le domaine a atteint un sommet historique de 211,4 milliards de dollars, stimulé par l'expansion des paiements digitaux, des technologies liées aux cryptomonnaies et des néobanques [3].

Pour mettre en perspective l'ampleur et les tendances du financement en capital-risque dans le secteur des technologies financières, il est nécessaire d'examiner la dynamique des volumes d'investissement à l'échelle mondiale. Le graphique ci-dessous illustre l'évolution des investissements en capital-risque dans les entreprises fintech de 2019 au premier trimestre 2025.

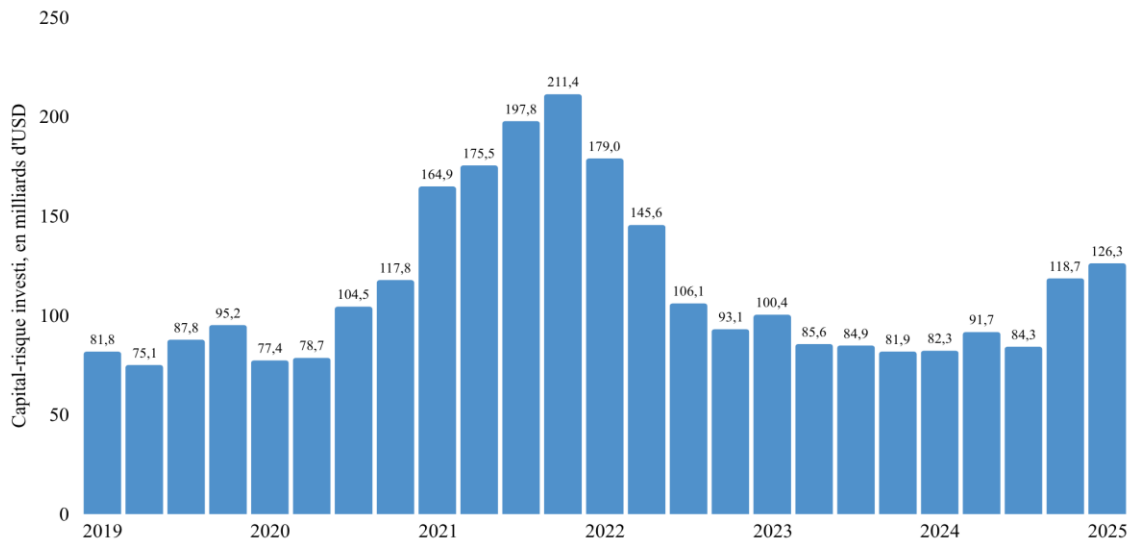


Fig.2 Évolution du financement mondial par capital-risque des entreprises du secteur des technologies financières, 2019-T1 2025

Source: Rédigé par l'auteur à partir de documents provenant de [3].

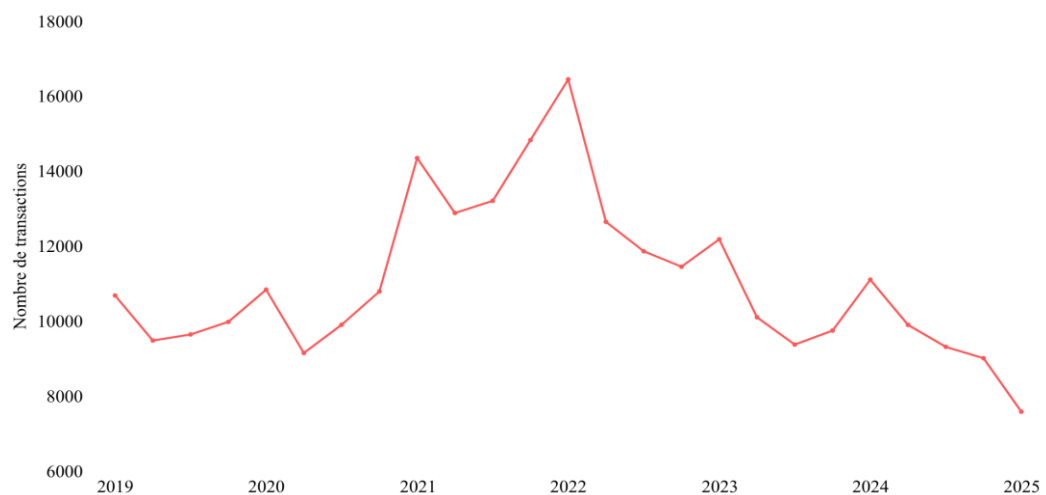


Fig.3 Nombre d'opérations de capital-risque pour les entreprises de technologie financière, 2019-T1 2025

Source: Rédigé par l'auteur à partir de documents provenant de [3].

Les années 2020 à 2021 ont été marquées par une augmentation des investissements en capital-risque. Cela s'explique en grande partie par le déploiement rapide des services financiers à l'ère numérique, stimulé par la pandémie de COVID-19. Au cours de cette période, on a constaté une augmentation notable des financements destinés aux paiements mobiles, aux services bancaires en ligne et aux plateformes de crédit numérique. Cependant, entre 2022 et 2023, nous avons observé des changements dans l'activité d'investissement. Ces changements sont dus à l'incertitude croissante qui a frappé l'économie au début de la crise, à la fluctuation des taux d'intérêt et à la réévaluation de plusieurs nouveaux acteurs du marché [1].

Depuis 2024, le marché se redresse lentement et montre des signes de stabilisation. La tendance actuelle s'éloigne des financements importants pour les start-ups. L'accent est désormais mis sur le soutien aux entreprises plus établies et plus fiables qui fournissent des solutions solides dans les domaines de la banque, de la cybersécurité et de la gestion des données. Cette évolution montre que le capital-risque dans le secteur des technologies financières passe d'une phase expérimentale à une phase de croissance institutionnelle. La mesure clé du succès n'est plus seulement la croissance rapide, mais la capacité à créer de la valeur à long terme [3].

3. Conclusions

Enfin, établir des partenariats avec les institutions financières traditionnelles est une étape importante pour l'avenir du secteur des technologies financières. Au lieu de considérer les banques comme des concurrentes, les entreprises de technologie financière devraient reconnaître les avantages d'une collaboration. Les banques apportent leur connaissance de la réglementation, leur solidité financière et la relation de confiance qu'elles ont établie avec leurs clients. Les entreprises de technologie financière offrent leur flexibilité, leur capacité d'innovation et leurs technologies modernes. Ce travail d'équipe peut conduire à un système financier plus efficace, plus sûr et plus inclusif, capable de relever les défis de la transformation numérique mondiale.

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GERMAN ECONOMIC LEADERSHIP IN THE EUROPEAN UNION

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Sabashenko M. S., Lavrinenko I. M. German economic leadership in the European Union. The article explores Germany's role as the economic leader of the European Union, focusing on its historical development, current state, and influence on the EU economy. It examines key characteristics that have established Germany as the "engine" of Europe, including industrial strength, innovation capacity, and financial stability. The study analyzes Germany's economic strategies, policies, and initiatives that shape EU-wide decision-making and foster regional cohesion. Special attention is given to recent challenges, such as the energy crisis and geopolitical tensions after 2022, and how Germany's leadership adapts to maintain growth and stability in the EU. This research highlights the relevance of understanding Germany's economic position and its impact on the broader European economy.

Keywords: economic development, economic leadership, EU economy, European Union, Germany, industrial strength, post-2022 challenges.

Сабашенко М. С., Лаврієнко І. М. Німецьке економічне лідерство в Європейському Союзі. Економічне лідерство Німеччини в Європейському Союзі. У статті досліджується роль Німеччини як економічного лідера Європейського Союзу, зосереджуючись на її історичному розвитку, сучасному стані та впливі на економіку ЄС. Розглядаються ключові характеристики, які сформували Німеччину як «двигун» Європи, зокрема промислова міць, інноваційний потенціал та фінансова стабільність. Дослідження аналізує економічні стратегії, політики та ініціативи Німеччини, що впливають на ухвалення рішень на рівні ЄС та сприяють регіональній згуртованості. Особлива увага приділяється останнім викликам, таким як енергетична криза та геополітична напруженість після 2022 року, а також тому, як економічне лідерство Німеччини адаптується для підтримки зростання та стабільності в ЄС. Дослідження підкреслює актуальність розуміння економічної позиції Німеччини та її впливу на ширшу європейську економіку.

Ключові слова: виклики після 2022 року, економіка ЄС, економічне лідерство, економічний розвиток, Німеччина, промислова міць, Європейський Союз.

1. Introduction

The current European and global landscape is defined by economic uncertainty, geopolitical tension, and shifting balances of power. In this context, Germany continues to play a central role as the economic leader of the European Union, shaping policies and guiding the bloc through both stable and turbulent times. As Europe's largest economy, Germany has long been considered the "engine" of the EU, ensuring financial stability and influencing key decisions that affect millions of people.

The Russian invasion of Ukraine in 2022 brought new challenges for Germany's leadership. The country has had to navigate energy crises, coordinate sanctions, and support Ukraine's reconstruction efforts — all while balancing its own national interests with the need for European solidarity. These developments have sparked debates about Germany's responsibilities and the limits of its influence within the EU. These issues require special attention and analysis and stipulate the *relevance* of this study.

The *object* of this study is Germany's economic leadership in the European Union, the *subject* is the strategies, policies, and initiatives through which Germany shapes the EU economy and supports regional stability, especially in the post-2022 context. The *aim* of this research is to examine how Germany's economic leadership has evolved, the

challenges it faces, and the ways it contributes to broader European stability and efforts to support Ukraine.

The following *tasks* are set to achieve the purpose:

1. to explore the historical background of Germany's economic role in the EU;
2. to identify Germany's key characteristics as the EU's economic engine;
3. to analyze the challenges and criticism Germany faces in its leadership role;
4. to investigate Germany's post-2022 strategies and efforts to promote a just peace in Ukraine.

2. German economic leadership in the European Union

2.1. Historical background of Germany's economic role

Germany's contemporary economic leadership in the European Union is rooted in several historical stages that fundamentally reshaped its economic landscape. In the aftermath of the Second World War, the country faced extreme destruction: industrial capacity was largely ruined, unemployment soared, and major cities were left devastated. This situation required deep structural rebuilding, which later became the foundation for Germany's stable economic growth [11].

A key factor in the early recovery of West Germany was the Marshall Plan, whose financial and technical assistance enabled rapid industrial modernisation. Combined with the social market economy reforms introduced by Ludwig Erhard, this external support contributed to the *Wirtschaftswunder*, characterised by high productivity, rapid export growth, and rising living standards. However, regional disparities remained notable, as western regions grew faster than structurally weak industrial zones and rural areas [3].

A crucial turning point occurred after the reunification of Germany on 3 October 1990, when two economies of fundamentally different structures and productivity levels had to be integrated. The German government introduced significant fiscal transfers and infrastructure programmes to modernise the eastern Länder. Although the process initially led to high unemployment and substantial budgetary pressure, reunification ultimately strengthened Germany's domestic market and expanded its economic potential within the European Union [1].

When the financial and economic crisis hit Germany in 2008 the Federal Government's immediate response was to stabilize the German banking sector. As the crisis reached the real economy, stimulus packages and other measures were used to support companies, safeguard employment and bolster private consumption. Overall, the German labour market remained stable during the crisis. There was a small increase in unemployment in 2009, but by the end of 2010 this had already been reversed. Germany was thus able to avoid higher unemployment for all age and gender groups both during and after the crisis. The German "jobs miracle" was made possible by

a combination of factors: on one hand, extensive labour market reforms had already been implemented throughout the 2000s, introducing more flexible forms of employment, as well as reforming the social welfare and pension systems. On the other hand, over the same period collective bargaining had become more flexible [7].

2.2. Germany as the economic engine of the EU

Germany's economy is the largest in Europe and the third-largest in the world, after the United States and China. It is a highly industrialized and diversified economy with a strong service sector and a leading role in global exports, particularly for vehicles, machinery, and chemicals. Germany's real GDP fell to USD 3,940.1 billion in 2020, mainly due to the COVID-19 crisis, but increased significantly in 2021. In 2022, GDP dropped again to USD 4,163.6 billion as a result of the energy crisis and supply-chain disruptions. From 2023 onward, the economy began to recover, reaching USD 4,659.9 billion in 2024. The growth rate followed a similar pattern: -4.1% in 2020, a rebound to 3.7% in 2021, and slower expansion of 1.4% in 2022. Germany then entered a mild recession, with -0.3% in 2023 and -0.2% in 2024. These negative rates reflect ongoing structural pressures, including high production costs and weaker demand in export markets.

Table 1

Germany's key macroeconomic indicators (2020–2024)

Year	Real GDP (billions of dollars USD)	Real GDP growth (annual %)	Inflation (CPI, annual %)	Unemployment rate (total, % of labour force)
2020	3940,1	-4,1	1,8	3,9
2021	4348,3	3,7	2,8	3,6
2022	4163,6	1,4	6,1	3,1
2023	4525,7	-0,3	6,1	3,1
2024	4659,9	-0,2	3,1	3,4

Source: compiled by the authors according to [13; 14].

Inflation was moderate in 2020–2021 (1.8% and 2.8%) but rose sharply to 6.1% in both 2022 and 2023 due to rising energy and import prices. In 2024, it decreased to 3.1%, signalling partial stabilisation while still remaining above pre-crisis levels. Throughout the period, Germany sustained low unemployment. The rate declined from 3.9% in 2020 to 3.1% in 2022–2023, supported by strong labour-market mechanisms. A slight increase to 3.4% in 2024 reflects recessionary developments but still demonstrates overall labour-market resilience.

In 2023, Germany's economy remained strongly service-oriented, with the services sector contributing 69.7% of total GDP. This reflects the country's advanced economy, where finance, trade, IT, and professional services play a dominant role. The industry and construction sector accounted for 29.4%, highlighting Germany's continuing strength in manufacturing, engineering, and industrial production—key drivers of its export-oriented economy. The agriculture, forestry, and fishing sector represented only 0.9%, indicating its minor role in overall GDP, though it remains important for domestic food security and rural employment.

The data suggest stability in Germany's economic structure, with services as the primary growth engine and industry maintaining substantial weight. The relatively small agricultural share aligns with trends in developed European economies, where industrial and service activities dominate. Moving forward, slight shifts may occur if Germany accelerates green technologies, digitalisation, or further automation in industry, potentially increasing industry's share or transforming service offerings.

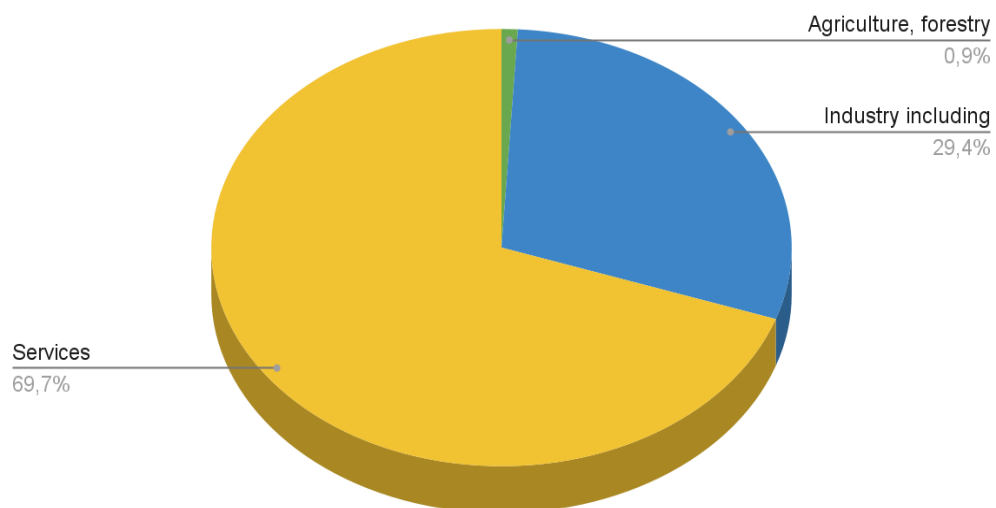


Fig. 1. Germany's value added shares by sector in 2024, %
Source: Composed by the author, using materials from [9].

Germany continues to assert its position as the European Union's economic engine, a fact clearly demonstrated by its foreign trade performance in 2024. According to Eurostat data, Germany's exports reached €1,554,250.5 million, while imports amounted to €1,313,410.8 million, resulting in a substantial positive trade balance of €240,839.7 million. These figures surpass those of any other EU member state by a significant margin, highlighting Germany's central role in sustaining the EU's economic stability.

Table 2

Important foreign trade in goods indicators (2024)

Country	Exports (million €)	Imports (million €)	Foreign Trade Balance (million €)
Germany	1,554,250.5	1,313,410.8	240,839.7
Austria	197,847.7	195,634.7	2,212.9
Belgium	495,054.0	475,375.8	19,678.1
Bulgaria	43,063.0	49,735.0	-6,672.0
Croatia	24,054.7	43,399.6	-19,344.8
Cyprus	4,085.4	12,329.1	-8,243.7
Czechia	243,151.9	215,475.1	27,676.8
Denmark	123,220.4	113,547.1	9,673.3
Estonia	17,400.0	20,733.7	-3,333.6
Finland	72,126.0	74,844.0	-2,718.0
France	590,868.6	693,526.3	-102,657.7
Greece	49,950.0	84,947.7	-34,997.7
Hungary	145,251.7	137,529.4	7,722.3
Ireland	222,621.3	132,658.0	89,963.3
Italy	623,508.7	568,745.6	54,763.1
Latvia	19,073.9	21,917.7	-2,843.7
Lithuania	36,772.5	41,339.0	-4,566.5
Luxembourg	14,985.2	23,196.9	-8,211.6
Malta	3,495.2	8,729.8	-5,234.6
Netherlands	850,979.2	752,426.7	98,552.5
Poland	351,155.9	350,504.6	651.3
Portugal	78,895.0	107,243.4	-28,348.4
Romania	92,691.0	126,082.4	-33,391.5
Slovakia	106,949.5	105,076.3	1,873.1
Slovenia	72,927.4	78,047.4	-5,120.0
Spain	392,122.8	436,191.0	-44,068.2
Sweden	180,964.8	174,867.1	6,097.7
EU-27	2,583,053.0	2,437,177.3	145,875.7

Source: [5].

When compared to the total trade of the EU-27, Germany accounts for approximately 60.2% of total EU exports and 53.9% of imports, illustrating its dominance in the bloc's external trade flows. Such a leading share emphasizes the importance of Germany's economy not only as a domestic powerhouse but also as a critical driver of intra-European trade relations.

Germany's trade surplus further reflects the competitiveness of its industrial and manufacturing sectors. While many EU countries, including France (-€102,657.7 million) and Spain (-€44,068.2 million), recorded negative trade balances, Germany's positive balance underscores the efficiency and export orientation of its economy. Its major trading partners within the EU, including the Netherlands, Italy, France, and Poland, demonstrate the country's deep integration into European supply chains and its strategic role in supporting the single market.

2.3. Challenges and criticism of Germany's role in the EU economy

In recent years, several critical observations have emerged regarding Germany's role as the economic leader of the European Union. First, energy dependency remains a major vulnerability: Germany has historically relied heavily on imported Russian gas, which became a significant risk during the energy crisis. Scholars argue that this dependency could have been mitigated with earlier diversification of energy sources [10].

Second, structural challenges persist in Germany's export-oriented economy. Rising energy costs, underinvestment in digital infrastructure, and certain industrial inefficiencies limit growth and competitiveness [12]. Bundesbank analysis shows that in over 75% of export categories, Germany's global market share has declined between 2017 and 2023, especially in technology-intensive and energy-heavy sectors [2].

Third, critics point to weak domestic economic dynamics. The strong export orientation often overshadows internal market development. Researchers note that the "export-over-domestic-consumption" model gradually undermines sustainable domestic growth, leaving Germany vulnerable to external shocks [8].

Finally, geopolitical challenges add to the critique. Germany faces geo-economic risks due to dependence on critical imports, particularly rare earth elements from China, which increases the economy's exposure to global disruptions [6].

2.4. The role of Germany's economic leadership after 2022 and its efforts to establish a just peace in Ukraine

Since 2022, Germany has reinforced its position as the EU's leading economic power by assuming a central role in supporting Ukraine and safeguarding European security. The country has mobilised unprecedented financial, military, humanitarian and diplomatic assistance in response to Russia's full-scale invasion. By September 2025, Germany had allocated approximately 36 billion euros in civilian support and 40 billion euros in military aid, making it one of the largest contributors worldwide.

Germany's assistance reflects its broader leadership responsibilities within the EU. Berlin has been instrumental in strengthening Ukraine's defence capabilities, supporting energy security, and providing humanitarian relief, including winter aid, mine clearance, and support for internally displaced persons. Additionally, Germany has guided EU efforts to impose severe sanctions on Russia, reduce Europe's energy dependence, and coordinate reconstruction planning through platforms such as the G7 and the Ukraine Recovery Conferences.

In the diplomatic arena, Germany consistently emphasises that a just and lasting peace must be based on Ukraine's sovereignty and Russia's cessation of aggression. Berlin supports

international legal mechanisms for documenting and prosecuting war crimes and actively contributes to discussions on ceasefire conditions, Black Sea security, and Ukraine's future EU membership [4].

3. Conclusions

Germany's status as the EU's leading economic power is rooted in its post-war reconstruction, the success of the social market economy, and the long-term effects of reunification. Despite recent shocks such as the COVID-19 pandemic and the energy crisis, Germany has maintained a resilient economic structure, strong export performance, and one of the most stable labour markets in Europe. Its dominant position in EU trade—accounting for more than half of the Union's total exports and imports—highlights its central role in sustaining the European economy.

At the same time, Germany faces several structural challenges, including energy vulnerability, underinvestment in digital infrastructure, and declining competitiveness in key industrial sectors. Nevertheless, since 2022 Germany has strengthened its leadership by providing substantial financial, military, and diplomatic support to Ukraine, reaffirming its commitment to European security and stability.

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THE FORMATION OF INTERCULTURAL COMPETENCE AS AN INDEPENDENT FIELD OF RESEARCH

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Serafimova S. V., Litovchenko Y. M. The formation of intercultural competence as an independent field of research. The article examines the formation of intercultural competence as an independent field of scientific inquiry. Based on a theoretical analysis of academic literature and international policy documents, the author argues that the emergence of intercultural competence dates back to the post-World War II period, when intensified international contacts revealed the limitations of purely linguistic approaches to communication. The article reveals that effective interaction across cultures requires consideration of cultural norms, values, and behavioral patterns in addition to language proficiency.

The development of scholarly perspectives on intercultural competence is analyzed in a chronological framework, with particular attention to the United States and Europe. The article shows that the concept evolved alongside the institutionalization of intercultural communication as a distinct discipline and was largely driven by practical needs, especially in the context of diplomatic and professional activities.

Keywords: cultural diversity, intercultural communication, intercultural competence, intercultural dialogue, multicultural environment.

Серафімова С. В., Літовченко Я. М. Становлення міжкультурної компетентності як самостійного наукового напрямку. У статті розглядається формування міжкультурної компетентності як самостійної галузі наукового дослідження. На основі теоретичного аналізу академічної літератури та міжнародних політичних документів стверджується, що виникнення міжкультурної компетентності датується періодом після Другої світової війни, коли активізація міжнародних контактів виявила обмеження суто лінгвістичних підходів до комунікації. Дослідження демонструє, що ефективна взаємодія між культурами вимагає врахування культурних норм, цінностей та моделей поведінки на додаток до володіння мовою.

Розвиток наукових поглядів на міжкультурну компетентність аналізується в хронологічних рамках, з особливою увагою до Сполучених Штатів та Європи. Показано, що концепція розвивалася разом з інституціоналізацією міжкультурної комунікації як окремої дисципліни та була значною мірою зумовлена практичними потребами, особливо в контексті дипломатичної та професійної діяльності.

Ключові слова: культурне розмаїття, міжкультурна комунікація, міжкультурна компетентність, міжкультурний діалог, мультикультурне середовище.

1. Introduction

Professional competence of specialists in various fields of activity becomes impossible without their mastery of intercultural competence in order to implement the goals and objectives set in the professional sphere. The *relevance* of the study lies in the need to conceptualize intercultural competence as an independent field of study under conditions of globalization and increased migration. The *object* of the research is intercultural competence as a socio-scientific phenomenon. The *subject* of the study is the process of the formation of intercultural competence as an independent field of academic inquiry in the United States and Europe.

The *aim* of the article is to analyze the emergence and development of intercultural competence within American and European scientific traditions. To achieve the goal, the following research *tasks* have been defined:

1. to analyze the prerequisites for the emergence of intercultural competence in the context of the development of intercultural communication;

2. to characterize the features of the formation of intercultural competence in the scientific tradition of the USA and Europe;
3. to determine the role of intercultural competence in the conditions of a modern multicultural environment.

2. The formation of intercultural competence in the system of intercultural communication: historical origins, theoretical approaches, and institutional dimension

2.1. The emergence of intercultural communication and intercultural competence in the USA

The emergence of intercultural communication as an academic discipline was driven by the practical interests of American politicians and businessmen. After World War II, the sphere of influence of American politics, economics, and culture was actively expanding. Representatives of diplomatic services and business who worked abroad often showed their helplessness and inability to resolve situations of misunderstanding with representatives of other cultures. Even perfect knowledge of the relevant languages did not prepare them for the difficult circumstances of working abroad. As a result, there was an awareness of the need to study not only languages, but also cultures of other peoples, their customs, traditions, and norms of behavior [2, p. 149].

The term *intercultural competence* emerged in the course of studying intercultural communication and its development into an independent field of research. In the postwar period, the United States assumed a leading political and economic role and implemented numerous recovery and development programs, including the Marshall Plan and initiatives in Latin America, Africa, and Asia. Many of these programs proved unsuccessful due to the neglect of cultural specificities that shaped the political, economic, and technical structures of the recipient countries, resulting in significant financial losses [1, p. 24].

In response to this situation, the US government passed the Foreign Service Act in 1946 and established the Foreign Service Institute, which hired Edward Hall and other prominent diplomats and linguists, including Ray Birdwhistle and George Trajder, to develop courses to prepare specialists for work abroad. Since cross-cultural training materials were not enough, they developed their own, where they formulated their views on culture and communication [2, p. 149].

In 1959, Edward Hall's work "Silent Language" was published. The author not only convincingly proved the closest connection between culture and communication, but also drew the attention of scientists to the need to study not so much entire cultures as their individual behavioral subsystems. Edward Hall defined the concept of "intercultural communication" and was the first to formulate the paradigm of intercultural communication. The relevance of the discussed problems led to the emergence of special journals: "The Intercultural and Intercultural

Communication Annual” and “International Journal of Intercultural Relations”. Their pages cover problems related to communication, culture, and language. The journals are still published, although the first is now published under the title “Journal of International and Intercultural Communication” under the auspices of the National Communication Association [2, p. 149].

The emergence of intercultural communication as an independent scientific field is due to active research and publications by American scholars such as A. Smith, L. Samovar and R. Porter, J. Codon and F. Yesef, V. Gudikunst and Y. Kim, etc.

E. Rogers and T. Steinfatt argue that “the stated or implied goal of most research, studies and teaching in the field of intercultural communication is to increase the intercultural competence of individuals”. This goal has been evident since the beginning of the development of the field of intercultural communication in the 1950s at the Institute of Diplomatic Service [5, p. 30].

The development of intercultural communication theory in the United States in the 1960s and 1970s was supplemented by new areas and aspects of research. One of them was the study of the issue of adaptation to a foreign cultural environment and the problem of culture shock. Modern scientific research in the field of intercultural communication in the USA is carried out in two directions: 1) intercultural communication as communication and interaction of cultures of different countries and peoples; 2) intercultural communication as communication and interaction of subcultures within one large culture. The history of the formation of intercultural communication and the systematization of the skills and abilities of intercultural competence are the best example of the rapid response of the US government to new requirements of the course of world globalization processes. A study of the current state of relevance of the issue of intercultural competence in the United States of America revealed that the possession of intercultural competence is singled out as one of the main components of the training of competent specialists in various professional areas [2, p. 149–150].

The need for intercultural competence in the United States is considered in four areas: 1) at the level of US foreign policy and civil service; 2) at the level of educational programs and research on the issues of intercultural communication and intercultural competence; 3) at the level of business; 4) at the level of US citizens [2, p. 150].

2.2. The European dimension of intercultural communication and competence

The study of the issues of intercultural diversity in Europe has been going on for over 50 years. After the Second World War, most European international organizations sought ways to disseminate legal standards, norms and guiding principles to ensure understanding between representatives of different cultures and at the same time to prevent any oppression of the individual in his development, self-expression and life in general [5, p. 29]. Establishing and

ensuring intercultural dialogue has become necessary both in the countries of Europe and outside them. Possession of appropriate knowledge, skills and abilities for effective communication and establishing mutual understanding between representatives of different cultures, that is, intercultural competence, has become a requirement of the time for all participants in establishing intercultural dialogue in the conditions of cultural diversity of a multicultural environment.

The Council of Europe (CoE) was established on 5 May 1949 “with the aim of achieving greater unity between its members for the purpose of safeguarding and realising the ideals and principles which are their common heritage and of promoting their economic and social progress”. Since its inception, the Council of Europe has prioritized the establishment of intercultural dialogue between member states and the fostering of respect for cultural diversity [5, p. 44]. On 19 December 1954, the Council of Europe adopted the European Cultural Convention. Its aim is to establish mutual understanding between the peoples of Europe and mutual respect for their cultural diversity, and to encourage the study of the languages, history and culture of the countries that have signed the Convention.

Multiculturalism as a new concept of social order emerged in the western part of divided Europe, which advocated political recognition of the special way of life of minorities on a par with the way of life of the dominant majority. This approach differed from the concept of assimilation, which was based on the opposition “majority – minority”, by supporting the separation of the minority from the majority [3, p. 51].

2.3. Theoretical approaches to the concept of *intercultural competence* in Western science

For the first time, the concept of *intercultural competence* first appeared in European science in the early 1970s, when intercultural competence was emerging as an independent scientific discipline. During this process, at the turn of the 1970s and 1980s, the issue of attitudes towards other cultures, their values, and overcoming ethnocultural centrism became relevant. In the context of contemporary research, the problem of intercultural competence began to be considered as a complex of analytical and strategic abilities of an individual in the process of interpersonal interaction with representatives of another culture [5].

Until the mid-1980s, the prevailing view in European science was that intercultural competence could be acquired through knowledge acquired in the process of intercultural communication. Such knowledge was divided into specific, i.e. knowledge of a specific culture in the traditional sense, and general, i.e. communication skills, tolerance, empathetic listening, and knowledge of general cultural universals. A. Moosmüller and H. Barkowski wrote about this.

Intercultural competence in Western science is considered in two aspects: 1) as the ability to form a different cultural identity within oneself, which implies knowledge of the values, norms, and standards of behavior of another culture; 2) as the ability to achieve success in the process of intercultural communication [3].

2.4. Institutional foundations of intercultural dialogue in Europe

In the 2000s, the problem of intercultural interaction and the importance of intercultural dialogue as one of the most effective tools in deepening understanding between countries was discussed by the Council of Europe at many conferences, colloquiums, and working meetings, which made it possible to lay the foundation for the preparation of an international document on intercultural issues designed to give a new powerful impetus to various initiatives and political methods for the development of cultural diversity and reducing the risk of discrimination against cultural minorities.

Thus, on 7 May 2008, at the 118th session of the Committee of Ministers of the Council of Europe, the Council of Europe White Paper on Intercultural Dialogue entitled “Living Together as Equals in Dignity” was adopted [4].

Intercultural dialogue is assigned a role in overcoming ethnic, religious, and linguistic barriers through constructive and democratic interaction through identities based on shared universal values. The White Paper states that an intercultural approach creates a future-oriented model of intercultural diversity, based on the dignity of the individual, which embodies a certain European identity, based on common fundamental values, respect for common heritage and cultural diversity, and respect for the equal dignity of each person [4]. The White Paper clearly states that no area can be excluded from intercultural dialogue: neither relations with neighbours, colleagues at work, nor relations in the education system and related institutions, nor in civil society, youth, politics or the media.

The Council of Europe makes a significant contribution to the development of intercultural dialogue through institutions such as the European Centre for Global Independence and Solidarity (North-South Centre, Lisbon), the European Centre for Modern Languages (Graz, Austria), the European Youth Centres (Strasbourg, Budapest), the European Wergeland Centre (Oslo) and the European Cultural Centre (Delphi).

3. Conclusions

The analysis of the scientific literature and international documents shows that intercultural competence emerged after World War II. The reason for the emergence of a new scientific direction was the need to communicate with representatives of different countries and peoples, which could

not be satisfied by the means of that time. That is, knowledge of a foreign language was not a sufficient means of communication with representatives of other cultures.

The emergence of this academic field was a consequence of the practical need of American diplomats to ensure successful interaction with officials of host countries, taking into account their cultural characteristics. Thanks to the research of a team of scientists led by Edward Hall, the first training programs on intercultural competence were developed [2, p. 152]. Under the auspices of the Council of Europe, a number of international documents were adopted to regulate intercultural dialogue between its member states and their citizens.

In modern conditions characterized by globalization, increased mobility, and increased migration, the issue of intercultural competence remains extremely relevant, and its further theoretical and practical study continues to be an important task of academic research.

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THE IMPACT OF TRANSNATIONAL CORPORATIONS ON THE GLOBAL ECONOMY AND INTERNATIONAL RELATIONS

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Shovchko A. S., Lavrinenko I. M. The impact of transnational corporations on the global economy and international relations. This article looks at how big companies that operate in many countries, called transnational corporations, affect the world economy and the way countries interact with each other. It focuses on how these companies influence global production, trade, and money investments. The article discusses both the good and bad effects of these companies, such as how they change the balance of economic power, affect how countries plan their economies, and shape international rules. It also examines the advantages and dangers of these companies for the countries where they operate, especially those that are still developing. The study also looks at the difficulties in controlling and holding these large businesses responsible in a globally connected world.

Keywords: economic power, foreign investments, globalization, international trade, transnational corporations, world economy

Шовчко А. С., Лавріненко І. М. Вплив транснаціональних корпорацій на світову економіку та міжнародні відносини. Ця стаття розглядає, як великі компанії, що працюють у багатьох країнах, так звані транснаціональні корпорації, впливають на світову економіку та взаємодію між країнами. Вона зосереджується на тому, як ці компанії впливають на світове виробництво, торгівлю та грошові інвестиції. У статті обговорюються як позитивні, так і негативні наслідки діяльності цих компаній, наприклад, як вони змінюють баланс економічної сили, впливають на планування економіки країн та формують міжнародні правила. Також розглядаються переваги та небезпеки цих компаній для країн, в яких вони працюють, особливо для тих, що все ще розвиваються. У дослідженні також розглядаються труднощі контролю та притягнення до відповідальності цих великих підприємств у глобально пов'язаному світі.

Ключові слова: глобалізація, економічна потужність, іноземні інвестиції, міжнародна торгівля, світова економіка, транснаціональні корпорації.

1. Introduction

The **relevance**. Transnational corporations are some of the most powerful groups in today's global economy. They work in many countries at once and have a big say in how economies grow and how countries interact with each other. Their actions affect not just making and selling goods, but also where investments go and how decisions are made around the world. This topic matters a lot because these companies are becoming more important in how goods are made, how trade happens, and where foreign investments are placed. At the same time, their growing power brings both good and bad things for national economies. For this reason, it's important to look at both the benefits and the problems caused by these companies, especially for developing countries that are more affected by changes in the global economy.

The **object** is the activity of transnational corporations in the global economy, while the **subject** is the positive and negative impact of transnational corporations on the world economy and international interactions.

The **aim** is to analyze and evaluate the positive and negative effects of transnational corporations on the global economy and relations between countries.

To achieve this, aim the following *tasks* are defined:

1. to analyze the influence of transnational corporations on global production, trade, and investment.
2. to evaluate the positive and negative consequences of TNC activity for national economies.
3. to identify the main challenges related to the regulation of transnational corporations.

2. The influence of transnational corporations on the global economy

2.1. The role of transnational corporations in global production and trade

The interconnectedness across countries manifests in a variety of transactions and flows; particularly in the following:

International trade in goods and services

Foreign direct investment

Portfolio investment

Profits, interests and dividends from the various types of foreign investment

Inter-organisational collaborative partnerships

Movements of people across borders for leisure or business activities or in search of jobs.

The institutions that participate and that are key to all the above activities are the TNCs, that is those companies with direct business activities in at least two countries. These direct business activities involve the ownership of productive assets abroad in a percentage large enough to give control over the conduct of the business.

The cross-border transactions which are most specific to – and indeed defining of – the TNC are foreign direct investment (FDI). From the 1970s onward there has been a steady and large increase in FDI, most of which originates in developed countries and is indeed directed to the same group of countries. In 2008, 84 per cent of the world stock of FDI originated from developed countries. The same group of countries received 68.5 per cent of the world stock [11].

However, as well as being responsible for all or most FDI, the TNCs participate in all other cross-border business activities listed above. Over three-quarters of world trade originates with TNCs and indeed over a third of it is estimated to take place on an intra-firm basis [10].

Transnational corporations – including banks and other financial institutions – are responsible for large amounts of portfolio investment and cross-border loans. The incomes deriving from foreign investment – whether direct or portfolio or loans – will accrue to the institutions involved in such investment and therefore, largely, to the TNCs [3].

Transnational corporations (TNCs) are companies operating in multiple countries. Driving globalisation, TNCs are significant in aiding the economic growth and development in multiple countries. When TNCs expand to various economies, the economies they expand to are subjected to job creation and increased trade. For example, Apple, an American company, produces their products in China, allowing for jobs to be created in the Chinese economy. As such, TNCs can increase both economic growth and development across multiple economies.

According to UNCTAD, the world's top 100 non-financial TNCs held \$9.0 trillion in foreign assets and employed 21.5 million workers abroad in 2019. These TNCs have played a crucial role in the development of global value chains, with intra-firm trade accounting for around one-third of global trade flows. Thus, we see that TNCs have the potential to contribute to economic growth and development in host countries through various channels, such as technology transfer, skills upgrading, and access to global markets [4].

2.2. Impact on international interaction and national economics

Transnational Corporations exert a great deal of power in the globalized world economy. Many corporations are richer and more powerful than the states that seek to regulate them. Through mergers and acquisitions, corporations have been growing very rapidly and some of the largest TNCs now have annual profits exceeding the GDPs of many low and medium income countries. This website explores how TNCs dominate the global economy and exert their influence over global policymaking [1].

Transnational corporations are among the world's biggest economic institutions. A rough estimate suggests that the 300 largest TNCs own or control at least one-quarter of the entire world's productive assets, worth about US\$5 trillion. TNCs' total annual sales are comparable to or greater than the yearly gross domestic product (GDP) of most countries (GDP is the total output of goods and services for final use by a nation's economy). Itochu Corporation's sales, for instance, exceed the gross domestic product of Austria, while those of Royal Dutch/Shell equal Iran's GDP. Together, the sales of Mitsui and General Motors are greater than the GDPs of Denmark, Portugal, and Turkey combined, and US\$50 billion more than all the GDPs of the countries in sub-Saharan Africa [2].

According to analyst and theorist Jon Marchall: “The corporation is an artificial, invisible, intangible creation that exists through law and being a creation of law, it possesses those characteristics that are given to it by the act of establishment, they are expressed clearly and are important for its own existence. These characteristics are set to achieve its goals for which it was created as immortal; it is characterized by an individuality through which uninterrupted continuity is ensured, in the form of a single individual, which is composed of many different individuals.”

From this definition alone, we conclude that the main purpose of the corporation is profit and only profit for the shareowners or individuals that constitute it as a single one, and in no other way their existence is justified.

Given this principle of corporations where profit is their basic principle, otherwise they do not conduct economic activity, then it is justified that each country has an interest in creating legislative conditions to have as many corporations and subsidiaries as possible in its territory. This is because if their return is positive, they immediately notice the impact on the country's development trends regarding the employment of the population as well as the payment of chain-related obligations ranging from property tax, profit tax, tax on corporations, tax on wages [7].

Corporations often maintain their grip on the Asian workforce because they can offer better wages than standard primary sector jobs like agriculture. For many impoverished individuals, factory work represents an improved alternative, despite poor pay and working conditions. David Griswold exemplifies this in his 2018 article China's Great Migration stating how the largest net migration in history resulted from agricultural reforms in 1970 that prompted 300 million citizens to move from rural areas in China to cities to work in the factories that had begun to produce labour-intensive goods. This mass migration of Chinese citizens is a testament to how the prospect of additional income, however minimal, can be life-changing for impoverished workers.

However, it's also important to consider the blatant human rights abuse these companies perpetuate throughout the manufacturing process. Global brands such as Coca-Cola and Nesquik have both been under scrutiny due to their human rights violations, as these companies use their economic power and influence to exploit countries' natural resources. For example, Coca-Cola's over-abstraction and privatisation of water in Plachimada is a clear example of the prioritisation of business operations over the needs of local agriculture and the environment. However, despite this clear human rights violation Coca-Cola as a corporation faced little repercussion [5].

The impact of TNCs on a local economies:

The positive impact includes:

1. Job creation: TNCs often establish manufacturing plants, research centers, and offices in host countries, creating employment opportunities for local populations.
2. Skill development: Working with TNCs exposes local workers to global best practices, enhancing their skills and knowledge.
3. Economic growth: TNC investments stimulate economic growth by injecting capital, technology, and expertise into local markets.
4. Infrastructure development: TNCs often invest in infrastructure projects, such as transportation and communication networks, benefiting both their operations and the local community.

The negative impact includes:

1. Exploitation of labor: In some cases, TNCs may exploit cheap labor in developing countries, leading to poor working conditions and low wages.
2. Environmental concerns: TNC activities can result in environmental degradation, especially if regulations are lax in host countries.
3. Market dominance: TNCs' economic power can overshadow local businesses, making it difficult for smaller enterprises to compete.
4. Cultural homogenization: The global reach of TNCs can lead to the erosion of local cultures and traditions, as standardized products and practices become prevalent [8].

2.3. Challenges of regulation and corporate responsibility

One of the main reasons why many TNCs are based in Asia is due to the unique economic conditions situated within the region. Countries such as India alone are home to 272 Special Economic Zones (SEZs); which are designated areas within a country that are subject to unique economic regulations that differ from other countries. These SEZs are used as a powerful bargaining chip by governments to attract corporations to outsource manufacturing processes to these areas to benefit both the country's economy and the corporations' profit margins. SEZs have become particularly important for economic growth within South-East Asia, with three-quarters of the 5,400 SEZs worldwide being located in South-East Asia. However, these Special Economic Zones, and the lack of regulation enforced by the government and corporations within them, have caused significant worries surrounding labour rights, compensation, and working conditions that have subsequently resulted in significant economic, social and environmental vulnerabilities for these developing nations.

People may argue that with enough government regulation, workers can be subsidised and protected. Surely a government would want to protect its own workers. However, in countries with less wealth the government may not generate enough money through taxation. This leads the government to be more dependent on large corporations leading to regulatory capture. This term, according to Baker (2010) means that governments are swayed by particular interested parties, rather than regulating to meet the wider public interest. Often the large corporations within the industry are the most effective lobbyists here. John Lofland [4] describes lobbying as “involving explicit efforts” to influence specific government decisions [5; 6].

3. Conclusion

Transnational corporations have a big and complex role in the global economy and how countries interact with each other. They influence how goods are made, how trade happens, and how money

is invested around the world, making them important players in today's global economy. By investing in other countries, sharing technology, and connecting local markets to bigger global systems, these companies help drive economic growth and development.

However, the analysis also shows that their influence isn't all good. Along with benefits, they also bring problems like growing wealth gaps, pressure on local rules and laws, avoiding taxes, causing environmental harm, and reducing the government's control over key industries. These issues are especially clear in poorer countries, where weak systems make it harder for governments to manage how these big companies operate.

The effect of transnational corporations on the global economy is both complicated and mixed. They influence international relationships mainly through national markets and economies, which are the main parts of the global economic system. So, the actions of these companies in each country can have a big impact on the overall stability of the global economy and how much power different countries have.

Because of this, it's very important for national governments and international groups to regulate transnational corporations well. Working together across borders, making stronger rules, and encouraging companies to act responsibly are key to making sure these corporations help the economy in good ways and don't cause problems. A fair and organized way of managing transnational businesses is needed to support a sustainable, fair, and stable global economy.

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TRENDS IN THE DIGITALIZATION OF EDUCATION IN EU COUNTRIES

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Shovkoplias R. S., Lavrinenko I. M. Trends in the digitalization of education in EU countries. This article examines the main trends in the digitalization of education in the countries of the European Union in the context of contemporary technological and socio-economic transformations. The study focuses on the role of EU-level policy frameworks in shaping national digital education strategies. Particular attention is paid to key technological trends, including digital learning platforms, artificial intelligence, and hybrid learning models. The article analyzes the importance of digital competencies for teachers and students as a prerequisite for effective implementation of digital education. It highlights the impact of digitalization on educational quality, accessibility, and inclusiveness. Special emphasis is placed on challenges related to the digital divide and unequal access to digital infrastructure. Data protection, privacy issues, and academic integrity risks are also considered as critical aspects of digital transformation. The study explores the broader social and economic implications of digital education for EU societies and labor markets. The findings demonstrate that digitalization creates both significant opportunities and systemic risks for education systems. The article concludes that balanced policies combining innovation, equity, and ethical responsibility are essential for sustainable digital transformation of education in the EU.

Keywords: digitalization of education; European Union; digital education policy; educational technologies; artificial intelligence in education.

Шовкопляс Р. С., Лавріненко І. М. Тенденції цифровізації освіти в країнах ЄС. У статті досліджуються основні тенденції цифровізації освіти в країнах Європейського Союзу в умовах сучасних технологічних та соціально-економічних трансформацій. Основну увагу приділено ролі політичних та нормативних рамок ЄС у формуванні національних стратегій цифрової освіти. Проаналізовано ключові технологічні напрями, зокрема використання цифрових освітніх платформ, штучного інтелекту та змішаних форм навчання. Розкрито значення цифрових компетентностей учителів і здобувачів освіти для ефективного впровадження цифрових освітніх рішень. Охарактеризовано вплив цифровізації на якість, доступність та інклюзивність освіти. Особливу увагу приділено проблемі цифрового розриву та нерівного доступу до цифрової інфраструктури. Розглянуто ризики, пов'язані із захистом персональних даних, конфіденційністю та академічною доброчесністю. Проаналізовано соціальні та економічні наслідки цифровізації освіти для суспільств і ринків праці країн ЄС. Зроблено висновок, що цифровізація освіти створює як значні можливості, так і комплексні виклики. Наголошено, що сталий розвиток цифрової освіти потребує поєднання інноваційності, соціальної справедливості та етичної відповідальності.

Ключові слова: цифровізація освіти; Європейський Союз; політика цифрової освіти; освітні технології; штучний інтелект в освіті.

1. Introduction

Over the past decade, digital technologies have become a key driver of transformation in education systems worldwide, significantly reshaping teaching methods, learning environments, and educational governance. In the countries of the European Union, the digitalization of education has accelerated particularly rapidly, driven by technological progress, policy initiatives at the EU level, and external challenges such as the COVID-19 pandemic, which highlighted both the potential and the limitations of digital learning tools.

The *relevance* of the study is determined by the growing importance of digital education as a strategic priority for the European Union in the context of global digital transformation, economic competitiveness, and social inclusion. Rapid technological change, combined with persistent inequalities in access to digital resources and skills, makes the analysis of educational

digitalization essential for understanding both its opportunities and its risks for modern European societies.

This article is dedicated to examining current trends in the digitalization of education in EU countries and their implications for the development of modern education systems. The *object* of the study is the system of education in the countries of the European Union under conditions of digital transformation. The *subject* of the study is the process of digital transformation of education in the European Union, its main directions, mechanisms of implementation, and its impact on educational quality and accessibility.

A preliminary analysis of the digitalization of education in EU countries indicates that several key aspects require close examination. First, it is important to analyze the policy and regulatory framework of the EU that promotes digital education, including strategic documents, funding mechanisms, and coordination among member states. Second, attention should be paid to the integration of digital technologies into teaching and learning processes, such as online platforms, learning management systems, artificial intelligence tools, and hybrid learning models. Third, the issue of digital competencies of teachers and students is of critical importance, as the effectiveness of digital education largely depends on the level of digital skills and pedagogical readiness. Fourth, the digital divide between and within EU countries, including disparities in infrastructure, access to devices, and internet connectivity, must be assessed as a factor influencing educational equality. Finally, the broader social and economic consequences of educational digitalization, including data protection, academic integrity, and the long-term impact on labor market preparation, should be analyzed to understand the systemic effects of these trends.

Thus, the *aim* of the study is to provide a comprehensive analysis of the main trends in the digitalization of education in EU countries and to assess their significance for the future development of European education systems. To achieve this aim, the following *tasks* of the study have been defined:

- 1) to analyze the conceptual and policy foundations of digital education in the EU;
- 2) to identify the main technological trends shaping educational digitalization in EU countries;
- 3) to examine the role of digital competencies in the implementation of digital education;
- 4) to assess the challenges and risks associated with the digital transformation of education;
- 5) to evaluate the prospects and potential outcomes of educational digitalization for EU societies and economies.

2. Trends in the digitalization of education in EU countries: policy framework, technologies, and societal impact

2.1. Conceptual and policy foundations of digital education in the European Union

The digitalization of education in the European Union is grounded in a comprehensive policy framework aimed at modernizing education systems and aligning them with the demands of the digital economy and society. At the EU level, digital education is understood as the systematic integration of digital technologies into teaching, learning, assessment, and educational governance in order to enhance quality, accessibility, and inclusiveness. This understanding is reflected in official EU policy documents that emphasize education as a strategic investment in human capital and innovation, such as the Digital Education Action Plan (2021–2027) adopted by the European Commission [4].

The Digital Education Action Plan sets out two strategic priorities: the development of a high-performing digital education ecosystem and the enhancement of digital skills and competencies for the digital transformation. These priorities are closely linked to broader EU strategies, including the European Skills Agenda and the Digital Compass 2030, which define digital skills as a prerequisite for economic competitiveness and social resilience [3].

EU policy in the field of digital education is characterized by coordination rather than harmonization, as education remains primarily within the competence of member states. Nevertheless, EU-level funding instruments such as Erasmus+, the Recovery and Resilience Facility, and the European Social Fund Plus play a crucial role in supporting national digital education reforms, infrastructure development, and teacher training initiatives [6].

2.2. Technological trends shaping educational digitalization in EU countries

A key trend in the digitalization of education across EU countries is the widespread adoption of digital learning platforms and learning management systems. These technologies support online and blended learning models and have become essential components of formal education, particularly following the COVID-19 pandemic. According to data and analysis provided by the European Commission, digital technologies are increasingly embedded in everyday educational practices, rather than being used as auxiliary tools.

Another significant trend is the growing use of artificial intelligence and data-driven technologies in education. AI-powered tools are applied for adaptive learning, automated assessment, and learning analytics, enabling more personalized and flexible educational pathways. The European Commission highlights both the potential and the risks of AI in education in its policy papers on artificial intelligence and digital innovation [2].

Hybrid and blended learning formats, combining online instruction with face-to-face teaching, are increasingly replacing traditional classroom-only models. This transformation is supported by improvements in digital infrastructure and connectivity, although the pace of implementation varies significantly among member states, as demonstrated by Eurostat data on ICT usage in education [7].

2.3. The role of digital competencies in the implementation of digital education

Digital competencies are a central element of successful educational digitalization in the EU. The European Commission defines digital competence as the confident, critical, and responsible use of digital technologies for learning, work, and participation in society. This definition is formalized in the Digital Competence Framework for Citizens (DigComp), which serves as a reference model for education systems across Europe [9].

Teachers' digital competencies are particularly critical, as educators play a key role in translating technological potential into effective pedagogical practice. Reports by the OECD indicate that insufficient teacher training and limited pedagogical use of digital tools remain major barriers to effective digital education, even in countries with advanced infrastructure.

For students, digital competencies are closely linked to employability and social inclusion. EU education policy therefore emphasizes the integration of digital skills development into curricula at all levels, supporting lifelong learning and adaptability in rapidly changing labor markets [5].

2.4. Challenges and risks associated with the digital transformation of education

Despite its advantages, the digital transformation of education in EU countries is accompanied by significant challenges. One of the most serious issues is the digital divide, which includes disparities in access to digital infrastructure, devices, and high-speed internet. According to Eurostat and UNESCO data, these inequalities persist both between and within EU member states, particularly affecting rural areas and disadvantaged social groups.

Data protection and privacy constitute another major challenge. The increasing use of digital platforms and learning analytics raises concerns about the collection and processing of personal data, especially in relation to minors. Ensuring compliance with the General Data Protection Regulation (GDPR) while maintaining effective digital learning environments remains a complex regulatory task [8].

Additional risks include reduced social interaction, threats to academic integrity, and growing dependence on private technology providers. These challenges underline the need for

ethical standards and public oversight in the implementation of digital education solutions, as emphasized in UNESCO policy recommendations on digital education governance [10].

2.5. Prospects and potential outcomes of educational digitalization for EU societies and economies

In the long term, digitalization of education is expected to significantly influence economic development and social cohesion in the EU. By expanding access to education and supporting lifelong learning, digital technologies can contribute to workforce upskilling and improved adaptability to technological change. The OECD identifies digital education as a key factor in preparing societies for future labor market transformations.

At the societal level, digital education has the potential to enhance inclusion by offering flexible learning opportunities for diverse population groups, including adults, migrants, and people with disabilities. However, these positive outcomes depend on sustained public investment, inclusive policy design, and continuous monitoring of social impacts [1].

Overall, the prospects of educational digitalization in the EU depend on the ability of education systems to balance innovation with equity, efficiency with accessibility, and technological progress with ethical responsibility. These factors will determine whether digitalization becomes a sustainable and transformative force in the development of European education systems.

3. Conclusions

The digitalization of education in EU countries represents a complex and multifaceted process that is reshaping educational systems at all levels. The analysis demonstrates that EU policy frameworks play a crucial role in guiding digital transformation while respecting national competences in education. Technological innovation, including online platforms, artificial intelligence, and hybrid learning models, has significantly expanded the possibilities for flexible and personalized learning. At the same time, the development of digital competencies among teachers and students emerges as a decisive factor for the effective use of digital technologies in education. Persistent challenges such as the digital divide, data protection concerns, and risks to educational equality highlight the need for balanced and inclusive policy approaches. Overall, the future impact of educational digitalization in the EU will depend on the ability to combine technological progress with social responsibility, ensuring that digital transformation contributes to sustainable educational, social, and economic development.

The perspectives for further research include a comparative analysis of national digital education strategies across EU member states, with a focus on identifying best practices and policy

transfer mechanisms. Further studies may also examine the long-term effects of artificial intelligence and learning analytics on educational outcomes and pedagogical models. In addition, empirical research on the impact of digitalization on educational inequality and social mobility at regional and institutional levels is needed. Special attention should be given to the assessment of digital competence development among teachers and students using quantitative and qualitative methods. Finally, future research could explore governance and ethical frameworks for digital education, particularly in relation to data protection, platform regulation, and public–private partnerships.

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THE EURO CURRENCY: CURRENT STATE AND FUTURE PROSPECTS

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Shulha Z. V., Davydenko I. V. The euro currency: current state and future prospects. This article contains complex analysis of the current state and the role of the euro currency as a reserve currency in the international monetary system and as a settlement currency in international trade.

Keywords: Euro, European Union, Eurozone, global economy, monetary system.

Шульга З. В., Давиденко І. В. Валюта євро: сучасний стан та майбутні перспективи. Ця стаття містить комплексний аналіз сучасного стану та ролі євро як резервної валюти в міжнародній валютно-фінансовій системі, як валюти розрахунків у міжнародній торгівлі; запропоновані та обґрунтовані вірогідні сценарії подальшого розвитку валюти та її вплив на світову економіку.

Ключові слова: валютна система, Євро, Єврозона, Європейський Союз, світова економіка.

1. Introduction

In the contemporary global monetary system, reserve and settlement currencies play a crucial role in shaping international trade, capital flows, and financial stability. Among them, the *euro* occupies a distinctive position as the second most important currency worldwide after the US dollar, serving both as a major reserve asset and a key medium of international payments. Since its introduction, the euro has reflected the economic strength and integration of the Eurozone, one of the world's most developed economic regions. However, the role of the euro is evolving under the influence of global financial crises, geopolitical tensions, shifts in reserve management strategies, and rapid technological change. The growing use of national currencies, digital assets, alternative payment systems, and stablecoins challenges the traditional currency hierarchy and reshapes international monetary relations.

The *object* of the study is the euro currency within the international monetary system along with international trade. The *subject* of the study is the current state of development of the euro, particularly its role as a reserve currency in international trade, as well as the prospects of its development. The *purpose* of this work is to analyse the factors defining the euro's future, assess possible scenarios of its evolution and determine its long-term role in the global economy. The *relevance* of this article is to consider the role of the euro currency in international monetary system and trade with its development prospects.

2. The role of the *euro*: current dynamics and future challenges

In the modern days the euro currency rightfully holds its place as the world's second most important one, straight after the US dollar, as the reserve currency and the currency of international payments. It is currently the official currency of 20 out of 27 EU member countries which together constitute the Eurozone, officially called the euro area [4]. Together they form one of the most economically developed regions in the world, producing 25,17% of the world's exported goods and services [10].

Table 1.

Comparison of the Eurozone's economy with other countries or blocs (compiled according to data [10])

Bloc/country name	Population, millions	GDP, USD billions	Share of world GDP, %	Share of world exports, %
Eurozone	351,1	16406	14,74	25,17
European Union	450,2	19423	17,45	30,48
United States	340,1	29185	26,21	9,8
Japan	123,9	4026	3,61	2,85

Comparison of the Eurozone's economy with other countries or blocs [10]

Immediately after the new European currency had been released for the non-cash circulation in 1999, it inherited all the exchange reserves that were previously stored in the most powerful countries of the region currencies – the Deutsche mark, the French franc, and the Dutch guilder, that together held around 15% [5] of total international official foreign exchange reserves.

Table 2.

Currency composition of official foreign exchange reserves, shares (compiled according to data [5])

Year	Currency, ISO code								
	USD	EUR	CNY	JPY	GBP	AUD	CAD	CHF	other
1999	71,01	17,90	-	6,37	2,89	-	-	0,23	1,60
2000	71,14	18,29	-	6,07	2,75	-	-	0,27	1,48
2001	71,52	19,18	-	5,04	2,70	-	-	0,25	1,31
2002	66,50	23,65	-	4,94	2,92	-	-	0,41	1,58
2003	65,45	25,03	-	4,42	2,86	-	-	0,23	2,01
2004	65,51	24,68	-	4,28	3,49	-	-	0,17	1,87
2005	66,52	23,89	-	3,96	3,75	-	-	0,15	1,74
2006	64,87	25,24	-	3,43	4,50	-	-	0,18	1,79
2007	63,88	26,13	-	3,18	4,83	-	-	0,16	1,83
2008	63,77	26,21	-	3,47	4,22	-	-	0,14	2,20
2009	62,15	27,70	-	2,90	4,25	-	-	0,12	2,87
2010	62,25	25,76	-	3,66	3,94	-	-	0,13	4,26
2011	62,70	24,45	-	3,61	3,84	-	-	0,08	5,32
2012	61,50	24,07	-	4,09	4,04	1,46	1,43	0,21	3,20
2013	61,28	24,21	-	3,82	3,99	1,82	1,83	0,27	2,78
2014	65,17	21,21	-	3,55	3,70	1,60	1,75	0,24	2,78
2015	65,75	19,15	-	3,95	4,72	1,77	1,78	0,27	2,82
2016	65,36	19,14	1,08	3,95	4,35	1,69	1,94	0,16	2,33
2017	62,73	20,17	1,23	4,90	4,54	1,80	2,03	0,18	2,43
2018	61,76	20,67	1,89	5,19	4,43	1,63	1,84	0,14	2,45
2019	60,75	20,59	1,94	5,87	4,64	1,70	1,86	0,15	2,51
2020	58,92	21,29	2,29	6,03	4,73	1,83	2,08	0,17	2,65
2021	58,80	20,59	2,80	5,52	4,81	1,84	2,38	0,17	3,09
2022	58,52	20,37	2,61	5,54	4,90	1,97	2,39	0,23	3,49
2023	58,42	19,94	2,29	5,69	4,86	2,14	2,59	0,19	3,87
2024	57,79	19,84	2,18	5,81	4,73	2,05	2,77	0,18	4,65

Currency composition of official foreign exchange reserves [5]

In 2024 euro's world's foreign exchange reserves' share stood at 19,84%, which extended the trend of previous years – countries are not as willing to accumulate capital denominated in it, having lost the trust in the euro after the global financial crisis in 2008 and the euro area crisis in 2010-2011 that had inflicted significant damage on the economies of Greece, Portugal and Spain.

We also consider the euro's weight in the IMF's SDR (Special Drawing Rights) a direct reflection of its role in the world's monetary system. During the past few decades, its share has declined from 37,4% in 2011 to 29,31 in 2022 along with currencies as the Japanese yen and the British pound [1]. The reason of such reduce in influence is the Chinese yuan occupying the fifth currency's place in 2016, as a sign of it becoming the new reserve currency alongside its issuer securing a firm position at the goods and services market.

The role of euro as a reserve currency is also pressured by the rising stack of gold in global official reserves – at the end of 2024 it accounted for 20%, surpassing that of euro's 18% [3]. Despite gold prices jumping to their historical maximum of 2746 US dollars per ounce last year in October [7], studies [3] demonstrate a strong impact of political views on the decision of diversifying their holdings into gold: the further the state is geopolitically from the West, the eagerer they are to purchase gold as a reserve asset. Moreover, today central banks of different countries hold almost the same amount of gold as they used to in the times of the Bretton Woods era [3].

The fifth of world's exchange reserves denominated in euro are not distributed evenly around the Globe: according to Hiro I. and McCauley R. N. [6], countries in the West Hemisphere (i.e. Canada and Latin American countries) hold persistently high USD shares, so do countries in Asia, Africa and the Pacific region. The opposite can be seen through European countries' economies, whose reserve shares denominated in euro stood at approximately 46% for Western Europe and 38% for Central and Eastern Europe in 2017. In fact, European countries accumulate foreign currency reserves in euros either due to their membership in the Eurozone or because of their geographical and economic proximity to its members. This makes the euro a more convenient and stable currency for settlements around the region and allows countries to avoid exchange rate risks associated with converting national currencies and fluctuations in the dollar's exchange rate.

The same principal applies to euro as an international transaction currency. As already mentioned, the importance of euro in economic field is strongly expected based on its issuers' active position on the international market – the Eurozone countries export more than a quarter [10] of the world's manufactured goods and services, and, accordingly, conduct trade using their national currency, as well as the countries of the EU: in the span from 2010 to 2022 around 50% of items sold outside the European Union were paid for in the euro currency [8].

The global role of the euro is also determined by its share in international transactions outside Europe, being the second most popular settlement currency after the US dollar. Its stake in total volume of SWIFT transfers has remained a little just under a quarter for the past two years, which is worth mentioning because the share just a few years ago extended as high as 36,7% in 2020.

Table 3.

Currency composition of international SWIFT payments, shares (compiled according to data [9])

Year	Currency, ISO code							
	USD	EUR	GBP	CNY	JPY	CAD	AUD	other
2020	38,73	36,7	6,50	1,88	3,59	1,77	1,44	9,39
2021	40,51	36,65	5,89	2,70	2,58	1,64	1,27	8,76
2022	41,89	36,34	6,08	2,15	2,88	1,76	1,31	7,59
2023	47,54	22,41	6,92	4,14	3,83	2,46	1,57	11,13
2024	49,12	21,74	6,94	3,75	3,50	2,78	1,62	8,71

Currency composition of international SWIFT payments, shares [9]

Such tendencies can be blamed on the inflation caused by the COVID-19 pandemic, and also the beginning of a new turn of the Russia's war in Ukraine in 2022 that led to global political and economic crisis, along with the scarce of fuel resources such as gas and oil, the exports of which have significantly dropped since the start of the full-scale invasion. However, unlike Chinese yuan or Japanese yen, euro seems to keep its firm position on international market as the share of transactions issued in euro remains invariably high despite the threat of yuan's competition fed by China's geopolitical ambitions.

Unfortunately for the euro currency, present times can be characterised by the growing tendency to use national currencies in international payments, as well as the aspiration for their digitalisation and implementing non-traditional payment systems being strongly inherent for countries far from the Western hemisphere. For instance, Russia – along with their strategic partners such as China or India – is already using crypto-assets in their international trade due to the inability to access the SWIFT system under sanctions. This way, “crypto-assets are effectively helping too settle a portion of oil and gas exports by Russia and smooth the conversion of Chinese yuan and Indian rupees into roubles” [3].

Additionally, China is advancing the idea of establishing alternative international financial structures, such as the Cross-Border Interbank Payments System (CIPS). Since its inception in 2015, the average number and value of daily transactions conducted through CIPS have increased respectively from 1.4 to 26.1 and from 1.2 to 67.7 billion US dollars, according to [2]. This may significantly reduce dependence on the US dollar and the euro. It also intensifies global competition and poses challenges for the euro, which has not yet succeeded in assuming a fully-fledged role as a global currency comparable to that of the dollar. Furthermore, during the BRICS+

summit hosted by Russia in Kazan in October 2024, the heads of state from Brazil, Russia, India, China, South Africa, and other participating countries expressed support for the broader use of national currencies in international financial transactions and deliberated on the creation of a new cross-border settlement and depository system, known as BRICS Clear [3].

While the European Central Bank, just like other banking institutions around the world, remains in the preparatory phase of introducing a fully operational digital euro, US dollar-pegged stablecoins are already posing a potential challenge to its prevalence by increasing the attractiveness of US assets. The main advantage of stablecoins in international payments lies in the elimination of intermediaries, which enables faster transactions, twenty-four-hour accessibility, and a certain degree of anonymity. This is particularly appealing for countries with unstable national currencies or high remittance fees, and because of that, current demand for such digital assets is especially strong across Asian economies.

The largest issuers of dollar-denominated stablecoins maintain their reserves in US dollar assets. For example, Tether, the largest stablecoin, holds around USD 100 billion in US Treasuries, while all issuers collectively hold nearly USD 150 billion – the amount comparable to the holdings of residents from countries such as Saudi Arabia, South Korea, Mexico, or Germany [3].

3. Conclusions

Taking all the above into account, it should be noted that the prospects for the euro's development appear quite limited – primarily due to persistent competition from the US dollar and the constantly growing influence of alternative international currencies such as the Chinese yuan. It is important to acknowledge that the influence the euro has is directly proportional to the one the EU holds upon the world's economy, which the United States continues to dominate, with China increasingly striving to challenge this position. Actions such as the digitalisation of the euro will undoubtedly contribute to euro's wider use – especially within the Eurozone countries and across Europe – but they are unlikely to elevate the currency to the status of a global currency as a full substitute for the US dollar. In fact, a drastic jump in the euro's significance would probably require a corresponding weakening of another key currency, which does not seem about to happen in the nearest future. Conceivably, the share and global role of the euro should remain fairly stable, supported by the ongoing digitalisation efforts, or may even decline under the pressure of alternative currencies such as Chinese yuan.

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INTERNATIONAL CYBERTERRORISM IN THE UN AND NATO ARCHITECTURE: FROM ACKNOWLEDGING THE THREAT TO DEVELOPING STANDARDS

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Shumova O. V., Huslenko I. Yu. International Cyberterrorism in the UN and NATO Architecture: From Acknowledging the Threat to Developing Standards. The article analyzes the phenomenon of international cyberterrorism and its impact on global security. The role of the UN in shaping the political framework for countering digital threats and NATO's activities in creating practical mechanisms for collective cyber defense are considered. The problems of attribution, legal uncertainty, and the participation of non-state actors are highlighted. The prospects for developing agreed international legal norms and strengthening cooperation between states in the field of cyber resilience are outlined.

Keywords: attribution, cybersecurity, cyberterrorism, International law, NATO, United Nations

Шумова О. В., Гусленко І. Ю. Міжнародний кібертероризм у системі ООН і НАТО: від визнання загрози до вироблення норм. У статті аналізується феномен міжнародного кібертероризму та його вплив на глобальну безпеку. Розглянуто роль ООН у формуванні політичних рамок протидії цифровим загрозам і діяльність НАТО у створенні практичних механізмів колективної кібероборони. Висвітлюються проблеми атрибуції, правової невизначеності та участі недержавних акторів. Окреслено перспективи вироблення узгоджених міжнародно-правових норм і підсилення співпраці держав у сфері кіберстійкості.

Ключові слова: атрибуція, кібербезпека, кібертероризм, Міжнародне право, НАТО, ООН

1. Introduction

The rapid digitalization of critical infrastructure, the growing dependence of states on information systems, and the rising capacity of non-state actors to conduct remote, high-impact operations have transformed cyberspace into a potential arena for terrorist activity. Whereas traditional interpretations of terrorism were tied to physical violence, modern technologies enable attacks that can cause comparable disruption without any physical presence. This has placed international cyberterrorism at the center of global security discussions, revealing a significant gap between the scale of the threat and the existing international legal and institutional frameworks. The absence of a universally accepted definition, attribution challenges in the digital environment, and the lack of binding international norms create a legal vacuum that can be exploited by both terrorist organizations and state actors operating through proxy entities. These factors underscore *the relevance* of a systematic study of how leading international institutions, primarily the UN and NATO, address this emerging threat.

The object of the study is international cyberterrorism as a security phenomenon affecting the global order.

The subject is the regulatory and institutional response of the UN and NATO to cyberterrorism, including their approaches to norm-building, attribution, and collective defense.

The aim of the research is to analyze how the UN and NATO conceptualize, classify, and counter international cyberterrorism, and to identify gaps and challenges in the formation of an effective international legal regime.

To achieve this aim, the study sets the following *tasks*:

1. To clarify the nature and define features of international cyberterrorism and its distinction from cybercrime and cyberwarfare.
2. To examine the UN's political and legal approaches to countering cyberterrorism, including the limitations of existing resolutions and the absence of a dedicated convention.
3. To analyze NATO's doctrine and mechanisms of cyber defense, including the classification of cyberspace as an operational domain and the conditions under which cyberattacks may trigger collective defense.
4. To assess the problem of attribution and its implications for accountability and deterrence.
5. To identify the prospects for harmonizing the approaches of the UN and NATO in strengthening the global cybersecurity architecture.

Overview of previous studies. Scholarly interest in cyberterrorism has increased significantly, with researchers emphasizing its multidimensional character and the lack of a unified definition. Some authors analyze NATO's role in countering cyberterrorism. Official alliance documents emphasize that cyberspace is an operational domain and that large-scale attacks could be grounds for collective defense [4]. The study "Hybrid Threats, Cyber Warfare and NATO's Comprehensive Approach" notes that cyberterrorism is increasingly being considered in the context of hybrid threats, where the boundaries between the actions of state and non-state actors are blurred [1]. The use of game theory to model the strategic interaction between NATO and Turkey in countering cyberterrorism is also interesting, given the complexity of distinguishing between digital threats [2]. Ukrainian authors emphasize the need to combine the approaches of the UN and NATO to develop coordinated norms and overcome the problem of attribution [3; 7].

2. UN and NATO Approaches to International Cyberterrorism

2.1. Nature of Cyberterrorism and Emerging Security Challenges

International cyberterrorism, as a phenomenon that combines technological, political, and legal dimensions, is attracting increasing attention from scholars and practitioners, as it influences the very understanding of global security and the nature of modern conflicts. Its specificity lies in the fact that digital attacks are capable of causing large-scale damage, undermining state stability, provoking social chaos, or even affecting physical infrastructure, without traditional means of violence. It is precisely this "non-physical" nature of cyberterrorism that challenges the international community to adapt existing security mechanisms and develop new approaches to responding to threats that go beyond classical notions of terrorist acts.

In this context, two institutions play a central role: the United Nations and the North Atlantic Alliance, which approach the problem from different perspectives and represent two dimensions of international security: the universal political-legal and the regional defense dimension. The UN serves as the global center for developing norms, standards, and political declarations, while NATO has the capacity to formulate concrete defense mechanisms and apply them in practice. At the same time, both institutions face similar challenges – rapid technological development, the uncertainty of legal categories, and the growing role of non-state actors in the digital environment.

2.2. Vulnerability of Critical Infrastructure and UN Responses

The first stage in recognizing the dangers of cyberterrorism was the growing awareness of the vulnerability of critical infrastructure, which expanded in parallel with its digitalization. Energy systems, water supply networks, transportation systems, financial platforms, hospitals, and governmental services increasingly rely on automated digital solutions. This has led to a situation where an attack aimed not at physical destruction but at software can paralyze an entire state or region. The international community, analyzing previous cyber incidents, began to acknowledge that terrorist groups could potentially exploit such vulnerabilities. This is why the UN, in its resolutions, emphasized the need to strengthen cyber resilience, expand information sharing, and prevent the misuse of technologies for terrorist purposes [8].

However, despite these declarations, international law remained unprepared for the digital reality. Anti-terrorism conventions regulate specific spheres, including aviation security, the protection of nuclear materials, and combating terrorism financing, but digital attacks do not fit into their logic [7]. This has become one of the key theoretical and practical problems: legally, the same attack may be classified as a cybercrime, an act of aggression, or a terrorist act, depending on the state's interpretation of it. Such fragmentation creates room for manipulation and prevents proper coordination among states, as there is no common denominator that exists to define the legal nature of cyberterrorism.

In this context, the UN has found itself in a situation where it must respond to growing risks but lacks the legal instruments necessary to ensure effective international accountability mechanisms. Although the Office of Counter-Terrorism actively develops methodological guidelines, training programs, and recommendations for protecting critical infrastructure, their status is not legally binding [8]. This situation is typical of soft international law, which establishes behavioral standards but lacks enforcement or sanction mechanisms. As a result, states often implement only those recommendations that align with their political interests, while questions of cyber sovereignty and information-space control remain major obstacles in negotiations.

2.3. NATO's Operational Approach, Attribution Problems, and Hybrid Threats

Against this background, NATO's practical approaches follow a different logic. The Alliance not only considers the risks of cyberterrorism but integrates them into its defense doctrine, treating cyberspace as a full-fledged domain of military operations. Recognizing cyberspace as an operational domain in 2016 became a key step that effectively equated cyber threats with traditional forms of armed action [4]. This meant that NATO considers a digital attack a potential basis for collective defense. However, this approach raised further debate: Can a cyberattack be regarded as an "armed attack" if it causes no physical destruction but merely disrupts system operations? Can a digital attack justify the use of traditional force in response? Are technical criteria alone sufficient to determine the scale of a threat?

These questions sharpen the debate on attribution, the ability to accurately determine who is behind an attack. In the digital space, non-state groups, criminal networks, hacktivist communities, and state proxies can act in similar ways and remain anonymous. Moreover, a state carrying out aggressive cyber operations may disguise them as the actions of a terrorist group. This complicates decision-making within NATO, as Article 5 requires credible confirmation that the attack was committed by an actor whose actions can be legally qualified as aggression.

The Tallinn Manual 2.0 attempts to address some of these issues by providing conceptual frameworks for applying international law in cyberspace. However, despite its authority, the document is not legally binding, and its provisions remain primarily expert recommendations. It acknowledges that a cyberattack may reach the level of "use of force" or even an "armed attack." However, it says almost nothing about situations in which the perpetrator is a non-state terrorist actor [6]. This creates a paradox: states have certain guidelines regarding cyber warfare but lack instruments for addressing cyberterrorism, even though the latter may cause comparable harm.

In this regard, NATO's approach to hybrid threats appears more progressive, as it takes into account the multidimensional nature of modern conflicts. Terrorist organizations may use cyberspace to coordinate actions, recruit members, obtain funding, or conduct direct attacks. At the same time, they may serve as tools for states seeking to avoid responsibility [1]. Therefore, NATO recognizes that hybrid threats combine cyber operations, information campaigns, sabotage, and support for non-state actors. In other words, cyberterrorism is part of a broader destabilization strategy rather than an isolated phenomenon.

This approach encourages the Alliance to strengthen interagency coordination, integrate civilian and military capabilities, and conduct regular exercises aimed at modeling complex cyber scenarios. Such steps are essential because they account not only for the technical aspects of protection but also for the need for political coherence in response, which is a critical element of

deterrence. At the same time, NATO faces the same challenge as the UN: international law remains unprepared to clearly distinguish between digital threats and determine their legal status.

2.4. Opportunities and threats for further cooperation

The activities of the UN and NATO should be seen not as contradictory but as mutually reinforcing. The UN builds political consensus and promotes universal behavioral norms for cyberspace, while NATO develops practical defense mechanisms and improves operational readiness. Their approaches increasingly intersect, creating an opportunity to combine normative frameworks with applied cybersecurity tools.

However, challenges remain. The absence of a unified definition of cyberterrorism complicates accountability and undermines coordinated international action. Attribution problems, especially when cyber operations involve both non-state and state-linked actors, threaten the credibility of collective defense mechanisms. Geopolitical tensions, disagreements over cyber sovereignty, and varying levels of national cyber capabilities may also hinder deeper cooperation.

Despite these risks, opportunities exist for forming a coherent global regime: establishing international attribution mechanisms, developing a framework convention on cyberterrorism, improving information-sharing platforms, and promoting structured cooperation with the private sector, which owns most critical infrastructure. Effective synchronization of UN norms and NATO practices could significantly strengthen global resilience against cyberterrorism.

3. Conclusions

Summarizing the above, international cyberterrorism remains one of the most complex threats to the contemporary security system. While both the UN and NATO increasingly recognize the urgency of the problem, the development of effective and legally consistent response mechanisms is still at an early stage. The UN provides political frameworks but lacks binding instruments, whereas NATO offers practical defense tools but faces challenges related to legal classification and attribution within collective defense.

The absence of a unified definition of cyberterrorism, coupled with attribution difficulties, limits the ability of states to respond coherently and effectively. Future research should focus on creating international attribution mechanisms, drafting a framework convention on cyberterrorism, and enhancing cooperation between states and the private sector. Coordinated action at the normative and operational levels is essential for building a robust international regime capable of deterring and mitigating digital threats.

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THE ROLE OF INTERNATIONAL ACTORS IN THE SYRIAN CIVIL WAR

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Shyian D. V., Kalyuzhna A. B. The Role of International Actors in the Syrian Civil War. The article analyzes the role of international actors in the Syrian civil war and examines the transformation of an internal armed conflict into a complex geopolitical confrontation. The study explores the preconditions of the conflict, the escalation of hostilities between government and non-government forces, and the main directions of external involvement by Russia, Iran, the United States, Turkey, and the Arab monarchies of the Persian Gulf. Particular attention is paid to international diplomatic initiatives and the impact of the Syrian conflict on regional and global security. The humanitarian consequences of the war, the migration crisis, and shifts in the balance of power in the Middle East are also analyzed. The article concludes that external intervention became a decisive factor in the prolongation of the conflict and significantly complicated prospects for Syria's stabilization, turning the country into an arena of prolonged geopolitical rivalry.

Keywords: Syrian civil war, international actors, geopolitical confrontation, external intervention, regional security.

Шиян Д. В., Калюжна А. Б. Роль міжнародних акторів у сирійській громадянській війні. Стаття присвячена аналізу ролі міжнародних акторів у сирійській громадянській війні та процесу трансформації внутрішнього збройного конфлікту у багаторівневе геополітичне протистояння. Розглянуто передумови виникнення конфлікту, особливості ескалації протистояння між урядовими та неурядовими силами, а також основні напрями зовнішнього втручання з боку Росії, Ірану, Сполучених Штатів Америки, Туреччини та арабських монархій Перської затоки. Окрему увагу приділено дипломатичним ініціативам міжнародних організацій і впливу сирійського конфлікту на регіональну та міжнародну безпеку. Проаналізовано гуманітарні наслідки війни, міграційну кризу та зміну балансу сил на Близькому Сході. Зроблено висновок, що зовнішнє втручання стало ключовим чинником затягування конфлікту та ускладнило перспективи стабілізації Сирії, перетворивши її на арену тривалого геополітичного суперництва.

Ключові слова: Сирійська громадянська війна, міжнародні актори, геополітичне протистояння, зовнішнє втручання, регіональна безпека.

1. Introduction

The Syrian civil war, which began in 2011 amid the protests of the Arab Spring, became one of the largest and bloodiest conflicts of the twenty-first century. Initially emerging as an internal confrontation between the government of Bashar al-Assad and opposition forces, it rapidly evolved into a multi-layered geopolitical clash involving leading international actors such as Russia, Iran, the United States, Turkey, Saudi Arabia, and others [2]. This conflict not only reshaped the political landscape of the Middle East but also demonstrated how local socio-political protests can turn into arenas of global competition for influence. For this reason, the study of the role of external actors in the Syrian war is essential for understanding the mechanisms of contemporary international politics, in which domestic processes increasingly depend on global powers, which determines the *topicality* of this research. The Syrian civil war as a contemporary armed conflict with significant international involvement is the *object* of the study, while the *subject* of the article is the role, interests, and impact of international actors on the dynamics, escalation, and consequences of the conflict. The *purpose* of this article is to analyze the role of international actors in the course of the Syrian civil war and to determine how external intervention

transformed an internal conflict into a geopolitical confrontation that affected the security and stability of the entire region.

2. Preconditions of the Syrian Conflict

Before 2011, Syria already displayed clear features of an authoritarian regime: power was concentrated in the hands of President Bashar al-Assad, civil liberties were restricted, political censorship was widespread, and the economy was heavily dependent on the state sector. Socio-economic tensions intensified due to unemployment, corruption, and inequality between urban and rural areas. In the spring of 2011, anti-government protests erupted across the country, inspired by the wave of pro-democracy uprisings in the Middle East and North Africa known as the Arab Spring. The violent actions of government forces in cities such as Aleppo, Daraa, Damascus, and Idlib triggered the outbreak of civil war [8].

In addition, Syria had a complex ethno-confessional structure: the majority of the population were Sunnis (74%), while the ruling elite belonged to the Alawite minority, which constituted about 13% of the population [7]. This created latent potential for interconfessional conflict, which became evident during the political crisis.

The immediate trigger for the protests was the Arab Spring events in Tunisia and Egypt. In March 2011, Syrians took to the streets demanding democratic reforms and the resignation of the president. The authorities responded with the use of force, leading to an escalation of violence and the radicalization of the opposition [11].

3. The Outbreak of Civil War: Government and Non-Government Forces

Between 2011 and 2012, the conflict escalated from peaceful demonstrations into an armed confrontation. On the government's side stood the Syrian Armed Forces, security services, and pro-government paramilitary formations such as the National Defense Forces.

The opposition camp was highly fragmented:

The Free Syrian Army (FSA) – the first major armed formation composed of defectors from the regular army, seeking to overthrow the regime [8].

Kurdish forces (YPG, later SDF) – focused primarily on achieving autonomy in northern Syria [13].

Islamist groups – including Jabhat al-Nusra (later Hayat Tahrir al-Sham) and the Islamic State (ISIS), which sought to establish an Islamic state [12].

At this stage, external influence became increasingly evident through financial, military, and political support provided by other states to various parties. For example, between 2015 and 2017,

reports appeared in Arab media alleging that Israel had opened its border to provide medical treatment to fighters of the al-Nusra Front wounded in clashes with Assad's forces.

Qatar was also reported to have connections with the al-Nusra Front, acting as a mediator in hostage-release negotiations and, according to some sources, possibly participating in its financing [3; 12]. As a result, the civil war transformed from an internal conflict into an arena of international rivalry.

4. International Intervention in the Syrian Civil War

4.1. Russia and Iran: Support for the Assad Government

Russia and Iran became the main external allies of the Syrian government throughout the conflict. From the beginning of the war, the Russian Federation viewed Syria as a key ally in the Middle East, ensuring its strategic presence in the Mediterranean Sea through the naval base in Tartus. Moscow provided the Assad regime with political, economic, and military support, repeatedly blocking resolutions in the UN Security Council. For example, Russia blocked draft resolution S/2018/32 concerning the investigation of chemical attacks in Syria [5].

In September 2015, Russia officially launched a military operation in support of government forces, marking a turning point in the war. Thanks to air support and advanced weaponry, government troops regained control over most of the country's territory.

Iran, in turn, sought to strengthen its influence within the so-called Shiite "crescent" (Iran–Iraq–Syria–Lebanon). Tehran provided military advisers, funding, and support through loyal groups, particularly Hezbollah [6]. As a result, Syria became a crucial element of Iran's regional strategy.

4.2. The United States, Turkey, and Arab Monarchies: Support for the Opposition

A number of international actors, including the United States, Turkey, and the Arab monarchies of the Persian Gulf, became actively involved in the Syrian conflict, pursuing their own strategic, security, and ideological interests.

The United States viewed the fall of the Assad regime as a means to weaken Iranian and Russian influence in the region. Initially, Washington limited itself to diplomatic pressure and sanctions, but from 2014 it became actively involved in the conflict as part of the fight against ISIS (Islamic State). U.S. forces supported Kurdish formations (the SDF), which became the main force in dismantling the caliphate.

Turkey opposed Assad and supported various opposition factions, with its primary objective being the prevention of a Kurdish autonomous entity near its borders. Ankara conducted several

military operations (“Euphrates Shield,” “Olive Branch,” and “Peace Spring”), establishing control over northern areas of Syria.

Saudi Arabia, Qatar, and the UAE financially and materially supported Sunni opposition forces in an effort to weaken Iran’s position. For instance, in 2013 the Financial Times reported that Qatar had financed the Syrian uprising with at least USD 1 billion, and up to USD 3 billion during the first two years of the civil war. In 2015, an American journalist Gareth Porter wrote that, in addition to supporting moderate rebels, Qatar also backed the coalition known as the “Army of Conquest,” which included groups linked to al-Qaeda [9]. Consequently, the conflict acquired a pronounced sectarian dimension, with rivalry between Sunni and Shiite states becoming particularly acute.

4.3. International Initiatives and Diplomatic Efforts

The UN, the EU, and the League of Arab States repeatedly attempted to launch peace processes. Among the most significant initiatives were the Geneva talks (2012, 2014) and the Astana format (since 2017), involving Russia, Turkey, and Iran. Despite formal recognition of the need for a political settlement, these initiatives largely reflected the division of spheres of influence among external actors rather than ensuring genuine reconciliation.

5. Impact of the Syrian Conflict on Regional Security

5.1. Humanitarian and Migration Crisis

As a result of the hostilities, more than 500,000 people were killed, and over 12 million Syrians were forced to leave their homes [4;10; 14]. Refugee flows dramatically altered the social situation in Turkey, Lebanon, and Jordan, and created political tensions even in Europe. During the 2015 migration crisis, more than 800,000 people arrived in EU countries. To support Syrian refugees, the European Commission established a financial assistance fund of EUR 500 million, while Germany, Sweden, Italy, France, and Hungary became the main recipient countries [14]. Thus, the Syrian civil war became one of the key challenges for the EU, particularly in the fields of security and domestic politics.

5.2. Expansion of Iranian and Russian Influence

The Syrian war significantly transformed regional power dynamics, expanding the influence of some actors and reconfiguring alliances in the Middle East.

Support for the Assad government enabled Iran and Russia to strengthen their status as leading regional players. Moscow secured a lasting military and political presence in the Middle East, while Iran gained a land corridor to the Mediterranean via Iraq and Syria. This, in turn,

intensified confrontation with Israel, which views the expansion of Iranian presence as a threat to its national security.

5.3. Shifts in Regional Alliances

The Syrian conflict contributed to a reconfiguration of power in the region. Turkey, despite its NATO membership, moved closer to Russia on the Syrian issue, while Saudi Arabia began seeking new mechanisms to contain Iran. At the same time, the United States gradually reduced its involvement in the region, creating a vacuum of influence filled primarily by Turkey, Iran, and Russia.

5.4. Possible Post-Conflict Scenarios

By the end of 2024, the Syrian civil war had entered a new phase, with continued territorial fragmentation and persistent challenges to government authority in several regions. Following the rapid offensive of unified opposition forces, government troops lost control over key cities, including Damascus. The demoralization of the army, economic exhaustion, and the loss of external support led to the collapse of the state apparatus. Power was transferred to a transitional government headed by Ash-Shar, formed under UN auspices with the participation of opposition representatives, Kurdish forces, and moderate former government officials. The new government declared a course toward restoring statehood and national reconciliation.

Despite the cessation of large-scale hostilities, Syria remains divided into zones of influence: the north is controlled by Turkey and its allied forces, the east by Kurdish units supported by the United States, while central regions are governed by the new authorities maintaining working relations with Russia. Israel continues its military presence in the southwest of the country, controlling areas near the Golan Heights and influencing the regional security situation. The economy remains in critical condition: GDP collapsed by 70% to USD 20 billion in 2023, the Syrian pound lost 99.5% of its value against the U.S. dollar, falling from 50 to approximately 10,375 pounds per dollar by the summer of 2025, and the country remains heavily dependent on food imports [1]. Reconstruction is further complicated by disagreements among external actors regarding Syria's future political system. Despite partial stabilization, the country remains an arena of geopolitical confrontation, where each international participant seeks to consolidate its position in the new reality.

6. Conclusions

The Syrian civil war is a vivid example of the transformation of an internal conflict into a large-scale geopolitical confrontation involving leading international actors. The initial socio-political

causes of the protests were quickly overshadowed by external intervention, which determined the course and nature of the war. Support for opposing sides by Russia, Iran, the United States, Turkey, and Arab monarchies turned Syria into an arena of competitive struggle for regional influence, gave the conflict a sectarian and global dimension, and significantly complicated prospects for internal political settlement.

The Syrian conflict demonstrated the limited effectiveness of international institutions, which primarily recorded the balance of power among external players rather than ensuring sustainable peace. Its consequences extended far beyond Syria, causing a humanitarian and migration crisis, shifts in regional alliances, and intensified geopolitical competition in the Middle East. Developments following the end of the active phase of the war showed that cessation of hostilities does not guarantee stabilization. Territorial fragmentation, economic collapse, and contradictions among external actors continue to keep Syria within the framework of geopolitical confrontation, where future development largely depends on the balance of international interests.

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INTERNATIONAL LABOR MIGRATION IN THE CONTEXT OF GLOBALIZATION: CAUSES, CONSEQUENCES, AND REGULATION APPROACHES

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Shyshkina P. V., Radchenko O. I. International labor migration in the context of globalization: causes, consequences, and regulation approaches. The article reveals the essence, causes, and consequences of international labor migration in the context of globalized world economy. The main trends in the development of migration processes and their impact on the economic, social, and demographic development of labor-exporting and labor-importing countries are analyzed. The study identifies economic, political, social, and environmental factors that stimulate labor migration. Positive outcomes and negative effects are highlighted.

Keywords: international labor migration, globalization, labor market, labor-importing countries, labor-exporting countries, economic consequences, brain drain, labor resources.

Шишкіна П. В., Радченко О. І. Міжнародна трудова міграція в умовах глобалізації: причини, наслідки та шляхи регулювання. У роботі розглянуто сутність, причини та наслідки міжнародної трудової міграції в умовах глобалізації світової економіки. Проаналізовано основні тенденції розвитку міграційних процесів, їхній вплив на економічний, соціальний і демографічний розвиток країн-експортерів та країн-імпортерів робочої сили. Визначено економічні, політичні, соціальні та природні фактори, що стимулюють трудову міграцію. Окреслено позитивні наслідки міграції та негативні ефекти.

Ключові слова: міжнародна трудова міграція, глобалізація, ринок праці, країни-імпортери, країни-експортери, економічні наслідки, відтік мізків, трудові ресурси.

1. Introduction

The dominant trend in the development of international economic relations is the deepening of globalization and integration. As a result, international labor migration — one of the key forms of international economic relations — has become increasingly active in the global economy. Migration serves as an essential condition for the functioning of labor markets.

The quantitative and qualitative structure of the labor force, in interaction with other factors, determines the pace of a country's economic development, the level of national welfare, and the overall economic potential of the socio-economic system. With the growing scale of external migration, there arises a need for an in-depth and comprehensive economic analysis of the impact of international labor migration on the quality of the aggregate labor force and employment in society, both at the national and regional levels. These issues require particular attention and analysis, which defines *the relevance* of this research.

The object of the study — the process of international labor migration in the context of globalization and the modern development of international economic relations, *the subject* of the study — the scientific aspects of the consequences of international labor migration for the economic development of different countries.

The aim of the research is to examine the process of labor migration at the international level, its impact on national economies, and its outcomes.

The following *tasks* are set to achieve the purpose:

1. to reveal the essence of international migration.

2. to identify the causes of labor migration.
3. to analyze the economic consequences of labor migration for labor-importing and labor-exporting countries.

2. International Labor Migration: Causes, Scale, and Consequences

2.1. The Concept and Definition of Labor Migration

In the modern world, international economic relations are becoming increasingly extensive. An open economy allows for the free movement of not only goods and services but also factors of production between countries. One of these factors, characterized by high mobility, is labor, therefore international worker migration has become one of the most important forms of international economic relations. The term «migration» refers to the movement of people beyond their usual place of residence, either across an international border or within a state. Migration combines two concepts: *emigration* and *immigration*. Emigratus means moving out, while immigratus implies moving into. The difference lies in the country of origin and the destination country. To understand the distinction, one should remember that emigration is an exit, and immigration is an entry [4; 5].

The key difference between *population migration* and *labor migration* lies in their purpose. Population migration involves the movement of people (or families) across international territories to find a new permanent residence. In contrast, labor migration is the movement of people across international territories to find a place of employment without changing their permanent residence [3].

International labor migration is defined as the movement of labor from one country to another for a period exceeding one year.

Migration is a worldwide phenomenon. In some countries, entire national industries rely on immigrant labor. For instance, in oil-producing nations such as Bahrain, Qatar, and the United Arab Emirates, foreign workers constitute between 50% and 90% of the total labor force, often filling demanding, low-wage jobs [6].

2.2. Key Drivers of Labor Migration

The globalization of trade, advancements in transport and communication technologies, and demographic dynamics serve as powerful stimuli for migration flows. Moreover, improved transportation and communication have, to some extent, simplified the process of moving between countries, thereby facilitating migration [4].

Traditionally, the primary reason for international labor migration is economic, linked to the scale, pace, and structure of capital accumulation.

1.The level and scale of capital accumulation have a direct impact on the level of employment of the working-age population and, consequently, on the size of relative overpopulation (unemployment), which is the main source of labor migration.

2.The pace and size of capital accumulation, to some extent, depend on migration levels: relatively low wages of immigrants and the opportunity to reduce wages of domestic workers make it possible to lower production costs and thus increase capital accumulation.

3.Another cause of labor movement is changes in the structure of needs and production, driven by scientific and technological progress. The reduction or elimination of outdated industries releases labor that seeks employment opportunities in other countries [1].

The main factors driving international labor migration include:

- Unsatisfactory economic living conditions in emigrant countries (low wages, low standard of living, unemployment).
- A comparatively higher technical standard of working conditions in immigrant countries.
- A stable and relatively high wage level in major immigration centers (e.g., the USA, Western Europe).
- Natural disasters in emigrants' countries and a higher level of environmental protection in immigrants' countries.
- Social conditions in immigrant countries that allow for greater self-realization.
- Political, ethnic, military, cultural, and religious reasons [2].

Therefore, international labor migration is driven by factors of internal economic development in each country, as well as external factors such as the overall situation in the international economy and economic ties between nations [4].

2.3. Global Scale and Socio-Economic Consequences

International population migration plays an increasingly important role in societal development and has transformed into a global process, leading to a constant rise in the total number of international migrants. Over the past six decades, the number of international migrants worldwide has nearly quadrupled, reaching 281 million today. Labor migrants make up 4.7% of the global workforce. The employment-to-population ratio for female migrants is 48.1%, while for male migrants it is significantly higher at 72.8%. The unemployment rate among migrants is higher than among the native population: 7.2% compared to 5.2%, respectively. This trend is caused by factors such as language barriers, unrecognized qualifications, and discrimination. The largest numbers of labor migrants are in Northern, Southern, and Western Europe, North America, and the Arab states. In Europe, nearly a quarter of all workers are foreign nationals. A total of 218 countries are involved in global migration flows [7].

An analysis of the destination countries for labor flows leads directly to an examination of the consequences. International labor migration has both positive and negative socio-economic impacts. While the migrants themselves often benefit by seeking to improve their situation, the consequences for individual countries are assessed on a case-by-case basis. There are positives and negatives for both labor-importing and labor-exporting countries, with several key effects being common to most [9].

Positive Consequences for Labor-Importing Countries:

1. Access to cheap and young labor. Migrant workers agree to difficult working conditions but still earn significantly more than in their home countries. Migrants are usually young and employable people moving to highly developed countries, most of which face population aging and labor shortages in certain sectors [3].

2. The arrival of skilled professionals positively impacts production efficiency, as it increases competition in the domestic labor market and allows employers to select qualified workers familiar with modern technologies [3].

Positive Consequences for Labor-Exporting Countries:

1. Receiving remittances, which represent a significant source of foreign currency inflows into the national economy [3].

2. Reduction of unemployment among the domestic population, which eases pressure on the labor market and lowers both registered and hidden unemployment levels [8].

3. Stimulation of the financial and banking sector. Large flows of remittances drive structural and technological transformations in the banking systems of developing countries [3].

Negative Consequences for Labor-Importing Countries:

1. Greater difficulty for local populations in finding employment. The emergence of a dual labor market increases competition and reduces wage levels in the domestic market [8].

2. The presence of illegal migrants, which can provoke the growth of crime and undermine the legal system [3].

3. Outflow of national currency in the form of remittances abroad, which continues as long as immigrants remain in the country [8].

Negative Consequences for Labor-Exporting Countries:

1. The loss of qualified specialists, known as the *brain drain*. The education system, largely funded by the state budget, trains professionals who ultimately create added value abroad [3].

2. Additional budget expenditures on the training of new specialists. As a result of the *brain drain*, countries face shortages of necessary professionals and must allocate resources to prepare replacements [3].

3. Rising prices for goods and services in the domestic market, which occurs when certain households increase their foreign currency income without a corresponding increase in the purchasing power of the majority population [8].

3. Conclusions

International labor migration is an integral element of modern globalization processes and has a significant impact on the economic, social, and demographic development of countries worldwide.

For labor-importing countries, migration serves as an important source of labor force replenishment, particularly in sectors experiencing a shortage of workers. It contributes to increased production efficiency but, at the same time, creates social tension and poses the risk of lowering the wage levels of local employees. For labor-exporting countries, the positive aspects include the inflow of remittances and the reduction of unemployment rates. However, there is also a danger of losing qualified specialists, which hinders national economic development and leads to a «brain drain».

Thus, international labor migration has both positive and negative consequences that require balanced regulation at both national and international levels.

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FOREIGN DIRECT INVESTMENT IN THE ECONOMY OF UKRAINE

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Skoblikov V. O., Radchenko O. I. Foreign direct investment in the economy of Ukraine. The article analyses the current state and trends of foreign direct investment (FDI) in Ukraine's economy. It explores the dynamics of FDI inflows and outflows over the recent years, emphasizing the influence of economic reforms, geopolitical factors, and international cooperation. The paper highlights the key sectors attracting the most investment, including information technology, agriculture, and energy. The challenges faced by Ukraine in attracting foreign capital, such as regulatory barriers and security risks, are discussed. The article also outlines the prospects for improving the investment climate through digitalisation, legal harmonisation with the EU, and infrastructure development.

Keywords: foreign direct investment, Ukraine, economy, investment climate, economic development.

Скобліков В. О., Радченко О. І. Прямі іноземні інвестиції в економіку України. У статті проаналізовано сучасний стан і тенденції прямих іноземних інвестицій (ПІІ) в економіку України. Розглянуто динаміку надходження та відтоку ПІІ в останні роки, із наголосом на впливі економічних реформ, геополітичних чинників і міжнародного співробітництва. У роботі виокремлено основні сектори, що приваблюють найбільше інвестицій, зокрема інформаційні технології, сільське господарство та енергетику. Обговорюються виклики, з якими стикається Україна під час залучення іноземного капіталу, такі як регуляторні бар'єри та ризики безпеки. Також у статті окреслено перспективи покращення інвестиційного клімату через цифровізацію, гармонізацію законодавства з ЄС та розвиток інфраструктури.

Ключові слова: прямі іноземні інвестиції, Україна, економіка, інвестиційний клімат, економічний розвиток.

1. Introduction

Foreign direct investment (FDI) is an important component for the growth and development of any country's economy. The volume of foreign investment is one of the indicators of a country's integration into the world economy. Over the past decade, foreign direct investment (FDI) has played a leading role in the internationalization of business. In the process of economic reproduction throughout the entire period of Ukraine's independence, foreign direct investment has performed a number of important social functions, contributing to certain transformations.

The relevance of the study lies in the fact that foreign direct investment (FDI) are a key driver of economic growth and development in a globalized economy. The volume of FDI reflects a country's integration into the world market and the level of international trust it commands. FDI has become the leading form of business internationalization, providing not only capital but also the transfer of technology, management expertise, and innovation.

The object of this research is the process of attracting foreign capital and its role in enhancing the competitiveness of the national economy, *the subject* of the study is the mechanism and interactions through which the foreign investments influence the key sectors such as industry, finance, and technology.

The aim of the research is to analyze the impact of foreign direct investment (FDI) on the economic condition of countries based on the transformational processes at the current stage of the country's economic development.

To achieve this target, the following *tasks* are set:

- to explore the theoretical aspects of foreign direct investment and its role in the global economy;
- to analyze the current state and dynamics of FDI inflows and outflows in Ukraine;
- to outline the main prospects and directions for attracting foreign direct investment in Ukraine.

2. Foreign Direct Investment in the economy of Ukraine

2.1. Theoretical aspects of foreign direct investment and its role in the global economy

Foreign direct investment (FDI) is defined as an investment that involves a long-term relationship and reflects a lasting interest. In FDI statistics, an “effective voice” owns 10% or more of a company; any investment below this is counted as portfolio investment and not included in FDI statistics [4; 5].

Flows of FDI comprise capital provided (either directly or through other related enterprises) by a foreign direct investor to an enterprise, or capital received from an investing enterprise by a foreign direct investor. FDI has three components: equity capital, reinvested earnings and intra-company loans [5].

The following table presents the world’s top 10 economies ranked by their Foreign Direct Investment (FDI) outflows for 2024. These figures represent the volume of capital invested by domestic entities from these source countries into foreign markets, serving as a key indicator of global economic influence and corporate expansion (Figure 1).

Country	Foreign investment (billions of dollars)
1. United States	266
2. Japan	204
3. China	163
4. Luxembourg	109
5. Hong Kong SAR, China	87
6. Canada	86
7. Singapore	55
8. Netherlands	55
9. Spain	49
10. Republic of Korea	49

Figure 1. Foreign direct investment (FDI) outflows, top 10 source economies, billions of dollars, 2024 [3].

According to 2024 data, the global landscape of Foreign Direct Investment (FDI) is characterized by a high concentration of capital among a few dominant economies. The United

States holds the highest rating in this structure with \$266 billion in outflows. Significant investment momentum is also observed in Asia: Japan ranks second place with \$204 billion, demonstrating a strategic focus on expanding overseas production capacities and asset acquisition. Meanwhile, China has secured the third position with \$163 billion.

2.2. Current state and dynamics of FDI inflows and outflows in Ukraine

The following chart illustrates the trends in Foreign Direct Investment (FDI) inflows to and outflows from Ukraine over the period from 2007 to 2024, highlighting the volatility of capital movements in response to geopolitical and economic shifts (Figure 2).

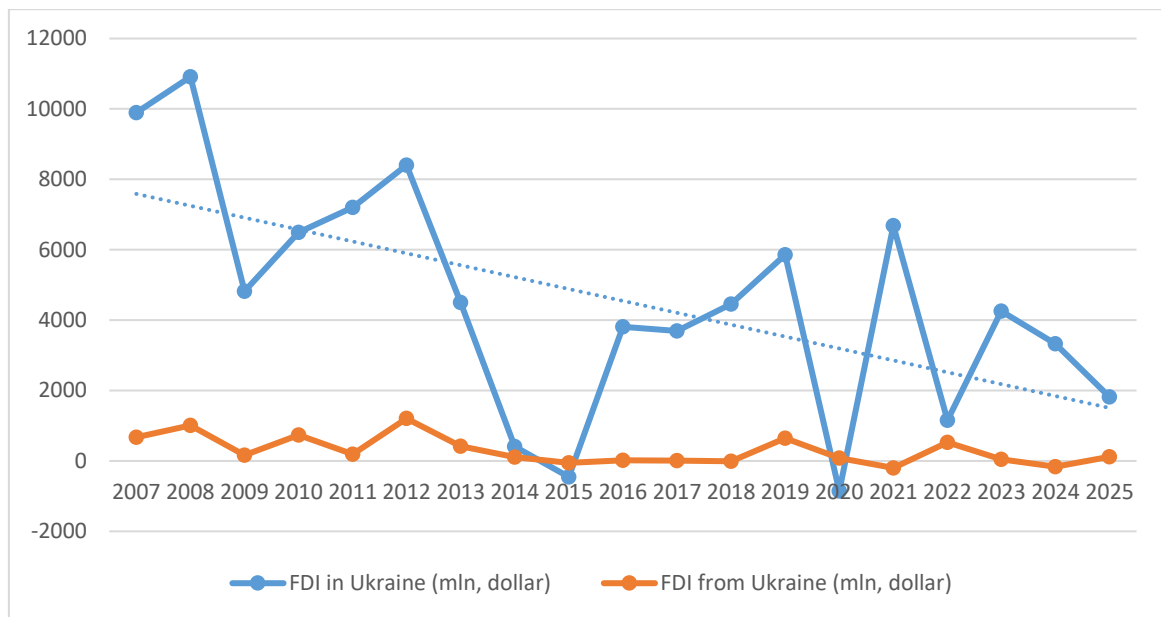


Figure 2. Foreign Direct Investment (FDI) Trends in Ukraine [4].

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. No doubt that the military conflict with Russia, as well as the political and economic crises it caused, are to blame.

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 [3].

The chart below illustrates the distribution of foreign direct investment in Ukraine by country of origin, reflecting the current investment landscape and key partners contributing to Ukraine's economy (Figure 3). The map of investments in Ukraine shows that most of the capital comes

from Europe. Cyprus (31.7%) and the Netherlands (21.6%) are the two biggest sources. In many cases, this represents large businesses using these countries as financial hubs to manage their funds.

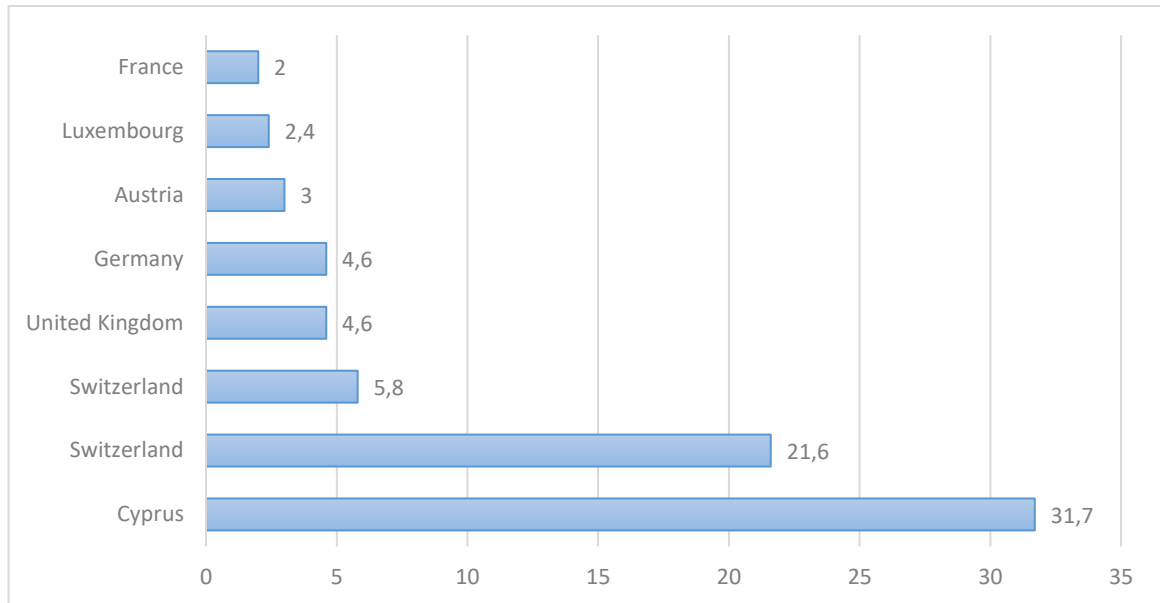


Figure 3. Share of foreign investor countries in Ukraine in 2021, % [2].

However, there is also a strong presence of direct industrial investment from major economies like Switzerland (5.8%), the UK (4.6%), and Germany (4.6%). Other partners like Austria, Luxembourg, and France also play a role in supporting the economy. Despite the full-scale invasion, these investment ties remain vital.

2.3. The main prospects and approaches to attracting foreign direct investment in Ukraine

Traditional sectors of the Ukrainian economy, such as the agricultural sector, ferrous metallurgy, military and industrial complex and tourism, will be attractive for the foreign direct investments. In particular, the agricultural sector has great potential, because Ukraine is among the top three exporters of agricultural products in the world and plays a key role in ensuring global food security. Since the provision of food to countries and people comes to the fore and becomes one of the fundamental world problems, and the demand for food is inelastic (no matter what the price of food is, it should be bought), the investment attractiveness of Ukraine in the agricultural sector is gaining special importance. Attracting investments and the latest agricultural technologies, including the ecological production, will undoubtedly make agricultural business in Ukraine much more efficient and many times more profitable. Among other promising areas of investment are the IT sector and the creative economy in general. Back in 2019, the Ukrainian government

identified the IT sector as one of the priority vectors for development and an ambitious project, “The state in a Smartphone”, was launched.

From February 8, 2022, the special legal regime Diia City created for the development of the IT industry started working in Ukraine. Diia City provides a unique tax and legal space for IT business making it easier and less expensive to manage and operate your business. Diia City enables you to run your business openly, profitably and conveniently. Diia City have combined favorable tax conditions with effective tools that allow companies to build a transparent corporate structure, attract foreign investment more easily, and use additional mechanisms to protect intangible assets [1].

The diagram below illustrates the assessment of Ukraine's investment climate from the perspective of the business community (Figure 4). The integral indicator of the Investment Attractiveness Index of Ukraine recovered slightly to 2.48 points in the second half of 2022, which is comparable to the values of 2020 during the active phase of the Covid-19 pandemic. These are the results of a new wave of an expert study conducted by the European Business Association. It should be reminded that in the first half of 2022, the Index fell by half a point and amounted to 2.17 points out of 5 possible [3].

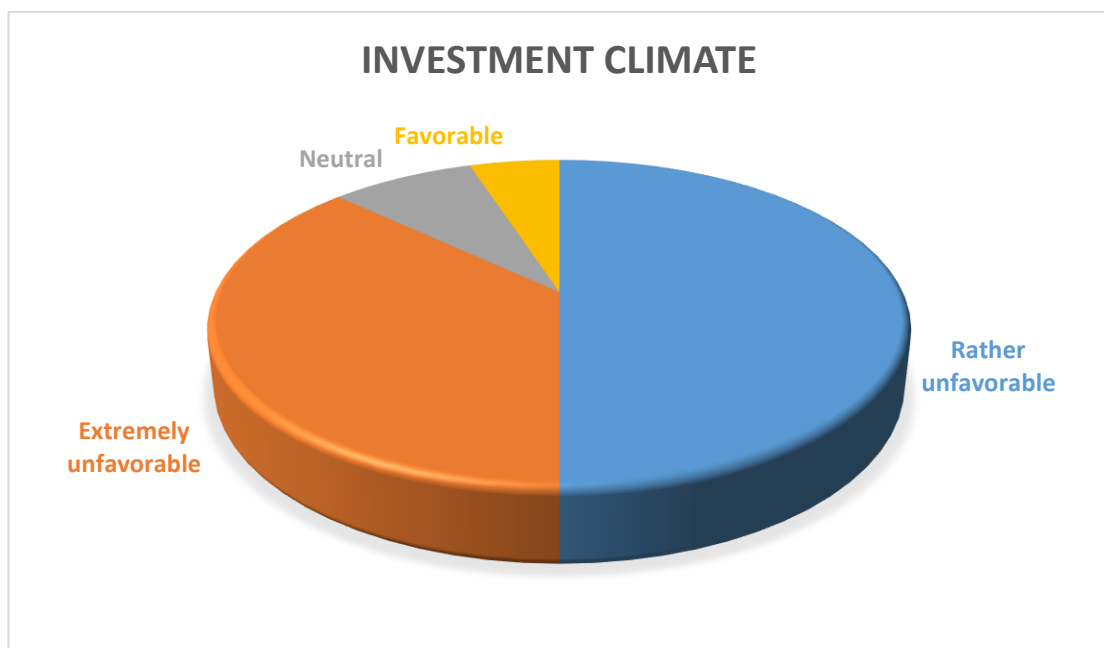


Figure 4. Investment climate in Ukraine [3].

Russia's full-scale military aggression against Ukraine continues to top the list of factors negatively affecting the investment climate, followed by attacks on the Ukrainian energy system and corruption. Among a few positive changes, business leaders highly assessed the granting of the EU candidacy to Ukraine, the abolition of duties and quotas on Ukrainian exports, and the “transport visa-free regime” with the EU [3].

3. Conclusion

Foreign direct investment represents more than a quantitative financial metric; it constitutes a vital engine for Ukraine's recovery and a key sign of its integration into the global economy. While the world's leading investors, such as the US and Japan, continue to drive global capital flows, Ukraine has shown remarkable resilience despite the extreme challenges of war. The gradual recovery of the Investment Attractiveness Index and the country's EU candidacy signal that international trust is returning. By shifting focus toward high-growth sectors like the IT industry through Diia City, modernizing the agricultural sector, and leveraging its military-industrial potential, Ukraine is transitioning from a traditional resource-based economy to a contemporary technology-oriented and industrial hub. Ultimately, the synergy between foreign capital and local innovation, supported by European integration, will be the foundation for the country's long-term economic stability and growth.

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DIGITAL TRADE AND ITS REGULATION IN THE EU

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Slobchenko Y. S., Zmiiova I. V. Digital trade and its regulation in the EU. The article analyzes the EU's Digital Markets Act (DMA) and Digital Services Act (DSA). It examines the shift to ex-ante regulation and the 'gatekeeper' concept. The authors assess the impact of digital trade on competition and give recommendations for Ukraine's integration.

Keywords: Digital Markets Act (DMA), Digital Services Act (DSA), digital trade, EU, gatekeeper, global competition, regulation.

Слобченко Є. С., Зміїова І. В. Цифрова торгівля та її регулювання в ЄС. У статті проаналізовано Акт про цифрові ринки (DMA) та Акт про цифрові послуги (DSA). Розглянуто перехід до ex-ante регулювання та концепцію «гейткіперів». Автори оцінюють вплив цифрової торгівлі на конкуренцію та надають рекомендації щодо інтеграції України.

Ключові слова: Акт про цифрові послуги (DSA), Акт про цифрові ринки (DMA), гейткіпер, глобальна конкуренція, ЄС, регулювання, цифрова торгівля.

1. Introduction

Digital commerce and the platform economy have become a dominant force, leading to a high concentration of market power in the hands of a few large online platforms ('gatekeepers'). This creates significant challenges for market competition, consumer protection, and information security.

The **relevance** of this study is stipulated by the fact that traditional antitrust instruments, operating on an ex-post basis (responding to violations that have already occurred), have proven insufficiently effective for dynamic digital markets. The EU's adoption of the legislative package (DMA and DSA) is one of the largest attempts in the world to establish new, proactive (ex-ante) rules of the game. Understanding these rules is critically important not only for companies operating in the EU but also for global markets, as well as for Ukraine in the context of its European integration aspirations and the harmonization of its own digital legislation.

The **object** of the study is the regulatory framework for digital trade and digital services in the European Union and the **subject** is the set of rules, mechanisms and instruments introduced by the Digital Markets Act (DMA) and the Digital Services Act (DSA), the strategies of key players and the dynamics of global competition in the digital economy.

The **aim** of the article is a comprehensive analysis of the key provisions of the DMA and DSA, identification of their main objectives and assessment of the potential impact on the business models of large technology platforms and the overall landscape of international digital trade.

The following **tasks** are set to achieve the purpose:

1. to analyze the key objectives and structure of obligations introduced by the Digital Services Act (DSA);

2. to examine the ex-ante regulatory model of the Digital Markets Act (DMA), including the ‘gatekeeper’ concept and the core prohibitions imposed on them;
3. to assess the impact of the new legislative package on the business models of key platforms and its strategic importance for Ukraine.

2. EU Digital Regulation (DMA/DSA) and its impact on global competition

2.1. Digital Services Act (DSA): key objectives and framework of obligations

Digital commerce and the platform economy have become the dominant force in the 21st century, upending traditional business models and creating unprecedented market value. However, this transformation has led to a high concentration of market power in the hands of a limited number of ultra-large online platforms. These companies control key access points to the digital economy – from search engines and social networks to store apps and operating systems. Their ability to dictate terms, exploit user data and favour their own services has raised deep concerns among regulators around the world about stifling innovation and harming consumers.

The European Union, seeking to preserve its ‘technological sovereignty’ and protect the single market, has responded to these challenges with two pieces of legislation: the Digital Services Act (DSA) and the Digital Markets Act (DMA). Together, they form a new constitution for the EU’s digital space. The DSA focuses on creating a safe, transparent and accountable online environment by regulating content and the obligations of intermediaries. The DMA, in turn, targets the economic power of gatekeepers directly, with the aim of making digital markets ‘fair and open to competition’ [5].

The Digital Services Act (Regulation (EU) 2022/2065) replaces the outdated E-Commerce Directive of 2000 [7]. Its main objective is to harmonise rules for digital intermediaries and combat the spread of illegal content (hate speech, disinformation, sale of counterfeit goods) and the systemic risks posed by large platforms.

DSA introduces an asymmetric system of obligations based on the size and role of the entity. The larger is the intermediary and the greater is its influence, the stricter the requirements for it are (Fig. 1).

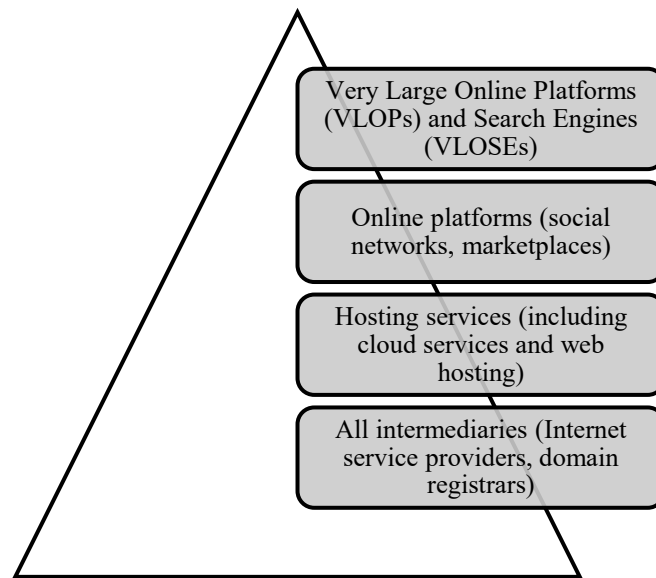


Fig. 1. Multi-layered structure of obligations under the Digital Services Act (DSA)

Source: Composed by the authors, using materials from [7].

All intermediaries have basic obligations, such as transparency of terms of service, publication of content moderation reports and having the lowest level in this structure. Hosting services should additionally implement a ‘notice and action’ mechanism to combat illegal content. Online platforms, in addition to the above, must provide an internal system for appealing moderation decisions, transparency of advertising (clearly indicating who paid for it), as well as a ban on the use of ‘dark patterns’ in interfaces.

Very Large Online Platforms (VLOPs) and Search Engines (VLOSEs) are a category that includes platforms with more than 45 million monthly active users in the EU. They are subject to the strictest rules [2] and are required:

1. to conduct an annual assessment of systemic risks, such as risks to mental health, the spread of disinformation, and electoral manipulation;
2. to take measures to mitigate these risks;
3. to undergo independent compliance audits;
4. to provide regulators and authorized researchers with access to data for monitoring, including how their algorithms work;
5. to establish crisis response mechanisms.

The DSA essentially codifies the principle: “What is illegal offline should be illegal online”. It strengthens the responsibility of platforms for the content they distribute, without abolishing the general principle of limited liability for a third-party content [7].

2.2. Ex-ante regulation in the Digital Markets Act (DMA): the concept of the ‘gatekeeper’ and the main prohibitions

If DSA is about security, the Digital Markets Act (Regulation (EU) 2022/1925) is about economic fairness [6]. The DMA is a revolutionary instrument because it moves from ex-post punishment for anti-competitive behavior (which took years of litigation) to ex-ante regulation that sets clear “rules of the game” in advance.

The central concept of DMA is the ‘gatekeeper’ or primary platform intermediary. These are companies that meet three cumulative criteria [3; 4]:

1. Significant impact on the EU internal market, namely annual EU revenue of more than 7.5 billion euro over the last three years or market capitalisation of more than 75 billion euro.
2. Control of an important ‘gateway’, i.e. providing a “Core Platform Service” (CPS), which is an important channel for business users to reach end-users.
3. Strong and sustainable market position, as defined in criteria 1 and 2 for the last three years.

The main platform services include: search engines (Google Search), social networks (Facebook, TikTok), messengers (WhatsApp), operating systems (Android, iOS), application stores (App Store, Google Play), advertising services, browsers and video hosting (YouTube) [3]. As of 2024, the European Commission has identified six companies as gatekeepers, controlling 22 main platform services (see Table 1).

Table 1

**Gatekeeper companies and their core platform services (CPS)
identified by the European Commission**

Gatekeeper company	Core Platform Services (CPS) covered by the DMA
Alphabet	Google Search, Google Maps, Google Play, Google Shopping, Google Ads, YouTube, Android, Chrome
Amazon	Amazon Marketplace, Amazon Advertising
Apple	App Store, iOS, Safari
ByteDance	TikTok
Meta	Facebook, Instagram, WhatsApp, Messenger, Meta Marketplace, Meta Advertising
Microsoft	Windows, LinkedIn
Booking.com	Booking.com

Source: Composed by the authors, using materials from [3].

For these companies, the DMA establishes a strict list of “Do’s” and “Don’ts” that came into effect in March 2024.

Companies are prohibited from giving their own products and services an advantage in rankings over competitors' products (for example, Google Shopping in Google search or Amazon products in the Amazon marketplace); from combining users' personal data from different services without their explicit consent; from requiring developers to use only the platform's own payment or identification systems; and from preventing users from uninstalling pre-installed applications on the OS [4].

Companies are required to allow users to install applications from alternative stores or directly from the Internet, bypassing the official store; ensure compatibility of key functions of their messengers with smaller competitors at their request; provide business users (for example, advertisers) with access to data on the effectiveness of their campaigns on the platform [4].

Failure to comply with these requirements threatens gatekeepers with huge fines: up to 10% of the company's total global annual turnover for a first violation and up to 20% for repeated violations. In extreme cases, even the structural separation of the company is possible [4].

2.3. The impact of the EU regulatory package on platform business models and its strategic importance for Ukraine

The DMA directly attacks key gatekeeper business models. For example, Apple, which has a closed garden model of iOS and the App Store that generates billions of dollars in commissions, is now forced to open up to competition, which could reduce its services revenues. Meta's business model, built on targeted advertising based on massive data aggregation from different platforms (Facebook, Instagram, WhatsApp), is threatened by explicit consent requirements for such aggregation.

Companies are already responding. Apple has announced significant changes to iOS in the EU, allowing third-party stores and reducing fees (although it has also introduced a new "Core Technology Fee" that critics see as an attempt to circumvent the DMA) [1]. Google has begun showing more links to competitors' aggregator sites in search. These changes are tectonic for the industry.

On the one hand, the DMA aims to "break" oligopoly. By prohibiting self-preference and requiring interoperability, the EU creates space for smaller players. For example, a new European messenger developer could theoretically compete with WhatsApp, as users would be able to communicate across platforms. Small search engines or marketplaces would get a chance to be noticed.

On the other hand, critics (often from the tech giants themselves and some analysts in the US) argue that too strict regulation can stifle innovation, complicate the integration of services that consumers value, and create new security risks.

The success or failure of the EU approach is being closely monitored by other countries. For example, the US has a different approach, based on antitrust lawsuits (against Google, Meta, Apple), but is also considering its own legislation, albeit more slowly.

The UK has developed its own “Digital Markets, Competition and Consumers Bill”, which is in many ways similar to the DMA, but gives the regulator more flexibility in defining rules for each specific company.

As a candidate country for EU accession, Ukraine is obliged to implement a significant part of EU legal norms. Harmonization of Ukrainian legislation with DSA and DMA norms will be a necessary condition for full integration into the EU Digital Single Market.

3. Conclusions

The Digital Markets Act and the Digital Services Act represent the most ambitious and comprehensive attempt to regulate the digital economy to date. They mark a fundamental shift from reactive antitrust control to proactive (ex-ante) regulation aimed at ensuring fairness, transparency and security in the digital space.

The main barriers to implementation are the enormous complexity of enforcing these rules. The European Commission, despite the creation of new specialized units, faces gatekeepers who have almost unlimited legal and technical resources to challenge and find loopholes in the legislation.

The prospects for development lie in the potential de-concentration of digital markets and the stimulation of a new wave of innovation from smaller companies that will gain fair access to the market. For consumers, this could mean more choice, lower prices (for example, on in-app fees) and better control over their own data.

For Ukraine, the analysis and adaptation to the DMA and DSA norms is a strategic task. This is not only a requirement within the framework of European integration, but also an opportunity to build its own digital economy on a more sustainable and competitive basis, protecting the internal market from unfair practices of dominant platforms. Further research should focus on monitoring the practical implementation of the acts and assessing their real economic effect on competition and innovation in the EU and beyond.

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THE ROLE OF ENGLISH IN UKRAINE'S INTERNATIONAL STRATEGIC COMMUNICATION

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Sorochynska M. A., Litovchenko Y. M. The Role of English in Ukraine's international strategic communication. The article examines the role of the English language in Ukraine's international strategic communication in the context of the modern information space and full-scale war. The study analyzes how English is used to present Ukraine to the international community, shape media narratives, and influence foreign public opinion. Special attention is paid to linguistic and cultural barriers that complicate effective communication. The article emphasizes the importance of English as a tool of international positioning and information resistance.

Keywords: English language, international image, media narratives, strategic communication, Ukraine.

Сорочинська М. А., Літовченко Я. М. Роль англійської мови в міжнародній стратегічній комунікації України. У статті досліджується роль англійської мови у міжнародній стратегічній комунікації України в умовах сучасного інформаційного простору та повномасштабної війни. Проаналізовано використання англійської мови для представлення України світовій спільноті, формування медійних наративів та впливу на іноземну громадську думку. Особливу увагу приділено мовним і культурним бар'єрам у процесі комунікації. Наголошено на значенні англійської мови як інструменту міжнародного позиціонування та інформаційного протистояння.

Ключові слова: англійська мова, медійні наративи, міжнародний імідж, стратегічні комунікації, Україна.

1. Introduction

In the 21st century, international communication has become one of the key factors of state subjectivity, since it is through the information space that perceptions of a country, its values, political position, and cultural identity are formed. In the context of globalization and digitalization, the state is no longer limited by physical borders, but emerges as an active participant in the global discourse, in which communication is a strategic resource of influence. For Ukraine, which has long been in a colonial and post-colonial information field, the issue of effective external communication is of particular importance, as it is about regaining its own voice and the right to independently interpret its history, present, and future.

The *relevance* of the study is due to the fact that, in the context of the Russian Federation's full-scale war against Ukraine, the English language is becoming one of the key tools of information defense, public diplomacy, and the formation of international support. It is the English-speaking segment of the global media space that is the field of competition between narratives, where Ukrainian and Russian communication strategies compete for the attention, trust, and solidarity of the international community. At the same time, the effectiveness of using English depends not only on its prevalence, but also on the quality of translation, cultural adaptation of messages, consistency of media strategy, and professionalism of communicators. The works of researchers address issues of information warfare, translation, cross-cultural barriers, and the role of English-language official communications. At the same time, issues related to the comprehensive analysis of the English language as a tool for Ukraine's strategic positioning in

wartime, taking into account linguistic, media, and institutional factors, remain insufficiently systematized.

The **object** of the study is Ukraine's strategic communication in the international information space.

The **subject** of the study is the use of the English language as a tool for shaping Ukraine's international image, constructing narratives, and countering information influences during a period of full-scale war.

The **aim** of the study is to conduct a comprehensive analysis of the role of the English language in Ukraine's strategic communication with an international audience and to determine its significance for shaping the global image of the state.

To achieve the stated goal, the article provides for the solution of the following **tasks**:

7. to analyze theoretical approaches to the study of strategic communication and media narratives;
8. to outline the role of English in official communications, digital platforms, and international information campaigns in Ukraine;
9. to identify the main linguistic and cross-cultural barriers to English-language communication;
10. to characterize institutional and resource constraints on the use of English in the state media strategy;
11. to identify prospects for the development of English-language strategic communication in Ukraine as a tool for international positioning.

2. English in Ukraine's international strategic communication

2.1. English-language communication in presenting Ukraine to the world

In today's world, English serves as a universal channel for the exchange of ideas. It is the language used in most academic discussions, for creating international media content, and for global cultural and educational platforms. Language is the key to conversation, which opens the way to mutual understanding, partnership, and Ukraine's full presence in the global arena.

Today, in the context of full-scale war, English serves as a tool of information defense. Ukraine uses English as the central tool for communicating its official messages, media narratives, and public diplomacy to a global audience, which is particularly important in the context of full-scale war. The English-language information segment is becoming a space where Ukraine's image is constructed for the outside world and where Ukrainian and Russian narratives compete for the support of the international community [4].

The topic of communication has been studied by many scholars, including V. Martynenko, O. Kysil, O. Kolisnyk, and others [3].

According to V. Martynenko, Ukraine's media strategy includes the coordinated use of the English-language press, international television channels, social networks, and cooperation with foreign journalists to convey the legitimacy of Ukraine's position and the illegality of Russian aggression. English-language media are seen here as conduits for Ukrainian narratives, which, through reports, analysis, and interviews, shape the global public's perception of the war, the resilience of Ukrainian society, and the need for support [4]. Research by O. Kysil shows that it is the English-language press that sets the basic framework for interpreting the war: through its choice of vocabulary, metaphors, and thematic emphases, it shapes the image of Ukraine as a victim of aggression, as well as an active subject defending democratic values. One of the key components of the media strategy is regular press conferences, briefings, and interviews with Ukrainian officials, aimed at an English-speaking audience or provided with simultaneous translation into English. Such forms of communication allow for first-hand information about combat operations, the humanitarian situation, war crimes, and political decisions to be conveyed, which increases trust in the Ukrainian narrative and reduces the space for Russian disinformation [2].

In the media strategy, official digital platforms with English-language sections are a key part of the infrastructure for spreading verified info. Regular updates in English data on the course of the war, international agreements, sanctions decisions, humanitarian programs ensure Ukraine's transparency for foreign journalists, governments, and think tanks and contribute to the growth of political and material support. English-language media play a key role in shaping Ukraine's image as a state fighting for sovereignty and democratic values, as well as a responsible partner in the international community. Statistics on the growth in the share of positive publications and the increase in the number of mentions of Ukraine in English-language media are interpreted as the result of a targeted English-language media strategy aimed at correcting the country's international image [4].

Researchers note that analysis of the translation of English-language messages in the digital sphere indicates that it is precisely in online communication that translation errors and incorrect transmission of neologisms, terms, and culturally sensitive units can distort Ukraine's intended image.

2.2. English-language media and narratives about Ukraine in the international information space

Ukrainian English-language media and related communication practices form a separate segment of the international information space, in which narratives about Ukraine are constructed as a state

that is a victim of aggression, but at the same time as an active subject of resistance and international partnership.

The systematic coverage of war crimes, human rights violations, and the resilience of Ukrainian society in the English-language press helps to reinforce the image of Ukraine as a party fighting for international law and democratic values, rather than merely a passive victim of the conflict. Ukraine's media strategy in the English-language segment is based on active interaction with international journalists, regular briefings, press conferences, and the creation of special information materials in English. The English-language media is seen as one of the key fronts in the current war, alongside the military, economic, and diplomatic dimensions.

Media representation of the war in the English-language press is structured around recurring narratives and images that gradually shape persistent perceptions of Ukraine and Russia's roles in the conflict. In this process, Ukrainian English-language media and official channels are trying to shift the focus from a passive “object of coverage” to an active “speaking subject,” which is reflected in the growing number of materials written by Ukrainian authors themselves in English or for an English-speaking audience [2].

3. Challenges of using English in Ukraine's strategic communication

3.1. Linguistic and cultural barriers in communicating Ukraine's position

For Ukraine, the use of English in strategic communication is always associated with overcoming linguistic and cultural barriers that complicate the accurate conveyance of the content and tone of Ukraine's position to foreign audiences. These barriers force Ukrainian communicators to constantly balance between preserving national specificity and adapting messages to the expectations and codes of the English-speaking world, which creates risks of simplification, shifting emphasis, and misunderstanding [1; 6].

Effective communication with a cross-cultural audience requires adapting the language and structure of messages, namely simplifying syntax, avoiding highly specific realities, and explaining culturally loaded concepts. For Ukrainian English-language messages, this means consciously “condensing” complex historical and political topics into a few key formulas and images that are easy to reproduce and disseminate in global media [7].

It has been proven that cross-cultural barriers manifest themselves not only in language difficulties, but also in systematic misinterpretations, from literal readings of metaphors to falsely attributing motivations to Ukraine that are characteristic of other political contexts [5]. Misunderstandings can arise when English-speaking audiences apply their own stereotypes and expectations to Ukrainian reality (for example, perceiving the war as a “normal” regional conflict), ignoring the meanings that the Ukrainian side puts into its messages.

4. Conclusion

The study found that English is a key tool for Ukraine's strategic communication in the international information space and one of the determining factors in shaping its global image. English-language messages enable Ukraine to be an active participant in global discourse, influencing the interpretation of the war, public opinion, and the level of international support. It has been proven that the effectiveness of such communication depends on the quality of translation, intercultural adaptation of messages, the professionalism of communicators, and the consistency of the media strategy.

The practical significance of the results lies in the possibility of using them to improve Ukraine's English-language media strategy, improve the quality of official and media communications, and train specialists in strategic communications and translation. Prospects for further research are related to the analysis of the effectiveness of individual English-language communication channels, a comparative study of international experience, and research into the perception of Ukrainian narratives by different segments of the global audience.

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UKRAINE AND TURKEY IN THE BLACK SEA SECURITY SYSTEM: CURRENT CHALLENGES AND PROSPECTS FOR COOPERATION

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Starova D. I., Marchenko N. O. Ukraine and Turkey in the Black Sea security system: current challenges and prospects for cooperation. The article analyzes the strategic importance of Ukraine and Turkey in the Black Sea (language supervisor) the Black Sea as a key geopolitical space where NATO, the EU, and Russia's interests intersect. Particular attention is paid to the consequences of Crimea's militarization, the functioning of the Montreux Convention, and the rise of asymmetric maritime warfare. The paper emphasizes that the Ukrainian–Turkish partnership has become a stabilizing factor in the region and an example of effective regional cooperation aimed at ensuring stability and freedom of navigation.

Keywords: cooperation, Montreux Convention, NATO, regional stability, security, maritime security.

Старова Д. І., Марченко Н. О. Україна та Туреччина в системі безпеки Чорноморського регіону: сучасні виклики та перспективи співробітництва. У статті проаналізовано стратегічне значення України та Туреччини в системі безпеки Чорноморського регіону, окреслено основні виклики та перспективи їхньої співпраці. Підкреслено зростання ролі Чорного моря як геополітичного простору, де перетинаються інтереси НАТО, ЄС і Росії. Розглянуто наслідки мілітаризації Криму, дію Конвенції Монтре та зростання ролі асиметричних форм морського протистояння. Зазначено, що українсько-турецьке партнерство є чинником стабільності в регіоні та прикладом ефективної взаємодії задля забезпечення безпеки і свободи судноплавства.

Ключові слова: безпека, Конвенція Монтре, морська безпека, НАТО, регіональна стабільність, співпраця.

1. Introduction

Problem Statement. The Black Sea has long been a key geopolitical crossroads linking Europe, Asia, and the Middle East — a space where trade and military rivalry intersect. In recent decades, Russia's militarization and aggression have destabilized this balance, especially after the annexation of Crimea in 2014 and the full-scale invasion of Ukraine in 2022. These events have turned the region into a front line between democratic and authoritarian powers, making the study of its dynamics and cooperation crucial both theoretically and practically.

Relevance of the Study. This research is relevant due to the Black Sea's growing strategic role in global and regional security. The region functions as a vital transport and energy corridor linking the Caspian basin with the Mediterranean and connecting Europe and Asia. It has also become a frontline in the NATO–Russia confrontation, affecting wider stability. For Ukraine, the Black Sea is crucial to sovereignty, trade, and defense; for Turkey, controlling the Bosphorus and Dardanelles makes it central to national security and regional influence.

Research Material and Sources. The research is based on a combination of academic literature, policy documents, and official statements by Ukrainian and Turkish authorities, as well as reports by international organizations such as NATO, the EU, and the Black Sea Economic Cooperation (BSEC). Analytical materials from think tanks — including the RAND Corporation, Carnegie Europe, Atlantic Council, and Center for Strategic and International Studies (CSIS) —

provide empirical and conceptual support for understanding the evolving security dynamics of the Black Sea region.

Analysis of Previous Studies and Unresolved Issues. Since 2014, scholarly research on Black Sea security has expanded, focusing on Russia's revisionism, NATO's deterrence role, and the Montreux Convention. Scholars such as Alexandros Petersen, Ionel Nicu Sava, and Oleksandr Chalyi have examined shifting power dynamics, while Turkish researchers like Hasan Basri Yalçın and Mesut Özcan have analyzed Turkey's balance between NATO commitments and ties with Russia. However, a gap remains in studying Ukrainian–Turkish cooperation as a distinct and evolving element of regional security. Existing works rarely address their growing interdependence in defense, maritime security, and diplomacy. This study fills that gap through an integrated analysis of their joint contribution to regional stability.

Object of the study - the system of security relations and geopolitical interactions in the Black Sea region in the post-2014 period.

Subject of the study - the strategic partnership and forms of bilateral cooperation between Ukraine and Turkey within the framework of regional security in the Black Sea.

Aim of the study - to analyze the evolution, current state, and prospects of Ukrainian–Turkish cooperation in the field of Black Sea security in the context of contemporary geopolitical challenges.

Tasks of the study:

1. Identify key changes in Black Sea security since 2014.
2. Analyze Ukraine's and Turkey's strategic interests in the region.
3. Examine main directions and mechanisms of their bilateral cooperation.
4. Assess the influence of external actors (NATO, EU, Russia) on this cooperation.
5. Explore prospects for strengthening the Ukrainian–Turkish partnership as a stabilizing factor.

2. Historical and Geographical Context

The Black Sea has long functioned as a strategic maritime nexus linking Europe, Asia Minor (Anatolia), and the Caucasus. Historically, it was under the influence of successive empires (Byzantine, Ottoman, Russian), each vying for control of its coasts, maritime trade, and naval access. The sea's enclosed character, limited exits via the Bosphorus and Dardanelles, and relative proximity to various centers of power made it a zone of contest and cooperation alike.

Geographically, the Black Sea is bounded by six littoral states—Turkey, Bulgaria, Romania, Ukraine, Russia, and Georgia—but its security environment also implicates non-coastal states (e.g. Moldova, Azerbaijan) and extraregional actors (e.g. NATO, EU, U.S., China) [2].

The sharp change in the geopolitical situation in the region in 2014 led to a review of Ukraine's policy on cooperation with Turkey. After the loss of Crimea, the conflict in eastern Ukraine, and the deterioration of the security situation in the Black region, Turkey took first place in Ukraine's foreign policy priorities. Rapprochement with Ukraine is one of the components of Turkey's return to its pro-European course [5, p. 69].

The Black Sea Region (BSR) is one of the main factors in building the security and stability in Europe and Asia. In addition to the numerous other issues in the region, ethnic conflicts, ongoing state building processes, the presence of vast natural resources, and strategic transport and energy corridors mean that the region is an extremely important and sensitive area. Hard security issues are still the basic problem in the region, no matter whether they are caused by ethnic, religious or any other differences between peoples and states, or by border problems [1, p.170].

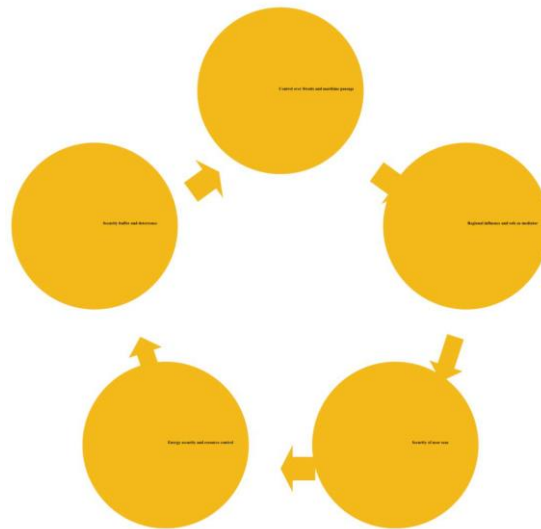
Control over naval access through the Straits (Bosphorus, Dardanelles) is regulated by the Montreux Convention (1936) — a legal regime that gives Turkey significant authority to manage passage of warships. In times of conflict, Turkey can restrict or ban warship transit, influencing naval operations in the Black Sea [7].

2.1. The Interests of Ukraine and Turkey

For Ukraine, the Black Sea is indispensable for maritime sovereignty and territorial integrity (the ability to project naval power, defend coastal zones, and secure exclusive maritime zones); economic survival (export routes for agricultural goods (grain, sunflower oil) and imports; naval rebuilding and deterrence (following the loss or impairment of much of the Ukrainian fleet after 2014, Kyiv has prioritized procurement, alliances, and partnerships to reestablish credible naval capability). For instance, Ukraine contracted with Turkey to build corvettes for its navy.

2.2. Turkey's Strategic Interests

Turkey holds a central position in Black Sea geopolitics (Picture 1). Through the Montreux Convention, it controls naval passage in the Straits, gaining leverage during crises. Acting as a regional mediator, Turkey practices “triangular balancing” — maintaining ties with both NATO and Russia while supporting Ukraine and other coastal states to limit Russian influence. Its “*Blue Homeland*” doctrine underscores dominance over nearby seas, including the Black Sea, and caution toward uncoordinated foreign naval activity. Energy independence also drives offshore exploration and control of maritime zones. Finally, stability in the Black Sea is vital for Turkey's security, as any escalation or foreign dominance near its coasts threatens national interests.



Picture 1. Turkey's Strategic Interests

Source: developed by the author based on [3].

2.3. Dynamics of Change after 2014

The Black Sea's strategic importance has sharply increased since 2014, following Russia's annexation and militarization of Crimea. The deployment of Kalibr missiles, S-400 systems, and the expanded Black Sea Fleet has allowed Moscow to project power across the region, disrupting the balance and creating new security risks for Ukraine and Turkey. Analysts from the Atlantic Council, Carnegie, and Chatham House note that the Black Sea has transformed from a stable area into one of Europe's most militarized maritime zones.

At the same time, the erosion of the pre-2014 status quo and the emergence of a new naval contestation have become evident. The destruction of the Russian flagship Moskva by Ukrainian forces in 2022 marked not only a symbolic but also a strategic turning point. It demonstrated that Russia's naval superiority in the Black Sea can be effectively challenged, signaling a shift in maritime dynamics and the rise of asymmetric capabilities that redefine how wars are fought at sea. Analysts from the Carnegie Endowment observe that this event catalyzed a rethinking of deterrence and defense strategies among coastal states [6].

The conflict has strained key legal and institutional frameworks, particularly the Montreux Convention of 1936, which regulates naval passage through the Turkish Straits. During Russia's 2022 invasion, Turkey invoked the Convention to restrict belligerent warships, reaffirming its role as the Black Sea's gatekeeper. Yet, as experts from the Atlantic Council and Chatham House note, this also exposed the ambiguities of the Montreux regime and Turkey's delicate balance between NATO commitments, regional stability, and relations with Russia.

In sum, the Black Sea region's geostrategic importance is grounded in geography, history, and evolving global politics. For both Ukraine and Turkey, this maritime domain is not peripheral,

but central to their security, economic, and foreign policy interests. The post-2014 transformations—especially Russia’s aggressive posture—have elevated the region from a tense but manageable periphery to a strategic frontline.

3. Conclusion.

The Black Sea lies at the crossroads of global security, economic connectivity, and geopolitical rivalry. In this context, the Ukraine–Turkey partnership is crucial for regional stability. Both nations aim to preserve a free, secure, and rules-based Black Sea while countering aggression and fostering coastal cooperation. Despite ongoing challenges such as Russian militarization and hybrid threats, their pragmatic collaboration demonstrates how mutual trust can strengthen regional resilience.

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INFLUENCE OF SOCIAL MEDIA ON MARKETING PERFORMANCE

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Stativa O. B., Marchenko N. O. Influence of Social Media on Marketing Performance. The article examines the impact of social networks on the marketing effectiveness of enterprises. Their role in brand formation, consumer engagement, and sales growth is examined. The emphasis is on key indicators for assessing the effectiveness of social media campaigns and their importance for increasing the competitiveness of companies.

Keywords: marketing, social networks, effectiveness, SMM, digital marketing, brand, consumer.

Статива О. Б., Марченко Н. О. Вплив соціальних мереж на ефективність маркетингу. У статті досліджується вплив соціальних мереж на ефективність маркетингу підприємств. Розглянуто їхню роль у формуванні бренду, залученні споживачів і збільшенні продажів. Акцент зроблено на ключових показниках оцінки ефективності кампаній у соцмережах та їх значенні для підвищення конкурентоспроможності компаній.

Ключові слова: маркетинг, соціальні мережі, ефективність, SMM, цифровий маркетинг, бренд, споживач.

1. Introduction

In the digital age, social media has become a key channel of communication between businesses and their audiences, transforming marketing and influencing audience behavior and the competitiveness of companies [1; 3; 6; 8]. Given their growing role, a deeper analysis of marketing effectiveness on these platforms is relevant [5; 6].

The *relevance* of the topic is due to the need to better understand the impact of social media on the success of marketing campaigns in the face of fierce competition and market digitalization [5; 7]. Despite a large number of studies, there is a lack of a holistic approach to assessing their effectiveness in various areas of business [8]. An open question is what factors most affect the results of such campaigns.

A review of the current literature shows that most researchers focus on individual aspects — content marketing, interaction with subscribers, building brand loyalty or the influence of opinion leaders [6; 8]. However, an integrated approach that would allow assessing the effectiveness of marketing activities taking into account both financial and behavioral indicators is insufficiently studied.

The *object* is the marketing activities of enterprises in the digital environment.

The *subject* is the impact of social networks on the effectiveness of marketing campaigns.

The *aim* is to identify the features and mechanisms of the impact of social networks on marketing effectiveness, as well as to formulate practical recommendations for improving the effectiveness of using social platforms in the activities of enterprises.

To achieve the goal, the following *tasks* are planned:

1. to analyze theoretical approaches to the concept of marketing effectiveness in the digital environment;

2. to investigate the main tools and channels of marketing in social networks;
3. to identify key factors that affect the effectiveness of campaigns in social networks;
4. to assess how social networks affect consumer behavior.

2. The impact of social networks on the effectiveness of marketing activities of enterprises

2.1. The role of social networks in modern marketing strategy

In the modern digital environment, social networks have become an integral part of marketing strategies of companies, regardless of the industry or scale of activity [1; 3]. They open up opportunities for constant contact with the target audience, contribute to the formation of the brand image, remain to maintain feedback in real time and promptly respond to changes in the preferences of real consumers [2; 4].

The main advantages of using social networks in marketing include: wide reach, rapid dissemination of information, personalized communication, and lower costs compared to traditional media [1; 5; 7].

Brands like Nike, Coca-Cola, and Starbucks effectively use Instagram, TikTok, and Facebook to engage audiences through interactive content, contests, and collaborations with influencers, which increases brand awareness and builds consumer trust [6; 9].

Social networks perform a number of important functions in the marketing activities of enterprises. First of all, they have a communication function, which allows you to establish direct contact with customers, maintaining constant contact with them. The information function consists in disseminating information about a product, service or brand, which helps to attract a new audience and maintain the interest of existing consumers [1; 3; 6; 8].

In addition, social networks has an imaginary function, that is, they contribute to the formation of a positive image of the company in the eyes of the target audience. Thanks to the analytical function, enterprises can receive valuable information about consumer behavior, their preferences and reactions, which allow them to adjust promotion strategies and increase the effectiveness of marketing decisions [1; 3; 6; 8].

Therefore, social networks do not just serve as an additional communication channel — they become a powerful tool that increases the flexibility, adaptability, and effectiveness of modern marketing strategies.

2.2. Assessing the impact of social media on marketing effectiveness

The effectiveness of social media marketing is assessed not only by reach, but also by metrics such as engagement, conversion, sales dynamics, loyalty, and ROI, which allows for a comprehensive

analysis of results in the digital environment [5; 6; 7]. Figure 1 presents a simplified model that reflects the consistent impact of social networks on the effectiveness of marketing activities:

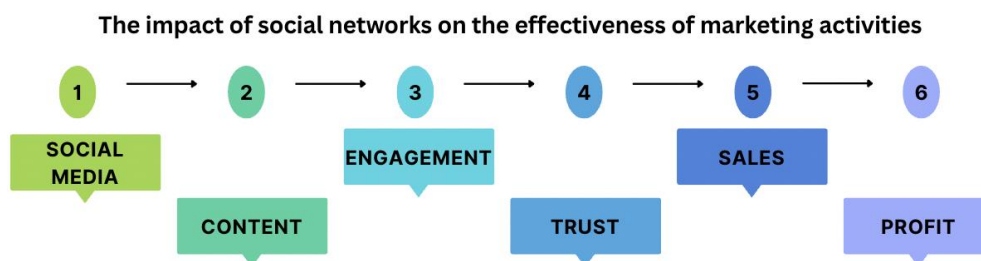


Figure 1. Model of the impact of social networks on marketing effectiveness.

Source: Developed by the authors based on: [1; 3; 5; 6; 8].

Practical experiment confirms that companies which systematically implement SMM tools usually demonstrate higher financial results. According to marketing research, an active brand presence in social networks can provide a 15–30% increase in sales within the first year [5; 7].

However, the impact of social networks is not limited to numbers alone. Behavioral aspects are also important: the level of trust in the brand increases, a loyal community is formed around the company, which contributes to long-term relationships with consumers. All this increases not only current performance, but also the strategic sustainability of the business [6; 8; 9].

Therefore, social networks have a multifaceted impact on marketing effectiveness, contributing to better interaction with customers, adaptability, and increased performance.

3. Conclusions

The study confirmed the key role of social networks in modern marketing is that they contribute to effective communication with the audience, form a positive brand image, strengthen trust and stimulate sales. Strategic use of SMM allows to increase engagement, customer loyalty and return on investment, which makes the integration of social networks an important component of the marketing strategy.

The practical value of the work lies in the possibility of using its results to optimize marketing campaigns in various industries.

In the future, it is advisable to develop more accurate methods for assessing the effectiveness of SMM and to study the impact of new technologies, in particular AI and automation, as well as to study the features of the use of social networks in various sectors of the economy.

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ENGLISH LANGUAGE SKILLS AS A REQUIREMENT IN THE GLOBAL LABOR MARKET

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Strelets K. A., Ilchenko V. V. English language skills as a requirement in the global labour market. The article analyzes the role of the English language in the global labour market. English is viewed as a key requirement for employment, especially in highly qualified and managerial positions. The study examines the impact of English proficiency on career opportunities, income levels, and professional competitiveness, with special attention to the Ukrainian labour market. It is concluded that knowledge of English significantly increases employability and access to better-paid jobs.

Keywords: career opportunities, competitiveness, employment, English language, global labour market.

Стрелець К. А., Ільченко В. В. Знання англійської мови як вимога глобального ринку праці. У статті проаналізовано роль англійської мови на глобальному ринку праці. Розглянуто її значення як однієї з ключових вимог до працевлаштування, особливо на висококваліфікованих і управлінських посадах. Досліджено вплив рівня володіння англійською мовою на кар'єрні можливості, рівень доходів і професійну конкурентоспроможність з урахуванням українського ринку праці. Зроблено висновок про важливість англійської мови для підвищення конкурентоспроможності фахівців.

Ключові слова: англійська мова, глобальний ринок праці, кар'єрні можливості, конкурентоспроможність, працевлаштування.

1. Introduction

Knowledge of English is increasingly becoming a mandatory requirement of the modern job market and determines employment opportunities and professional development. *The relevance* of this research is caused by the growing demand for specialists with English language skills and the need to increase their competitiveness.

This topic has been actively researched in recent years in works dedicated to the role of language skills in the job market. In particular, studies by G. Marconi, L. Vergolini and F. Borgonovi (OECD) analyzed the growing demand for English language knowledge in European countries and its connection with employment and professional status. Analytical reports from OECD and the University of Cambridge also confirm the impact of English proficiency level on career opportunities and income. At the same time, despite a significant number of scientific works, questions remain unresolved regarding the mechanisms of how English language knowledge influences salary differentiation and the competitiveness of specialists in new global industries.

The aim of the research is to determine the importance of the English language for career growth and professional competitiveness. *The object* of the article is the global labor market. *The subject* of the research is the role of English language skills as a requirement for employment. *The tasks* of the research are to analyze the level of demand for English language skills in the modern labor market, determine its role in shaping career opportunities and income levels, study the impact of English language proficiency on the competitiveness of the economy and business, and assess the features of demand for English language skills in the national labor market of Ukraine. To

achieve these tasks, the article uses an analysis of statistical data from international and national organizations, analytical reports, and the results of modern empirical studies.

2. The role of the English language in the global labor market

2.1. Dominance of the English language in the global labor market

Nowadays, English is a key skill for getting a job internationally. Knowledge of English is one of the most common requirements for workers in job advertisements across Europe. On average, 22% of all job vacancies in EU countries require English proficiency. For highly qualified positions, this number is even higher: every second vacancy for managers or professionals requires English language skills. In comparison, other languages such as German, French, and Spanish appear in only 1-2% of advertisements. Therefore, English is significantly ahead of other foreign languages in terms of demand in the job market [10, p. 4].

The dominance of English can be easily explained by the fact that it is the main language of international business and technology. Having English skills gives a competitive advantage when looking for work – especially for positions in international companies, management, IT and marketing [8]. In fact, employers increasingly consider English knowledge equal to other professional competencies. Almost 98.5% of companies already check candidates' English level through interviews or language tests [6, p. 3]. This means that for a large number of vacancies, English proficiency is no longer a bonus; it has become a standard requirement.

Currently, English is compulsory to study almost everywhere. In 2023, 89% of European secondary school students studied English as their first foreign language [8]. This educational trend reflects the market demand.

2.2. Career opportunities and the economic impact of English language knowledge

Empirical research confirms that English knowledge is directly connected with career growth and higher income. A Pearson survey from 2024 showed that 80% of respondents associate English proficiency with higher earnings, and many estimate a potential salary increase of up to 80%. Among people with a high level of English, 75% are satisfied with their salary, while among beginners only 47% are satisfied. Similarly, 88% of professionals with good language knowledge are satisfied with their job, while among those who have just started learning it, only 64% are satisfied [7].

Academic research confirms this effect. For example, in India, men who speak English fluently earn on average 34% more than those who do not know it, and even basic knowledge gives a 13% increase in hourly income [4, p. 1]. Similar language bonuses have been recorded in

China, Brazil, and European Union countries, where English knowledge is connected with higher salaries and better career prospects.

English also increases professional mobility and competitiveness of specialists. It opens access to international vacancies, projects, and internships. That is why 51% of people study the language to expand their range of job opportunities, and 40% to apply for higher positions [7]. In many industries, from information technology and finance to science and aviation, English knowledge has become a key condition for professional achievement and directly converts into higher income and faster career growth.

2.3. The English language and the competitiveness of the economy and business

The advantages of English appear not only at the level of an individual person or company, but also at the level of national economies. Countries with a higher average level of English proficiency show better indicators of integration into the world economy. States with more English-speaking populations have noticeably higher GDP per capita, as well as a larger volume of exports of high-tech goods and services. The economies of such countries find foreign markets more easily, because English knowledge facilitates exports and international cooperation. This effect is explained by increased productivity in their own industries due to access to advanced technologies and knowledge in the language of global communication [11, p. 4]. In other words, an English-speaking workforce is a strategic asset of a country, which allows it to be competitive in world markets.

International corporations also view English as a necessary condition for business success. Many transnational companies, such as Airbus, Nokia, Renault and others, have officially introduced English as an internal corporate language of communication to unite multinational teams and work effectively on different continents. Even in countries with other state languages, more and more firms are removing the language barrier by switching to English in business operations and communications.

A lack of English proficiency is seen as an obstacle to development. In all industries, there is a gap between the required and actual level of knowledge: at least 40% of companies report a “language skills gap” – a shortage of necessary language skills in their staff [6, p. 3]. The biggest shortage is felt in internal positions related to communication (HR, management, logistics), where a high level of English is essential [6, p. 3]. This gap encourages employers to invest in language training for employees or hire specialists from abroad. Therefore, national governments are also reacting: educational programs increasingly emphasize practical English, introduce bilingual education, and cooperate with international certification systems.

2.4. English in the national labor market of Ukraine

Ukraine is an example of a country that is integrating into the global market and systematically improving its level of English proficiency. In June 2024, the parliament adopted the Law of Ukraine “On the Use of the English Language”, which established the status of English as a language of international communication. The law states that certain positions can only be held on the condition of knowing English, which reflects the need for Ukrainians to be competitive in the global job market [2].

At the same time, the president and government launched the “Future Perfect” program, aimed at rapidly improving the language competence of the population. It includes free English courses, integration of learning from kindergarten, transition of government websites to Ukrainian and English languages, as well as encouraging civil servants to learn the language. The goal of the program is to make English an everyday working tool for citizens [9].

The demand for English knowledge from Ukrainian employers is steadily growing. According to data, in May 2024, 10,042 vacancies with requiring English were posted, which represents about 6 percent of all advertisements for the period [1]. Although this share looks small, these vacancies offer significantly higher pay and attract greater interest from candidates. The distribution of vacancies requiring English by industry (Fig.1) demonstrates that the language is most in demand in highly qualified and managerial fields.

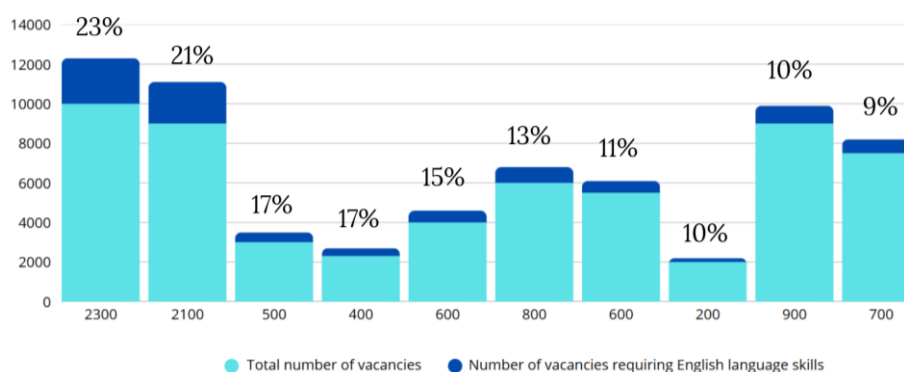


Figure 1. Top ten job categories with the highest share of vacancies requiring English language skills in Ukraine, 2024.

Source: Composed by the authors, using materials from [3].

Jobs requiring English have higher market value. In the financial sector, the average salary in such vacancies reaches about ₴35,000, which is 100% higher than the average level for the category. In logistics, the difference is 79%, in accounting 62%. There is a clear relationship between language level and income. With an average salary across the country of about ₴20,000,

a candidate with English level B2 can expect €27-30,000, while levels C1 and C2 open access to vacancies with incomes that sometimes twice exceed average indicators [3].

In addition, vacancies requiring English receive almost twice as many responses, because specialists understand the competitive advantages of language knowledge and apply more actively for such positions [3].

The Ukrainian job market has a noticeable gap between demand and real supply of English knowledge. According to the survey results (Fig.2), over 28% of Ukrainians have only A1-A2 language skills, which are insufficient for professional use. About 37% have level B1, 16% have level B2, and less than 8% of the population know English at levels C1-C2 [3]. As a result, employers often face a shortage of candidates with the necessary language skills, because there are more vacancies requiring fluent English than specialists with this level. This limits the development of export-oriented industries.

At the same time, the situation is gradually improving. Ukraine has improved its positions in world English proficiency rankings, ranking 35 out of 111 countries in the EF EPI 2022 ranking, which corresponds to a moderate level [5, p. 6]. A survey by the Ministry of Digital Transformation showed that 93% of parents want their children to learn English, and most adults strive to improve their own level [9].

The economic effect of investing in language skills is confirmed by statistics. A Jooble study from 2023 showed that improving English proficiency in Ukraine is on average connected with a salary increase of 50-60% [9]. Specialists with language knowledge can earn almost twice as much as colleagues without it in similar positions. Workers themselves also recognize this advantage and set higher salary expectations [9].

3. Conclusion

As a result of the research, it has been established that English language knowledge is one of the key requirements of the modern job market that significantly influences employment opportunities, income level, and career growth. English proficiency increases the competitiveness of specialists, promotes professional mobility as well as the development of business and the economy in general. The practical significance of the obtained results lies in the possibility of their use when forming educational programs and personnel policy. The prospects for further research are connected with analyzing the effectiveness of language training and evaluating the impact of English proficiency levels on employment in different industries.

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SPAIN AS A KEY PLAYER IN THE GLOBAL TOURISM SERVICES MARKET

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Stryzhakova S. R., Zmiiova I. V. Spain as a key player in the global tourism services market. The article analyzes Spain's role in the global tourism services market, highlighting key factors behind its position as a leading tourist destination. It examines global tourism trends and Spain's performance, focusing on competitive advantages, inbound tourism structure, and source markets. The findings emphasize that a diversified tourism structure supports Spain's stable position in the global market.

Keywords: arrival, logistics, receipt, source market, Spain, tourism services market.

Стрижакова С. Р., Зміїова І. В. Іспанія як ключовий гравець на світовому ринку туристичних послуг. У статті проаналізовано роль Іспанії на світовому ринку туристичних послуг, висвітлюючи ключові чинники, що зумовлюють її позиції як одного з провідних туристичних напрямів. Досліджено глобальні тенденції розвитку туризму та показники діяльності Іспанії з акцентом на конкурентні переваги, структуру в'їзного туризму та країни походження туристів. Результати підкреслюють, що диверсифікована структура туризму забезпечує стабільні позиції Іспанії на світовому ринку.

Ключові слова: Іспанія, країна походження, логістика, надходження, прибуття, ринок туристичних послуг.

1. Introduction

The global tourism services market plays a significant role in the world economy, contributing to economic growth, employment, and the expansion of international trade in services. Despite periodic global shocks and instability, international tourism remains one of the most dynamic sectors, demonstrating resilience and continuous structural transformation.

Spain has consistently been among the world's leading tourist destinations, ranking at the top in terms of international tourist arrivals and tourism receipts. A diversified tourism structure, developed infrastructure, and strong integration into the global tourism system determine Spain's role as a key player in the international tourism services market. The **relevance** of this study is stipulated by the necessity to assess Spain's position in the global tourism services market and to identify the structural features that ensure its competitiveness under changing global tourism conditions.

The **object** of the study is the global tourism services market and the **subject** is Spain's position and structural characteristics within this market.

The **aim** of the research is to analyze the key role Spain plays in the global tourism services market.

The following **tasks** are set to achieve the purpose:

1. to examine the current state and key trends of the global tourism services market;
2. to analyze Spain's position in the global tourism services market based on international tourist arrivals and tourism receipts;
3. to identify the structure of tourism services in Spain.

2. The position of Spain in the global tourism industry

2.1. Overview of the global tourism services market

Figure 1 clearly shows that there are three distinct phases in the development of the global tourism market, characterised by different economic conditions.

The period from 2016 to 2019 is characterised by moderate, linear growth in both indicators, with a high level of correlation between physical volume (arrivals) and monetary volume (revenue).

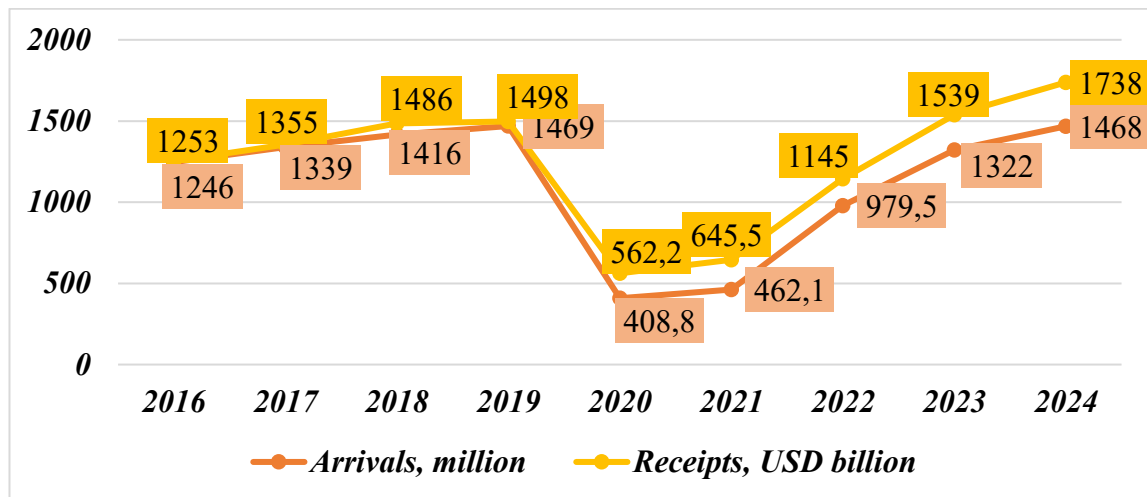


Figure 1. International tourist arrivals and tourism receipts worldwide 2016–2024.

Source: Composed by the author, using materials from [4].

The dynamics of structural shifts in terms of revenue were such that from 1,246 million (2016), the figure peaked in 2019 at 1,469 million. The dynamics of revenue were also positive, rising from 1,253 billion US dollars to 1,498 billion US dollars.

It can be said that the market is developing extensively, with average spending per tourist remaining relatively stable, according to the authors of the study.

A structural shock was recorded in 2020 when there was a sharp decline caused by the SARS–COV–2 Pandemic and the immediate introduction of global travel restrictions.

Arrivals plummeted to 408.8 million, a drop of approximately 72% compared to 2019. There was also a decline in revenues, which fell to \$562.2 billion (approximately a 62% decline). Accordingly, the smaller percentage decline in revenues compared to arrivals indicates that those who did travel spent more. According to the authors, this is due to longer stays or increased logistics costs, as well as mandatory testing for the disease.

However, a gradual recovery and transformation took place in 2021–2024, with a slow recovery beginning in 2021, when arrivals increased to only 462.1 million. A sharp acceleration in arrivals occurred in 2022 (arrivals doubled to 979.5 million). However, a divergence in indicators occurred in 2023–2024. In 2023, revenues exceeded the pre-pandemic level of 2019

(1,539 billion versus 1,498 billion), while arrivals did not fully recover (1,322 million versus 1,469 million). In 2024, the gap widened and arrivals almost matched the 2019 level (1,468 million), but revenues rose sharply, reaching a historic high of \$1,738 billion. The graph illustrates the full recovery of the global tourism market after the unprecedented crisis of 2020, with a transition to a new model where revenues are growing faster than the physical flow of tourists.

The fact that money in 2023-2024 significantly outpaces the 2016-2019 period indicates a significant increase in the average cheque per tourist. This may be the result of global inflation, such as rising costs of air tickets, hotels, and services. The effect of «deferred demand», when tourists are willing to spend more of their savings on higher quality travel.

As of 2024, the physical volume of the market (number of tourists) has actually returned to 2019 levels (99.9% recovery), signalling the end of the post-crisis recovery cycle for the industry. There has been an increase in the profitability of the industry, as the tourism industry has begun to generate more foreign exchange revenue with the same number of customers, which is a positive sign for economies dependent on the export of tourism services.

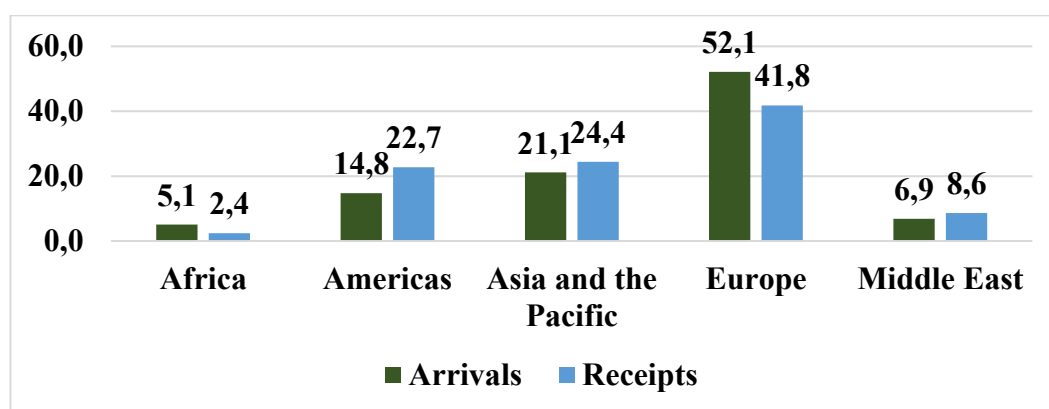


Figure 2. Regional structure of international tourist arrivals and receipts in 2024, % of total.

Source: Composed by the author, using materials from [4].

Figure 2 explains the impact of exogenous shocks on the industry and its subsequent recovery. During the period of stable growth in 2016-2019, a synchronous upward trend in both indicators was observed. The correlation between the number of tourists and revenues is high and positive. A local peak was reached in 2019: 1,469 million arrivals and \$1,498 billion in revenue. The “spending per tourist” ratio remains relatively stable (about \$1,000 per person).

The “structural break” phase in 2020, when the pandemic crisis was raging, caused a sharp decline. Arrivals fell to 408.8 million (–72% compared to 2019), and revenues fell to 562.2 billion US dollars (–62%). The smaller decline in revenue compared to the number of tourists in 2020 indicates that the remaining tourists (those who did travel) had higher average spending, likely due to longer stays or increased logistics costs.

The widening gap between the revenue curve and the arrivals curve in 2023-2024 indicates an increase in the marginality of the tourism product. According to the authors, this may be due to global inflation – rising prices for aviation fuel and hotel services, the effect of deferred demand, and a possible shift in the structure of tourism towards higher-quality and more expensive travel. The market has moved from a model of volume recovery to a model of value growth. The economic efficiency of a single tourist has increased.

If we analyse the structure by region, Europe is the dominant player. It accounts for the lion's share of the market in terms of arrivals (52.1%), i.e. it receives more than half of all international tourists worldwide. However, it should be noted that its share of revenue is significantly lower (41.8%). This indicates lower average spending per tourist in Europe compared to other regions. This may be due to the high share of intra-regional tourism, such as short distances, low-cost airlines and short trips.

In contrast, America and Asia-Pacific are high-income markets, with the share of revenue exceeding the share of arrivals in these regions. In America, 14.8% of arrivals generate 22.7% of global revenue. In Asia, 21.1% of arrivals generate 24.4% of revenue.

This indicates the high added value of the tourism product. Tourists visiting these regions tend to spend significantly more.

As for the Middle East, this region is growing, as the share of revenues (8.6%) exceeds the share of arrivals (6.9%). This indicates the region's focus on the luxury and business tourism segment, such as the UAE, Qatar, and Saudi Arabia, which generates a high average check.

As for Africa, this region has the smallest share in both arrivals (5.1%) and revenues (2.4%). There is a significant gap (revenues are half the share of arrivals), which may indicate the low cost of services in the region or less developed infrastructure for extracting additional value from tourists.

Figure 2 shows a global imbalance, as Europe is a mass hub with a huge flow of people but moderate per capita income, while America and Asia are more premium destinations where fewer tourists generate disproportionately high revenues.

2.2. Spain's position in the global tourism services market

Figure 3 presents the analysis of the dynamics of international tourist arrivals and revenues in Spain from 2016 to 2024.

It should be noted that in the pre-crisis period of 2016-2019, Spain experienced extensive growth. During this period, the number of tourists steadily exceeded expectations.

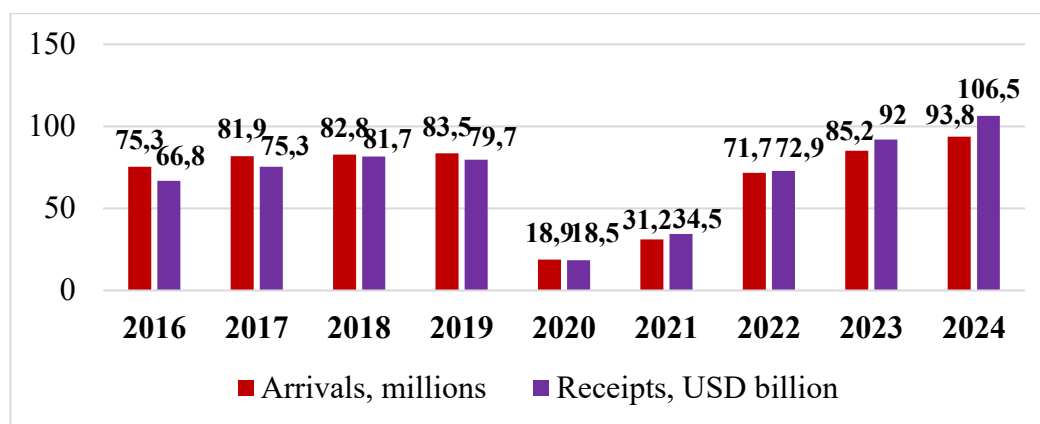


Figure 3. Dynamics of international tourist arrivals and tourism receipts in Spain in 2024.

Source: Composed by the author, using materials from [4].

In 2019, there was a peak – 83.5 million tourists brought in \$79.7 billion. This is explained by the fact that the market operated according to the mass tourism model, where physical flow dominated monetary returns. The year 2020 was a period of shock, and the pandemic caused a sharp decline in indicators in the context of Spain. The argument is based on arrivals, which fell to 18.9 million, a 4.4-fold drop compared to 2019. Revenues fell to \$18.5 billion, with figures almost equal to those of previous years. However, the turning point came in 2023. This is a watershed moment. For the first time in the entire period under review, the volume of revenues (\$92 billion) significantly exceeded the number of tourists (85.2 million). In 2024, a new trend took hold, and it is a positive one: arrivals totalled 93.8 million, which is 12.3% above the previous level. In terms of revenue, it amounted to \$106.5 billion, an increase of 33.6% compared to 2019.

When considering Spain's position in a global context, it is advisable to start with the regional context reflected in the previous graphs. While the pan-European statistics in the previous graph show a certain imbalance, where dominance in terms of tourist numbers does not always translate into a proportional share of global revenues, a detailed analysis of the Spanish case shows that the country is driving qualitative changes, successfully overcoming this trend.

A key indicator of this transformation is the situation in 2024, when tourism revenues significantly exceeded physical flow indicators for the first time. This divergence signals a strategic shift in the national industry from an extensive model of mass “beach holidays” to high-margin tourism, where the priority is the financial return of the industry, not just gross attendance figures. This thesis is clearly confirmed by the phenomenon of “qualitative growth” revealed when comparing post-crisis results with the base year of 2019. The growth rate of financial revenues was almost three times higher (+33.6%) than the rate of recovery in tourist flows (+12.3%), which correlates with global trends in service inflation, but in Spain is showing signs of a deliberate strategy [3].

The final proof of the industry's growing efficiency is the dynamics of average revenue per tourist. Calculations show that while in 2019 one visitor generated an average of \$954 for the Spanish economy, in 2024 this figure rose to \$1.135. This increase in the share of each tourist by almost 19% convincingly proves that Spain is successfully implementing the transition to a model of intensive development, ensuring record foreign exchange earnings with moderate growth in the physical load on infrastructure.

2.3. Structural characteristics of tourism services in Spain

An analysis of the structure of inbound tourism in Spain in 2024 shows a high level of market concentration, where the dominance of the so-called «big three» is a determining factor.

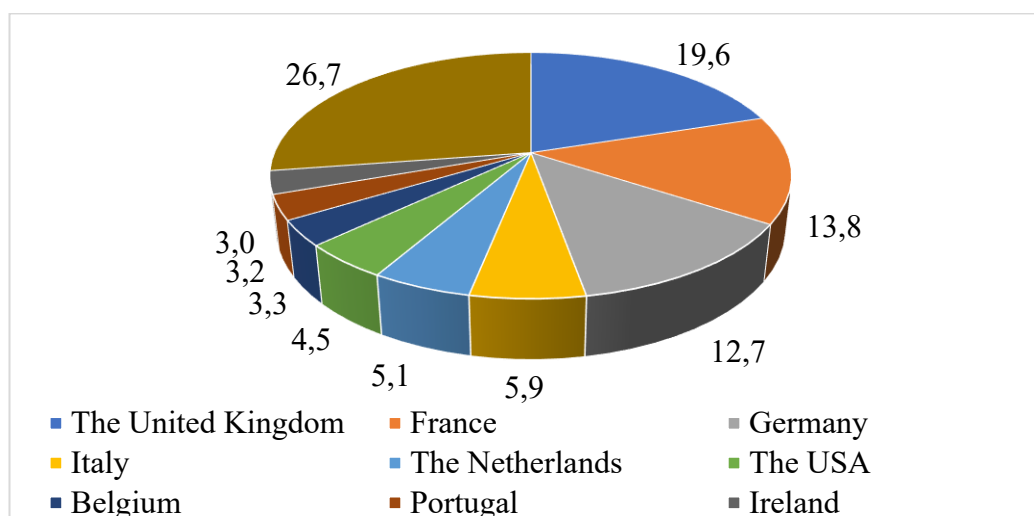


Figure 4. Structure of international tourist arrivals to Spain by source markets in 2024, % of total.

Source: Composed by the author, using materials from [2].

Almost half of all tourist traffic (46.1%) is provided by just three countries, among which the United Kingdom remains the undisputed leader with a share of 19.6%. This means that, in fact, every fifth foreign guest in Spain is British, which creates both a stable demand base and certain risks of dependence on a single market. France (13.8%) and Germany (12.7%) occupy the second and third positions, which can be explained by geographical proximity and convenient land logistics in the case of France, as well as the traditional preference of German tourists for beach holidays on the Spanish archipelagos.

The middle segment of the market is formed by Italy (5.9%) and the Netherlands (5.1%), ensuring a stable flow of visitors from continental Europe. At the same time, the other countries category, which accounts for 26.7% of the total volume, indicates the presence of a significant «long tail» of demand, formed by a diversified list of countries in Scandinavia, Latin America and

Asia. The position of the United States (4.5%) deserves special attention as the only non-European market to make it into the list of leaders. The presence of the American segment is critically important for the industry's economy, as long-haul travellers are typically characterised by higher spending and longer stays, which directly correlates with the strategy of increasing profitability [1].

Summarising the data, we can see a clear geographical determinism in Spanish tourism, which remains largely dependent on intra-European demand and the economic situation in the Eurozone. The high concentration on the British market carries potential risks associated with currency fluctuations or changes in air traffic. However, the gradual attraction of high-margin markets, such as the US, indicates successful steps towards diversification and confirms Spain's transition from a model of exclusively mass European resorts to a strategy of qualitative growth.

3. Conclusions

The analysis of the 2016-2024 period confirms that the global tourism industry has not only achieved full post-pandemic recuperation but has entered a phase of structural transformation characterized by a decoupling of physical flows and financial performance. Spain serves as a paradigmatic case of this shift, demonstrating a successful transition from an extensive «mass tourism» model to an intensive “value-based” strategy. This is empirically evidenced by the significant divergence between moderate growth in tourist arrivals (+12.3%) and a surge in tourism receipts (+33.6%) in 2024 relative to pre-crisis levels, resulting in a 19% increase in yield per tourist. While the structural analysis reveals a continued geographical dependence on the “big three” European markets (UK, France, Germany), the strategic expansion into high-yield long-haul markets, such as the USA, indicates a positive trend toward diversification. Ultimately, the study concludes that Spain's tourism sector has evolved into a more financially efficient ecosystem, prioritizing economic marginality and quality over gross volume.

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CURRENT DEVELOPMENT TRENDS IN THE INTERNATIONAL CONSULTING SERVICES MARKET

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Suleimanova B. D., Kalyuzhna A. B. Current development trends in the international consulting services market. The article examines the current state and trends in the development of the international consulting services market in the context of globalization and digital transformation of the global economy. It analyzes the dynamics of the international consulting market, its structure by type of service and company size, as well as the key challenges facing consulting companies in the modern business environment. Particular attention is paid to the impact of technological innovations, changes in customer behavior, and increased competition on the future development of international consulting. The main directions for further market evolution and their significance for improving business competitiveness have been identified.

Keywords: international consulting, consulting services, globalization, digital transformation, competition, services market.

Сулейманова Б. Д., Калюжна А. Б. Сучасні тренди розвитку ринку міжнародних консалтингових послуг. Стаття досліджує сучасний стан та тенденції розвитку ринку міжнародних консалтингових послуг в умовах глобалізації та цифрової трансформації світової економіки. Аналізується динаміка міжнародного консалтингового ринку, його структура за видами послуг та розмірами компаній, а також ключові виклики, що стоять перед консалтинговими компаніями в сучасному бізнес-середовищі. Особлива увага приділяється впливу технологічних інновацій, змін у поведінці клієнтів та посилення конкуренції на майбутній розвиток міжнародного консалтингу. Визначено основні напрямки подальшої еволюції ринку та їх значення для підвищення конкурентоспроможності бізнесу.

Ключові слова: міжнародний консалтинг, консалтингові послуги, глобалізація, цифрова трансформація, конкуренція, ринок послуг.

1. Introduction

International consulting represents one of the most dynamic segments of the global services market and plays a crucial role in improving the efficiency and competitiveness of companies operating in an increasingly complex international economic environment. The intensification of globalization processes, the internationalization of business activities, growing competitive pressures, and the rapid advancement of digital technologies have significantly increased demand for professional consulting services.

The **relevance** of this research is determined by the need for a comprehensive analysis of contemporary trends in the development of the international consulting services market and the identification of key factors shaping its transformation in the context of global economic changes.

The **object** of the study is the international consulting services market. The **subject** of the study is the current trends, structural characteristics, and development challenges of international consulting.

The **aim** of the article is to analyze the current state of the international consulting services market, identify its main development trends, and determine the prospects for its further evolution.

The following **tasks** are set to achieve the purpose:

1. to analyze the dynamics and scale of the international consulting market;

2. to examine the structure of consulting services by major types of activities;
3. to identify key challenges affecting the contemporary development of international consulting;
4. to outline promising directions for the future development of the consulting services market.

2. Comparative Analysis

2.1. Current State and Dynamics of the International Consulting Services Market

Over the past decades, the international consulting services market has demonstrated a stable upward trajectory. By 2023, its total value exceeded one trillion US dollars, reflecting the growing importance of consulting activities within the global economy. This expansion has been driven primarily by the increasing complexity of business processes, the global expansion of multinational corporations, and the urgent need for firms to adapt to rapid technological and organizational changes [2; 7].

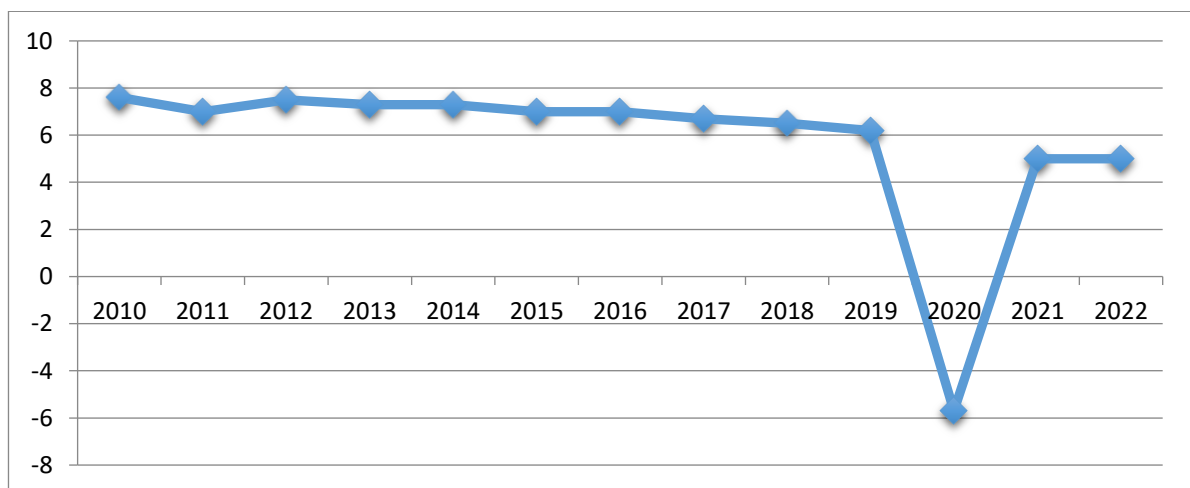


Fig.1. Growth rate of the international consulting services market, %

Made by the author using data from [2; 6].

An analysis of market dynamics indicates that even major global economic shocks, including financial crises and the COVID-19 pandemic, had only a temporary negative impact on growth rates. As shown in Figure 1, the horizontal axis (X-axis) represents the years from 2010 to 2022, while the vertical axis (Y-axis) indicates the annual growth rate of the international consulting services market, expressed in percent.

In particular, during the COVID-19 pandemic in 2020, the market experienced a sharp decline of approximately 11–12 percentage points, with the growth rate dropping from about 6% in 2019 to around – 6% in 2020. Following short-term slowdowns, most notably in 2011 and 2020,

the consulting industry recovered relatively quickly due to heightened demand for crisis management solutions, digital transformation strategies, and business process optimization.

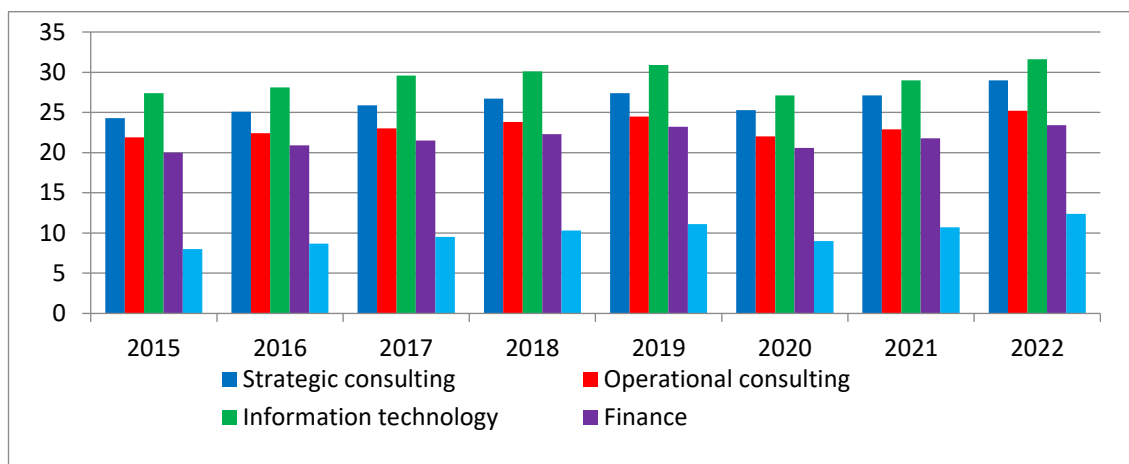


Fig. 2. Growth dynamics of demand for international consulting services by type of service for 2015-2022, %

Made by the author using data from [3; 4].

The structure of the international consulting market is highly diversified (Fig. 2). Strategic and management consulting account for the largest share, as companies increasingly require long-term development strategies and professional support in enhancing organizational effectiveness. At the same time, information technology consulting has gained substantial importance, driven by the accelerated digitalization of economic activity and the widespread adoption of advanced technologies [4; 7].

2.2. Development Features and Challenges of International Consulting

The contemporary development of international consulting is characterized by intensified competition among firms of different sizes, ranging from large multinational consulting corporations to small and medium-sized specialized companies. Global market leaders benefit from extensive international networks and broad service portfolios, enabling them to serve complex client needs across multiple regions. Simultaneously, smaller and mid-sized consulting firms are strengthening their positions by focusing on niche markets and offering highly customized solutions. This dual structure increases overall market competitiveness but also creates significant entry barriers for new participants [1; 7].

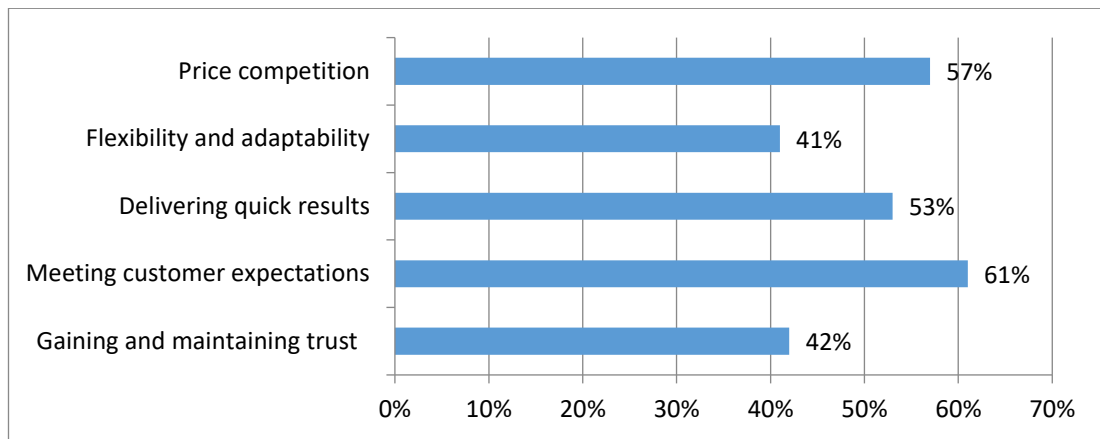


Fig. 3. A number of problems with consulting services caused by changes in customer behavior, %

Made by the author using data from [5].

Among the key challenges, indicated in Figure 3, facing the international consulting industry is the transformation of client behavior. Modern clients increasingly demand greater transparency, fixed pricing models, measurable outcomes, and faster delivery of consulting solutions. In addition, consulting firms face growing pressure on profitability due to intensified price competition and the necessity of continuous investment in digital tools and innovative methodologies. Another critical issue is the shortage of highly qualified professionals capable of operating in a digital economy and delivering integrated consulting solutions at the international level. Human capital development has therefore become a strategic priority for consulting companies [4; 8].

2.3. Prospects for the Development of the International Consulting Services Market

Future prospects for international consulting are closely linked to the ongoing digital transformation of business and the diffusion of innovative technologies. Demand is expected to grow for consulting services related to digital transformation, data analytics, artificial intelligence, cybersecurity, and technology-enabled business models [4; 7]. An additional promising area is consulting in the field of sustainable development and environmental, social, and governance (ESG) practices. As companies increasingly integrate sustainability principles into their strategic agendas, consulting firms are gaining new opportunities to support the design and implementation of responsible business strategies [1; 8].

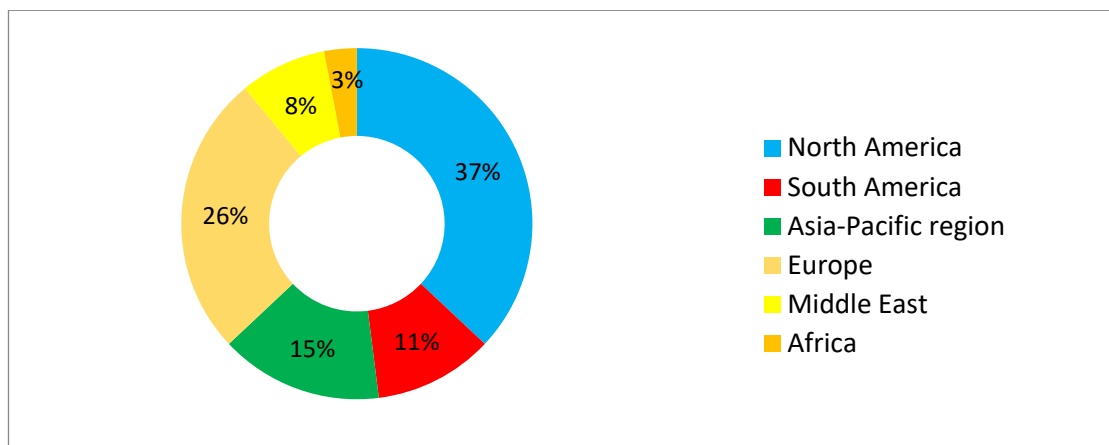


Fig. 4. Structure of the global consulting services market by geographic region, %
Made by the author using data from [1; 8].

As shown in Figure 4, the global consulting services market is currently dominated by North America and Europe, while the Asia-Pacific region accounts for 15%, South America for 11%, the Middle East for 8%, and Africa for 3% of the total market. The figure also indicates significant potential for further geographical expansion of international consulting services, particularly in emerging economies of the Asia-Pacific region, the Middle East, and Africa, where demand for managerial, technological, and institutional expertise continues to rise. At the same time, long-term success in the consulting industry will depend on firms' ability to enhance flexibility, foster innovation, and build durable partnerships with clients [4; 5].

3. Conclusions

The findings indicate current development trends in the international consulting services market. It is established that international consulting constitutes a vital component of the global economy, evolving under the influence of globalization, digital transformation, and intensifying competition.

Despite a range of challenges related to changing client expectations and increasing pressure on profitability, the international consulting market demonstrates substantial potential for further growth. Its future development will largely depend on the adoption of innovative technologies, the expansion of service portfolios, and the strengthening of the role of consulting in supporting sustainable and competitive business development.

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PRODUCTION AND CIRCULATION OF EXCISE GOODS

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Sydorenko A. K., Izotova L. I. Production and circulation of excise goods. The study examines the current state of production and circulation of excisable goods in Ukraine, including fuel, tobacco, and alcoholic beverages. It highlights issues related to the shadow market and shortcomings in the licensing system. The research proposes ways to improve state control, licensing, and traceability systems based on European experience. It also emphasizes the need to enhance transparency and efficiency in excise tax administration.

Keywords: excisable goods, excise tax, licensing, state control, shadow market, traceability, Ukraine.

Сидоренко А. К., Ізотова Л. І. Виробництво та обіг підакцизних товарів. У дослідженні розглядається сучасний стан виробництва та обігу підакцизних товарів в Україні, зокрема пального, тютюнових та алкогольних виробів. У ньому підкреслюються проблеми тіньового ринку та недоліки системи ліцензування. У дослідженні пропонуються шляхи вдосконалення державного контролю, ліцензування та системи простежуваності відповідно до європейського досвіду. Також наголошується на важливості підвищення прозорості та ефективності адміністрування акцизного податку.

Ключові слова: акцизний податок, державний контроль, ліцензування, підакцизні товари, простежуваність, тіньовий ринок, Україна.

1. Introduction

The relevance of the topic. Excisable goods play a crucial role in shaping the state budget of Ukraine. The excise tax serves as a stable source of revenue and, at the same time, as a tool for influencing the consumption of harmful products: alcohol, tobacco, and fuel. Under the conditions of martial law and economic instability, the effective administration of excise taxation has become especially important, since market shadowing, smuggling, and tax evasion reduce budget revenues. Therefore, studying the current state of excisable goods production and circulation, as well as identifying ways to improve state control, is a key task of Ukraine's economic policy.

The subject of the research is the economic and legal mechanisms of the functioning of the excise taxation system, its impact on the excisable goods market, and its influence on the state's financial condition.

The aim of the research is to analyze the current state of production and circulation of the main groups of excisable goods in Ukraine, to assess the problems in the functioning of the excise taxation system, and to determine directions for its improvement.

The tasks of the research are to explore the essence and economic role of excise taxes in public finance, examine the legal framework governing the production and circulation of excisable goods in Ukraine, and analyze trends in production, distribution, and excise revenues from fuel, tobacco, and alcohol. It also seeks to identify key issues in excise taxation, particularly regarding control and licensing, and to propose improvements in state regulation based on European experience.

2. Regulatory and legal framework and theoretical provisions

Excise taxes are aimed at reducing the consumption of certain goods and ensuring budget revenues. Effective administration of excise duties minimizes tax evasion. The primary legislative act governing the production and circulation of alcoholic and tobacco products, as well as fuel, is the Law of Ukraine ‘On State Regulation of the Production and Circulation of Ethyl Alcohol, Spirit Distillates, Bioethanol, Alcoholic Beverages, Tobacco Products, Tobacco Raw Materials, Liquids Used in Electronic Cigarettes, and Fuel’ [6]. It defines the organization of production, certification, product quality, as well as rules for import, export, wholesale, and retail trade.

The production and trade of excisable goods are possible only with a license, in accordance with the Law of Ukraine ‘On Licensing of Types of Economic Activities’ [8] and paragraph 7, part 1, article 7 of the aforementioned law. The procedure for collecting taxes is regulated by the Tax Code of Ukraine [5], and the list of excisable goods is provided in Article 215.1. Payment of excise tax is confirmed by a stamp on the packaging, the production and circulation of which is regulated by the Resolution of the Cabinet of Ministers of Ukraine No. 1251 dated December 27, 2010 [7].

A high level of excise taxes encourages tax evasion, as they are included in the VAT base. Let’s analyze the three key groups of excisable goods in Ukraine: motor fuel, nicotine-containing products (primarily cigarettes), and alcoholic beverages (mainly spirits).

3. Production and circulation of fuel

Fuel is one of the key groups of excisable goods, providing significant revenues to the budget, but at the same time, it remains vulnerable to tax evasion. The main evasion schemes include the illegal importation of fuel, the sale of counterfeit products without paying excise duty, and manipulation of sales volumes. Statistical data on sales, imports, mileage, and surveys are used to estimate the actual fuel consumption and the untaxed shadow market volume.

In 2020-2022, the level of illegal circulation remained high, reaching 30-34%, which is explained by the difficult economic situation and insufficient control over fuel sales. The peak was recorded in 2022, when the illegal market reached 34% due to military actions and disruptions in supply chains.

A clear seasonal dynamic of consumption is also observed: the peak of sales occurs in the summer months – 751 million liters in July 2023 and 744 million liters in July 2024, while the lowest figures were recorded in winter – 595 million liters in January 2024 and 551 million liters in January 2025. After the winter decline in 2025, sales volumes gradually increased, reaching 646 million liters in May (Table 1).

Table 1

Share of the illegal automotive fuel market in 2020-2024

Year	Legal sales, million liters	Legal sales through cash registers (RRO), million liters	Number of MTPL contracts, thousand	Estimated consumption volume, million liters	Percentage of Shadow Market
2020	8,654,813	7,177,684	8,333,824	12,300,000	30%
2021	9,529,205	7,972,844	9,022,245	13,316,050	28%
2022	7,024,193	5,774,662	7,182,329	10,600,493	34%
2023	9,891,028	8,202,912	7,668,851	11,318,558	13%
2024	9,625,136	7,982,400	7,973,875	11,768,746	18%

Source: [1].

This seasonality affects the volume of the shadow market: taking into account sales dynamics, its size decreased in 2023 to 13%, increased in 2024 to 18%, and remained at 19% in the first and second quarters of 2025. This confirms the need for continuous monitoring and adaptation of control measures to seasonal fluctuations in fuel consumption (Table 1).

4. Production and circulation of tobacco products

Tobacco products, especially cigarettes, represent one of the main groups of excisable goods in Ukraine. Their consumption largely depends on excise rates, legislative changes, and control policies. While higher taxes help curb smoking, they also create strong incentives for smuggling, counterfeit production, and the growth of the illegal tobacco market.

One of the main problems in the circulation of excisable goods in Ukraine remains the illegal market for tobacco products. In April 2025, Ukraine experienced an expansion of the illicit tobacco market, accompanied by a notable increase in the share of counterfeit products, which reached 8.8% compared to 6.4% in February 2025. According to annual estimates, over one-third of counterfeit tobacco products (39%) bear indications of forged excise stamps.

A significant portion of the illegal segment consists of products labeled 'Duty Free' or intended for export, which are unlawfully distributed within the domestic market. Based on packaging information, more than half of such products are manufactured by the Vynnyky Tobacco Factory. The dominant brands in this category include Compliment (47%) and Lifa (5%).

The remaining 43% of illicit products are associated with brands produced by Marshall Finest Tobacco, with the most widespread being Marshall (26%), Urta (9%), and Brut (3%). At this scale of illegal cigarette circulation, annual losses to the state budget of Ukraine due to tax evasion are estimated at approximately UAH 25.2 billion, while the volume of the shadow cigarette market exceeds 5 billion cigarettes in 2025.

New methods of avoiding legal responsibility have been identified. Offenders increasingly package cigarettes in zip-lock bags instead of standard packs, thereby complicating the process of determining the origin and authenticity of the products [4].

5. Production and circulation of alcoholic beverages

Alcoholic beverages are a major group of excisable goods that provide stable revenues to the state budget. However, like tobacco and fuel, the alcohol sector remains vulnerable to illegal production, counterfeiting, and sales without excise payment. The most common violations in the field of alcohol circulation include: trade in alcoholic beverages without a valid license; sale of products without excise stamps or with forged ones; distribution of alcohol through illegal online platforms. To address these issues, the state is introducing electronic traceability systems and strengthening penalties for counterfeit production and sales.

In January-September 2025, the general fund of the State Budget of Ukraine received UAH 129.5 billion in excise tax revenues from domestically produced and imported excisable goods. The budget additionally exceeded the planned target by UAH 10.4 billion, representing an 8.8% increase compared to the projected income level. Compared to the corresponding period of the previous year, excise tax revenues grew by UAH 32.2 billion, or 33.1%, reflecting a significant strengthening of fiscal collection efficiency and improved control over the production and circulation of excisable products [3].

Since the beginning of 2025, the State Tax Service of Ukraine has conducted 24,000 on-site inspections in the sphere of tobacco and alcohol circulation. Penalties for identified violations exceeded UAH 795 million, and more than 2,500 licenses were revoked. These measures indicate a significant intensification of enforcement efforts and demonstrate the government's commitment to cleansing the market of illegal operators and improving overall regulatory compliance [2].

Moreover, modern control instruments are being actively implemented. One of the key initiatives is the Electronic Traceability System, which will ensure full monitoring of the production and circulation of alcoholic beverages. The system has already been launched in a pilot mode, and its full-scale implementation is expected to begin on January 1, 2026. It provides for data exchange between state authorities, as well as control over licensing, storage facilities, and production equipment, which will significantly increase the transparency of the industry. These measures constitute an essential component of the state policy aimed at reducing the shadow economy, ensuring fair competition, and strengthening the fiscal capacity of the state budget.

6. Problems and directions for improvement

The system of excise taxation in Ukraine faces several structural shortcomings. Excise warehouses currently cover only a portion of excisable goods, creating unequal conditions for producers. The

requirement of advance payment of excise taxes complicates business operations, while high licensing fees limit market entry for new participants. Moreover, insufficient control mechanisms and weak digitalization contribute to the expansion of the shadow market.

To address these challenges, it is advisable to expand the scope of excise warehouses, introduce a suspended taxation regime, simplify licensing procedures, and strengthen electronic monitoring of goods movement. These measures would help reduce market informality, enhance fiscal efficiency, and increase budget revenues.

7. Conclusion

Excise taxation serves as an important instrument of state regulation, providing substantial budget revenues and influencing the consumption levels of harmful goods. The analysis of the production and circulation of excisable goods in Ukraine indicates a gradual improvement in control efficiency; however, the issue of the shadow market remains relevant, particularly in the sectors of fuel, tobacco, and alcohol.

To enhance the effectiveness of the system, it is necessary to improve licensing mechanisms, strengthen digital monitoring of product circulation, expand the use of excise warehouses, and introduce European approaches to product traceability. The implementation of these measures will contribute to reducing the shadow economy, enhancing the country's financial stability, and ensuring fair competition in the market of excisable goods.

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THE ROLE OF FOREIGN LANGUAGES IN THE DEVELOPMENT OF THE TOURISM INDUSTRY AND INTERNATIONAL INFORMATION

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Tchilava KH., Koniashvili I. The role of foreign languages in the development of the tourism industry and international information. The article analyses the importance of foreign languages in modern tourism and international communication. It outlines how multilingual competence improves service quality, facilitates interaction between tourists and service providers, and enhances destination attractiveness. The article also considers the role of language training and multilingual digital systems in supporting cultural exchange and sustainable tourism development.

Keywords: communication, foreign languages, hospitality, multilingualism, tourism, technology.

Тчілава КХ., Коніашвілі І. Роль іноземних мов у розвитку туристичної індустрії та міжнародної інформації. У статті аналізується значення іноземних мов у сучасному туризмі та міжнародній комунікації. Розглядається, як багатомовна компетентність підвищує якість обслуговування, полегшує взаємодію між туристами та постачальниками послуг, а також підвищує привабливість туристичних напрямків. Стаття також досліджує роль мовного навчання та багатомовних цифрових систем у підтримці культурного обміну та сталого розвитку туризму.

Ключові слова: комунікація, іноземні мови, гостинність, багатомовність, туризм, технології.

1. Introduction

In the context of globalization, tourism has become one of the most linguistically dependent sectors of the world economy. Increased international mobility, digital booking systems, and cross-cultural interaction have made effective communication a core condition for the functioning of the tourism industry. Language mediates every stage of the tourism experience, from destination selection and service provision to post-travel information exchange. As a result, foreign-language competence is no longer optional but essential for sustainable tourism development and international information flow.

Previous studies have examined the role of language skills in tourism education, service quality, and intercultural communication. J. Sindik [3, p. 2] emphasized foreign-language proficiency as a key employability factor for tourism students, while E.C.M Simatupang [2, p. 4] demonstrated the effectiveness of integrated language and technology-based training programs for hotel staff, and H. Chen [1, p 1.] highlighted that multilingual digital systems in hotels improve accessibility and enhance the overall experience of international tourists. However, despite growing academic interest, the broader role of foreign languages as an infrastructural element connecting tourism services and international information exchange remains insufficiently systematized.

The *relevance* of this study lies in the need to conceptualize foreign languages not merely as communicative tools, but as strategic resources that support service quality, destination image, and global information exchange.

The **object** of the study is the tourism industry in the context of globalization, the **subject** of the study is the role of foreign languages in tourism development and international information exchange.

The **aim** of the research is to analyze the impact of foreign-language competence on service quality, destination communication, and information accessibility in tourism.

To achieve this aim, the following **tasks** are set:

1. To examine the role of foreign languages in improving communication and service quality in tourism;
2. To analyze the influence of multilingualism on destination image and accessibility;
3. To identify the contribution of language skills and technologies to international information exchange in tourism.

2. Foreign Languages as a Factor in Tourism Development

2.1. Language Competence and Service Quality in Tourism

One of the most tangible effects of foreign-language competence in tourism is the improvement of customer service. When tourism professionals are able to communicate with visitors in their native or preferred language, misunderstandings are reduced and interactions become more efficient. This contributes to a sense of safety, trust, and hospitality, which are central to positive tourism experiences.

Empirical evidence supports this connection. Researcher J. Sindik [3, pp. 6–7] found that tourism students regard foreign-language proficiency as a central professional skill closely linked to employability and readiness for intercultural communication in the hospitality sector. Similarly, E.C.M. Simatupang [2, p. 3] showed that targeted training programs combining language learning with speaking technologies significantly enhanced hotel employees' communicative competence and confidence. H. Chen [1, pp. 1–2] also demonstrated that multilingual digital systems in hospitality not only streamline communication but enhance tourists' perceptions of service quality and satisfaction. Although these studies do not directly measure guest satisfaction, communicative competence is widely recognized as a prerequisite for high-quality service in tourism.

2.2. Multilingualism and Destination Image

Beyond interpersonal communication, language also shapes how destinations present themselves to international audiences. The use of multiple languages in marketing materials, public signage, and digital platforms can enhance a destination's capacity to communicate with visitors from different cultural and linguistic backgrounds. Such multilingual communication may also signal professionalism and international orientation. H. Chen [1, p. 1] demonstrates that linguistic

diversity at destinations contributes to a sophisticated and globalized destination personality, which may enhance tourists' attitudes and visit intentions.

Destinations that invest in visible multilingualism tend to be perceived as more accessible and visitor-friendly. This perception influences tourists' attitudes and may affect destination choice, particularly in competitive tourism markets where image and communication clarity play a decisive role.

2.3. Foreign Languages and International Information Exchange

Foreign languages are equally important in facilitating international information exchange within the tourism sector. Multilingual digital platforms, booking systems, and online information channels can support more efficient communication between tourism providers, institutions, and consumers across borders. Clear multilingual information is particularly useful in areas such as transport coordination, accommodation services, safety regulations, and customer support.

Language skills can enhance the human dimension of tourism by enabling deeper cultural interaction. When tourists are able to communicate beyond basic phrases, they may gain access to local narratives, traditions, and social practices, fostering more meaningful cultural exchange. E.C.M. Simatupang and Supri [2, p. 4] further emphasize that training tourism employees in translanguaging practices, flexible use of multiple languages supported by digital tools, improves staff confidence and interaction quality in culturally diverse.

3. Conclusions

Summarizing the above analysis, it can be concluded that foreign languages play a foundational role in the development of the tourism industry and international information exchange. Language competence enhances service quality, supports employability, strengthens destination image, and ensures accessible communication in digital and physical tourism environments.

The practical significance of this study lies in its implications for tourism education, management, and policy. Integrating foreign-language learning with intercultural communication training can better prepare tourism professionals for global interaction. At the same time, investment in multilingual digital infrastructure increases accessibility and operational efficiency.

Future research may focus on quantitatively measuring the relationship between multilingual competence and tourist satisfaction, as well as examining the long-term economic effects of multilingual strategies in destination development. Overall, treating language as a core part of tourism infrastructure, rather than an additional skill, may help make the tourism industry more inclusive, resilient, and sustainable.

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NATIONAL BRANDING POLICY AS A TOOL FOR IMPLEMENTING NATIONAL INTERESTS IN THE INTERNATIONAL RELATIONS

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Topalova S. S., Litovchenko Y. M. National branding policy as a tool for implementing national interests in the international relations. The article analyzes national branding policy as an important instrument of foreign policy aimed at promoting national interests on the international arena. The article examines the concept of a state's international image as a complex phenomenon formed by political, economic, cultural, humanitarian, and communication factors. The author pays special attention to the role of public diplomacy, political PR technologies, and soft power in shaping a positive perception of the state. The article focuses on crisis communications as a key element of reputation management in foreign policy, emphasizing proactive communication strategies, narrative control, and damage control mechanisms. The author analyzes the role of official institutions, diplomatic missions, and ambassadors in protecting and strengthening the international reputation of the state. The study highlights the importance of a systematic and coordinated approach to national branding for enhancing international trust and ensuring the state's stable position in the global system.

Keywords: crisis communications, foreign policy, international image, national branding, public diplomacy, soft power.

Топалова С. С., Літовченко Я. М. Політика державного брендингу як інструмент реалізації національних інтересів у міжнародних відносинах. Стаття розкриває національну брендингову політику як важливий інструмент зовнішньої політики, спрямований на просування національних інтересів на міжнародній арені. Розглянуто поняття міжнародного іміджу держави як складного явища, що формується під впливом політичних, економічних, культурних, гуманітарних і комунікаційних чинників. Особливу увагу приділено ролі публічної дипломатії, політичних PR-технологій та м'якої сили у формуванні позитивного сприйняття держави. Стаття зосереджується на кризових комунікаціях як ключовому елементі управління репутацією у сфері зовнішньої політики, з акцентом на проактивні комунікаційні стратегії, контроль наративів і механізми мінімізації репутаційних втрат. Також проаналізовано роль офіційних інституцій, дипломатичних представництв і послів у захисті та зміцненні міжнародної репутації держави. У дослідженні підкреслено важливість системного та скоординованого підходу до національного брендингу для підвищення міжнародної довіри та забезпечення стабільних позицій держави у глобальній системі.

Ключові слова: зовнішня політика, кризові комунікації, міжнародний імідж, м'яка сила, національний брендинг, публічна дипломатія.

1. Introduction

In the context of globalization and intensifying competition among states in the international arena, the issue of national branding has acquired particular significance. Today, states increasingly rely not only on military or economic power, but also on their international image and reputation as strategic resources for achieving national interests. National branding policy has become an important tool of foreign policy, influencing the effectiveness of diplomatic activity, international cooperation and the ability of a state to attract political, economic and symbolic capital [8]. When discussing mechanisms of influence in international relations, it is therefore impossible to ignore the role of national branding as a component of soft power and public diplomacy. This article is devoted to the study of national branding policy as a tool for implementing national interests in international relations. *The subject* of the article is national branding, its conceptual foundations and its impact on the international positioning of the state.

An overview of the academic and practical discourse on national branding reveals several key dimensions that require systematic analysis within the framework of international relations. First, it is important to conceptualize the international image of the state as a complex and dynamic construct formed by political, economic, cultural and humanitarian factors. Second, particular attention should be given to the instruments of public diplomacy and political PR, which serve as primary channels for communicating national narratives and values to foreign audiences. Third, the concept of soft power deserves separate consideration, as it explains the growing importance of attractiveness, legitimacy and credibility in achieving foreign policy objectives. Fourth, crisis communications must be examined as an integral component of national branding policy, aimed at preventing reputational damage and restoring international trust in situations of information pressure and external challenges. Finally, the effectiveness of institutional mechanisms should be assessed in order to determine their role in managing reputational risks and reinforcing the state's position in the international relations. These aspects determine *the relevance* and practical significance of this study.

The aim of this study is to provide a comprehensive analysis of national branding policy as a tool for implementing national interests in international relations and to identify effective mechanisms for shaping, maintaining and protecting a positive international image of the state. To achieve this objective, the following tasks have been defined:

- 1) to analyze the concept and structure of the international image of the state;
- 2) to examine the role of public diplomacy and political PR technologies in national branding;
- 3) to explore the concept of soft power as a foundation of modern national branding strategies;
- 4) to characterize crisis communications as an instrument of protecting the state's international reputation;
- 5) to assess the role of official institutions and diplomatic missions in implementing national branding policy and managing reputational risks.

2. National branding and the international image of the state: structure, instruments and reputational resilience

2.1. The international image of the state as a multidimensional construct

The concept of an international interstate state belongs to the key categories of modern international relations, as it requires the nature of foreign policy behavior, affects the effectiveness of diplomatic activity and the ability of the country to attract partner resources. The image of a state can be considered as a comprehensive identification of the international community about its

political system, economic potential, cultural specificity and role in global processes [8]. It appears not simply as a product of communication technologies, but as a multifaceted social phenomenon that is formed under the influence of the real steps of the state, its historical heritage, national symbols and reactions to external events. Such an image is complex and covers both objective indicators of development, political stability and positions in world rankings, and subjective factors: associations, stereotypes and emotional perception. The structure of the international image covers several interrelated dimensions, each of which forms a general idea of power as a second actor. The political component includes the characteristics of the political system, the level of democracy, respect for human rights and activity in the activities of international organizations. The cultural component includes traditions, artistic achievements and educational practices that reflect the uniqueness of the state in the global cultural space. The economic dimension of greater development of market institutions, innovative potential, competitiveness and the ability to attract investments. The humanitarian aspect is associated with participation in solving global problems, supporting humanitarian missions, helping refugees and promoting international development. The combination of these components creates a holistic image on which the attractiveness of the state in the international system depends.

2.2. Public diplomacy, soft power and political PR in national branding policy

Public diplomacy in combination with political PR technologies is of fundamental importance in the process of building a positive international image. Public diplomacy provides multi-level communication with a foreign audience, which is implemented through official diplomatic channels, cultural exchanges, academic programs and information initiatives [9]. The use of PR tools in this context allows for flexible adaptation of political missions to the specifics of different audiences, more effective response to crisis challenges and building a stable positive image of the state. Thanks to such approaches, the state can position itself as a reliable and relevant partner, focus on its own achievements and minimize the impact of destructive information attacks that distort its concept. states achieve strategic goals not through coercion or economic pressure, but through the attractiveness of its culture, political values and foreign policy behavior [1]. Soft power appears as an alternative to traditional mechanisms of influence, although it is based on internal conviction, emotions and intangible resources, which have long been promising to form a favorable foundation for cooperation. In the modern system of international relations, it is soft power that becomes a key tool in the struggle for trust and sympathy of the global community, which allows creating a positive image of the state and maintaining stable positions even in times of crisis. a holistic image of the country on the global stage. The effectiveness of this process depends on the state's ability to use public diplomacy tools, modern PR technologies and the

concept of soft power as the basis of a long-term strategy. Thus, supporting a long-term positive international image creates not only systematic work on its formation, but also a readiness to respond promptly to unforeseen challenges. It is the ability to combine long-term strategies with effective crisis communications that makes it possible to ensure the trust of the global community and minimize reputational risks.

2.3. Crisis communications in foreign policy and public diplomacy

Crisis communications in a non-political context constitute a separate sphere of political communication, which is aimed at preserving and restoring the international reputation of the state in times of crisis. The peculiarity of such crises is that they cover not only the internal audience, but also the external one, which influences the decisions of international organizations, governments of other states and transnational corporations [2]. Crisis response strategies in the foreign policy sphere constitute a multi-level complex of actions that integrates political, diplomatic and communication mechanisms to minimize the damage from crisis events and restore international trust. Operational communication makes it possible not only to change the negative impact on the state's reputation, but also to prevent the formation of distorted narratives that can be used by external actors to increase pressure in the diplomatic and economic spheres. A key component of modern communication approaches is proactive communication, which allows the state to form a response even before the spread of crisis content. Such a strategy is based on the active use of digital diplomacy tools, close cooperation with leading international media, and the involvement of influential experts who are able to convincingly convey the official position and strengthen trust in state narratives. Modern crisis response strategies in the foreign policy sphere are acquiring signs of multi-vector nature, combining speed, transparency, technological analytics, and proactive formation of narratives. They are not only tools for minimizing reputational losses, but also means of strategic influence that determine the state's position in the global system of international relations. Crisis communications in a non-political context constitute a separate sphere of political communication, which is aimed at preserving and restoring the international reputation of the state in times of crisis. The peculiarity of such crises is that they cover not only the internal audience, but also the external one, which influences the decisions of international organizations, governments of other states and transnational corporations [3]. Crisis response strategies in the foreign policy sphere constitute a multi-level complex of actions that integrates political, diplomatic and communication mechanisms to minimize the damage from crisis events and restore international trust. Operational communication makes it possible not only to change the negative impact on the state's reputation, but also to prevent the formation of distorted narratives that can be used by external actors to increase pressure in the diplomatic and economic

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2.4. Reputational risk management and institutional response mechanisms

A special place in modern strategies is occupied by the concept of damage control, which involves rapid recognition of the problem, public confirmation of responsibility and provision of clear plans for overcoming the consequences. This strategy is extremely effective in maintaining or even restoring the trust of the international community, as it demonstrates the ability of the state to act proactively and effectively. Moreover, in the conditions of a globalized information space, timely response and readiness for open dialogue allow not only to neutralize the crisis, but also to transform it into a tool for strengthening the international authority of the state [5]. Effective management of reputational risks in the international arena requires a holistic approach that combines systematic monitoring of the global information environment, early detection of potential threats and early development of response scenarios. The reputation of a state is built over the years thanks to the consistency of its political course, economic achievements, cultural development and presence in the international space, but any miscalculations in crisis communication can undermine this strategic resource. That is why the creation of flexible and at the same time structured reputation management systems is a critically important factor in maintaining and strengthening the state's positions in the international arena. The systematic integration of crisis communications into the foreign policy strategy creates conditions for increasing the state's resistance to information attacks. The use of predictive models makes it possible to identify possible vectors of destructive campaigns in advance, prepare relevant messages, consolidate partners and ensure unity of positions in the domestic and international information space. Particular attention in the process of managing reputational risks should be paid to identifying and analyzing vulnerabilities that can be used by external actors to form destructive

narratives. Such points include manifestations of corruption, conflicts, failed reforms or internal political crises, which create an informational background for manipulations [2]. Early identification of such factors opens up the opportunity to create preventive communication strategies, in which vulnerable aspects are transformed into drivers of development due to the emphasis on openness, effectiveness and readiness for change. As a result, even potentially problematic topics can be rethought and presented in a constructive way, strengthening the perception of the state as a reliable and predictable partner in the international arena. The key principles of reputational risk management in foreign policy communications are based on a comprehensive and dynamic approach that combines strategic planning, flexibility and effective coordination. Preventiveness in this context involves proactively shaping the information agenda, when the state not only responds to crisis challenges, but also initiates its own narratives that can set the tone for global discussions. Official structures play a fundamental role in the formation and implementation of crisis communication strategies in the foreign policy sphere, since it is they who determine the content and framework for interpreting events in the global information environment. The Ministry of Foreign Affairs of Ukraine acts as a central coordination node that ensures the integrity and coherence of the state's information policy in the international arena. It forms official positions, develops basic messages for diplomatic missions, and coordinates work with international organizations and partners, which allows for the prompt delivery of consistent and reliable information in crisis situations [6]. In such conditions, diplomatic missions act as central communication nodes through which the dissemination of official positions is coordinated, meetings with political figures, experts, and media representatives are organized, and explanatory work is carried out for citizens of other countries. This makes diplomatic missions not only channels of information, but also active participants in protecting the reputational interests of the state and countering destructive information influences. Practice shows that states that have created strategic communications and crisis PR units in their diplomatic institutions demonstrate significantly higher resistance to destructive information influences. Such units ensure coordination of actions between different branches of government, prompt delivery of agreed messages and proactive formation of the international agenda. A special place in the system of communications of diplomatic missions is occupied by the institution of Ambassadors Extraordinary and Plenipotentiary, who perform the functions of official representatives of the state and at the same time leaders of the political will of the country's top leadership. Their activities include not only representative tasks, but also direct participation in the formation and implementation of foreign policy priorities, strategic coordination and delivery of agreed messages to the international community. Political figures with a high level of public recognition and experience in government or parliamentary structures are often appointed to such positions. Such

a personnel approach increases the authority of ambassadors, expands the possibilities of building effective communication channels and provides additional resources for protecting national interests. As a result, diplomatic missions are gaining greater importance as tools for promoting the state's strategic and political decisions in the international environment. They also play a leading role in maintaining interstate dialogue, demonstrating the ability to respond promptly to crisis situations and adapt communication strategies to dynamic foreign policy conditions. Their direct involvement in the decision-making process contributes to the rapid transmission of the political will of the leadership and ensuring consistency of actions between various institutions of state power. In this context, ambassadors appear not only as diplomats, but also as strategic communicators who integrate classical methods of diplomacy with modern approaches to managing international communications. In this context, it is advisable to introduce specialized analytical centers in the system of foreign policy communications of Ukraine, which will combine the functions of monitoring information flows, forecasting crisis scenarios and developing proactive communication strategies. Such structures should integrate modern technologies of big data analysis and network modeling, which will allow to increase the accuracy of forecasts and accelerate decision-making in a dynamic international environment. It is also important to strengthen the human resources potential of the diplomatic service in the field of strategic communications [7]. The introduction of a system of regular training of diplomats and representatives of state institutions in crisis PR, digital diplomacy and reputation management will create the prerequisites for increasing the effectiveness of foreign policy messages. At the same time, it is worth developing a single national concept of communication positioning of Ukraine, which would unite security, economic, cultural, political and humanitarian narratives into a holistic strategy. Such an approach will make the image of the state more recognizable and attractive in the global space, and will also create the basis for the consistent promotion of Ukrainian interests even in periods of crises and threats. The introduction of the proposed measures will contribute to increasing the effectiveness of Ukraine's foreign policy communications, strengthening its international authority and forming a stable positive image. Such systemic modernization will allow not only to promptly respond to information challenges, but also to proactively shape the global agenda, transforming the state's communication potential into a tool for strategic development and long-term partnership in the international arena.

3. Conclusions

The study shows that the formation and maintenance of a positive international image of the state is a complex, multi-level process that integrates political, economic, cultural, humanitarian and communication dimensions. The formation of a positive international image of a state is a complex

and multi-level process that contributes to political, economic, cultural, humanitarian and communication factors. Effective integration of public diplomacy tools, modern PR technologies and the concept of “soft power” creates conditions for increasing trust in the state and strengthening its positions in the global arena. A systematic approach to crisis communications provides the opportunity not only to minimize reputational risks, but also to turn challenges into new opportunities for strengthening the national brand. At the same time, strategic management of reputational risks requires a comprehensive analysis of the global information space, early detection of threats and preparation of response scenarios. The coordinated work of official structures, diplomatic missions and communication units gives Ukraine the opportunity not only to effectively protect its own interests, but also to demonstrate readiness for constructive dialogue, which is a key factor in strengthening the state’s international authority. Further scientific research can be directed at developing models for assessing the effectiveness of state communication strategies given the specifics of the digital environment and the impact of new technologies. A comparative analysis of the experience of other countries in the field of strategic communications and crisis PR is also promising, which allows adapting best practices to the Ukrainian context and increasing the effectiveness of foreign policy communications in the environment of global competition.

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GREEN LOGISTICS IN THE CONTEXT OF GLOBAL ECONOMIC TRANSFORMATIONS

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Trishchenko M. V., Radchenko O. I. Green logistics in the context of global economic transformations.

The article provides a comprehensive analysis of green logistics as a fundamental component of global economic transformations. The study examines the shift from traditional supply chain models to sustainable ecosystems driven by regulatory pressure and technological innovation. Particular attention is paid to the role of digitalization, artificial intelligence, and alternative fuels in reducing the carbon footprint. The economic feasibility of implementing green technologies is substantiated through the analysis of recent data. The article identifies key challenges and prospects for the development of green logistics in the context of the circular economy.

Keywords: green logistics, global economy, supply chain management, sustainability, circular economy, digitalization, decarbonization.

Трищенко М. В., Радченко О. І. Зелена логістика в контексті глобальних економічних трансформацій. У статті надано комплексний аналіз зеленої логістики як фундаментальної складової глобальних економічних трансформацій. Дослідження присвячене переходу від традиційних моделей ланцюгів постачання до стійких екосистем під впливом регуляторного тиску та технологічних інновацій. Особлива увага приділяється ролі цифровізації, штучного інтелекту та альтернативних видів палива у зменшенні вуглецевого сліду. Економічна доцільність впровадження зелених технологій обґрунтовується на основі аналізу останніх даних. У статті визначено основні виклики та перспективи розвитку зеленої логістики в контексті циркулярної економіки.

Ключові слова: зелена логістика, глобальна економіка, управління ланцюгами поставок, сталий розвиток, циркулярна економіка, цифровізація, декарбонізація.

1. Introduction

The modern global economy is characterized by a high degree of turbulence and structural changes. Among the key factors influencing international trade, environmental challenges occupy a central place. Climate change has ceased to be merely an ecological problem and has transformed into a fundamental economic constraint affecting the cost of production and transportation. In this context, the traditional linear model of supply chains is proving to be unsustainable. *The relevance* of this study is stipulated by the urgent need to adapt global logistics systems to new environmental standards and economic realities, where sustainability becomes a marker of competitiveness.

The object of the research is the global supply chain management system under the influence of sustainable development trends. *The subject* of the study encompasses the mechanisms, tools, and economic consequences of implementing green logistics practices.

The aim of the article is to analyze the impact of green logistics on the efficiency of global economic ties and to identify the main directions of supply chain transformation. To achieve this aim, the following *tasks* have been defined:

- to clarify the essence of green logistics and its role in the modern management of foreign economic activity;
- to analyze the impact of technological innovations on the decarbonization of transport flows;

- to assess the economic implications of the transition to sustainable logistics models;
- to identify the regulatory and financial challenges facing the industry in the context of global transformations.

2. Theoretical aspects of Green Logistics in the global economy

2.1. Evolution of the concept

In the scientific literature, green logistics is interpreted not only as a set of measures to reduce emissions but as a holistic strategy for managing the flow of materials. It involves the integration of environmental considerations into every stage of the supply chain – from product design and material sourcing to manufacturing, distribution, and end-of-life disposal. Domestic researchers emphasize that in the management of foreign economic activity, green logistics is becoming a determining factor in the formation of added value [1]. It is closely linked to the concept of the *Circular Economy*, which aims to minimize waste and make the most of resources. This shift requires a fundamental change in business processes, moving away from short-term profit maximization towards long-term sustainability and resilience [2].

2.2. The Role of Reverse Logistics

A critical component of this theoretical framework is *reverse logistics*, which manages the return of goods from consumers back to the manufacturer for reuse, recycling, or proper disposal. In the context of the circular economy, reverse logistics transforms waste into a resource. Effective implementation of reverse flows reduces the need for primary raw materials and lowers the overall carbon footprint of production. As noted in recent studies, companies that integrate reverse logistics into their core strategy not only comply with environmental standards but also unlock new revenue streams through remanufacturing and material recovery [2].

2.3. Structural components of the green supply chain

To fully understand the scope of green logistics, it is necessary to identify its functional elements beyond transportation. Firstly, Green Sourcing involves the selection of suppliers based on their environmental performance and the procurement of eco-friendly raw materials [1]. This ensures that sustainability is embedded at the very beginning of the value chain. Secondly, Green Packaging focuses on reducing the volume and weight of packaging materials and shifting to biodegradable or reusable options. This not only reduces waste but also optimizes vehicle fill rates, leading to fewer trips [6]. Thirdly, Green Warehousing refers to the design and operation of storage facilities to minimize energy consumption. This includes the use of solar panels, energy-efficient

lighting, and automated systems that optimize space utilization. These components collectively form a closed-loop system that minimizes the environmental impact of economic activities [2].

3. Technological and Economic Drivers of Transformation

3.1. Digitalization and Decarbonization

The transformation of the logistics sector is driven by the convergence of sustainability and digitalization. These two forces are mutually reinforcing. Advanced technologies such as Artificial Intelligence (AI) and the Internet of Things (IoT) provide the necessary tools for measuring and reducing the carbon footprint. For instance, AI algorithms allow for precise route planning, which significantly reduces fuel consumption and minimizes *empty miles* in road freight [6]. Furthermore, the concept of *Digital Twins*, virtual replicas of physical supply chains, allows companies to simulate various scenarios and identify the most energy-efficient strategies before implementing them. This predictive capability is essential for optimizing warehouse operations, where smart lighting and automated heating systems can significantly reduce energy usage.

In addition to individual optimization, digitalization facilitates the emergence of the Physical Internet concept and horizontal collaboration. This involves competitors sharing logistics assets, such as warehouses or truck capacity, to maximize efficiency. By consolidating shipments from different companies into shared networks, the industry can significantly reduce the number of vehicles on the road, thereby lowering aggregate emissions [7].

Another technological pillar is the application of Blockchain technology to ensure supply chain transparency. As consumers and regulators demand proof of sustainability, blockchain creates an immutable ledger of a product's journey. This effectively eliminates the risk of *greenwashing* by verifying the authenticity of green claims, such as the use of biofuels or fair labor practices. This level of transparency is becoming a critical competitive advantage in international trade.

To systematize these efforts, the European Environment Agency advocates for the *Avoid-Shift-Improve* framework. This approach prioritizes avoiding unnecessary transport (through efficiency), shifting to more sustainable modes (such as rail or water), and finally improving vehicle technology. This hierarchy of actions ensures that technology is not seen as a silver bullet but as part of a broader structural change [5].

A critical area of innovation is the decarbonization of transport modes. The industry currently faces a dichotomy in technological solutions. For *last-mile* delivery and urban logistics, electrification is becoming the standard due to the availability of infrastructure and the efficiency of electric engines in stop-and-go traffic. However, for long-haul heavy transport and maritime shipping, electrification is often not viable due to battery weight and range limitations. Therefore,

the sector is shifting towards alternative fuels, such as sustainable aviation fuel (SAF), bio-LNG, and hydrogen solutions [5]. This necessitates *Green Corridors*, defined as routes with specialized refueling infrastructure that utilize digital tracking to verify the carbon-neutral origin of energy [7].

3.2. Economic implications and regulatory pressure

The transition to green logistics is not solely a voluntary choice for businesses; it is increasingly dictated by regulatory frameworks. Policies such as the European Green Deal and the "Fit for 55" package impose strict emission limits, effectively monetizing carbon output through mechanisms like the Emissions Trading System (ETS). Consequently, companies that fail to decarbonize their operations face rising costs due to carbon taxes and potential fines.

From an economic perspective, there is a clear correlation between logistics performance and sustainability. Efficient logistics systems that utilize modern infrastructure and green technologies tend to be more reliable and cost-effective in the long run [4]. Although the initial capital expenditure for green assets (e.g., electric fleets, automated warehouses) is high, the *total cost of ownership* is often lower due to reduced energy spending and maintenance costs [8]. Moreover, sustainability credentials are becoming a prerequisite for access to capital, as investors increasingly scrutinize Environmental, Social, and Governance (ESG) criteria.

4. Challenges of the transition period

Despite the clear benefits, the global transformation of the logistics sector faces significant hurdles. Firstly, there is an infrastructure gap. The widespread adoption of alternative fuels requires a dense network of charging and refueling stations (e.g., for hydrogen or LNG), which is currently lacking in many regions. Secondly, the *Green Premium* is the higher cost currently associated with low-carbon alternatives compared to fossil-fuel incumbents and remains a barrier for small and medium-sized enterprises. Thirdly, there is a risk of deepening global inequality. According to World Bank data, while developed economies are actively investing in green technologies, developing countries often lack the financial resources to upgrade their logistics systems [3]. This could lead to a *two-speed* global logistics network, where sustainable trade routes bypass regions that cannot meet new environmental standards. Fourthly, geopolitical instability acts as a double-edged sword for the green transition. Conflicts and trade wars disrupt established supply chains, often forcing companies to prioritize immediate security of supply over environmental efficiency (e.g., reverting to longer air freight routes to bypass conflict zones). However, the energy crisis precipitated by such events, including the war in Ukraine, has paradoxically accelerated the strategic shift away from fossil fuel dependence, pushing global economies to invest faster in renewable energy infrastructure for logistics [4]. Overcoming these barriers requires coordinated

efforts at the global level, including subsidies, standardized reporting frameworks, and knowledge sharing.

5. Conclusions

The study concludes that green logistics has evolved from a niche trend into a systemic element of the global economy. It is no longer possible to separate economic efficiency from environmental sustainability. The transformation of supply chains is being accelerated by digitalization, which provides the transparency and optimization necessary for reducing emissions. However, this transition is uneven. While developed markets are rapidly adopting circular models and green technologies, the global nature of supply chains requires inclusive growth and investment in infrastructure worldwide. Ultimately, the ability to implement green logistics practices will define the future market leaders, as sustainability becomes synonymous with economic resilience and operational excellence.

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THE ATTITUDE OF ARAB GOVERNMENTS TOWARDS NORMALIZATION WITH ISRAEL

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Troian V. A., Lavrinenko I. M. The attitude of Arab governments towards normalization with Israel.

The article describes the possibility to establish relations between arab states and Israel. The article examines positions about this process from arab perspective. In this article were given definition of the term “normalization” and short history of establishment of diplomatic relations between arab countries and Israel. The article mainly focuses on current state of affairs. It quotes statements of arab politicians and shows their set of actions on this issue. Arab-Israel conflict has been going for a long time and it is important to understand if it can be solved by peaceful methods.

Keywords: normalization, diplomatic relations, Palestine, arab society, agreement.

Троян В. А., Лавріненко І. М. Ставлення арабських урядів щодо нормалізації з Ізраїлем. У статті описується можливість встановлення відносин між арабськими державами та Ізраїлем. Стаття розглядає позиції щодо цього процесу з арабської точки зору. У статті надається визначення терміну «нормалізація» та коротка історія встановлення дипломатичних відносин між арабськими країнами та Ізраїлем. Стаття зосереджена в основному на сучасному стані справ. Цитуються заяви арабських політиків та показується їхній комплекс дій стосовно цього питання. Арабо-ізраїльський конфлікт триває вже давно, і важливо зрозуміти, чи можна його вирішити мирними методами.

Ключові слова: нормалізація, дипломатичні відносини, Палестина, арабське суспільство, угода.

1. Introduction

In 2023 the war between Israel and Hamas began a new phase of Arab-Israel conflict. This war changed the balance of power in Middle East and influenced relations between Israel and Arab countries. In this context it is very important to know the possibility of establishment diplomatic relations between these countries. The *object* of this article is relations between Israel and Arab countries and the *subject* is normalization between Arab countries and Israel.

Arab-Israeli conflict has been one of the important international conflicts since the second half of the 20-th century. Countries of Middle East and North Africa are important oil suppliers. Oil supply disruptions can harm the world economy. There are also many terrorist groups which threaten international security. Arab-Israeli conflict is a significant factor that destabilizes region and makes this problem worse. Problems in Middle East can influence the world. That's why it is important to understand if it can be solved by negotiation. These aspects require special attention and analysis and stipulate the *relevance* of this study.

Thus, the *aim* of this study is to provide a comprehensive analysis of possibility to normalize relations between Arab countries and Israel.

To achieve this goal, it is important to complete these *tasks*:

1. to define the term of normalization relations;
2. to analyse the history of normalization relations between Arab countries and Israel;
3. to describe the modern Arab countries' attitude towards normalization with Israel;

2. Israel and Arab countries

2.1. Definition of normalization relations

The term "policy normalization" has been addressed in the field of international relations, primarily in connection with the establishment of diplomatic relations between two or more states. The general meaning of normalization within these agreements is the reduction of diplomatic and political tensions between contemporary nation-states, with the hope of developing a new pattern of cooperation. Its general meaning also refers to normalizing relations after a period of tension or rupture due to various reasons. It is essential to consider that achieving normalization involves deliberate and conscious steps towards establishing normal relations, free from tension or excessive strain. The normalization process results in all parties involved in the conflict, dispute, or war reaching a point of acceptance of the other's system, ideology, and current practices [4].

Normalisation doesn't encompass only economic and diplomatic fields. It also includes cooperation in technology, culture and intelligence sharing.

For Arab governments, normalization is difficult issue. Such process is also connected with problem to create and recognize the state of Palestine. This state should be recognized in territories of Sector Gaza, the West Bank of the Jordan River and Eastern Jerusalem. But modern government of Israel doesn't want to recognize independent state of Palestine because officials of Israel think that such state will be threat for their security. Besides, societies of Arab countries call Israel as "Zionist entity" or "rogue state". It will be very difficult for governments to establish relations if they have such idea in their countries.

2.2. History of normalization

Arab governments previously refused to recognize Israeli after the declaration of the establishment of Israel in 1948. The League of Arab Nations passed Resolution 849, which boycotted formal normalisation.

This refusal came in protest against the decision to partition Palestine, and a series of Arab-Israeli wars began in the following decades. After the Six-Day War in 1967 and the October War in 1973, Egypt concluded a treaty with Israel in 1979, and became the first Arab country to sign a peace treaty. Jordan also concluded a peace agreement with Israel in 1994, known as the Wadi Araba Agreement. A series of agreements to normalize relations between Israel and several Arab countries – the UAE, Bahrain, Morocco, and Sudan – were signed in the latter half of 2020 [3].

But we must remember that such process was possible due to the foreign policy of the USA. For example, Sadat who was the president of Egypt got economic support from Washington and regained the Sinai Peninsula which was occupied by Israel in the Six-Day War. Morocco

established official relations with Israel because the USA recognised West Sahara as part of Morocco. The USA is interested in normalization between Arab countries and Israel.

2.3 Modern state of affairs and prospects

Countries of North Africa

Algeria

Algeria always try to support Palestine. Algerian government have been making it since 1962 when Algeria got independence from France. Besides, Morocco, which is supported by USA and Israel, is opponent for Algeria. Algeria isn't interested due to this causes. Algerian foreign policy is connected with the idea of anti-colonial struggle. Algerian government think that presence of Israel as part of foreign policy of Western countries to influence the region.

Algeria has repeatedly affirmed its rejection of normalization with Israel. Algerian President Abdelmadjid Tebboune has said his country will never be part of any agreement that normalises relations with Israel. "The Palestinian issue is sacred for us and it is the mother of all issues and will not be resolved except by establishing a Palestinian state, with the 1967 borders, with Holy Jerusalem as its capital," Tebboune said [10].

Tunisia

In August 2023 Tunisian President Kais Saied described establishing relations with Israel and denying Palestinian rights as "treason". Saied said: "We have no issue (problem) with the Jews in Tunisia... (They) were protected as citizens with the same rights, but I am talking about Zionism, which wanted to exterminate the Palestinian people" [6].

Simultaneously, Tunisia began considering a draft law to criminalize normalization with Israel. Saied's government has also followed the lead of previous administrations by barring Israeli athletes from participating in sporting events hosted by Tunisia. President of Tunisia passed the law in 2023. This law prohibits to normalize relations with Israel.

Libya

Libya's official rejection of normalization with Israel became clear in late August 2023 when Prime Minister Abdel Hamid Dbeibah suspended Foreign Minister Najla al-Mangoush. It happened Israeli Foreign Minister Eli Cohen leaked news of their meeting. Society of Libya don't want to establish relations with Israel. It is very dangerous for government because Libyan people have many military weapons and government can be overthrown. We can say that official government won't normalize relations with Israel.

Abdul Hamid Dbeibah, head of the Libyan interim "National Unity" government, denied accusations that his government was seeking "normalization with Israel," and said that the rejection of normalization is "a settled matter for Libyans." He also indicated that what is being

said about his acceptance of hosting displaced Palestinians from Gaza is “falsehoods and false press leaks” [8].

Countries of Arabian Peninsula

Saudi Arabia

Saudi Arabia said that it wouldn't normalize relations with Israel before creation of a Palestinian state. The leadership of Saudi Arabia tries to assure the Palestinians that they won't do it during the leadership of Netanyahu. We must remember that Saudi Arabia was also the main country which supported Arab Peace Initiative of the Arab League in 2002. According this initiative Arab countries will normalize relations with Israel if it withdrawal from the occupied territories of Palestine and establish Palestinian state with East Jerusalem as the capital of this country.

Saudi Arabia differs from its neighbors by adopting two contrasting positions, both supported by the heads of its executive branch. While King Salman has remained committed to the principle of peace with Israel in exchange for the return of the territories occupied by Israel in 1967, his son, Mohammed bin Salman, has adopted a more voluntary approach to rapprochement with Israel, driven by the prospect of economic and technological cooperation rather than a genuine political will to resolve the Israeli-Palestinian conflict. Saudi Arabia, under the leadership of Mohammed bin Salman also strongly urged Bahrain to formalize normalization under pressure from Washington [7].

Kuwait

Civil organisations of Kuwait criticized the Abraham Accords and they address to National Assembly to pass the law which will criminalize the normalization. The ruling dynasty always try to pay attention to the opinion of society. They want to avoid problems and confrontation with nationalist or Islamic groups. Besides, Islamic groups are supported by Muslim Brotherhood and Turkey. They would like to support Palestine.

Kuwaiti Foreign Minister Sheikh Salem Al-Sabah said: "Kuwait's position on normalization and an independent Palestinian state is unwavering, and the leadership is committed to this position and there is no turning back." The Kuwaiti announcement came in a statement by the country's foreign minister during a press conference held at the ministry building, stressing his country's firm stance on the Palestinian issue. He said: “Kuwait is against normalization with [Israel] unless an independent Palestinian state is established on the June 4, 1967 borders, in accordance with international resolutions and the Arab Peace Initiative” [1].

Qatar

Doha has never hidden its openness to establish relations with Israel since 1996. However, Emir Tamim's vision for normalization is based on the Arab Peace Initiative, adopted in 2002.

Turkey, which is Qatar's ally, prevents Doha from supporting the Abraham Accords, which contradict the Arab Peace Initiative.

Qatar didn't want to join the Abraham Accord during the first term of Donald Trump. Such position wasn't changed by bombing of Israel in September 2025. Qatar tries to balance in region. It has good relations with Turkey and Iran. Besides, they support Islam Brotherhood.

Qatar has faced less domestic and regional pressure since October 7, having refused to join the Abraham Accords. At the same time, it has maintained open channels with both Hamas and Israel, enabling it to benefit from covert and overt contacts with various parties to the conflict. It is worth noting that Qatar has also seen a return on its investment in establishing itself as a neutral party in the eyes of other regional powers. More importantly, Qatar might not have been able to exert its current unique influence if it had it joined the Abraham Accords [5].

Oman

Oman was one of the first countries to congratulate the UAE and Bahrain on establishing diplomatic relations with Israel, but they always say that they support rights of the Palestinian people. Oman founded trade office of Israel in their territory in 1996. But it was closed after the second Intifada in 2000. Oman was also visited by the Israeli prime minister in Muscat in October 2018. He had the goal to discuss problem of normalization with sultan, Haitham bin Tariq. We can say that Oman can establish relations with Israel. But there is problem that society and clergy don't want to normalize relations with Israel.

Oman doesn't try to interfere actively in the region. It is more concentrated in domestic policy. It also tries to have good relations with Iran. Oman seems to be the most possible candidate to normalise relations with Israel. It will depend from public opinion and economic situation.

In February 2023, Muscat agreed to open its airspace to all civilian air carriers without discrimination between countries (in an implicit reference to approval for Israeli aircraft to pass through). On the other hand, Oman tried to balance these important actions with a set of political expressions represented by the agreements. Omani Shura Council passed the law to criminalize any political or economic cooperation, or at any level, with Israel [11].

In general, Muscat appears reluctant to rush into major steps toward normalizing relations with Israel for several reasons, including: (a) avoiding overtaking Saudi Arabia in normalizing relations with Israel; (b) maintaining its neutral role in the region and not becoming embroiled in the conflict between Israel and Iran; (c) Oman's insistence that normalization with Israel (especially in its Abraham Accords form) does not serve the Palestinian cause; and (d) avoiding upsetting its important northern neighbor, Iran [11].

Sana'a Government of Yemen

Historically, Yemen has not recognized Israel on any forms and its internal legal system has prohibited the entry of Israeli passport holders into Yemeni territory. Israel tried to create connections with some political parties. This statement was met with strong rejection and complete condemnation by the official Sana'a government and the Yemeni people. The president Rashad al-Alimi and Yemeni government in Sana'a refuses to recognize Israel or deal with it in any way. Parliament of Yemen also proposes a law which criminalize normalization.

The head of Yemen's Presidential Leadership Council, Rashad al-Alimi, called on 25 of September 2024 for a unified Arab stance in the face of "Israel's crimes." Al-Alimi said, "Palestine has a place in the heart of every Yemenia place that Israel will not seize through occupation, massacres, wars of extermination and displacement" [14].

Levant and Iraq

Syria

Assad regime always refused to normalize relations with Israel. Al-Julani's arrival in Damascus was not merely a field victory, but a pivotal moment in the project to subject Syria to the normalization process. The result was that Damascus, which was the "capital of steadfastness," turned into a "neutral capital" [13].

We can say that modern governments of Syria can establish relations with Israel, but it isn't simple situation. Because Syria will have to make concessions and it will be very difficult. It will include annexation of Golan Heights and making southern Syria as a demilitarized zone.

Lebanon

On 7 October 2025 Lebanese President Joseph Aoun affirmed that the issue of normalization with Israel is out of the question, and it can be after the end war confrontation between Israel and Lebanon. Besides, Hezbollah which is stronger than army of Lebanon can influence the position of government. This military organisation doesn't want to normalize relations with Israel.

Lebanese President Joseph Aoun affirmed that the issue of normalization with Israel is "currently out of the question". During his meeting Aoun stated, "For Lebanon, peace means a state of no war, while normalization with Israel has no place in Lebanese foreign policy at present" [2].

There are many problems for Joseph Aoun. Disarming of Hezbollah is a difficult issue. Of course Hezbollah doesn't have desire to do it voluntary. Such decision can cause a big civil war in Lebanon. Besides, it will be difficult to find job for people who will leave Hezbollah. Lebanon has big unemployment and it can increase the level of criminal. But there are political parties, such as Kataeb or Lebanese Forces, which can accept such normalization.

Iraq

There is strong socio-political resistance to normalization in Iraq. Iraq doesn't have any desire to establish relations with Israel even after the overthrow of Saddam's regime in 2003 and the establishment of military bases of the USA. Besides, Iraq is a partner of Iran which is main enemy of Israel.

President Abdul Latif Rashid called for decisive measures against Israel in a speech to the United Nations General Assembly on 23 September 2025. In a speech to the United Nations General Assembly, Iraqi President Abdul Latif Rashid stated that "what is happening in Gaza is morally unacceptable," calling on "the international community to take action to find a comprehensive solution to the Palestinian issue" [9].

The Iraqi Penal Code, which was signed in 1969, has Article 201. According this article, the death penalty shall be imposed on anyone who supports or promotes Zionist principles. It should be said that this law was suspended in 2003 and then reinstated in 2010 after the death penalty was stopped in the Iraqi Penal Code.

According this article: "Anyone who advocates or promotes Zionist principles or who joins any of its institutions, or assists them materially or morally, or works in any way to achieve its goals, shall be punished by death" [12, p. 39].

3. Conclusion

In conclusion, we can see that Israel can normalize relations with some countries. We can see such candidates in Arabian Peninsula. Saudi Arabia and Oman have some to establish relations and it will give economic preferences. But these countries will have to pay attention to reaction of their society. Kuwait, Qatar official government of Yemen don't want to have diplomatic relations with Israel. They have formal position that Israel must recognize Palestinian state.

We can see trends that Arab countries of North Africa oppose normalization of relations. Tunisia has law which prohibit such action. Algeria is opponent of this idea due to the ideology. Official government of Libya has many problems in country. They will worsen their situation if they make decision to normalize relations.

Modern Syrian government have the desire to establish diplomatic relations with Israel and improve relations with western countries. But Syrian governments will have to make concessions. It is possible that Syria won't normalize relations. Lebanon doesn't want to establish relations due to internal problems. Iraq can be considered as the biggest opponent of the idea to normalize relations. The president, government and society can't accept this idea. There are laws that prohibit the normalization. Besides, Iran also influences the position of the country.

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TECHNOLOGICAL DIMENSION OF MODERN INTERNATIONAL RELATIONS: OPPORTUNITIES AND RISKS FOR GLOBAL SECURITY

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Vervyka R. S., Kalyuzhna A. B. Technological dimension of modern international relations: opportunities and risks for global security. The article analyzes the impact of modern digital technologies and artificial intelligence on the transformation of international relations and global security. It examines specific technological opportunities for conflict prevention, improving the effectiveness of diplomacy, cybersecurity, and early warning systems. The study also analyzes key risks, including cyberattacks on critical infrastructure, the use of autonomous weapons systems, and information operations as tools of destabilization. Particular attention is paid to international initiatives on regulating the technological sphere within NATO, the EU, and the UN aimed at minimizing technological threats and strengthening global security.

Keywords: global security, international relations, digital technologies, artificial intelligence, cyber threats, international regulation.

Вервика Р.С., Калюжна А. Б. Технологічний вимір сучасних міжнародних відносин: можливості та ризики для глобальної безпеки. Стаття присвячена аналізу впливу сучасних цифрових технологій та штучного інтелекту на трансформацію міжнародних відносин і глобальної безпеки. Розглянуто конкретні можливості технологій для запобігання конфліктам, підвищення ефективності дипломатії, кіберзахисту та систем раннього попередження. Проаналізовано основні ризики, зокрема кібератаки на критичну інфраструктуру, використання автономних систем озброєння та інформаційні операції як інструмент дестабілізації. Особливу увагу приділено міжнародним ініціативам з регулювання технологічної сфери в межах НАТО, ЄС та ООН з метою мінімізації технологічних загроз та зміцнення глобальної безпеки.

Ключові слова: глобальна безпека, міжнародні відносини, цифрові технології, штучний інтелект, кіберзагрози, міжнародне регулювання.

1. Introduction

Modern international relations are undergoing profound transformations under the influence of rapid technological development. Digitalization, automation and the spread of intellectualized systems fundamentally change the nature of interaction between states and international organizations and form new approaches to ensuring global security [4, p. 27].

The technological dimension is increasingly seen as one of the key factors changing the balance of power in the international system, since access to advanced technologies determines the level of political, economic and military influence of states [2, p. 19].

The *relevance* of this study is due to the growing role of modern technologies in the military, diplomatic and information spheres, as well as the emergence of new types of threats, including cyberattacks, autonomous weapons systems and information operations.

The *object* of the study is the system of modern international relations and global security.

The *subject* of the study is the impact of modern technologies, including elements of artificial intelligence and digital systems, on international relations and security processes.

Thus, the *aim* of the study is to analyze the opportunities and risks of technological development for global security in the context of the transformation of international relations. To achieve this goal, the following *tasks* have been defined:

1. to identify the main areas of technological impact on international relations;

2. to analyze the opportunities offered by modern technologies for strengthening security;
3. to describe key technological risks and threats;
4. to assess the possibilities of international regulation of technological processes.

2. Technology as a factor in the transformation of international relations

2.1. Opportunities of technological development for global security

Modern digital technologies create conditions for increasing the efficiency of diplomatic and security processes. The use of analytical platforms and systems for processing large amounts of data allows international actors to predict crisis situations and conflicts at an early stage.

A special place among modern technologies is occupied by elements of artificial intelligence, which are increasingly used to assess security risks, support decision-making and optimize peacekeeping operations. According to SIPRI experts, such technologies can contribute to strengthening strategic stability, provided that appropriate international control mechanisms are created [5].

In addition, the development of cybersecurity and international technological cooperation creates the prerequisites for new forms of global governance based on shared responsibility and coordinated actions.

2.2. Technological risks and challenges to international security

Technological progress simultaneously generates new threats to international security. One of the most serious challenges is the growing number of cyberattacks on critical state infrastructure, which can cause significant political and economic losses. Examples include attacks on Ukraine's power grid in 2015–2017 and the Stuxnet virus that targeted Iranian nuclear facilities.

Equally dangerous are autonomous weapons systems and automated military technologies, which reduce the role of human control in decisions about the use of force. Modern platforms such as the Aegis Combat System, Iron Dome, and integrated C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance) networks demonstrate how automation accelerates decision-making and response times in military operations. While these systems enhance defensive capabilities and situational awareness, they also increase the risk of unintended escalation if deployed without sufficient human oversight. Reports by SIPRI emphasize that the absence of clear international norms in this area raises the likelihood of uncontrolled conflict escalation [5].

Special attention should be paid to information operations and disinformation, which have become powerful tools for influencing political processes of various kinds. The manipulation of

public opinion during the 2016 U.S. elections and the Brexit referendum was carried out through microtargeted advertising based on harvested personal data, the use of bot networks to artificially amplify divisive content, and the spread of disinformation that, through social media algorithms, created echo chambers. These practices allowed campaigns and foreign actors to influence voters directly, reinforce biases, and polarize societies, ultimately destabilizing democratic processes and undermining trust between international actors [1].

3. Opportunities for international regulation of technological processes

In response to technological threats, the international community increasingly discusses the need for universal rules governing the use of modern technologies in security. NATO identifies seven priority areas for regulation: artificial intelligence, big data, autonomy, biotechnology, hypersonics, quantum technologies, and space [3]

The European Commission's Ethics Guidelines for Trustworthy AI emphasize principles of transparency, accountability, human oversight, and non-discrimination [1].

The United Nations, in its Note by the Secretary-General (A/75/816), stresses the importance of building trust between states through transparency in information and communication technologies use and calls for collective mechanisms to prevent misuse of digital technologies [6].

Effective international regulation should be based on the principles of transparency, accountability, and collective security. Such an approach will reduce technological risks while fully utilizing the potential of modern technologies in the interests of international stability [2, p. 203].

4. Conclusions

The technological dimension of modern international relations is one of the decisive factors shaping the transformation of global security. Modern technologies, including elements of artificial intelligence, provide significant opportunities for preventing conflicts, increasing the effectiveness of international governance, and strengthening collective security mechanisms.

At the same time, the uncontrolled use of advanced technologies carries serious risks associated with cyber threats, autonomous systems and information manipulation. This requires further development of international regulation, ethical standards and mechanisms for cooperation in the technological sphere.

Opportunities for further research are related to the analysis of specific regional cases and the role of individual international players in shaping global technological security.

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THE IMPACT OF CRYPTOCURRENCIES ON THE GLOBAL ECONOMY

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Vietrov Y. Y., Davydenko I. V. The impact of cryptocurrencies on the global economy. The article examines the essence and impact of cryptocurrencies on the global economy. The impact of cryptocurrencies is determined by using examples from individual countries. The advantages and disadvantages of cryptocurrencies are identified. The author analyses the role of cryptocurrencies in the global economy in the modern economy.

Keywords: Bitcoin, blockchain, cryptocurrency, El Salvador, Ethereum, global economy, impact, regulation, Trump, USA.

Ветров Я. Ю., Давиденко І. В. Вплив криптовалют на світову економіку. У статті розглядається суть і вплив криптовалют на світову економіку. Вплив криптовалют визначається на прикладах окремих країн. Визначаються переваги та недоліки криптовалют. Автор аналізує роль криптовалют у світовій економіці в сучасних економічних умовах.

Ключові слова: Біткоїн, блокчейн, вплив, Ефіріум, криптовалюта, регулювання, Сальвадор, світова економіка, США, Трамп.

1. Introduction

In the context of how new technologies are developing, namely artificial intelligence, cryptocurrencies, etc., they are becoming increasingly important. Today, many countries are forming their reserves in cryptocurrencies. Therefore, we can see that cryptocurrencies are becoming increasingly important for global economies.

The *actuality* of this topic is determined by technological developments, particularly in cryptocurrencies, and their further development and impact on the economy. The *purpose* of this article is to deepen knowledge about cryptocurrencies and determine their role in the global economy. The *object* of the study is cryptocurrencies. The *subject* of the study is the impact and prospects of cryptocurrencies on the global economy. The author uses theoretical research methods, such as a scientific systemic-synergistic approach to systematize the basic concepts of cryptocurrencies, as well as methods of analysis and logical generalization of concepts and theories.

2. Cryptocurrencies as a factor of global economic transformation

2.1. Cryptocurrency meaning

Cryptocurrency is decentralized digital money that is often used on the internet. Bitcoin is the most influential cryptocurrency on the market and the most popular; it was invented in 2008. Decades after its inception, cryptocurrencies such as Bitcoin and Ethereum have become a new form of money held and issued by governments [1].

Cryptocurrency allows you to transfer money online without the need for intermediaries such as banks or payment systems, enabling you to transfer funds around the world almost instantly, 24 hours a day, and at low fees [1].

The most popular cryptocurrencies by market capitalization are Bitcoin, Ethereum and Solana.

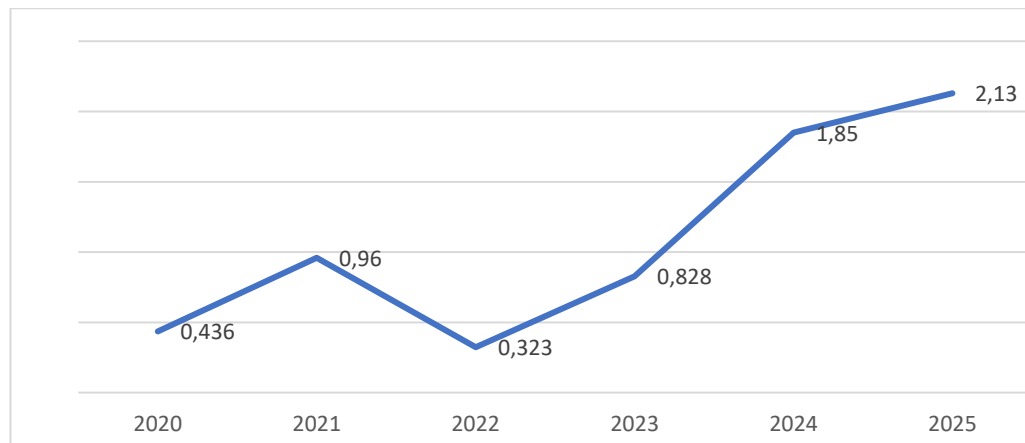


Figure 1. Bitcoin capitalisation from 2020 to 2025, trillion US dollars [2].

The figure shows how Bitcoin's capitalisation has changed over the past five years. We can see significant growth. This once again demonstrates the importance of cryptocurrency for today's economy.

2.2. How crypto is changing the global economy

Cryptocurrencies have different effects on this world. Below is a table 1 showing the characteristics of the main changes.

Table 1.

Changes caused by cryptocurrencies in the world [3].

<i>Type of change</i>	<i>Characteristic</i>
Breaking down barriers	One of the most important ways in which cryptocurrency is changing the global economy is by breaking down barriers. Transactions are conducted using cryptocurrencies on blockchain technology, which is the basis for all cryptocurrencies in the world. These transactions are now faster than traditional approaches. Entrepreneurs do not have to wait for different financial systems to process this type of payment.
A new kind of investment	Cryptocurrency has also become a popular way to invest money. Although there is the potential to earn a lot of money, there is also the risk of losing it.
The global ripple effect	Cryptocurrencies are causing changes that are not limited to a single country or region. Because the digital world is so interconnected, events in one area can quickly spread to others.
Changing the way we think about banks	With the growing popularity of cryptocurrencies, banks are looking for new ways to compete. Some are even using blockchain technology to improve the speed and security of their services. In this way, cryptocurrency is pushing traditional banks to develop better and more efficiently.

International trade is getting a boost thanks to the borderless nature of cryptocurrencies. Companies are avoiding the hassles associated with currency exchange by favoring payments in Bitcoin and Ethereum. Speed and cost-effectiveness give them an advantage in the world of big money. Smart contracts based on blockchain, such as Ethereum, can trigger payments when certain conditions are met. Central banks are issuing their own versions of digital money, such as the digital yuan, and even in Ukraine there are plans to launch a digital hryvnia. Cryptocurrencies can exist alongside them, dividing the future between freely circulating coins and state-backed competitors. This confrontation is shaping the economy of the future [4].

Thus, we can see how cryptocurrency is changing the approach to investing and the banking system around the world. Investing in cryptocurrencies creates opportunities for companies to diversify their funds. In turn, world-known banks such as JP Morgan are using Bitcoin and blockchain technology to modernise their operations.

2.3. Crypto countries

Nowadays, cryptocurrencies aren't regulated in most countries, but countries are actively working on creating laws to regulate them, including Ukraine.

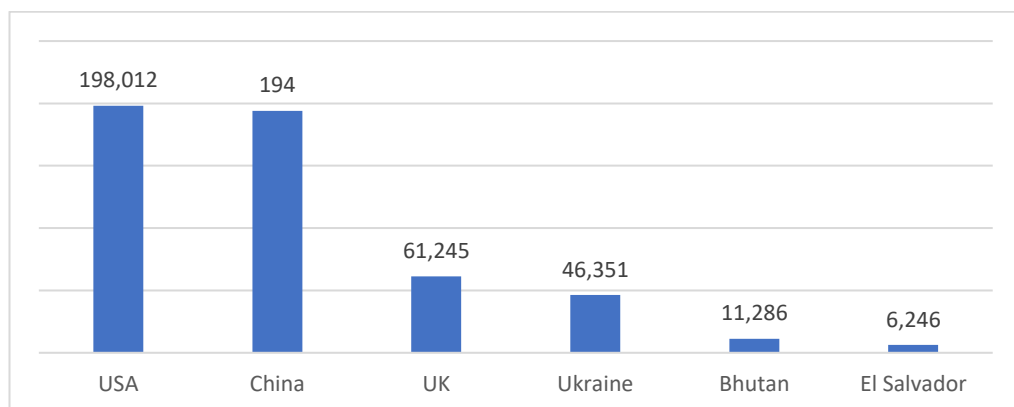


Figure 2. Bitcoin Holdings of Countries, thousands [5].

In Figure 2, we see that countries are striving to develop their technology sector. We also see a confrontation between the United States and China. Developing countries with a high level of technological infrastructure also occupy high positions.

However, there are countries such as El Salvador, which was the first to adopt cryptocurrencies as its national currency in 2021. El Salvador created state reserves in bitcoins, which allowed the country to increase its own reserves and finance various state programmes, but despite this technological step, such operations are still risky. In recent times, the country has slowed down its technological progress due to IMF requirements, but El Salvador continues to accumulate cryptocurrency [6].

When considering El Salvador, the Bitcoin City initiative stands out as a particularly significant project. The Salvadoran government intends to build a completely new city that will become the world's digital capital. One of the main attractions of Bitcoin City is its generous tax breaks: residents and businesses will be exempt from income, property and capital gains taxes, making the city attractive to global investors and entrepreneurs. Only a small value-added tax will be applied to support the city's infrastructure and further development.

Nevertheless, despite its ambition and innovation, Bitcoin City also faces significant challenges. The high volatility of the cryptocurrency market poses a serious risk, as fluctuations in the value of Bitcoin could undermine the economic stability of the project. In addition, questions remain about El Salvador's ability to successfully manage such a large-scale undertaking, both in terms of infrastructure and governance [7].

However, the opportunities it offers are enormous. If successful, Bitcoin City could transform El Salvador into a global hub for technological and financial innovation. It could also serve as a model for other developing countries seeking to leverage blockchain technology to stimulate their economic growth [7].

The United States, specifically its president Donald Trump, now wants to take on the role of a technological and crypto giant. The US President has frequently stated that his plans include US dominance in the technology sector, particularly in cryptocurrencies. It is also because of Donald Trump that we have become convinced that the economy and cryptocurrencies are interconnected, because when the American president announces the introduction of tariffs against a country in the world, cryptocurrencies react with a very sharp decline. Since the end of 2023, the American government has been actively purchasing cryptocurrency, thereby forming reserves for its own budget.

One such act that confirmed Trump's words was the law he signed, which aims to make the US a technological giant [8].

3. Conclusion

Thus, cryptocurrencies cover all key areas necessary for further development of countries. Cryptocurrency is an opportunity for less developed countries to gain access to the latest technologies. Countries such as China and the United States are seeking to accumulate their reserves in cryptocurrencies, considering them a new type of gold. Technology and politics will determine its path, balancing between innovation and stability. Accepting cryptocurrency means understanding its mechanics and maneuvering through its wild fluctuations. At the same time, central banks and supervisory authorities must contend with disruptive innovations. New market entrants such as fintech companies and large technology companies, as well as new products such

as cryptocurrencies and stablecoins, are challenging existing financial institutions. However, it is clear that cryptocurrencies already play a very significant role in the modern global economy.

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THE PRESIDENT OF UKRAINE'S ACTIVITY IN RUSSIA'S FULL-SCALE WAR AGAINST UKRAINE

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Voloshyna L. A., Zmiiova I. V. The President of Ukraine's activity in Russia's full-scale war against Ukraine. The article examines the role of the President of Ukraine during Russia's full-scale war against Ukraine. It analyzes the presidential leadership under martial law, communication strategies aimed at maintaining social cohesion, diplomatic initiatives, and counter-disinformation policies. The study demonstrates how personal leadership and institutional governance contributed to Ukraine's resilience.

Keywords: communication, diplomacy, full-scale war, leadership, President of Ukraine, resilience.

Волошина Л. А., Зміїова І. В. Діяльність Президента України у війні Росії проти України. У статті досліджено діяльність Президента України в умовах повномасштабної війни Російської Федерації проти України. Проаналізовано особливості президентського лідерства у воєнний період, стратегію публічної комунікації, міжнародну дипломатичну активність та протидію дезінформації. Дослідження демонструє, як особисте лідерство та інституційне управління сприяли стійкості України.

Ключові слова: дипломатія, комунікація, лідерство, повномасштабна війна, Президент України, стійкість.

1. Introduction

The Russian Federation's full-scale invasion of Ukraine on February 24, 2022, marked the beginning of one of the most tragic and defining periods in modern European history. From the first day of aggression, the role of the President of Ukraine became central in shaping the state's defensive strategy, foreign policy, and public morale. Volodymyr Zelenskyy, previously known as a political newcomer, transformed within days into a symbol of national courage and unity. His actions were crucial not only for maintaining the functionality of the Ukrainian state but also for shaping international perceptions of Ukraine as a sovereign, democratic, and resilient nation. All this stipulates the *relevance* of this study.

The *object* of this research is the activity of the President of Ukraine during wartime and the *subject* is the specific characteristics of Volodymyr Zelenskyy as the leader of the state and people.

The *aim* of the research is to study the activity of the Ukrainian President in the condition of war which changed the image of Ukraine from a victim to the defender of European democracy.

The following *tasks* are set to achieve the purpose:

- to define the concept of leadership;
- to study the activity of Volodymyr Zelenskyy inside the country and on the international stage;
- to assess the challenges that the President faces and to study the ways he employs while coping with them.

2. The President of Ukraine as a leader in conditions of war

2.1. Communication strategy and public trust

The President's leadership during wartime became an example of effective crisis governance and moral fortitude in the face of existential threat. His decision to remain in Kyiv despite the danger

of assassination attempts and encirclement by enemy forces symbolized steadfastness and confidence [2]. It became a turning point in the psychological state of both the Ukrainian people and the international community. This decision strengthened the spirit of resistance among citizens and sent a clear signal to the world that Ukraine would not surrender its sovereignty.

The President's daily video addresses, recorded in Kyiv amid bombardments, became a global media phenomenon. They not only informed the Ukrainian population about current developments but also unified the nation emotionally and spiritually. Through short but powerful messages, the President maintained public morale, articulated strategic objectives, and communicated gratitude to the armed forces. His direct and sincere style of communication contrasted sharply with the propaganda typical of authoritarian regimes. This transparency and authenticity significantly strengthened public trust in government institutions, which is rare during wartime [6].

Moreover, Zelenskyy's approach demonstrated how modern political leadership can adapt to the era of digital communication and social networks. By addressing citizens and international audiences through accessible media platforms, the President was able to bypass bureaucratic constraints and speak directly to the world [6].

2.2. International diplomacy and global support

In parallel with domestic leadership, the President's international activity became a cornerstone of Ukraine's survival. Zelenskyy personally engaged in dialogue with leaders of major powers, addressing national parliaments and international organizations, including the UN, the European Parliament, the US Congress, and the British Parliament. His speeches often appealed to the historical memory and moral responsibility of democratic societies [3].

This consistent diplomatic activity resulted in unprecedented global support: large-scale sanctions against Russia, significant financial and military assistance, and humanitarian programs for refugees and civilians. The President's diplomatic success also lay in his ability to form a narrative of Ukraine not as a victim, but as a defender of democratic values. This rhetorical shift allowed international partners to perceive their assistance not as charity but as a moral duty to protect freedom.

Simultaneously, Zelenskyy's government undertook major reforms to synchronize Ukrainian legislation and defense systems with NATO standards, which accelerated the process of Euro-Atlantic integration. His leadership catalyzed the transformation of Ukraine from an object of international politics into an active and respected participant. The President's personal charisma, authenticity, and emotional intelligence made him one of the most recognized world leaders of the twenty-first century [3].

2.3. Presidential leadership challenges

However, presidential leadership during war is not without challenges. The enormous emotional and psychological pressure, combined with the need for rapid strategic decisions, created constant risks of burnout and political isolation [1]. Nevertheless, Zelenskyy's ability to delegate authority and rely on professional military and civilian advisors proved that effective leadership is based not only on personal courage but also on teamwork and institutional trust. Through language, symbols, and appeals to shared historical memory, he consolidated Ukrainian society across regions and political backgrounds. The image of the President in military attire, without excessive protocol or luxury, became a visual manifestation of equality between authority and people. This simplicity erased the distance between the state and citizens and reinforced the principle of collective responsibility.

2.4. Countering disinformation and information resistance

Equally important was the President's focus on countering Russian disinformation. Under his guidance, Ukraine's communication strategy evolved into a coordinated effort involving state institutions, media, and civil society organizations. This approach enabled the rapid dissemination of verified data, refutation of enemy narratives, and effective engagement with international media outlets. As a result, Ukraine gained dominance in the global information environment despite limited resources [5].

3. Conclusions

The activities of the President of Ukraine during the war illustrate the significance of leadership based on moral authority, effective communication, and international cooperation. This experience will influence Ukraine's post-war recovery and democratic development.

The President's leadership during the war combined moral principles with pragmatic governance, transforming the presidency into a center of national resistance. His example will influence post-war reconstruction and Ukraine's integration into European structures. Ultimately, the actions of the President of Ukraine demonstrate how leadership rooted in empathy, courage, and moral conviction can redefine the destiny of a nation.

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THE DUAL-USE ECONOMY: HOW INNOVATIONS FROM UKRAINE'S DEFENSE-INDUSTRIAL COMPLEX WILL BECOME A DRIVER FOR CIVILIAN MARKETS

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Volovod A. M., Izotova L. I. The dual-use economy: how innovations from Ukraine's defense-industrial complex will become a driver for civilian markets. This article examines the concept of a dual-use economy in the context of modern Ukraine. It analyzes the potential of innovations emerging in the defense-industrial complex (DIC) under the influence of military challenges as a source of long-term economic growth. Key sectors of the DIC (UAV production, cybersecurity, tactical medicine, new materials) with the highest potential for technology transfer to civilian markets are identified. The global experience of commercializing military developments, particularly the DARPA model in the USA, is considered. Strategic directions and mechanisms for stimulating the spin-off process in Ukraine are proposed, including the creation of technology transfer centers, the development of venture financing, and the formation of a favorable regulatory policy. It is substantiated that a systemic approach to the commercialization of military innovations can become a key element of the post-war modernization of the Ukrainian economy.

Keywords: dual-use economy, defense-industrial complex, technology transfer, innovations, spin-off, economic growth.

Воловод А. М., Ізотова Л. І. Економіка подвійного призначення: як інновації українського ВПК стануть драйвером цивільних ринків. У статті досліджено концепцію економіки подвійного призначення в контексті сучасної України. Проаналізовано потенціал інновацій, що виникають в оборонно-промисловому комплексі (ВПК) під впливом воєнних викликів, як джерела довгострокового економічного зростання. Визначено ключові сектори ВПК (виробництво БПЛА, кібербезпека, тактична медицина, нові матеріали), що мають найвищий потенціал для трансферу технологій у цивільні ринки. Розглянуто світовий досвід комерціалізації військових розробок, зокрема модель DARPA у США. Запропоновано стратегічні напрями та механізми стимулювання процесу «спін-офф» в Україні, включаючи створення центрів трансферу технологій, розвиток венчурного фінансування та формування сприятливої регуляторної політики. Обґрунтовано, що системний підхід до комерціалізації військових інновацій може стати ключовим елементом повоєнної модернізації української економіки.

Ключові слова: економіка подвійного призначення, оборонно-промисловий комплекс, трансфер технологій, інновації, спін-офф, економічне зростання.

1. Introduction

The full-scale invasion in 2022 became not only an existential challenge to Ukrainian statehood but also a powerful catalyst for the transformation of the national economy. In conditions where the survival of the state directly depends on the effectiveness of its defense sector, the defense-industrial complex (DIC) has turned into a major hub of technological innovation. The urgent need for rapid, effective, and asymmetric responses on the battlefield has stimulated unprecedented development in the fields of unmanned systems, electronic warfare, cybersecurity, tactical medicine, and logistics software. This process, born of war, creates a unique window of opportunity for future peaceful development.

The relevance of this research lies in the fact that after the cessation of active hostilities, Ukraine will face the task of not only rebuilding its destroyed infrastructure but also constructing a new, sustainable, and competitive economic model. Ignoring the innovative potential accumulated in the DIC would mean losing a unique national asset. Conversely, a deliberate and strategic direction of military technologies into civilian markets – the so-called spin-off process – can become a powerful driver for modernizing the economy, diversifying exports, and creating

high-value-added jobs. History knows many examples where military developments have radically changed civilian life: from the Internet and GPS, which grew out of DARPA projects in the US, to microwave ovens and Teflon. For Ukraine, which is currently forming one of the most powerful military-technological sectors in the world, this path is not just possible but strategically necessary.

Despite its high relevance, the problem of systemic technology transfer from the defense to the civilian sector remains insufficiently studied in Ukrainian academic discourse. Most research focuses on the current needs of the army, issues of DIC financing, or general aspects of post-war reconstruction. The works of scholars such as A. O. Nikitishyn [5] and V. P. Horbulin [1] lay the theoretical groundwork for understanding the role in the national security system [11], yet there is a lack of comprehensive studies dedicated specifically to the mechanisms and strategies for commercializing military innovations in modern Ukrainian realities.

The aim of this article is to analyze the potential of innovations from the Ukrainian DIC as a driver for civilian markets and to develop proposals for strategic directions to stimulate the transfer of dual-use technologies.

To achieve this purpose, the following objectives must be addressed:

- to study the theoretical foundations of the dual-use economy concept and the technological spin-off process;

- to analyze the international experience of successful commercialization of military developments;

- to identify key areas of innovation in the Ukrainian DIC that have the highest potential for civilian application;

- to propose effective mechanisms and instruments of state policy to facilitate technology transfer from the defense to the civilian sector. **The object** of the study is the process of forming a dual-use economy in Ukraine. **The subject** of the study is the economic relations, mechanisms, and tools that ensure the transfer of innovative technologies from the defense-industrial complex to the civilian sectors of the economy.

2. Theoretical Foundations and Global Experience of the Dual-Use Economy

The term "dual-use technologies" refers to goods, software, and technologies that can be utilized for both military and civilian purposes. The concept of an economy that consciously leverages this synergistic effect is not new, but its relevance is growing in an era of hybrid threats and technological races.

Historically, the link between military needs and civilian innovations has been a driving force of progress. From the development of food canning for Napoleon's army to the creation of jet engines during World War II, military contracts have often served as the main stimulus for

scientific and technological breakthroughs. However, a systemic approach to technology transfer began to form in the second half of the 20th century.

The most prominent example is the model implemented in the United States through the Defense Advanced Research Projects Agency (DARPA). Established in 1958 in response to the Soviet Union's launch of the first satellite, DARPA has functioned as an incubator for risky but potentially revolutionary technologies. Unlike traditional military research institutions, the agency had no laboratories of its own but acted as a flexible client and coordinator of research, attracting the best minds from universities and the private sector. The result of this activity was not only a military advantage for the US but also technologies that have defined the face of modern civilization:

- **ARPANET** – the network that became the prototype for the global Internet;
- **GPS (Global Positioning System)** – a satellite navigation system that is now an integral part of logistics, transportation, and daily life;
- **Stealth technologies** – materials and coatings that absorb radio waves, which have found applications in civil aviation and construction;
- **Speech recognition technologies**, which formed the basis of modern voice assistants. A key factor in the success of the DARPA model is its philosophy: funding high-risk, high-payoff projects and focusing on specific breakthrough goals rather than incremental improvements [10]. This model proves that effective form of venture capital [3], creating entire new industries. Another interesting example is Israel, which, while under constant military threat, has managed to turn its DIC into an engine of an innovative economy, earning the unofficial status of a "Startup Nation" [12]. Many Israeli tech companies were founded by veterans of elite units of the Israel Defense Forces (IDF), including the famous "Unit 8200," which deals with signals intelligence. The skills acquired during military service become the basis for creating successful civilian products in the fields of cybersecurity (Check Point, CyberArk), data analysis, and artificial intelligence. The Israeli model demonstrates the importance not only of technology but also of human capital hardened in the army, and the close interaction between the military, academia, and business [9]. The process of technology transition from the military to the civilian sphere is described by the technological spin-off model. This process is not automatic and requires certain conditions. The effectiveness of the transfer depends on a number of factors, which can be grouped into several categories (Table 1).

Table 1.

Factors Influencing the Effectiveness of Dual-Use Technology

Category of Factors	Examples of Factors
Technological	Technology Readiness Level (TRL), adaptability to civilian needs, cost of modification, availability of related technologies.
Economic	Potential size of the civilian market, availability of investment and venture capital, cost of production, competitive environment.
Institutional	State policy in the field of innovation, effectiveness of intellectual property protection, presence of technology transfer centers, level of bureaucracy.
Socio-cultural	Level of entrepreneurial culture, societal readiness for innovation, links between the military, scientists, and business, education system.

An analysis of global experience leads to the conclusion that the successful transfer of military technologies is the result of a targeted state policy and the creation of a favorable ecosystem, rather than an accidental side effect of defense spending. For Ukraine, studying and adapting these models is a critically important task on the path to post-war economic transformation.

2.1. Analysis of the Potential of Ukraine's DIC as a Source of Civilian Innovations

Before 2022, Ukraine's DIC, having inherited a significant part of the Soviet potential, was in a state of slow modernization, focusing mainly on exports and updating existing equipment models [1]. The full-scale war came as a shock that forced the sector to shift from an evolutionary to a revolutionary path of development [2; 4]. The need for a rapid response to new challenges, such as the mass use of drones, electronic warfare, and cyberattacks, led to the emergence of a unique innovation ecosystem at the intersection of state-owned enterprises, private startups, volunteer movements, and scientific institutions.

Today, several key areas can be identified where Ukrainian military developments have significant potential for commercialization and entry into civilian markets.

2.2. Unmanned Aerial Vehicles (UAVs) and Related Technologies

Ukraine has become a global testing ground for the use of all types of drones: from small FPV kamikazes to long-range strike and reconnaissance systems. This experience has spurred the development of an entire industry.

Civilian Applications:

Agriculture: monitoring crop conditions, precision application of fertilizers and plant protection products (companies like DroneUA are already leaders in this market).

Logistics and Delivery: delivering cargo to hard-to-reach areas, mail, and medical supplies.

Energy and Infrastructure: inspecting power lines, pipelines, bridges, and other critical facilities.

Cartography and Geodesy: creating high-precision 3D terrain models for construction, urban planning, and cadastre.

Innovations for Spin-off: navigation systems resistant to electronic warfare can form the basis for reliable systems for autonomous civilian transport. AI-based image recognition technologies used for target identification can be adapted for environmental monitoring, search and rescue operations, or quality control in manufacturing.

2.3. Cybersecurity and Software

Ukraine is on the front line of a global cyberwar, repelling thousands of attacks on state resources and critical infrastructure daily. This has contributed to the formation of unique expertise and the emergence of powerful companies.

Civilian Applications:

Corporate Security: protecting banking systems, industrial enterprises, and telecommunication networks from cyber threats.

Personal Data Protection: developing software products for the secure storage and transmission of information.

Threat Intelligence Platforms: providing services for predicting and detecting cyberattacks for clients worldwide. Ukrainian specialists with experience in countering state-sponsored hacker groups are extremely valuable in this market.

2.4. Tactical Medicine and Biotechnology

The need to save lives on the battlefield has stimulated innovations in the medical field that can find wide application in civilian healthcare.

Civilian Applications:

Emergency Medicine: hemostatic agents (tourniquets, hemostatic bandages of Ukrainian production, for example, from the company "Kvertus" [6]) can become a standard for ambulances, rescue services, and civilian first-aid kits.

Telemedicine: platforms for remote consultations and patient monitoring, tested in military conditions, can improve access to medical services in rural areas.

Rehabilitation: the development of modern prosthetics, exoskeletons, and software for the physical and psychological rehabilitation of veterans will have direct application for patients who have suffered from traffic accidents, industrial injuries, or diseases.

2.5. New Materials and Production Technologies

The development of light and durable armor, composite materials for UAVs, and camouflage coatings opens the way for their use in civilian industries.

Civilian Applications:

Transportation: using lightweight composites in the automotive, aviation, and shipbuilding industries to reduce weight and fuel consumption.

Construction: developing strong and lightweight building materials resistant to external influences.

Personal Protective Equipment: creating protective gear for athletes, rescuers, and industrial workers. The potential for the spin-off of key technologies from the Ukrainian DIC can be schematically represented as follows (Fig. 1).

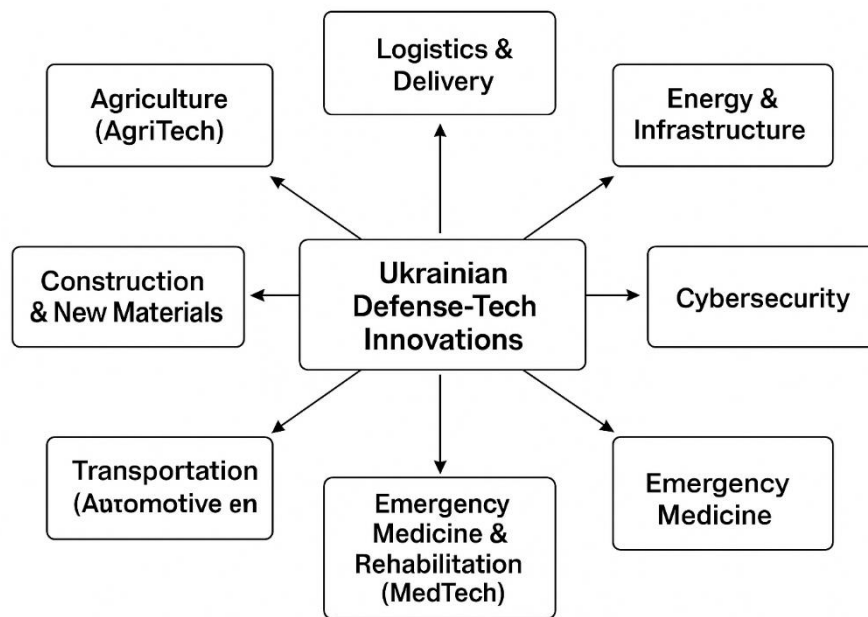


Figure 1. Directions of innovation transfer from the DIC of Ukraine to civilian economic sectors

This list is not exhaustive and shows only the tip of the iceberg. It is important to understand that the main asset is not so much the specific developments, but the formed culture of rapid innovation, flexibility, and solving complex problems with limited resources. It is this human and organizational capital that is the most valuable resource for post-war modernization.

2.6. Strategic Directions and Mechanisms for the Commercialization of Military Innovations

1. The existence of innovative potential does not guarantee its automatic realization. Without a targeted state policy and the creation of appropriate institutions, the best developments risk remaining as prototypes or being implemented abroad. To successfully launch a dual-use economy in Ukraine, it is necessary to implement a comprehensive approach that includes institutional, financial, and regulatory mechanisms [7].

2.7. Creation of a National Network of Technology Transfer Centers (TTCs)

The main obstacle to commercialization is often the gap between developers (engineers, scientists) and the market (entrepreneurs, investors). TTCs should become a bridge between these two worlds. Their functions include:

Technology Audit: identifying and evaluating developments in the DIC that have commercial potential.

Intellectual Property Protection: assistance in patenting inventions and utility models.

Marketing and Partner Search: researching civilian markets, finding interested companies and investors.

Legal and Business Support: assistance in creating startups, developing business plans, and concluding licensing agreements. Such centers can be created on the basis of leading technical universities, research institutes, and technology parks in partnership with the state concern "Ukroboronprom" (or its successor) and private defense companies.

2.8. Development of Venture Financing Instruments

Startups based on dual-use technologies are high-risk but also high-reward. Traditional bank lending is unavailable to them. It is necessary to create favorable conditions for the development of venture capital.

Creation of a State Fund of Funds: The state should not invest directly in individual startups, as this carries corruption risks. Instead, it can create a fund that will invest in private venture funds specializing in defense-tech and dual-use projects. This will attract private expertise and diversify risks.

Tax Incentives for Investors: introduction of tax breaks for "business angels" and venture funds that invest in Ukrainian technology companies.

Development of Crowdfunding Platforms: creating specialized platforms to attract small investments from a wide range of citizens, as is successfully done to support the army.

2.9. Regulatory Guillotine and Simplification of Procedures

Excessive bureaucracy and secrecy often become an insurmountable obstacle to the commercialization of military developments. It is necessary to:

Review and optimize the secrecy regime: Not all technologies used in defense require the highest level of classification. It is necessary to develop clear criteria and procedures for declassifying technologies that do not pose a threat to national security but have civilian potential.

Simplify certification and licensing procedures for dual-use products.

Introduce "regulatory sandboxes"—special legal regimes for testing innovative products (e.g., autonomous cars or delivery drones) in a limited environment without the need to immediately go through all the circles of bureaucratic hell. The effectiveness of implementing the proposed measures can be assessed using an integral indicator of innovative conversion (IIC), which is calculated by the formula (1):

$$IIC=(V_{du}/C_{def})\cdot k$$

(formula 1)

where:

V_{du} is the volume of civilian products produced based on dual-use technologies, UAH;

C_{def} is the total expenditure on research and development in the defense sector, UAH;

k is a coefficient that takes into account qualitative indicators (number of jobs created, export volume, number of patents).

The growth of this indicator over time will indicate the success of the state policy in the field of technology transfer.

2.10. Development of Human Capital and Entrepreneurial Culture

Technologies are created by people. It is necessary to support and develop the human capital that is the carrier of unique experience.

Educational Programs: creating interdisciplinary master's programs at the intersection of engineering, management, and entrepreneurship to train specialists capable of commercializing complex technological products.

Support for Veteran Entrepreneurship: developing special programs (training, mentoring, preferential financing) for veterans who wish to start their own technology businesses. Their unique experience and understanding of real needs are an invaluable asset.

Popularization of Science and Engineering: holding competitions, hackathons, and exhibitions that showcase the achievements of Ukrainian developers and inspire young people to choose engineering specialties.

The implementation of these strategic directions will allow turning forced defense investments into long-term investments in the technological future of Ukraine, ensuring a synergy between security and economic prosperity.

3. Conclusions

War, while being a tragedy and a devastating trial, simultaneously acts as a powerful and unpredictable catalyst for social and technological change. For Ukraine, which is paying an extremely high price for its independence, it is critically important to use every opportunity born of this challenge to build a stronger and more resilient future. The innovative explosion currently taking place in the Ukrainian defense-industrial complex is precisely such a unique historical opportunity.

The study found that the concept of a dual-use economy, based on the transfer of military technologies to civilian sectors (spin-off), is a proven model of accelerated innovative development that has been successfully implemented in countries such as the USA and Israel.

The analysis of the potential of the Ukrainian DIC revealed a number of breakthrough areas with significant commercial potential. These include, first and foremost, unmanned systems, cybersecurity, tactical medicine, new materials, and specialized software. In these areas, Ukraine is already demonstrating a level of development that is competitive on the global market.

However, to transform this potential into real economic growth, technology alone is not enough. A comprehensive and targeted state policy is required, which includes:

- creating an institutional infrastructure in the form of technology transfer centers;
- forming a favorable environment for venture investment;
- carrying out deregulation and optimizing the regime for access to technologies;
- investing in human capital and developing an entrepreneurial culture.

Building an effective technology transfer system will solve several strategic tasks at once: diversifying Ukrainian exports through high-tech products, creating new high-wage jobs, attracting foreign investment, and accelerating Ukraine's integration into the European and global economic space [8]. Transforming forced defense spending into long-term investments in innovation is the key to ensuring that Ukraine emerges from the war not just restored, but fundamentally renewed, stronger, and more technologically advanced. ***Directions for further research*** could include a detailed analysis of the market potential of specific technological niches (e.g., the market for agricultural drones or medical equipment), the development of econometric models to assess the multiplier effect of investments in the DIC on overall economic growth, and a comparative analysis of the legal models for regulating dual-use technologies in Ukraine and NATO countries.

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DIGITAL TRANSFORMATION OF TOURISM IN THE EU: WHY DIGITAL READINESS AND MULTILINGUAL SKILLS MATTER

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Yefimova M. M., Ilchenko V. V. Digital transformation of tourism in the EU: why digital readiness and multilingual skills matter. Tourism in the European Union is increasingly influenced by digital technologies. The article analyses how digital readiness affects tourism flows in EU countries and highlights the role of multilingual skills in digital tourism services. The study is based on DESI indicators and Eurostat data and shows that higher digital development supports stronger tourism performance.

Keywords: DESI, digital tourism, digital transformation, European Union, multilingual skills, tourism flows.

Єфімова М. М., Ільченко В. В. Цифрова трансформація туризму в ЄС: значення цифрової готовності та багатомовних навичок. Туризм у Європейському Союзі дедалі більше зазнає впливу цифрових технологій. У статті проаналізовано, як цифрова готовність впливає на туристичні потоки в країнах ЄС, та окреслено роль багатомовних навичок у цифрових туристичних сервісах. Дослідження базується на показниках DESI та даних Eurostat і засвідчує, що вищий рівень цифрового розвитку сприяє кращим показникам туристичної діяльності.

Ключові слова: багатомовні навички, індекс цифрової економіки та суспільства (DESI), туристичні потоки, цифрова трансформація, цифровий туризм.

1. Introduction

Tourism today is increasingly digital and international, as tourists rely on online platforms, digital services, and fast communication. Consequently, digital transformation has become a key driver of tourism development in the European Union.

The relevance of this research is explained by the rapid expansion of digital platforms, online booking systems and multilingual digital services, which have changed tourism promotion and increased the importance of foreign languages in communication with international tourists. *The object* of the article is the process of digital transformation of tourism in the European Union, while *the subject* is the relationship between digital readiness, tourism flows, and multilingual skills in tourism services.

The aim of the article is to analyse how digital development influences tourism flows in the EU and explain the role of multilingual skills in digital tourism. *The tasks* include analysing DESI indicators, examining tourism flows using Eurostat data, identifying the role of multilingual skills in digital tourism services, and formulating conclusions for tourism businesses and policy makers.

2. Digital readiness and tourism development in the European Union

2.1. DESI as an indicator of digital transformation

The Digital Economy and Society Index (DESI) is a key indicator of digital transformation in the European Union. The DESI 2022 reports, based mainly on 2021 data, reflect the progress achieved by EU Member States during and after the COVID-19 pandemic [1]. Despite the overall

advancement, significant gaps persist in digital skills, the digitalisation of small and medium-sized enterprises, and the deployment of advanced 5G networks [2].

Figure 1 shows the overall DESI scores and their main components, including human capital, connectivity, integration of digital technology and digital public services. Countries such as Finland, Denmark and the Netherlands demonstrate high levels of digital readiness, while several Member States continue to face structural digital challenges.



Figure 1. Digital Economy and Society Index scores and components across EU Member States [1].

Figure 2 illustrates the average annual relative growth of DESI scores between 2017 and 2022. Higher growth rates are often observed in countries with lower initial DESI levels, indicating an ongoing convergence process in digital development across the EU.

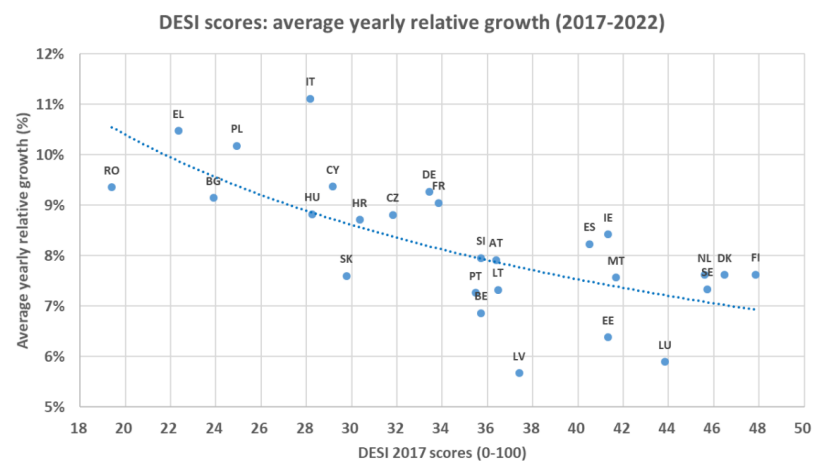


Figure 2. Average yearly relative growth of DESI scores in EU countries (2017-2022) [1].

Digital transformation is further supported by EU financial instruments. According to DESI 2022, EUR 127 billion were allocated to digital reforms and investments within national Recovery and Resilience Plans. On average, 26% of Recovery and Resilience Facility allocations were directed to digital transformation, with several Member States exceeding 30%, highlighting the strategic importance of digitalisation for economic resilience and tourism development [6].

2.2. Tourism flows in the EU: evidence from Eurostat data

Tourism flows in the European Union are primarily measured by the number of nights spent in tourist accommodation establishments. According to Eurostat data, tourism activity in the EU demonstrated a steady growth from 2005 to 2019. As shown in Figure 3, both resident and non-resident overnight stays increased consistently during this period, indicating stable tourism development prior to the COVID-19 pandemic [7].

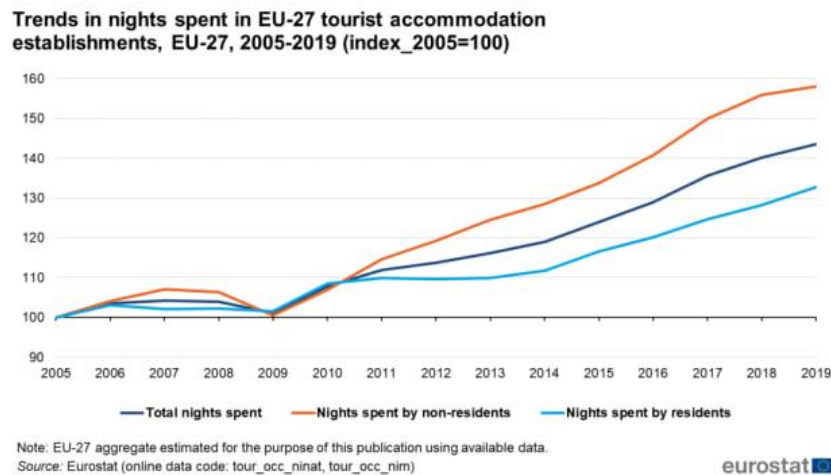


Figure 3. Trends in nights spent in tourist accommodation establishments in the EU-27, 2005-2019 [7].

An additional insight into tourism demand is provided by the structure of the accommodation used. In 2019, hotels and similar accommodation accounted for 62.8% of all overnight stays in the EU, while holiday and other short-stay accommodation represented 23.7%, and camping grounds and recreational vehicle parks made up 13.5% [7]. These data highlight the growing importance of digital booking platforms and multilingual online information, particularly for short-stay and alternative accommodation segments.

Recent Eurostat statistics confirm a recovery of tourism activity in the European Union. In 2024, the number of nights spent in tourist accommodation establishments increased by 2.7% compared with 2023, exceeding 3 billion for the first time (Figure 4). The highest growth rates were recorded in Cyprus and Malta, while Finland and France experienced slight declines [5].

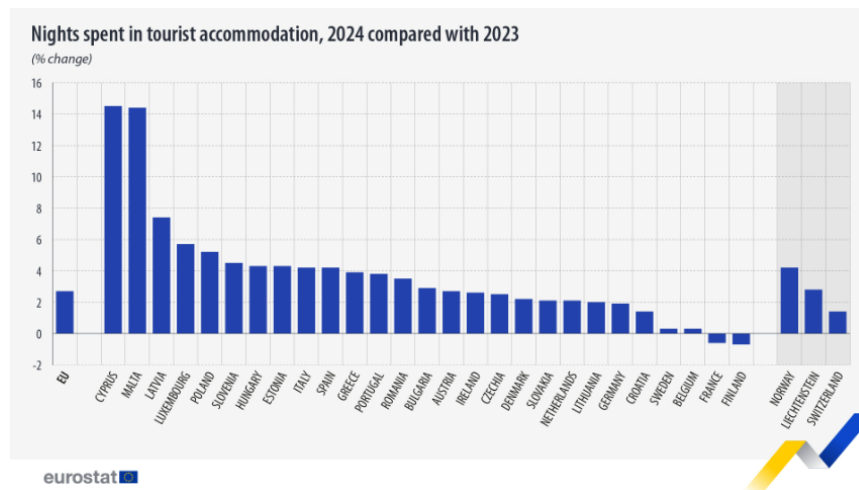


Figure 4. Year-on-year change in nights spent in tourist accommodation establishments in the EU, 2024 compared with 2023 [5].

Overall, tourism recovery across the EU remains uneven and closely linked to national economic conditions. In this context, the effective use of digital tools and multilingual communication has become a key factor in supporting tourism flows and maintaining competitiveness in the European tourism market.

2.3. Multilingual skills in the context of digital tourism

Digital tourism operates in an international environment where effective communication with visitors is essential. In this context, multilingual skills are a key element of service quality and competitiveness, as digital platforms are less effective when information and customer support are limited to one language.

Eurostat data indicate a high level of multilingual competence in the European Union. As shown in Figure 5, a large share of the population aged 25-64 reports knowledge of one or more foreign languages, exceeding 80-90% in many Northern and Western European countries. This linguistic capacity supports cross-border mobility and increases trust in digital tourism services [3].

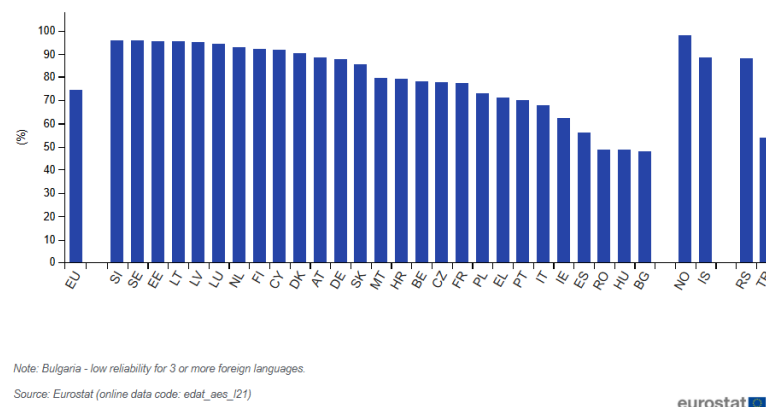


Figure 5. Foreign language knowledge among people aged 25-64 in EU countries, 2022 [3].

Multilingual skills are also widespread among younger generations. Figure 6 demonstrates that many students are able to read and write in more than one foreign language, suggesting that multilingual competence will remain an important resource for the tourism sector [4].

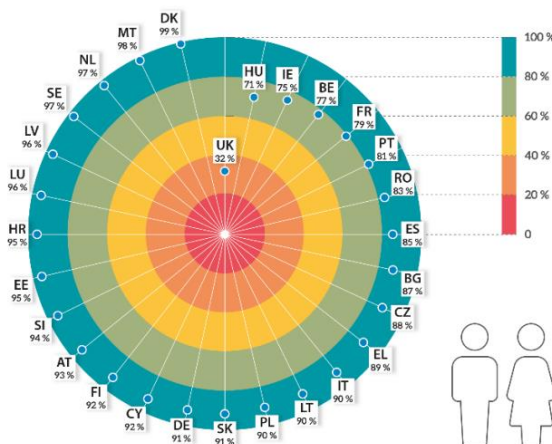


Figure 6. Students able to read and write in more than one foreign language in EU countries (%) [4].

Overall, the integration of multilingual communication into digital tourism platforms reduces information barriers, improves user experience and strengthens the competitiveness of tourism enterprises in the European market.

3. Conclusions

The study confirms that digital transformation significantly influences tourism development in the European Union. Differences in digital readiness among the EU Member States, reflected in DESI indicators and Eurostat data, show that higher digital development supports the resilience and competitiveness of tourism markets.

Multilingual skills remain an essential complement to digital tourism. High levels of foreign language proficiency enhance digital services, improve user experience, and support international tourism flows, strengthening the competitive position of tourism enterprises in the European market.

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EDUCATION IN UKRAINE AFTER FEBRUARY 24, 2022: CHALLENGES AND NECESSARY TRANSFORMATIONS

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Yurchenko S. E., Litovchenko Y. M. Education in Ukraine after February 24, 2022: Challenges and Necessary Transformations. The article outlines key challenges for Ukraine's education system during Russia's full-scale invasion: risks to learners' and staff safety, destruction of educational infrastructure, forced displacement, disrupted learning continuity, and reduced funding. The article reveals what training areas are identified as priority: military and medical education, cybersecurity, humanitarian assistance, information security and communication technologies, as well as international relations and diplomacy. The study emphasizes flexible delivery modes (online/offline/blended) and the importance of international support for sustaining and transforming education in wartime.

Keywords: blended learning, cyber security, education, humanitarian assistance, international cooperation, martial law, safety.

Юрченко С. Е., Літовченко Я. М. Освіта в Україні після 24 лютого 2022 року: виклики та необхідні трансформації. У статті окреслено ключові виклики для освіти України в умовах повномасштабної агресії РФ: загрози безпеці учасників освітнього процесу, руйнування інфраструктури, переміщення здобувачів і педагогів, розрив неперервності навчання та зниження фінансування. Визначено пріоритетні напрями підготовки фахівців: військова й медична освіта, кібербезпека, гуманітарна допомога, інформаційна безпека, міжнародні відносини та дипломатія, а також підкреслено роль гнучких форматів і міжнародної підтримки.

Ключові слова: безпека, воєнний стан, гуманітарна допомога, дистанційне навчання, кібербезпека, міжнародна співпраця, освіта.

1. Introduction

The full-scale military aggression of the Russian Federation against Ukraine, which began on February 24, 2022, has radically changed the conditions of functioning of all spheres of public life, including the education system. Martial law conditions create unprecedented challenges for the development of education for qualified specialists, as the educational process must be ensured under constant security threats, destruction of infrastructure, forced displacement of participants in education, and limited financial resources. Under these circumstances, education becomes not only a tool for professional training, but also an important factor of social stability and national resilience.

The relevance of this study is determined by the urgent need to identify and substantiate effective directions for the development of education for qualified specialists in wartime, taking into account current security risks, humanitarian challenges and labor market demands. Despite the growing number of studies devoted to education during crises and conflicts, many issues related to the systemic transformation of professional training under martial law conditions remain insufficiently studied and require further analysis.

The object of the study is the education system of Ukraine functioning under martial law conditions.

The subject of the study is the directions and mechanisms of development of education for qualified specialists in the context of military conflict.

The aim of the article is to identify and substantiate the key directions for the development of education for qualified specialists under martial law conditions.

The following **tasks** are set:

1. to analyze the main challenges facing the education system during the war;
2. to determine priority areas of professional training in wartime conditions;
3. to examine the humanitarian and social consequences of the war for education;
4. to outline key approaches to adapting the education system to martial law conditions.

2. Education development under martial law conditions

2.1. Priority areas and systemic challenges

Military education and strategic planning - development of programs aimed at training leaders and commanders in military strategy, tactics, leadership and management in crisis conditions.

Medical education and assistance in the conflict zone - training medical professionals in emergency medical procedures, resuscitation, traumatology, and psychological support for work in wartime conditions.

Humanitarian professions and assistance in military conflicts - education for workers of humanitarian organizations providing assistance in the conflict zone: volunteering, organizing humanitarian aid, medical and psychological assistance.

Communication Technologies and Information Security - education on information protection and the development of communication technologies to ensure the security of communications in wartime.

International Relations and Diplomacy in Conflict - education for diplomats and representatives of international organizations focused on peacekeeping, conflict studies, and international law.

These areas help prepare qualified professionals to work in martial law conditions, providing them with the necessary knowledge and skills to effectively respond to the challenges that arise in these complex situations.

2.2. Main challenges in the field of education caused by the war

The aggressive actions of the Russian Federation against Ukraine, which began on February 24, 2022, have become a challenge to the existence of our country, its independence and unity. The main problems in the field of education, as a result of which:

Danger to the life and health of participants in the educational process and restriction of access to basic personal needs.

Large-scale destruction of educational infrastructure, including damage to educational institutions and educational and technical equipment.

Forced large-scale displacement of participants in the educational process across Ukraine and abroad, which led to losses among students and teaching staff.

Difficulties in access to education for Ukrainian schoolchildren and students and disruption of the continuity of the educational process.

Loss of administrative control over education in territories under temporary occupation or in the zone of active hostilities. Forced reorientation of Ukrainian students to Russian curricula and the language of instruction.

Reduction of state and local budget expenditures on education.

The need to develop the private education sector at the levels of preschool, general secondary and extracurricular education.

2.3. Humanitarian consequences of the war for children and education

With the beginning of the full-scale military aggression of the Russian Federation against Ukraine on February 24, 2022, the socio-economic structure of Ukraine came under attack from hostile actions, which led to significant destruction and damage to infrastructure, including buildings of general public importance, including a significant number of educational institutions. Some cities and villages in Ukraine have been completely destroyed by Russian artillery and air strikes, forcing residents to evacuate en masse, avoiding zones of occupation and active hostilities.

According to UNICEF experts, Russia's aggression against Ukraine has created an immediate and growing threat to the lives and well-being of 7.5 million Ukrainian children. Humanitarian problems are constantly deepening and growing. Hundreds of children have been killed or injured, and every second children face significant trauma from the violence that surrounds them. Hundreds of thousands of them have lost access to safe water and electricity due to damage to infrastructure [3].

The war in Ukraine has led to devastating consequences for children on a scale and pace not seen since World War II, UNICEF reports. The war has left 3 million children in Ukraine and over 2.2 million children in countries hosting Ukrainian refugees in need of immediate humanitarian assistance. Displacement, both internal and external (abroad), has affected one in two children in three.

According to the Office of the United Nations High Commissioner for Human Rights, two children are killed and four injured every day in Ukraine as a result of Russian attacks using

explosive weapons in populated areas. Civilian infrastructure that is essential for children is constantly being damaged or destroyed. The ongoing war and large-scale displacement are destroying sources of income and economic opportunities for Ukrainians. This leaves many families without enough income to meet basic needs and unable to provide adequate support for their children [4].

According to the Prosecutor General's Office, as of August 1, 2022, excluding zones of active hostilities, 358 children were killed and 693 children were injured [2].

2.4. Adaptation of the education system to wartime conditions

The education system of Ukraine found itself facing new operating conditions, confronting educational leaders with issues that have not yet been resolved. Since the outbreak of the war, the Ministry of Education and Science of Ukraine (MES) continued its work, maintaining constant contact with regional education departments and heads of higher education institutions. The Ministry of Education and Science appealed to international partners, including ministers of EU countries, with a request to provide support to the education system of Ukraine. At the same time, cooperation in the field of education and science with the Russian Federation and the relevant state bodies of the countries that supported the military aggression against Ukraine was suspended.

To ensure security in general secondary education institutions (GSE), the educational process was temporarily suspended and a break was declared. After that, the educational process was resumed using various forms: online (using IT technologies and remote access in regions close to combat zones), offline (in territories far from combat zones) and in a combined mode.

Vocational (vocational and technical) education institutions (VTEI), pre-university vocational education institutions (PVE) and higher education institutions (HEIs) found themselves in new conditions, as students and teachers of these institutions actively joined the Armed Forces of Ukraine (AFU) and territorial defense. Some teachers even continued to teach students directly from the front line.

The Ministry of Education has developed a number of important recommendations for organizing the educational process in vocational (vocational and technical), professional training and higher education institutions. In particular, the VTE proposed conducting the theoretical part of the curriculum using distance learning technologies, which does not require the physical presence of students and teachers in educational institutions. Regarding the practical component (industrial training and practice), it was recommended to use training workshops, laboratories, training grounds and places at enterprises for practical classes. If practical training becomes impossible in the usual mode, it is recommended to create the possibility of conducting practical

training using distance learning technologies, and to postpone the part of practical training that cannot be completed remotely to the period after the end of martial law.

2.5. Legislative changes in vocational education

In June 2022, the Law of Ukraine No. 2312-IX was adopted, which amends the current Law of Ukraine “On Professional (Vocational and Technical) Education”. This new regulatory initiative came into force on July 1, 2022. The proposed changes are aimed at adapting vocational education to the realities of the war and the current labor market. It is predicted that the innovations will contribute to reducing unemployment and help in the rapid retraining of those who have lost their jobs. The law provides for the following opportunities:

- obtaining vocational education without the mandatory receipt of complete general secondary education, which can be obtained at any other time at the expense of the budget;
- free acquisition of a second working profession 3 years after obtaining the previous profession, provided there is insurance experience and vacancies in vocational and technical educational institutions;
- obtaining education in another profession at the expense of the state budget until the end of 3 years or the absence of a confirmed insurance period. This may become relevant if a person, having acquired a certain profession, has lost the ability to work according to the previously obtained qualification due to health reasons, or to urgently meet state (regional) needs for specialists;
- admission to vocational and technical educational institutions without taking into account the person's place of registration; obtaining partial professional qualifications through short-term programs to respond to specific needs in the country's recovery;
- distribution of state orders not only for the training of qualified workers, but also for their retraining and advanced training, taking into account the current needs of the state. Additionally, local authorities have now received legislative powers to maintain state vocational and technical educational institutions until they are transferred to municipal ownership [1].

In addition, a mechanism for protection against unfounded reorganization or liquidation of these educational institutions for 10 years has been established.

3. Conclusions

The ongoing military conflict fundamentally reshapes the architecture of professional training, imposing unprecedented demands on the educational system that necessitate a radical overhaul of traditional academic structures. The study demonstrates that the conditions of warfare determine a

complex set of directions for educational evolution, where dynamic adaptation and institutional flexibility become primary requirements for maintaining educational continuity. These include:

- Flexibility and transformation. The need to adapt educational programs and teaching methods to the new conditions of the conflict to ensure the continuity of the educational process.
- Ensuring security. Development and implementation of measures to ensure the safety of participants in the educational process during the conflict.
- Online and offline formats. Use of innovative technologies to conduct training in remote regions or under martial law.
- Preparation for new realities. Adaptation of curricula to the needs of wartime and the modern labor market.
- International cooperation. Development of international cooperation to support educational initiatives and receive assistance in conflict conditions.
- Humanitarian support. Development and implementation of psychosocial support programs for those who have suffered from war or have been injured.
- Changing approaches to organizing training. Reforming the education system to ensure access to training and retraining in conditions of military conflict.

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THE IMPACT OF GLOBALIZATION ON NATIONAL SOVEREIGNTY

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Zakharenko A. I., Kalyuzhna A. B. The impact of globalization on national sovereignty. The article examines the essence and dynamics of the impact of globalization on the national sovereignty of states. It is determined that globalization is a multidimensional process encompassing economic, political, cultural, and social spheres, contributing to the formation of a single global space. The study analyzes changes in the concept of state sovereignty, particularly the transition from its traditional absolute understanding to the modern notion of interdependence among states. Special attention is given to the transformation of external and internal sovereignty, as well as the role of international organizations and transnational corporations in redistributing power. A SWOT analysis of the impact of globalization on nation-states is presented, highlighting its strengths, weaknesses, opportunities, and threats.

Keywords: globalization, national sovereignty, state, international relations, transformation, democracy, international organizations.

Захаренко А. І., Калюжна А. Б. Вплив глобалізації на національний суверенітет. У статті досліджено сутність і динаміку впливу глобалізації на національний суверенітет держав. Визначено, що глобалізація є багатовимірним процесом, який охоплює економічну, політичну, культурну й соціальну сфери, створюючи умови для формування єдиного глобального простору. Проаналізовано зміни у розумінні державного суверенітету, зокрема перехід від традиційного уявлення про його абсолютність до сучасної концепції взаємозалежності держав. Особливу увагу приділено трансформації зовнішнього та внутрішнього суверенітету, ролі міжнародних організацій і транснаціональних корпорацій у перерозподілі владних повноважень. Запропоновано SWOT-аналіз впливу глобалізації на національні держави, визначено її сильні та слабкі сторони, можливості й загрози.

Ключові слова: глобалізація, національний суверенітет, держава, міжнародні відносини, трансформація, демократія, міжнародні організації.

1. Introduction

Since the end of the 20th century, the pace of globalization processes in the world has increased exponentially. Over the past decades, globalization has profoundly transformed not only the economic interaction among states but also their political, social, and cultural relations. With the emergence of powerful transnational corporations, international financial institutions, and supranational unions such as the European Union, the issue of preserving national sovereignty has become particularly acute. This article is devoted to the problem of the transformation of state sovereignty under the influence of globalization processes.

The **subject** of the study is the phenomenon of globalization and its impact on the state and content of national sovereignty within the context of modern international relations.

A brief overview of the issue shows that the analysis of the interaction between globalization and sovereignty requires consideration of several key aspects. First, it is necessary to clarify the essence of the concept of “globalization” as a systemic process that encompasses the political, economic, and cultural dimensions of global development. Second, the classical and modern concepts of state sovereignty should be examined, tracing the evolution of this notion from absolute independence to the interdependence of states in the global space. Third, it is important to determine how the activities of international organizations, financial institutions, and transnational corporations affect the autonomy of national governments. Fourth, it is necessary to

analyze the practical manifestations of the reduction or transformation of sovereignty using examples of modern states, particularly Ukraine, which is actively integrating into the European space. Finally, possible ways of achieving a harmonious balance between national interests and global trends should be assessed, as this is a prerequisite for sustainable development in the 21st century.

These aspects determine the *relevance* of the research and call for a comprehensive scientific analysis.

Thus, the *aim* of the study is to conduct an in-depth examination of the impact of globalization on national sovereignty, to identify the main directions of its transformation, and to outline the means of preserving state autonomy under conditions of global interdependence.

To achieve this aim, the following research *tasks* have been set:

- To define the essence and main characteristics of globalization as a global process.
- To analyze the evolution of the concept of “national sovereignty” in political theory.
- To examine the mechanisms through which globalization affects the internal and external sovereignty of states.
- To identify the strengths, weaknesses, opportunities, and threats of globalization processes for nation-states (based on SWOT analysis).

2. The Impact of Globalization on National Sovereignty

Globalization is a complex and multidimensional phenomenon encompassing economic, political, sociocultural, and technological processes that integrate the world into a single interdependent system [7, p. 430]. In general terms, it represents a process of increasing interconnectedness among states and societies, manifested through the freer movement of goods, capital, information, ideas, cultural values, and people. The reduction of barriers to international exchange fosters the formation of a global network of interdependencies, within which not only economic but also political, cultural, and technological integration takes place [5, p. 263].

Globalization creates a new format of interaction between nation-states, supranational structures, transnational corporations, and international organizations [1, p. 5]. It gives rise to new forms of global governance that redefine the traditional boundaries of state sovereignty. Under these conditions, the state ceases to be the sole center of decision-making, as part of its powers is transferred to the supranational level – to international institutions, corporations, or unions [4, p. 11].

The concept of sovereignty, in its classical sense, reflects the supremacy and independence of state authority within a defined territory. It includes the right of the state to independently formulate policy, enact laws, control economic resources, and determine foreign policy without

external interference. Sovereignty is a fundamental condition for the existence of the state, guaranteeing its autonomy in resolving internal and external affairs [9, p. 12].

The evolution of the concept of sovereignty demonstrates a gradual shift from its absolute interpretation, proposed by T. Hobbes, to modern approaches that recognize the possibility of partial delegation of state powers to international structures for the joint resolution of global issues [9, p. 14].

Modern political science approaches indicate that globalization simultaneously acts as both a constraining and transformative factor for sovereignty. On the one hand, the strengthening of international institutions and transnational actors limits the ability of states to influence certain aspects of economic or information policy. On the other hand, integration into global processes provides states with additional resources and instruments for addressing common challenges such as environmental security, migration flows, and the regulation of international financial markets [10].

The nation-state, in this context, appears as a politico-territorial entity combining defined borders, centralized authority, and a population united by a common identity. However, under the conditions of globalization, its role is being transformed: the state retains the core features of sovereignty, yet its functions are increasingly carried out through interaction with international actors and institutions [10].

2.1. Transformation of State Sovereignty in the Context of Globalization

External sovereignty, even in highly developed economies, is gradually losing its absoluteness under the influence of globalization processes. In modern conditions, economically active countries are increasingly abandoning tariff barriers, instead orienting themselves toward unified international standards in areas such as finance, healthcare, environmental protection, and safety. This trend is particularly noticeable in countries with lower levels of economic development, which are compelled to adapt their legislation to international norms to ensure integration into global structures.

For Ukraine, this issue has direct practical significance: the aspiration to join the European Union requires the harmonization of domestic legislation with European standards. At the same time, compliance with EU norms should not be reduced to a mere formal implementation of requirements – it is essential to guarantee their effective integration into national practice.

Another factor contributing to the erosion of internal sovereignty is the trend toward decentralization, which intensified since the late 1980s as a result of democratic transformations in Eastern Europe. Power became deconcentrated, asymmetric administrative and territorial entities emerged, the role of regions increased, and in some cases, separatist movements

strengthened [3, p. 9]. These processes demonstrated a shift in the developmental trajectory of modern states – from centralized governance to a multilevel power model based on the principles of democracy and citizen participation.

In the postmodern era of state governance, two complementary tendencies can be observed: the concentration of key administrative functions in the center, while simultaneously preserving the autonomy of local self-government, and the development of a flexible system of social governance capable of utilizing the spontaneous potential of society without excessive administrative pressure [3, p. 10].

It can be argued that such centrifugal tendencies arise not solely from the limitations of traditional political institutions but also from the increasing role of national self-consciousness, which reflects a fundamental human need for collective identity and self-determination. At the same time, the growing scale of global challenges – economic, political, and environmental – significantly complicates their effective resolution, as these issues often exceed the capacities of individual states and expose the structural constraints of the existing global governance system.

At the intersection of these processes emerges the phenomenon of a normative and legal vacuum – a situation in which nation-states have already delegated part of their powers to international organizations, while the latter have not yet developed effective mechanisms for regulating new global relations [6, p. 41]. As a result, the traditional understanding of sovereignty is being redefined: many legal issues today extend beyond the scope of national jurisdiction. For instance, environmental law is acquiring a transnational character, as environmental violations can now be examined at the international level, which partially contradicts the principle of non-interference in the internal affairs of a state. For example, environmental commitments enshrined in international agreements such as the Paris Climate Accord restrict the autonomy of nations to act solely within their own legal systems, because adherence to the agreement involves regular reporting and transparency requirements at the international level.

The growing interdependence characteristic of the globalized world implies that a state's decision to abstain from participating in international agreements can entail tangible political or economic consequences, including various forms of pressure or sanctions. As a result, governments increasingly face a complex choice between fulfilling international commitments and maintaining sufficient control over their internal affairs. In this context, the tension between the principle of non-interference in domestic matters and the internationally recognized standards of human rights protection, as reflected in the UN Charter, has become more pronounced.

From the author's perspective, state sovereignty is not disappearing but rather evolving. While in spheres such as the economy, security, and legal regulation its scope may become more

limited due to international coordination, in areas related to culture, language, and national identity sovereignty often retains, and in some cases even reinforces, its significance.

Network-based structures of civil society will continue to develop, operating beyond state borders and forming transnational spaces of cooperation.

In this context, it is particularly important to focus on the internal sovereignty of Ukraine, which is determined by the nature of relations between the state and society. The strength of internal sovereignty depends not so much on the monopoly of power as on its legitimacy, democratic nature, and capacity for dialogue with citizens. The modern model of governance envisions a partnership between the authorities and civil society, supporting civic initiatives and adhering to principles of openness and transparency [2, p. 27].

To assess the impact of globalization on the sovereignty of nation-states, it is appropriate to apply a **SWOT analysis** (Table 1).

Table 1

SWOT Analysis of the Impact of Globalization on the Sovereignty of Nation-States

Strengths	Weaknesses	Opportunities	Threats
Economic growth through market expansion and the attraction of foreign investments.	Loss of political autonomy due to the delegation of part of state powers to international organizations.	Strengthening of states' international influence through participation in global institutions.	Increased vulnerability to global economic crises.
Deepening of international cooperation in addressing global challenges (climate, security, public health).	Economic dependence on global markets and external financial centers.	Access to new markets, technologies, and innovations.	Increase in social inequality and political instability.
Improvement of living standards, cultural exchange, and development of tolerance.	Erosion of national identity and cultural traditions.	Harmonization of legislation and enhancement of legal standards.	Environmental risks and depletion of natural resources.
Development of information technologies and communications.	Dependence on global technological corporations.	Formation of transnational democratic institutions.	Limitation of political independence of governments under the influence of supranational structures.

Compiled by the author using data from [8; 11].

In practical terms, the consequences of globalization for national statehood are manifested in different, and sometimes opposing, ways. On the positive side, integration into international economic and political frameworks has allowed many states to modernize their economies, attract foreign investment, and gradually align domestic legislation with international standards.

Participation in regional and global institutions has also contributed to the diffusion of democratic norms and governance practices, particularly in countries undergoing political and economic transformation.

At the same time, globalization has exposed states to a number of structural limitations. The growing role of international financial institutions and transnational corporations has reduced the capacity of national governments to exercise full control over key economic processes. Increased dependence on global markets has made domestic economies more sensitive to external shocks, while the delegation of regulatory competences to supranational bodies has, in certain cases, weakened the influence of traditional national institutions on policy formation.

Summarizing the above, it can be stated that globalization functions not only as a process of integrating the global community but also as a complex challenge for national statehood. On the one hand, it creates favorable conditions for the modernization of national economies, the strengthening of democratic institutions, the development of international cooperation, and the improvement of living standards. On the other hand, it leads to a loss of political autonomy, an increase in economic dependence on global markets, and a reduction in the influence of traditional national institutions on political decision-making.

In this context, the concept of sovereignty acquires a new, dynamic meaning. Its essence is no longer limited to a state's ability to act independently in the international arena but rather presupposes effectiveness in interacting with global structures. Thus, modern sovereignty is not isolation but the ability to preserve political subjectivity while remaining an active participant in global processes [5, p. 264].

Maintaining effective sovereignty in the 21st century requires new adaptive strategies from states. It is not so much about resisting globalization as it is about learning to integrate into it without losing national identity. To achieve this, it is necessary to maintain a balance between openness to the world and the protection of national interests.

For Ukraine, this task is particularly relevant. Participation in international alliances, integration into the European space, and active involvement in global economic processes must be accompanied by the strengthening of internal democratic institutions, the legal system, and civil society. Only under such conditions will the state be able not only to preserve but also to enhance its sovereignty – transforming it from a formal category into a real instrument of political, economic, and cultural development.

3. Conclusions

Thus, globalization, one of the most powerful trends of the modern era, shapes the nature and dynamics of international relations. Its impact on the sovereignty of nation-states is complex,

multidimensional, and often contradictory. On the one hand, globalization promotes the integration of states into the world economy, accelerates scientific and technological progress, ensures access to new markets and resources, and establishes common standards in the fields of security, law, education, and environmental protection. On the other hand, it weakens the classical understanding of state sovereignty by limiting the ability of states to make independent strategic decisions in political, economic, and social domains.

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EVOLUTION OF NGO SUPPORT FOR CIVILIANS DURING RUSSIA'S FULL-SCALE INVASION OF UKRAINE

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Zhbankov V. Ye., Kalyuzhna A. B. Evolution of NGO support for civilians during Russia's full-scale invasion of Ukraine. This article examines the evolution of humanitarian assistance provided by international and Ukrainian non-governmental organizations (NGOs) to civilians during Russia's full-scale invasion of Ukraine (2022–2025). The study outlines how NGOs expanded emergency aid, adapted operational strategies, and shifted toward resilience and early recovery programming. Particular attention is given to localization processes, the growing role of Ukrainian civil society organizations, and structural challenges they face, including unequal access to funding and the impact of USAID programme reductions in 2025. The article highlights the importance of sustained donor support in maintaining effective civilian protection and community recovery efforts.

Keywords: NGO, humanitarian aid, civil society, localization, resilience, recovery, USAID, full-scale invasion.

Жбанков В. Є., Калюжна А. Б. Еволюція підтримки цивільного населення неурядовими організаціями під час повномасштабного вторгнення Росії в Україну. Стаття аналізує еволюцію гуманітарної допомоги, яку міжнародні та українські неурядові організації (НУО) надавали цивільному населенню під час повномасштабного вторгнення Росії в Україну (2022–2025). Дослідження висвітлює розширення масштабів екстреної підтримки, адаптацію операційних підходів, а також перехід НУО до програм стійкості та раннього відновлення. Особливу увагу приділено процесам локалізації, зростанню ролі українських організацій громадянського суспільства та структурним викликам, з якими вони стикаються, зокрема нерівному доступу до фінансування та впливу скорочення програм USAID у 2025 році. У статті підкреслюється значення стабільної донорської підтримки для забезпечення ефективного захисту цивільного населення та відновлення громад.

Ключові слова: НУО, гуманітарна допомога, громадянське суспільство, локалізація, стійкість, відновлення, USAID, повномасштабне вторгнення.

1. Introduction

Russia's aggression against Ukraine since 2014 has triggered a protracted humanitarian crisis, reshaping the country's civil society and aid ecosystem. In response to the first wave of displacement and hostilities in Donetsk and Luhansk regions, several international non-governmental organizations (NGOs) launched operations in Ukraine, including the International Committee of the Red Cross (hereinafter – ICRC), Médecins Sans Frontières (hereinafter – MSF), Norwegian Refugee Council (hereinafter – NRC), Danish Refugee Council (hereinafter – DRC), International Organization for Migration (hereinafter – IOM), United Nations High Commissioner for Refugees (hereinafter – UNHCR), World Food Programme (hereinafter – WFP), etc. These organizations became key humanitarian actors providing emergency relief, protection, health care, psychosocial support, and shelter for internally displaced persons between 2014 and 2021 [7]. Their coordinated efforts established the foundation for a broader international response after the escalation in 2022.

Following the full-scale invasion in February 2022, the humanitarian landscape of Ukraine transformed dramatically. The number of international and national NGOs increased several fold, and humanitarian financing surged to billions of dollars annually [8]. The United Nations Humanitarian Response Plan (HRP) through the Humanitarian Country Team (HCT), outlined

multisectoral priorities such as food security, health, protection, and shelter, while the Ukraine Humanitarian Fund (UHF) channelled pooled resources to both international and local actors[9; 10]. However, funding distribution remained uneven: less than 1% of direct humanitarian financing in 2022 was allocated to national organizations, despite global commitments to localization [5].

From 2023 to 2025, humanitarian priorities gradually shifted from emergency relief to resilience, early recovery, and support for community-based initiatives [10]. Donor attention turned toward stabilization and reconstruction efforts, but this coincided with financial uncertainties – particularly the reduction or suspension of USAID programs, which had been one of the largest sources of support for Ukrainian civil society [2; 3]. This shift has posed serious challenges to the sustainability of local NGOs and community-based organizations, many of which depended on international grants [3].

The *relevance* of the article is determined by the need to understand how Ukrainian and international NGOs have evolved from emergency responders to long-term recovery partners under changing geopolitical and funding conditions.

The *object* of the research is the activity of NGOs supporting civilians in Ukraine during 2014–2025.

The *subject* is the evolution of humanitarian strategies, funding structures, and localization mechanisms.

The *aim* of this study is to analyze the transformation of NGO support to civilians during Russia's full-scale invasion and to assess the impact of donor dynamics, particularly the contraction of USAID funding, on local civil society sustainability.

The *tasks* are to:

- (1) identify key NGOs operating since 2014 and their areas of intervention;
- (2) examine changes in aid modalities and funding priorities between 2022 and 2025;
- (3) evaluate the localization of humanitarian assistance;
- (4) assess the consequences of donor policy shifts for Ukrainian NGOs and communities.

2. Humanitarian aid scale-up and coordination

Prior to 2022, humanitarian assistance in Ukraine functioned within a relatively stable and geographically limited framework shaped by the prolonged conflict in the east. Response activities followed predictable planning cycles and relied on established modalities such as in-kind distributions, targeted shelter support, basic services, and referral-based protection and psychosocial assistance. Cash-based support was used selectively, and overall programming was designed to address localized displacement rather than nationwide emergencies. This incremental

and routine model of humanitarian action proved insufficient once the scale, intensity, and geographic spread of needs expanded dramatically after February 2022.

After the start of Russia's full-scale invasion in February 2022, Ukraine became one of the largest humanitarian operations in the world, with over 17 million people in need of assistance – the highest per capita rate globally, surpassing most crises in Africa and Asia [7; 10].

According to the UN Financial Tracking Service (FTS), Ukraine received more than US\$3.7 billion in humanitarian funding in 2022 – more than any crisis except Afghanistan and Yemen [8]. By 2025, over 17 million people in Ukraine were identified as in need of assistance, giving the country the highest per capita humanitarian needs globally.

The response included more than 650 humanitarian organizations, including UN agencies, international NGOs, and over 400 national NGOs [10]. The United Nations Office for the Coordination of Humanitarian Affairs (OCHA) managed the cluster coordination system, which organized actors by sector (Food Security, Shelter, Health, Education, Protection, etc.) [8; 9]. Large organizations such as the World Food Programme (WFP), International Organization for Migration (IOM), and United Nations High Commissioner for Refugees (UNHCR) focused on food, shelter, and legal support [10]. Medical aid was provided by Médecins Sans Frontières (MSF) and the International Medical Corps (IMC), which operated mobile clinics and supported hospitals near the front line [7].

The Ukraine Humanitarian Fund (UHF) became the world's largest country-based pooled fund, allocating flexible grants to international and local NGOs [6]. In 2023, about 28% of UHF allocations went to Ukrainian organizations. The EU Civil Protection and Humanitarian Aid Operations (ECHO) also played a critical role, contributing over €1.2 billion by early 2025 and supporting large-scale evacuations, logistics, and emergency infrastructure [4].

However, coordination challenges persisted. Many local NGOs lacked the administrative and reporting capacity to access international grants directly. As a result, most funding was channelled through large international intermediaries, which limited local ownership and delayed aid delivery in some regions [5; 9].

3. Localization and resilience of Ukraine NGOs

Since 2022, the role of Ukrainian non-governmental organizations (NGOs) in the humanitarian response has grown significantly [5]. At the beginning of the full-scale invasion, most funding and coordination were concentrated within international agencies and large international NGOs. However, local organizations quickly showed high flexibility, faster access to affected areas, and a better understanding of community needs [1].

The process of localization developed through several mechanisms. First, many international NGOs began forming partnerships with Ukrainian organizations to implement projects jointly. This helped local actors strengthen their administrative capacity and meet donor reporting requirements. Second, the Ukraine Humanitarian Fund (UHF) increased the share of grants allocated directly to national NGOs. These flexible funds supported local organizations in sectors such as protection, psychosocial support, legal assistance, and community-based activities [6; 10].

Ukrainian NGOs also demonstrated strong resilience under wartime conditions. Many organizations adapted their work from long-term development projects to emergency humanitarian response. They organized evacuations, distributed food and hygiene kits, supported shelters, and provided legal and psychological assistance to internally displaced persons. Surveys conducted in 2023–2025 showed a high level of public trust in local NGOs, often higher than in state institutions or international actors. This trust helped organizations maintain close contact with communities and respond quickly to emerging needs [1].

At the same time, localization faced several challenges. Many Ukrainian NGOs had limited access to direct international funding due to complex administrative procedures. Reporting, financial audits, and security policies required skills and resources that smaller groups did not always have. As a result, local organizations often depended on subgrants from larger international partners. Despite these difficulties, Ukrainian NGOs continued to expand their role in humanitarian assistance and remain key actors in supporting affected communities [5; 6].

4. Impact of USAID funding cuts in 2025

In early 2025, Ukrainian civil society organizations were hit hard by a wave of funding cuts and suspended programs from the United States Agency for International Development (USAID). The fallout was immediate. According to a rapid assessment conducted by OSWU (Open Space Works Ukraine), roughly a quarter of NGOs surveyed said they had been forced to reduce staff. Nearly one in five had to place employees on unpaid leave, and about 12% were left with no choice but to shut down parts of their ongoing initiatives [3].

The ACAPS (Assessments Capacities Project) 2025 thematic report also notes that the reduction of U.S. funding affected not only humanitarian actors, but also programmes related to early recovery, stabilization, governance, and long-term civil society development. These areas traditionally relied on multi-year American funding and now face uncertainty regarding future implementation. The report warns that the withdrawal of USAID support increases pressure on European donors and pooled funding mechanisms, which are not able to fully compensate for the scale of previous U.S. investments [2].

Despite these challenges, Ukrainian NGOs demonstrated relative resilience. Many organizations shifted to smaller project formats, strengthened local partnerships, increased volunteer engagement, and diversified their funding strategies. However, the overall sustainability of the sector remains at risk. Reduced funding threatens institutional capacity, staff retention, and continuity of programmes in protection, psychosocial support, legal assistance, and community development. The combined findings of ACAPS and OSWU indicate that long-term donor predictability will be essential for maintaining the stability of Ukraine's civil society during prolonged conflict [2; 3].

5. Conclusion

Between 2022 and 2025, the evolution of NGO support in Ukraine underscored the vital role humanitarian actors played in protecting civilians and helping communities regain stability. International organizations led large-scale emergency aid efforts, while Ukrainian NGOs quickly adapted and deepened their engagement through strong ties with local communities. While these developments mark important progress, serious challenges persist. Many local organizations continue to face unequal access to funding, limited institutional capacity, and, more recently, financial uncertainty following the 2025 reductions in USAID support. These pressures reinforce a clear message: sustained, predictable donor funding – and a deeper commitment to localization – will be essential to keeping Ukraine's humanitarian and recovery efforts both effective and resilient in the long term.

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POLITIQUE COMMERCIALE EXTÉRIEURE DE L'UKRAINE

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Zhuk Y., Bezvesilna N. T. Politique commerciale extérieure de l'Ukraine. Cet article examine les caractéristiques de la formation et de la mise en œuvre de la politique commerciale extérieure de l'Ukraine avant et pendant la période de la guerre de 2014 à nos jours. À partir de données statistiques couvrant la période 2021-2025, nous faisons l'analyse de l'évolution de la structure géographique et sectorielle des exportations et des importations. Les principaux obstacles au développement de l'activité économique extérieure sont étudiés : les barrières logistiques, le déficit de la balance commerciale et les déformations structurelles de l'économie. Les résultats de cette étude offrent une vision d'ensemble des perspectives stratégiques d'intégration de l'Ukraine à l'espace économique européen.

Mots-clés : politique commerciale étrangère, exportation, importation, libéralisme, protectionnisme, intégration européenne, balance commerciale, économie, barrières logistiques.

Жук Є., Безвесільна Н. Т. Зовнішньоторговельна політика України. У цій статті розглядаються особливості формування та реалізації зовнішньоторговельної політики України в умовах довоєнного та воєнного періоду. Зосереджуючись на статистичних даних 2021–2025 років, аналізується трансформація географічної та товарної структури експорту й імпорту. Вивчаються ключові проблеми, що стримують розвиток зовнішньоекономічної діяльності: логістичні бар'єри, дефіцит торговельного балансу та структурна деформація економіки. Результати дослідження дають узагальнене уявлення про стратегічні перспективи інтеграції України до європейського економічного простору.

Ключові слова: зовнішньоторговельна політика, експорт, імпорт, лібералізм, протекціонізм, євроінтеграція, торговельний баланс, економіка, логістичні бар'єри.

1. Introduction

L'objectif de cet article est d'analyser les caractéristiques de la formation et de la mise en œuvre de la politique commerciale extérieure de l'Ukraine avant et pendant la guerre, ainsi que d'évaluer les transformations de la structure géographique et sectorielle des exportations et importations ukrainiennes entre 2021 et 2025 afin d'identifier les principaux problèmes et les orientations stratégiques pour une intégration européenne plus poussée.

L'objet de cette étude est la politique commerciale extérieure de l'Ukraine, et plus particulièrement : la structure et la dynamique des exportations et des importations ; la réorientation géographique du commerce extérieur ; le déficit de la balance commerciale ; les barrières logistiques et leur impact sur l'activité économique extérieure ; les outils de régulation étatiques en temps de guerre et d'intégration européenne.

L'intérêt de cet article tient aux profondes transformations du commerce extérieur ukrainien résultant de la guerre à grande échelle, de la destruction des infrastructures logistiques, du changement de partenaires commerciaux et de l'aggravation du déficit de la balance commerciale. Dans un contexte de mondialisation croissante, la politique commerciale extérieure est un instrument essentiel du développement économique de tout État. Pour l'Ukraine, qui réforme activement son économie et aspire à l'intégration dans l'espace économique européen, la question de l'élaboration d'une politique commerciale extérieure efficace revêt une importance capitale.

Après l'adhésion de l'Ukraine à l'OMC, des changements dans sa politique de commerce extérieur sont devenus naturels et prévisibles. L'Ukraine a fait de l'intégration européenne un objectif stratégique, ce qui a entraîné une réorientation progressive des flux commerciaux des marchés de la CEI vers ceux de l'Union européenne [1].

2. La politique commerciale extérieure de l'État

La politique commerciale extérieure de l'État repose sur une combinaison de deux approches principales : le libéralisme (libre-échange) et le protectionnisme. Comme le soulignent les spécialistes, le modèle libéral favorise une concurrence accrue et une baisse des prix, mais comporte le risque d'une dépendance aux importations. Le protectionnisme, à l'inverse, protège le producteur national par le biais de droits de douane et de quotas.

L'expérience historique montre que les pays évoluent d'un protectionnisme strict vers la libéralisation. À l'heure actuelle, le modèle le plus approprié pour l'Ukraine est un modèle mixte : libéralisation du commerce avec les partenaires stratégiques (UE) et protection des secteurs vulnérables de l'économie en situation de guerre [6].

L'analyse des données statistiques révèle de profondes mutations structurelles du commerce extérieur ukrainien. L'invasion à grande échelle, la destruction des infrastructures industrielles et le blocus des ports ont entraîné une baisse significative du potentiel d'exportation. Les données pour la période 2021-2025 indiquent une tendance constante à la hausse des importations par rapport aux exportations.

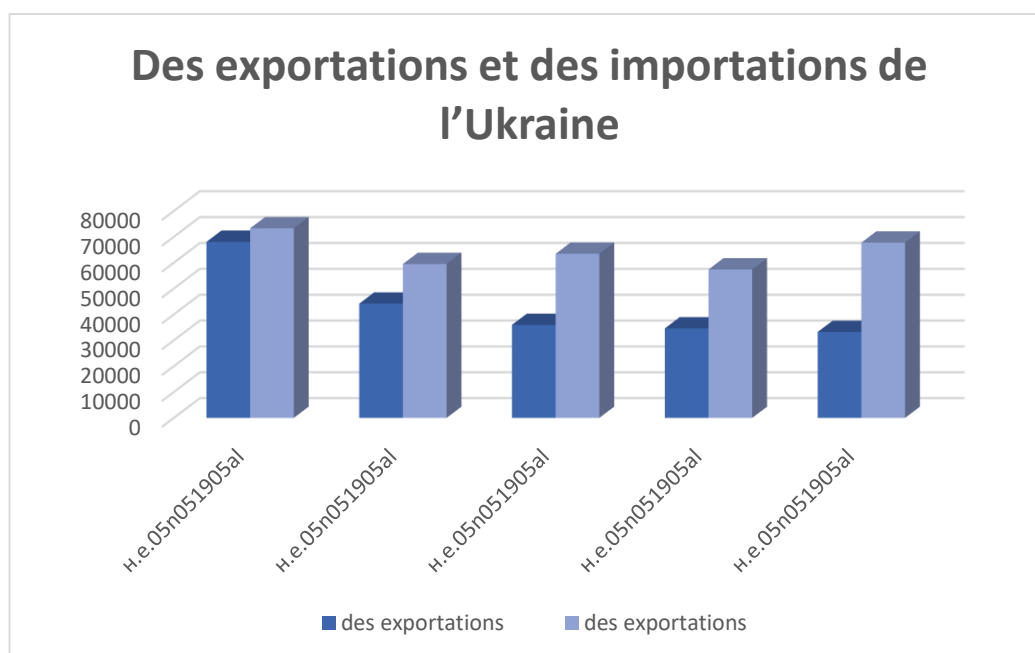


Fig. 1. Compilé par l'auteur à partir des documents [4].

Comme on peut le constater sur la figure 1, si en 2021 les volumes des exportations et des importations étaient presque identiques, alors en 2025 l'écart atteint 34,5 milliards de dollars, ce qui indique la forte dépendance de l'économie au financement extérieur.

Un facteur important a été la transformation de la géographie des échanges commerciaux. L'Union européenne a définitivement consolidé son statut de principal partenaire commercial de l'Ukraine. En 2025, les pays de l'UE représentaient 58 % de l'ensemble des exportations ukrainiennes.

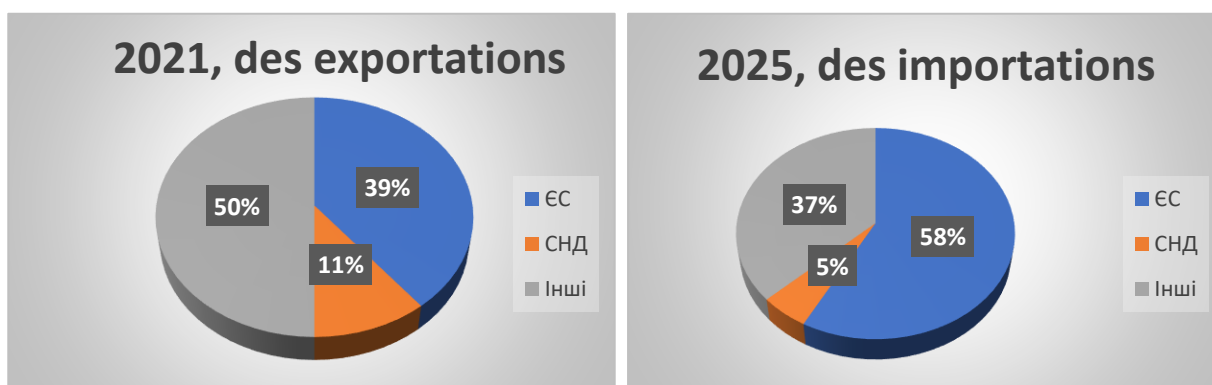


Fig. 2. Compilé par l'auteur à partir des documents [2].

L'analyse comparative (Fig. 2) démontre clairement une réorientation radicale des exportations : si en 2021, avant la guerre, la part de l'UE n'était que de 39 %, alors en 2025 elle est passée à 58 %, déplaçant les marchés de la CEI et d'autres pays.

Parallèlement, la structure des exportations de matières premières présente des signes de primitivisation. La disparition des actifs métallurgiques dans l'est du pays fait que le potentiel d'exportation repose désormais sur les produits du complexe agro-industriel. Ceci engendre un risque de dépendance de la balance des paiements aux fluctuations des cours mondiaux des matières premières [2].

La mise en œuvre de la politique commerciale extérieure se heurte à des obstacles logistiques sans précédent. Le blocus des ports en eau profonde de la mer Noire a contraint les exportateurs à réorienter leurs flux vers le transport ferroviaire et routier, ainsi que vers les ports du Danube.

Cela a entraîné une multiplication par trois ou quatre des coûts logistiques, ce qui réduit considérablement la rentabilité des produits ukrainiens sur les marchés mondiaux. De plus, les entreprises sont confrontées à des difficultés internes : pénurie de personnel due aux mobilisations et manque de fonds de roulement. Selon une étude, le secteur de la logistique s'adapte, mais fonctionne à la limite de la rentabilité [3].

Pour surmonter les problèmes identifiés, il est nécessaire de passer d'une réponse situationnelle à une planification stratégique. Selon le programme Ukraine Facility, la priorité de la politique de l'État devrait être de stimuler le développement de l'industrie de transformation.

La transition de l'exportation de matières premières à l'exportation de produits finis (par exemple, des biocarburants ou des produits alimentaires) permettra de résoudre les problèmes logistiques en réduisant le volume physique du fret et en augmentant la valeur ajoutée. Національний Банк України [4].

Un outil important est l'élargissement du mandat de l'Agence de crédit à l'exportation (ACE) pour assurer les investissements contre les risques de guerre, ainsi que l'harmonisation plus poussée de la législation avec les normes de l'UE, en particulier la signature de l'accord ACAA («voyage sans visa industriel»), qui supprimera les obstacles techniques pour les marchandises ukrainiennes [5].

3. Conclusions

La politique commerciale extérieure de l'Ukraine connaît une transformation complexe. Un résultat positif est son recentrage géopolitique vers l'Ouest. Toutefois, un déficit commercial record et des contraintes logistiques demeurent des défis majeurs. L'axe stratégique de développement est l'intégration complète à l'espace économique de l'UE.

Les prochaines étapes devraient viser à éliminer les barrières non tarifaires (signature de l'accord ACAA), à fournir un soutien de l'État à l'industrie de transformation pour accroître la part des biens à haute valeur ajoutée et à élargir les instruments d'assurance contre les risques militaires.

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LANGUAGE POLICY OF THE EUROPEAN UNION AS A FACTOR OF INSTITUTIONAL INTEGRATION IN INTERNATIONAL RELATIONS

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Zhukova Y. O. Zmiiova I.V. Language policy of the European Union as a factor of institutional integration in international relations. The article analyzes the language policy of the European Union and states that multilingualism in the EU performs communicative, institutional, and normative functions, contributing to supranational governance and political coordination. Special attention is paid to the role of language policy in the internationalization of education, academic mobility, and the formation of European identity as an element of the EU's soft power.

Keywords: European Union, institutional integration, international relations, internationalization of education, language policy, multilingualism.

Жукова Є. О., Зміїова І. В. Мовна політика Європейського Союзу як чинник інституційної інтеграції в міжнародних відносинах. У статті проаналізовано мовну політику Європейського Союзу і доведено, що багатомовність у ЄС виконує комунікативні та інституційні функції, сприяючи наднаціональному управлінню й політичній координації. Окрему увагу приділено ролі мовної політики в інтернаціоналізації освіти, академічній мобільності та формуванні європейської ідентичності.

Ключові слова: багатомовність, Європейський Союз, інституційна інтеграція, інтернаціоналізація освіти, міжнародні відносини, мовна політика.

1. Introduction

The European Union is a unique example of a supranational integration entity that combines mechanisms of intergovernmental cooperation, supranational governance, and normative integration. Under conditions of multilevel institutional interaction, intangible factors of integration acquire particular significance, among which language policy plays a system-forming role. It influences not only the effectiveness of communication between EU institutions and Member States, but also the processes of legitimizing supranational authority, legal regulation, and the formation of a common institutional space.

The problem addressed in this study lies in the fact that contemporary research predominantly considers the language policy of the European Union from linguistic or educational perspectives, while its functioning as a factor of institutional integration within the system of international relations remains insufficiently conceptualized. Unlike classical international organizations, where language has mainly a technical status, in the European Union it constitutes an element of political and institutional architecture that directly affects the effectiveness of supranational governance.

The *relevance* of this study is determined by the deepening of integration processes within the European Union and the increasing complexity of multilevel governance mechanisms; the growing role of language policy as an instrument of “soft power” in the EU's external policy; as well as the practical significance of the EU's experience for Ukraine in the context of European integration.

The **object** of the study is integration processes within the system of international relations of the European Union.

The **subject** of the study is the language policy of the European Union as a factor of institutional integration.

The **aim** of the study is a theoretical and analytical examination of the language policy of the European Union as an instrument of institutional integration in international relations.

To achieve this aim, the following **tasks** are defined:

- to analyze the institutional role of language policy in the functioning of the European Union;
- to determine the influence of the language factor on the political, economic, and legal integration of the Member States;
- to reveal the significance of language policy in the processes of education internationalization and the formation of European identity;
- to outline the key challenges of EU language policy in contemporary international relations.

The achievement of these objectives is realized through the analysis of institutional mechanisms of multilingualism in the European Union, the generalization of contemporary scholarly approaches, and the systematization of practices for implementing language policy within the integration process.

2. The EU's language policy as an institutional mechanism of supranational integration

2.1. Multilingualism in the EU

The European Union (hereinafter – the EU) functions as a complex multilevel supranational system in which language policy performs not only communicative but also institutional and legitimizing functions. The enshrinement of the principle of official multilingualism in the EU's primary and secondary law reflects the Union's fundamental values – democracy, equality of Member States, and respect for cultural diversity. The recognition of 24 official languages as legally authentic creates a unique model of institutional interaction that fundamentally distinguishes the EU from classical international organizations and intergovernmental cooperation formats [1, p. 45–47]. Even though the term 'multilingualism' does not appear in the Treaties, the concept is rooted in the basic legal texts of the EU [5, p. 3].

Institutional multilingualism in the EU has a dual nature. On the one hand, it performs a symbolic function by consolidating the equality of Member States and preventing the formation of linguistic or cultural hierarchies within the supranational political space. On the other hand, multilingualism has a clearly defined functional dimension, as it ensures citizens' access to legal

acts, institutional information, and mechanisms of participation in decision-making. In this sense, language policy directly affects the democratic legitimacy of supranational authority and the level of institutional trust in the European Union [1, pp. 50–52].

At the same time, the implementation of the principle of multilingualism generates a number of practical and legal challenges related to translation, legal interpretation, and institutional coordination. The legal authenticity of all language versions of EU acts complicates law enforcement and requires a high level of consistency among language versions. In response to these challenges, EU institutional practice has developed a mechanism for using a limited number of working languages, which increases administrative efficiency without formally departing from the principle of linguistic equality [1, p. 53]. Citizens addressing the European institutions may use any official language and are entitled to a reply in the same language. But for increased efficiency, the European Commission operates internally in three 'working' languages – English, French and German [5, p. 3].

Thus, EU language policy emerges as an instrument of institutional adaptation of the supranational system to conditions of multilingualism and multilevel governance. It simultaneously performs normative, organizational, and integrative functions, ensuring the unity of the EU legal order and the stability of its institutional structure [1, p. 54].

2.2. The language factor in the internationalization of education and the formation of European identity

The internationalization of higher education is one of the key directions of EU integration policy, within which the language factor plays a system-forming role. In contemporary scholarly research, foreign language education is viewed not only as a tool for increasing mobility, but also as a structural prerequisite for the formation of the European Higher Education Area, ensuring the compatibility of national education systems and the integration of academic communities [2, pp. 115–118].

In 2002, the EU leaders set the objective of ensuring that Europeans could communicate in two languages in addition to their mother tongue. Education ministers renewed this commitment in May 2019, by adopting one of the components of a new package of legislation, namely a text recommending the acquisition of a first foreign language for social or professional purposes and, if possible, a second foreign language to enable interaction with a certain degree of fluency [5, p. 5].

Proficiency in foreign languages creates institutional conditions for the full participation of students and academic staff in mobility programs, particularly Erasmus+, as well as in joint educational and research initiatives of the EU. In this context, language functions not merely as a

means of instruction or professional communication, but also as a mechanism of socialization within the supranational academic space. Through foreign language education, European educational standards, norms of academic culture, and models of institutional behavior are transmitted [2, p. 119].

The harmonization of national higher education systems with the European educational space involves the alignment of qualification frameworks, quality standards, and language requirements for educational programs. This process contributes to the institutional compatibility of Member States and candidate countries, while simultaneously fulfilling a function of political integration through education as a sphere of long-term strategic influence [3, pp. 67–70].

Multilingual education plays a key role in shaping European identity as a multilevel model of identification that combines national and supranational levels. Proficiency in several languages promotes the development of intercultural competence, tolerance, and awareness of shared values [2, pp. 113–119; 3, pp. 72–74].

Regrettably, limited linguistic competence remains one of the main obstacles to benefiting from the opportunities offered by the EU education, training and youth programmes. Conversely, enhancing EU citizens' command of foreign languages will enable them to benefit more from the opportunities offered by the single market [5, p. 6].

2.3. The language policy of the European union in political and educational integration: a strategic resource and contemporary challenges

Within the system of international relations, EU language policy has a comprehensive character, combining political and educational dimensions of integration. Its significance goes beyond the technical provision of communication and acquires the status of a strategic resource of supranational governance aimed at forming a common institutional and value-based space [1, pp. 55–57].

The EU is committed to safeguarding linguistic diversity and to promoting knowledge of languages, encouraging all citizens to be multilingual with the long-term objective that every citizen has practical skills in at least two languages in addition to his or her mother tongue. At the EU level learning of foreign languages is promoted especially as a potential tool to increase the language skills of European citizens on the labour market and to boost the competitiveness of the European economy [4, p. 94].

In the educational dimension, language policy is linked to a long-term strategy for developing Europe's human and intellectual capital. The internationalization of education, academic mobility, and multilingual training contribute to the dissemination of European values,

governance standards, and models of knowledge production, allowing education to be regarded as one of the key instruments of the EU's «soft power» [2, pp. 113–119; 3, pp. 73–74].

At the same time, EU language policy faces a number of structural challenges, including linguistic asymmetry among Member States and the de facto dominance of certain languages in the internal communication processes of EU institutions. An additional challenge is digitalization and the active use of automated translation technologies, which cannot fully replace professional foreign-language competence in political and legal domains.

Therefore, EU language policy emerges as a strategic resource for political and educational integration, ensuring institutional coherence, democratic legitimization of supranational authority, and the formation of European identity under conditions of contemporary international transformations.

3. Conclusions

The study has demonstrated that the language policy of the European Union is a key factor of institutional integration. It ensures effective communication between Member States and EU institutions, legitimizes supranational authority, structures governance processes, and contributes to the unification of legal norms.

Multilingualism performs both a symbolic role, affirming the equality of Member States, and a functional role, ensuring citizens' access to legal acts and mechanisms of participation in decision-making, thereby fostering political and legal integration.

Language policy actively supports the internationalization of education and the formation of European identity. Proficiency in foreign languages stimulates academic mobility, promotes the dissemination of European educational standards and models of academic culture, and enhances intercultural competence and socialization within the supranational educational space.

At the same time, the implementation of language policy is accompanied by certain challenges, including linguistic asymmetry among Member States, the dominance of particular languages in the internal processes of EU institutions, and the need to integrate digital translation technologies with professional foreign-language competence.

Thus, EU language policy functions as a strategic resource for political and educational integration, ensuring the effectiveness of supranational governance, the legitimacy of institutions, and the formation of European identity, which confirms its central role in contemporary integration processes.

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PARAMETRIC INSURANCE AS A TOOL AGAINST CLIMATE AND WAR RISKS IN UKRAINE

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Zhurenko O. O., Izotova L. I. Parametric insurance as a tool against climate and war risks in Ukraine.

The article explores parametric insurance as an innovative financial instrument for managing climate and war-related risks in Ukraine. The limitations of traditional indemnity-based insurance models are analyzed in the context of increasing climate anomalies and ongoing military aggression. The study highlights the conceptual foundations of parametric insurance, which relies on predefined measurable triggers rather than post-loss damage assessment. Particular attention is paid to the potential application of parametric insurance in the agricultural sector to mitigate losses caused by droughts and frost, as well as to innovative approaches to covering indirect war risks, including business interruption due to air raid alerts. Key challenges to the development of parametric insurance in Ukraine, such as data availability, regulatory constraints, and basis risk, are identified. The article substantiates the relevance of parametric insurance for enhancing economic resilience under conditions of systemic uncertainty.

Keywords: parametric insurance, insurance trigger, insurance innovations, climate risks, war risks.

Журенко О. О., Ізотова Л. І. Параметричне страхування як інструмент протидії кліматичним та воєнним ризикам в Україні. У статті досліджено параметричне страхування як інноваційний фінансовий інструмент управління кліматичними та воєнними ризиками в Україні. Проаналізовано обмеження традиційних моделей компенсаційного страхування в контексті зростання кліматичних аномалій та триваючої військової агресії. Висвітлено концептуальні основи параметричного страхування, яке ґрунтується на попередньо визначених вимірюваних тригерах, а не на оцінці збитків після настання страхового випадку. Особливу увагу приділено потенційному застосуванню параметричного страхування в аграрному секторі для пом'якшення втрат, спричинених посухами та заморозками, а також інноваційним підходам до покриття непрямих воєнних ризиків, включаючи переривання бізнесу через повітряні тривоги. Визначено ключові виклики для розвитку параметричного страхування в Україні, такі як доступність даних, регуляторні обмеження та базисний ризик. У статті обґрунтовано актуальність параметричного страхування для підвищення економічної стійкості в умовах системної невизначеності.

Ключові слова: параметричне страхування, страховий тригер, страхові інновації, кліматичні ризики, воєнні ризики.

1. Introduction

The contemporary economic reality of Ukraine is characterized by an unprecedented level of uncertainty caused by the simultaneous impact of two powerful factors – global climate change and ongoing military aggression. These systemic risks significantly undermine economic stability and call into question the effectiveness of traditional financial loss management instruments, particularly the classical insurance model. The standard approach, which involves a lengthy claims settlement process, loss assessment, multiple expert evaluations, and approvals, proves to be excessively slow and resource-intensive in the case of large-scale and correlated events, such as regional droughts or systematic attacks on infrastructure. Under such conditions, businesses – especially in the agricultural and industrial sectors – require not merely post-loss compensation, but rapid access to liquidity to ensure business continuity.

The relevance of the study is determined by the urgent need to identify and adapt innovative insurance solutions capable of adequately responding to the challenges of the new economic reality. One such solution that has been actively developing in global markets is parametric insurance. Unlike the principle of indemnification based on proven losses, parametric insurance

products provide a fixed payout upon the occurrence of a predefined and objectively measurable event – a trigger. This approach allows for a fundamental acceleration and simplification of the claims process, ensuring immediate financial support precisely when it is most needed.

Despite its significant practical potential, parametric insurance remains insufficiently explored within the Ukrainian academic and expert community. The works of Ukrainian scholars, such as V. D. Bazylevych [1] and O. D. Zaruba [3], establish the fundamental principles of insurance theory but focus primarily on traditional indemnity-based models. Certain studies address agricultural insurance issues [2]; however, they do not fully reveal the specific advantages and mechanisms of parametric instruments. In particular, there is a notable lack of research dedicated to adapting parametric insurance to cover war-related risks that are unique to Ukraine, which constitutes the key research gap addressed in this study.

The object of the study is the system of insurance protection against climate and war-related risks in Ukraine.

The subject of the study is parametric insurance as a tool for managing climate and war risks under contemporary conditions.

The aim of the study is to analyze the essence, advantages, and prospects for the implementation of parametric insurance in Ukraine as an effective instrument for managing climate and war-related risks.

To achieve the stated aim, the following **research tasks** are set:

- to reveal the theoretical essence and key differences between parametric insurance and traditional insurance models;
- to examine potential areas for the application of parametric products in mitigating climate risks in Ukraine's agricultural sector;
- to substantiate conceptual approaches to the use of parametric insurance for covering losses caused by military actions;
- to identify the main obstacles and determine prospective directions for the development of the parametric insurance market in Ukraine.

2. Parametric Insurance: Applications, Risks, and Development Prospects in Ukraine

2.1. Theoretical Essence and Advantages of Parametric Insurance

Parametric insurance is a type of insurance coverage under which payment is made not on the basis of actual loss assessment, but upon the occurrence of a predefined event (trigger) whose parameters (magnitude, intensity, duration) exceed an established threshold value. For example, a contract may stipulate a payout of UAH 1 million if rainfall in a specified area during July-August, according to the Hydrometeorological Center, totals less than 50 mm.

The key elements of any parametric product include: *the parameter*, which represents an objective and measurable characteristic of an event (e.g., air temperature, wind speed, precipitation amount, seismic activity). *The trigger* – the threshold value of the parameter at which an insurance payout occurs; an *independent data source*, i.e., an organization that records the parameter value (state meteorological service, international space agency, air raid alert monitoring system) and a *fixed payout* – a pre-agreed amount paid upon trigger activation regardless of the actual extent of the policyholder's losses [9].

The primary disadvantage of parametric insurance is the so-called "basis risk." This refers to a situation in which the policyholder has incurred actual losses, but the parametric trigger has not been activated (for instance, hail passed through an area that did not affect the nearest weather station). Conversely, the trigger may be activated while the specific policyholder has not suffered any losses. Basis risk is minimized through careful product design: selecting triggers that maximally correlate with potential losses and utilizing granular data (for example, satellite imagery of a specific field rather than data from a district weather station).

2.2. Potential Application of Parametric Products for Climate Risks in Ukraine

Ukraine's agro-industrial complex is one of the key sectors of the economy and, simultaneously, one of the most vulnerable to climate change. The increasing frequency of droughts, spring frosts, heavy rainfall, and hail causes billions in losses for agricultural producers. Parametric insurance can become an effective instrument for hedging these risks.

1. Drought Insurance. This is the most widespread parametric product globally.

- **Trigger:** Vegetation Index (NDVI) calculated based on satellite imagery of a specific field. A payout occurs if, during a certain vegetation period, the index falls below the historical norm for the given area.

- **Data Source:** Public data from Sentinel satellites (European Space Agency) or commercial providers (e.g., Planet Labs).

- **Advantages:** High accuracy, minimal basis risk, elimination of fraud. Agricultural producers receive funds for crop reseeded or compensation for crop losses before the end of the season.

2. Frost Insurance. Critically important for fruit, berry, and vegetable producers.

- **Trigger:** Air temperature drops below a specified threshold (e.g., -2°C) at a height of 2 meters for more than 3 hours during the flowering period.

- **Data Source:** Data from the nearest certified weather station or from private weather sensors installed at the farm.

- **Advantages:** Rapid payout enables compensation for expenses on crop protection treatments or allocation of funds to cover losses.

3. Excess Precipitation Insurance. Relevant during the harvest period, when prolonged rains can lead to crop spoilage and prevent field machinery operations.

- **Trigger:** Precipitation amount in millimeters over a specified period (e.g., 2 weeks of harvest) exceeds the historical norm by 50%.

- **Data Source:** Data from the Ukrainian Hydrometeorological Center or international weather providers.

The implementation of such products will not only protect agricultural producers but also improve their access to credit, as banks are more willing to finance farms with insured risks [10].

2.3. Innovative Approaches to War Risk Insurance Through Parametric Triggers

War risk insurance is an extremely complex task for traditional underwriting due to its catastrophic and unpredictable nature [8]. However, the parametric approach enables the creation of unique products aimed not at full coverage of damage from destruction, but at providing rapid liquidity to support businesses.

1. Business Interruption Insurance Due to Air Raid Alerts. For many businesses (industry, retail, service sector), prolonged air raid alerts mean production stoppage and income loss, even though no physical property damage occurs.

- **Trigger:** The cumulative duration of air raid alerts in a specific region (community) per month exceeds an established threshold (e.g., 100 hours).

- **Data Source:** Official, publicly available data from the "Air Raid Alert" app or official channels of military administrations.

- **Advantages:** The payout enables businesses to compensate for employee wages during downtime, rental payments, etc.

2. Property Insurance Against "Near-Miss" Risk. Even if a building has not suffered a direct hit, the blast wave from a strike within a 1–2 km radius can cause significant damage.

- **Trigger:** Official confirmation of a missile strike or debris fall (according to data from the State Emergency Service, Ministry of Internal Affairs, Regional Military Administration) within a defined radius (e.g., 1.5 km) from the insured property.

- **Advantages:** The policyholder receives an immediate fixed payout, which can be directed toward urgent repairs.

Such innovative products can become an important element of the country's economic resilience.

2.4. Challenges and Prospects for Implementing Parametric Insurance in the Ukrainian Market

Despite obvious advantages, the widespread implementation of parametric insurance in Ukraine faces a number of challenges. The foundation of any parametric product is *objective and reliable data*. While international satellite data can be utilized for the agricultural sector, war risks require systematization and disclosure of certain anonymized data by state authorities (State Emergency Service, Regional Military Administrations) in machine-readable format via API.

Legislative regulation. The current Law of Ukraine "On Insurance" [6] is oriented toward the indemnity model, which may lead to ambiguous interpretation of parametric products. Another persistent problem is *the low awareness* among potential policyholders regarding this instrument, necessitating educational efforts. Given the catastrophic nature of climate and war risks, Ukrainian insurers will require *support from major international reinsurers* (Swiss Re, Munich Re, etc.).

Overcoming these challenges requires coordinated work among the regulator (National Bank of Ukraine), the government, the insurance market, and international partners. Establishing a "regulatory sandbox" for pilot parametric insurance projects could serve as a first step toward testing and refining new products.

3. Conclusions

Parametric insurance is a powerful and timely instrument capable of offering effective solutions for managing the most complex risks facing modern Ukraine – climate and war-related risks. Its key advantages-speed, transparency, and objectivity of payouts enable businesses to access critically important liquidity during systemic crises, which traditional insurance models are not always able to provide.

The study has identified that the most promising areas for implementing parametric products include:

- **In the agricultural sector:** insurance against drought, frost, and excessive precipitation based on satellite and meteorological data.

- **For a broad range of businesses:** innovative insurance against business interruption due to air raid alerts and against damage caused by proximity to enemy strike locations. At the same time, the full-scale launch of this market requires addressing a number of challenges related to access to reliable data, legislative adaptation, enhancement of consumer awareness, and attraction of international reinsurance capital. The development of parametric insurance should become one of the priorities in Ukraine's strategy for enhancing economic resilience. This will not only protect businesses from inevitable risks but also facilitate investment attraction, improve access to credit,

and demonstrate the capacity of Ukraine's financial sector for innovation even under the most challenging circumstances.

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THE INFLUENCE OF DIGITALIZATION ON GLOBAL TRADE AND OPPORTUNITIES FOR UKRAINE

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Zuieva K. O., Lavrinenko I. M. The influence of digitalization on global trade and opportunities for Ukraine. This article analyzes the evolution of digital currencies and the institutional, technological, and economic preconditions for the implementation of the digital hryvnia by the National Bank of Ukraine. The study explores the global trends in central bank digital currencies (CBDCs), their influence on international trade, and the growing role of blockchain technologies in ensuring financial inclusion and transparency. Particular attention is paid to Ukraine's digital transformation strategy, the pilot testing of the e-hryvnia, and the challenges of harmonizing national regulation with international standards. The article highlights the potential of the digital hryvnia to enhance the efficiency of cross-border transactions, strengthen monetary sovereignty, and promote Ukraine's integration into the global digital economy.

Keywords: digital currency, e-hryvnia, blockchain, international trade, financial inclusion, Ukraine.

Зусьва К. О., Лаврінєнко І. М. Вплив цифровізації на світову торгівлю та можливості для України. У статті проаналізовано еволюцію цифрових валют та інституційно-технологічні передумови впровадження цифрової гривні Національним банком України. Розглянуто глобальні тенденції розвитку цифрових валют центральних банків, їхній вплив на міжнародну торгівлю та роль блокчейн-технологій у забезпеченні фінансової інклюзії та прозорості. Особливу увагу приділено стратегії цифрової трансформації України, пілотному тестуванню е-гривні та викликам гармонізації національного регулювання з міжнародними стандартами. Підкреслено потенціал цифрової гривні у підвищенні ефективності транскордонних розрахунків, зміцненні монетарного суверенітету та інтеграції України у глобальну цифрову економіку.

Ключові слова: цифрова валюта, е-гривня, блокчейн, міжнародна торгівля, фінансова інклюзія, Україна.

1. Introduction

The transformation of the global financial system under the influence of digitalization has intensified the search for new forms of money circulation that ensure efficiency, transparency, and security of international transactions. One of the most discussed innovations in this context is the development of central bank digital currencies (CBDCs), which are becoming a strategic element of monetary policy and international trade regulation. Leading economies, including China, the United States, and the European Union, are testing or have already launched pilot versions of digital currencies, aiming to strengthen national monetary sovereignty and reduce dependence on private cryptocurrencies and foreign payment systems. Ukraine, as an active participant in the global financial system and a candidate for EU membership, is also integrating into this trend. The National Bank of Ukraine has been conducting research and experimental projects related to the introduction of the digital hryvnia (e-hryvnia), recognizing its potential for expanding financial inclusion, facilitating cross-border payments, and combating the shadow economy. The issue acquires particular importance in the context of post-war recovery, where technological modernization of financial infrastructure becomes a prerequisite for macroeconomic stability and integration into global value chains.

The **object** of the study is the process of digital transformation of the monetary system in Ukraine. The **subject** of the study is the institutional and technological features of the development of the digital hryvnia and its role in the international trade system.

The **aim** of the research is to analyze the current trends in the development of digital currencies and to assess the prospects and challenges of implementing the digital hryvnia in Ukraine.

The following **tasks** are set to achieve the aim:

1. To examine the evolution and global trends of central bank digital currencies in the context of the world financial system.
2. To identify the economic and regulatory preconditions for the introduction of the digital hryvnia in Ukraine.
3. To analyze the potential impact of the digital hryvnia on Ukraine's participation in international trade and financial integration.
4. To outline the main challenges and risks associated with the introduction of the digital hryvnia and propose directions for their mitigation.

2. The Development of Digital Currencies and the Prospects for the Digital Hryvnia in Ukraine

2.1. The Evolution of Digital Currencies and Global Trends

The emergence of digital currencies has redefined the architecture of the global financial system, transforming the traditional understanding of monetary sovereignty and payment mechanisms. Initially developed as private decentralized instruments, cryptocurrencies such as Bitcoin and Ethereum demonstrated the feasibility of peer-to-peer value transfer without intermediaries. However, their volatility and lack of regulatory control led central banks to explore the concept of central bank digital currencies (CBDCs) as a secure and state-backed alternative.

According to H. Yamaoka, the transition from traditional fiat money to digital forms represents not merely a technological shift but a structural transformation of the monetary order, where the balance between efficiency, privacy, and stability becomes decisive [6]. Major economies have already introduced pilot programs: China with the e-CNY, the European Central Bank with the digital euro initiative, and Japan's Bank of Japan with feasibility experiments. These developments highlight the strategic importance of digital currencies in maintaining competitiveness in international settlements and securing control over domestic financial flows.

The introduction of CBDCs is also closely linked to the global shift towards sustainable and inclusive financial systems. D. Mhlana emphasizes that blockchain-based monetary infrastructures can expand access to financial services, especially in developing economies, by

reducing transaction costs and enabling microtransactions across borders [2]. In this context, digital currencies are perceived not only as instruments of modernization but as a response to the challenges of the Fourth Industrial Revolution, where digital identity, smart contracts, and data security are integral to global trade operations. Thus, the evolution of digital currencies reflects the convergence of technological innovation, regulatory adaptation, and geopolitical strategy. Their rapid adoption by central banks signals the irreversible transformation of monetary policy tools and a gradual redefinition of financial sovereignty in the 21st century.

2.2. Preconditions and Institutional Framework for the Introduction of the Digital Hryvnia

Ukraine's approach to digital currency development reflects both the global trend toward digitalization and the country's specific economic and geopolitical conditions. The National Bank of Ukraine (NBU) has been researching the potential implementation of the e-hryvnia since 2018, guided by the principles of transparency, inclusiveness, and technological neutrality. The official draft vision published by the NBU outlines several functional models for the national digital currency, including its use in retail payments, cross-border settlements, and the public sector [3].

The pilot project is aimed at assessing the efficiency of the e-hryvnia for instant low-cost transactions, while also ensuring compatibility with existing payment systems and international standards. The initiative is part of Ukraine's broader digital transformation strategy and is supported by the Ministry of Digital Transformation and private fintech companies. In 2024, the NBU announced the launch of open testing of the e-hryvnia, involving selected users from both public and private sectors, in cooperation with the blockchain company Stellar [4]. The testing phase is designed to evaluate the technical infrastructure and the level of public trust, as well as to develop legal mechanisms for integrating the digital currency into everyday financial operations.

Despite significant progress, the NBU faces multiple constraints. According to official statements, the introduction of the digital hryvnia by 2027 remains uncertain due to fiscal risks, the need for comprehensive cybersecurity frameworks, and the still-developing legislative environment [5]. Moreover, the ongoing war has heightened the urgency of strengthening monetary resilience, yet has limited institutional resources for large-scale financial innovation.

2.3. The Role and Prospects of the Digital Hryvnia in International Trade

The implementation of the e-hryvnia has the potential to strengthen Ukraine's position in international trade by reducing transaction costs and enhancing the transparency of cross-border settlements. In a global environment increasingly oriented towards digital trade, national digital currencies can serve as secure bridges between domestic and international markets. For Ukraine,

this could mean faster integration into European payment networks and greater independence from foreign intermediaries such as SWIFT and Visa.

The e-hryvnia is designed to facilitate direct transactions between Ukrainian exporters and their foreign partners, minimizing the impact of exchange rate volatility and intermediary commissions. It can also improve liquidity management for small and medium enterprises engaged in export activities, which often face high banking fees and delays. Furthermore, the use of blockchain technologies in the e-hryvnia infrastructure provides opportunities for traceable and immutable transaction records, thereby increasing confidence among foreign counterparties [3]. However, the integration of the digital hryvnia into international settlements requires compatibility with global financial standards and coordination with institutions such as the International Monetary Fund and the European Central Bank. The absence of uniform global regulations for CBDCs may complicate cross-border interoperability. Therefore, Ukraine's participation in multilateral forums on digital finance becomes essential for ensuring the legal recognition and convertibility of its digital currency.

In strategic terms, the introduction of the e-hryvnia could become a catalyst for deeper economic integration with the European Union, accelerating the harmonization of regulatory frameworks and promoting Ukraine's image as a technologically advanced economy. As Lavruk et al. argue, the digital hryvnia, if properly implemented, can contribute to financial sovereignty, enhance transparency in international transactions, and serve as a foundation for long-term economic resilience [1]. The prospects of the e-hryvnia thus lie at the intersection of technological innovation, regulatory adaptation, and macroeconomic stability. Its successful implementation would not only transform domestic monetary policy but also redefine Ukraine's participation in the evolving landscape of global digital trade.

3. Conclusions

The analysis of the development of digital currencies and the prospects for implementing the digital hryvnia demonstrates that Ukraine's monetary transformation is inseparable from global trends of financial digitalization and the diffusion of blockchain technologies. The transition to a digital form of national currency is not limited to the technical modernization of payment systems; it represents a systemic change in the structure of monetary circulation and the mechanisms of international trade. The creation of the e-hryvnia by the National Bank of Ukraine signifies a strategic attempt to combine technological innovation with monetary stability and economic sovereignty.

The study of global experience shows that central bank digital currencies are becoming a decisive instrument for enhancing competitiveness in international settlements and strengthening

control over national payment infrastructures. For Ukraine, the implementation of a digital currency can mitigate transactional barriers, promote cross-border financial inclusion, and create new opportunities for integration into European and global value chains. The potential of the digital hryvnia extends beyond the financial sphere. Its introduction may stimulate innovation in public finance, foster digital literacy, and enhance the credibility of Ukraine's financial system among international partners. Nevertheless, the risks associated with technological dependence, data privacy, and monetary control remain substantial.

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