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Prospects of Ukraine's foreign economic policy concerning Latin America

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Poklonskyi Andrii *

Poklonska Olena **

Klymchuk Mykhailo ***

Slobodianiuk Borys ****

Torlo Olena *****

Abstract

The objective of the research was to analyze the perspectives of Ukraine's foreign economic policy with respect to Latin America. An overview of the economic and political situation in Latin America is characterized by intensification of inflation in the region, reduction of exports and foreign investment, erosion of the level of business and consumer confidence. She used the following research methods: methods of analysis and synthesis, systematic approach, methods of induction and deduction, generalization, and systematization, economic, etc. Defined strategic orientations have been identified to improve foreign economic cooperation between Ukraine and Latin America to seek new foreign markets and increase foreign trade, such as: opening representative offices of Ukrainian companies in Latin America; active participation of Ukrainian companies in trade fair and exhibition events taking place in the countries of the region; establishment of bilateral industrial cooperation in the territory of MERCOSUR member countries. It concludes on the need to develop a long-term strategy to activate trade and economic cooperation between Ukraine and the countries of the Latin American region with the identification and justification of sectoral priorities.

* Candidate of legal sciences, Assistant Professor, Professor of the Department of Private Law at the University of Modern Knowledge, Kyiv, Ukraine. ORCID ID: <https://orcid.org/0000-0001-6721-655X>. Email: subop@mail.ru

** Candidate of legal sciences, Assistant Professor, Professor of the Department of Public Law at the University of Modern Knowledge, Kyiv, Ukraine. ORCID ID: <https://orcid.org/0000-0002-2079-1044>. Email: Lenmok@mail.ru

*** Candidate of legal sciences, Assistant Professor, Senior Investigator in the Internal Affairs Bodies of the Sixth Division (Organization of Investigation of Crimes Committed in the Temporarily Occupied Territories of Ukraine) Office of the Organization of Pre-trial Investigation of the Main Investigation Department of the National Police of Ukraine, Kyiv, Ukraine. ORCID ID: <https://orcid.org/0000-0002-0488-5470>. Email: klymchuk_mykhaylo@i.ua

**** Candidate of legal sciences, Judge of the Sarny District Court of Rivne Region, Rivne, Ukraine. ORCID ID: <https://orcid.org/0000-0002-0143-4295>. Email: borazz@bigmir.net

***** Candidate of Sciences in Physical Education and Sports, Associate Professor, Head of the Department of Special Physical Training, Lviv State University of Internal Affairs, Lviv Ukraine. ORCID ID: <https://orcid.org/0000-0001-7828-6975>. Email: tyorlo@ukr.net

Keywords: foreign economic policy; exports; imports; Ukraine and Latin America; international cooperation.

Perspectivas de la política económica exterior de Ucrania con respecto a América Latina

Resumen

El objetivo de la investigación fue analizar las perspectivas de la política económica exterior de Ucrania con respecto a América Latina. Un panorama de la situación económica y política de América Latina se caracteriza por: intensificación de la inflación en la región, reducción de las exportaciones y la inversión extranjera, erosión del nivel de confianza empresarial y del consumidor. Se utilizaron los siguientes métodos de investigación: métodos de análisis y síntesis, enfoque sistemático, métodos de inducción y deducción, generalización y sistematización, económicos, etc. Se han identificado orientaciones estratégicas definidas para mejorar la cooperación económica exterior entre Ucrania y América Latina para buscar nuevos mercados exteriores e incrementar el comercio exterior, tales como: apertura de oficinas de representación de empresas ucranianas en América Latina; participación activa de empresas ucranianas en eventos feriales y de exhibición que tienen lugar en los países de la región; establecimiento de cooperación industrial bilateral en el territorio de los países miembros del MERCOSUR. Se llega a la conclusión sobre la necesidad de desarrollar de una estrategia a largo plazo para activar la cooperación comercial y económica entre Ucrania y los países de la región latinoamericana con la identificación y justificación de las prioridades sectoriales.

Palabras clave: política económica exterior; exportaciones; importaciones; Ucrania y Latinoamérica; cooperación internacional.

Introduction

Prospects for economic development of the country are determined by its investment potential and ability to use the opportunities of globalization of the economy and technology. In the medium term, technological advances that will ensure a rapid transition to a digital platform of economic relations will strengthen the integration of countries into the global space and the quality of their development. This creates both opportunities and threats at the national level for countries in achieving their economic development goals. The ability to realize the economic and national

interests of the country requires an effective economic strategy and political stability. Political risks, both external (in neighboring countries or trading partners) and internal (in the country itself) are increasingly determining the investment attractiveness of the country and the decision of investors to implement their projects in the country (Prikhodko, 2016). The correctness of the choice of economic strategy is ensured by the adequacy of the applied incentives and motivations to the level of development of its economic and institutional space.

Dependence and interaction of economic and political risks is becoming increasingly important for entrepreneurs in choosing the scale and intensity of investment. According to experts, if economic risk reflects the ability to return capital, then political risk is the willingness of political power to return it (Managing Risk in An Unstable World, Ian Bremmer, 2005). The main concept proposed by other authors (Acemoglu and Robinson, 2002) is a direct relationship between the level of political competition and the level of economic development (or backwardness) of the country. That is, the higher the level of competition, the better the government stimulates investment, innovation, and hence the quality development of the country.

Since 2014, there have been significant changes in Ukraine's foreign trade relations with some countries, in particular with traditional foreign trade and economic partners, which was caused by the aggravation of problems in political and trade and economic relations with Russia. In addition, the development of foreign trade was significantly affected by unfavorable conditions in key world markets for Ukraine, fluctuations in world currencies and commodity prices, instability of the national currency, irrational structure of domestic exports, dominated by raw materials and products with low processing, low competitiveness of Ukrainian goods and services, etc., (Foreign Economic Cooperation of Ukraine: State, Development Prospects, Threats and Risks, 2014).

The spread of technology and the deepening of economic cooperation through trade, investment and labor migration create both opportunities and risks for Ukraine's sustainable development. An important task is to ensure the real, not illusory competitiveness of the national economy (Sustainable Development Goals, Ukraine, 2017). In particular, the country has a high level of trade openness and investment, but low growth rates and gross domestic product per capita.

The general cataclysm in society caused by the crisis of the coronavirus pandemic has become a favorable scenario for the reinforcement or strengthening, depending on the situation, of public policy (Finol, 2021). The success of Ukraine's European transit directly depends on the state's ability to acquire historical subjectivity at this time of crisis, as well as on strategic certainty on priority foreign policy issues (Holonič *et al.*, 2018).

The current crisis of the European Union and the Pacific Trade Partnership has revealed a number of certain political and economic patterns that require scientific understanding and give an idea of the general logic of global transformations in the modern world. These are, in particular, models of interaction that characterize relations outside the traditional division of countries into center and periphery, superpowers and dwarf states.

Based on the forecast trends in Ukraine's foreign trade policy, diversification of its geopolitical and regional priorities, it is important to address the reorientation of exports and search for new foreign markets in accordance with the requirements and existing niches of the world market (Romanyuk, 2015). One such potential foreign market is Latin America, which is projected by the International Monetary Fund to be a fast-growing market (Review of Emerging Markets, 2015). Latin America is a large economic region, accounting for about 9% of world gross domestic product. Brazil accounts for about a third of the region's gross domestic product, followed by Mexico, followed by Argentina, Colombia, Chile, and Venezuela.

Due to the loss of markets, Ukraine is more interested than ever in diversifying economic ties and is in dire need of new trading platforms. In this sense, it is worth paying attention to Latin American countries, as due to the weak political, trade, economic and diplomatic activities of Ukraine, this geopolitical direction remains understudied. Thus, we consider it important to determine the prospects of Ukraine's foreign economic policy towards Latin America.

1. Methodology of the study

The theoretical and methodological basis of the scientific article were the works of scientists on the problems of foreign economic policy, as well as on improving the efficiency of marketing activities. To achieve the goal and solve the problems in the work used the following general and special techniques and research methods: methods of analysis and synthesis – to diagnose the market of Latin America and assess its prospects for Ukraine; systematic approach – to systematize scientific and methodological approaches to assessing the prospects of Ukraine's foreign economic policy towards Latin America; methods of induction and deduction, generalization and systematization – to streamline economic opportunities, foreign policy of the studied countries; method of sample observations – to determine the assessment of the efficiency and prospects of the market in Latin America; methods of coefficient and comparative analysis – to assess the foreign economic and marketing activities of the Latin American region;

methods of hypotheses – to justify measures to improve Ukraine’s foreign economic policy towards Latin America; economic – to determine the level of market development of the study region; method of system analysis and modeling – to assess the effectiveness of individual industries of Ukraine in the international arena, to determine the relevant vectors of strategic foreign economic nature.

2. Analysis of recent research

Implementation of reforms is key in most strategies and programs of socio-economic development of Ukraine, and investment policy always occupies one of the main positions in them. Therefore, the study of ways to ensure its effectiveness today is critical. It is extremely important to define approaches to the formation of priorities for stimulating investment in Ukraine to ensure quality economic development in the medium and long term. The issue of choosing effective strategies for the development of the state is widely studied in the expert community and is the subject of public debate.

In scientific circles, these works are devoted to fundamental works on management and international economic relations M. Meskon (Meskon, 1992), D. Acemoglu, J. Robinson (Acemoglu and Robinson, 2002), G. Kindratskaya (Kindratskaya, 2006), Y. Sytnyk (Sytnyk, 2008), M. Nebava and O. Ratushnyak (Nebava M. and Ratushnyak O., 2012), I. Romanyuk (Romanyuk, 2015), O. Malinovskaya (Malinovskaya, 2016), Gutorova (Gutorova, 2017). The scientific achievements of these scientists, as well as empirical and statistical data contributed to the disclosure of problematic issues and develop ways to solve them.

3. Results and discussion

After World War II, the United States began active economic expansion on the American continent. Huge sums have been invested in the three largest countries in Latin America - Brazil, Argentina, and Mexico. For half a century, these countries have become industrial giants, and after them began to actively develop other countries in the region, including Chile. The economic policy of these countries was aimed at eradicating their dependence on imported goods, replacing them with their own products. Export orientation was secondary, in contrast to similar countries in Asia (Holonič *et al.*, 2018).

At present, the countries of Latin America, having passed the path from colonial dependence to political and economic independence, occupy

an intermediate position between the highly developed countries of the developing world (NEWLY INDUSTRIALIZED COUNTRIES OF LATIN AMERICA, 2021). We consider a brief overview of the economies of these countries, priorities in trade, as well as in the formation of foreign policy important in view of the selected issues of the scientific article - determining the prospects of Ukraine's foreign economic policy towards Latin America.

Mexico is an industrial and agricultural country. The main sectors of the economy: food, tobacco, chemical, steel, oil, mining, textile and light industry, engine building, tourism. Mexico's fuel and energy balance is characterized by a predominance of oil and gas. Mexico has a highly developed oil and gas industry. When commercial oil production began in the early twentieth century, it began to play an important role in Mexico's economy and foreign economic relations (Hlonič *et al.*, 2018).

Mexico is an export-oriented economy. Mexico's main exports are finished goods (83% of total supplies), oil and petroleum products (13%). Among finished products, cars account for about 26% of total deliveries (Hlonič *et al.*, 2018).

Mexico's imports consist of metal products, machinery and equipment (50% of total imports), mining products (13%), chemical products (6.3%), plastic and rubber products (6%). The main import partners are the United States (51% of total imports), China and Japan (21%). Mexico's imports amounted to 38.97 billion dollars. Imports increased due to the purchase of consumer goods (18%), namely petroleum products (40%); intermediate goods (17%) and fixed assets (9.2%). Imports to Mexico averaged \$ 13,574.67 million (Mexico Imports by Country, 2021).

At present, Mexico has effectively renounced its leadership in regional integration processes and is looking for an effective format for cooperation in the process of promoting common interests in the international arena with roughly equal players. Ukraine must take these circumstances into account in order to invent and develop new vectors for mutually beneficial cooperation between countries.

Brazil's economy is currently emerging from a severe and protracted recession. The reasons for the country's economic downturn were political uncertainty, consumer and business distrust of government action, and low levels of investment. The Brazilian market has grown as more investors enter the market, hoping to profit from low stocks over the past few years. Positive economic indicators, such as improved gross domestic product and trade balance, also provide support for the recovery of the Brazilian market.

The main risks to Ukraine's foreign economic cooperation with Brazil are that the country's leadership is currently focusing on transforming the country into a global player not by expanding its role in regional integration processes, but primarily by providing its own economic and military

leadership. Given this, as well as the current state of trade and economic cooperation with Brazil, Ukraine's ability to use the strategic partnership format to promote domestic products with the Brazilian side to other markets in the region will be limited.

The Argentine Republic is considered one of the major developing economies. Argentina is an industrial and agricultural country that benefits from rich natural resources, skilled personnel, export-oriented agricultural sector, and a diverse industrial base. For most of the 20th century, the country suffered from periodic economic crises, persistent financial and current account deficits, and high inflation, which led to an increase in the country's external debt and capital outflows (The Economy of Argentina, 2021).

Currently, Argentina's economy is developing due to a large supply of minerals, high literacy and has a large sector focused on the export of agricultural products. In addition, it has a diversified industrial base. Gross domestic product per capita at the purchasing power parity of currencies is 14.2 thousand dollars (The Economy of Argentina, 2021).

Food production is traditionally one of the main sectors of the economy (8-9% of gross domestic product), with a relatively high level of which Argentina stands out among Latin American countries. Argentina's agriculture almost completely meets its own food needs, while being one of its leading exporters. Especially developed production of grain (grain and oilseeds), which leads the country's exports. In particular, soybean production (together with beans, potatoes, oil, flour and biofuels) is (like gasoline production) the main export activity (Holonič *et al.*, 2018). The main export goods in Argentina's relations with Ukraine are fertilizers, ferrous metals, and machinery. The main imports are fish and crustaceans, edible fruits and nuts, seeds and fruits of oilseeds, tobacco and industrial tobacco substitutes (Honorary Consulate of Ukraine in Seattle, 2021).

The basis of Ukrainian exports in relations with another representative of the region - Colombia are: structural carbon steel, ferrous metal products, equipment, machinery, mineral and nitrogen fertilizers. The basis of Ukrainian imports are: coking coal and refined products, wood, coffee, tea, cocoa, food (Honorary Consulate of Ukraine in Seattle, 2021).

Modern Venezuela remains heavily dependent on oil revenues, which account for almost all export earnings and almost half of government revenues. At the end of 2017, Venezuela also made a selective default on some of its sovereign and state oil companies, Petroleos de Venezuela, SA, (PDVSA). Domestic production and industry continue to fall sharply, and the Venezuelan government continues to rely on imports to meet basic food and consumer goods needs (World Book of Facts, 2021).

Despite Venezuela's accession to Mercosur, the prospect of turning the country into a full member of the union is linked to a lengthy process of bringing its country into line with the bloc's requirements. It should be noted that Mercosur is a trade union of South American countries, which unites 250 million people. and more than 75% of the total gross domestic product of the Latin American continent. In terms of size and economic potential, MERCOSUR is the second customs union after the European Union and the third free trade zone after the European Union and the North Atlantic Treaty Organization. Permanent member countries of MERCOSUR: Argentina, Brazil, Venezuela, Uruguay. Associated member countries of MERCOSUR: Bolivia, Ecuador, Colombia, Peru, Chile (Samoilov, 2016). The recent escalation of Argentina's trade disputes with Brazil and Chile has made it virtually impossible to develop common approaches to Mercosur's strategy for further development. Against this background, the permanent internal conflict of the leaders of this union (Argentina and Brazil) with other members has a destructive effect on the prospects for the development of this integration union.

At the same time, there are positive changes in Ukraine's foreign economic relations with some Latin American countries. In particular, since 2018, the trade turnover between Ukraine and Chile has grown to \$ 51.4 million. But, as experts note, Ukraine has every chance to increase this figure. Ukrainian business, which has modern technologies, has the opportunity to start joint ventures without attracting significant financial resources and make a profit in the fast-growing market of Chile. The implementation of infrastructure projects may also be of potential interest to Ukrainian enterprises. Promising cooperation with Chile is seen in attracting Chilean investment in the reconstruction of refineries, exploration, production and refining, in the field of informatics, food industry, energy, ferrous and nonferrous metallurgy, in the modernization and construction of railways, seaports and irrigation projects. Ukraine, in turn, is interested in implementing investment projects in Chile, establishing joint ventures, including on a compensatory basis, production cooperation in energy, ferrous and nonferrous metallurgy, mechanical engineering, transport construction, irrigation, urban transport, agriculture and fisheries (The Chamber of Commerce and Industry of Ukraine and the Ukrainian-Chile Chamber on Trade and Tourism Signed a Memorandum of Cooperation, 2019).

It should be noted that at the present stage Ukraine's relations with Chile in the trade and economic sphere have not yet reached the desired dynamics of development given the geographical remoteness of countries and the lack of long-term bilateral political contacts at high and highest levels. However, there is every chance to intensify bilateral cooperation. The first shifts in this direction are already there. In particular, in 2018, the Chamber of Commerce and Industry of Ukraine and the Ukrainian-Chile Chamber of Commerce and Tourism signed a memorandum of cooperation between Ukraine and Chile.

Recently, there has been a decrease in world prices for raw materials, which will have a negative impact on the largest economies of MERCOSUR. The main risks for the economies of the Pacific Alliance will be the possibility of growing domestic political instability in Colombia, as well as too high social orientation of the ideological foundations of economic policy of Chilean President M. Bachelet. The main efforts of the leadership of the Latin American region will be aimed at counteracting external threats and challenges in the economic and financial spheres by diversifying and deepening trade and economic relations with developed countries (Foreign Economic Cooperation of Ukraine, 2014).

Summing up the interim results of the review of the economic and political situation in Latin America, we note that its characteristics are the intensification of inflation in the region, reducing exports and foreign investment, the level of business and consumer confidence. Today, the development of trade and economic relations between Ukraine and the Latin American region is hampered by the slow formation of close commercial ties, weak cooperation between Ukrainian and Latin American firms, the dominance of traditional trade in economic relations with a clear lag in investment and production cooperation.

According to statistics, the Latin American region is not yet one of Ukraine's main trading partners. Thus, according to 2014, its share in the total foreign trade of Ukraine was 1.3%, in particular in Ukrainian exports - 1.0%, and in imports - 1.6%. The top five foreign trade partners of Ukraine in the Latin American region include Brazil, which accounts for 27.2% of Ukrainian-Latin American trade, Mexico (18.2%), Argentina (6.7%), Cuba (6.3%) and Colombia (5.1%) (STATE STATISTICS SERVICE OF UKRAINE, 2021). During 2016-2021, the main commodity groups of domestic exports to these countries were: cereals, fertilizers, mineral fuels, pharmaceuticals, rubber and rubber, tanning extracts, ferrous metals, nuclear reactors, boilers, machinery and electrical machinery, ground transport, except rail, aircraft (Romanyuk, 2015).

It should be noted that in the foreign policy of Ukraine the resource and human potential of the Latin American region is underestimated. Meanwhile, these countries have large markets. Exports to the countries of the region of aircraft and machine-building products, agricultural and heavy automobile equipment, cooperation in the space industry can be attractive for Ukraine. In addition to the economic interest that was crucial for Ukraine in the region until 2014, the political component of cooperation is now intensifying - Ukraine's international support in countering Russian aggression (Ukraine's foreign policy outside the European Union and the North Atlantic Treaty Organization).

It is important to emphasize that modern Latin America is a country that is not only homogeneous in terms of geo-economics' factors, but also

has different geopolitical interests. It is important to note the existence in Latin America of a strong tradition of respect for international law and governance based on the principle of territorial integrity. Factors of geographical distance, the absence of Ukraine's voice in the information space of Latin America, as well as the active (especially recently) spread of Russia's interests to the continent are working. At the same time, the influence of the United States of America on the countries south of the Rio Grande, as well as the growing influence of China, which pursues an independent international policy by strengthening its economic position in the Latin American region.

We should agree with I. Samoilov's point of view that today Ukraine can and should make the most of the different and ambiguous political and diplomatic positions of Latin American countries regarding world events and start working seriously in this direction. Then Ukraine, sensitive to the mood of Latin American countries, could not only diversify its exports, but also through adequate explanation of its position on the annexation of Crimea and the military conflict in Donbas could attract new like-minded people and enlist the support of Latin American countries. For example, this is critical when voting in international organizations on Ukraine (Samoilov, 2016). It is worth noting that in poor countries the political influence is much greater, as it is well known that governments here have limited resources and, in many cases, do not even have effective control over the entire territory occupied by their country (Arbeláez-Campillo *et al.*, 2019).

Some experts note that today there is not only a low level of penetration of Ukraine into the Latin American region, but also an extremely low level of awareness of both Russian aggression and Ukrainian potential. Frequent cases of representation of Ukrainian industry through the Russian Federation (aircraft, military-industrial complex). Today in Central and Latin America there are six diplomatic missions of Ukraine (Argentina, Brazil, Cuba, Mexico, Peru, Chile). Instead, there are four Latin American embassies in Ukraine (Argentina, Brazil, Cuba, and Mexico). Until 2014, most Latin American countries were represented through their embassies in Moscow, which limited communication and had an impact on Ukraine's perception (Ukraine's Foreign Policy Outside the European Union and the North Atlantic Treaty Organization, 2019).

The region as a whole and none of its countries were included in the Export Strategy of Ukraine for 2017-2021 developed by the Ministry of Economic Development and Trade of Ukraine. Since 2014, there has been a sharp decline in Ukrainian trade exports to countries in the region. Its peak came in 2015-2016, and in 2017-2021 there is a positive trend of export growth. At the same time, in recent years none of the 6 joint intergovernmental commissions on trade and economic cooperation (Ukrainian-Argentinean, Ukrainian-Brazilian, Ukrainian-Paraguayan, Ukrainian-Peruvian, Ukrainian-Mexican and Ukrainian-Chilean) has met.

We also have direct financial losses: due to Brazil's unilateral denunciation of the agreement on long-term use of the Ukrainian Cyclone-4 launch vehicle at the Alcantara cosmodrome in 2015, Ukraine's financial losses could reach \$ 800 million (loans under state guarantees amounted to \$400 million). Ukraine did not even sue the Brazilian side. At the same time, lawsuits were filed by international investors against Ukraine due to their lack of profits (Ukraine's Foreign Policy Outside the European Union and the North Atlantic Treaty Organization, 2019).

In order to develop trade and economic cooperation between Ukraine and Latin America, the work of the government, diplomatic missions, chambers of commerce and industry to establish a favorable trade regime between Ukraine and the countries of the Latin American region is important today; purposeful study and development of the most promising commodity markets for Ukrainian exporters and consolidation of their positions on them; political, financial, informational and legal support of the state for the process of promoting Ukrainian goods on Latin American markets; a significant increase in the structure of Ukrainian exports of the share of goods with a high degree of added value, especially mechanical engineering products and high-tech production; formation of effective systems for the protection of Ukraine's economic interests in Latin America.

There are some changes in this direction. In particular, in 2015 the Agreement on Friendly Relations and Cooperation between Ukraine and the Republic of Paraguay was ratified (dated April 26, 2012); in 2016, an agreement was ratified with Argentina on mutual assistance in the investigation of customs offenses, and in 2018, three intergovernmental agreements in the field of criminal justice were signed with Argentina. In the same year, the First Vice Speaker of the Verkhovna Rada of Ukraine I. Gerashchenko paid a significant visit to Colombia, during which she got acquainted with the experience of reintegration of the territories destroyed by the long internal conflict and the peculiarities of post-conflict dialogue.

In 2017, for the first time, representatives of the youth of the Ukrainian diaspora from Argentina and Brazil took part in an internship program in the Parliament of Ukraine (Ukraine's Foreign Policy Outside the European Union and the North Atlantic Treaty Organization, 2019).

In our opinion, it is important to establish official contacts between Ukraine and MERCOSUR. In order to advance Ukraine's interests and strengthen its position in Latin America, it is very important to have relations with such countries as Argentina, Brazil, and Mexico, which are members of the G20 and are interested in further expanding their regional and international influence. Today, the Ukrainian issue is on the agenda of world politics, and Ukraine must use the current trend to make it important and promising for the global world. Therefore, against the background of prolonging or freezing the conflict in Donbass, Ukraine should intensify

its efforts to revive and bring a new fresh impetus to relations with Latin America.

At the first stage it is important to address a range of issues: the establishment of bilateral industrial cooperation in the member countries, including through the creation of joint ventures, whose products would be in demand throughout MERCOSUR (in particular, tractor and aircraft construction, production of energy equipment, cooperation in space, production of mineral fertilizers, supply of steel, agro-industrial, pharmaceutical products, maintenance of military transport aircraft «AN», etc.); granting preferential treatment to Ukrainian exporters in the markets of MERCOSUR countries by concluding relevant agreements; promoting the expansion of Ukrainian technologies.

Ukraine's future prospects in the international arena will depend on its ability to effectively use the stabilization funds of international funds, as a result of which the measures of the anti-crisis program on public finance management and the real fight against corruption must be implemented. Ukraine's prospects in relations with Latin American countries will also depend on activity in the search for new foreign markets and an increase in foreign trade.

For greater effectiveness of such steps for Ukraine, some scholars recommend: to hold a series of round tables on the topic of this area of work on the basis of the Ministry of the Armed Forces of Ukraine with the involvement of the public, to determine the strategy and tactics. Assess the quality of work and, if necessary, rotate staff at the level of embassies in Latin America. Involve representatives of public diplomacy in the work. Raise the role of ambassadors as sales agents of national business. To actualize the issues of efficiency / inefficiency of the Chamber of Commerce and Industry of Ukraine (taking into account the presence of state functions in this public organization) in terms of its impact on the country's economy, export potential, and improving Ukraine's image in the world (Samoilov, 2016).

At present, the Latin American region retains the features of internal political instability, oppositional sentiments of the population, which are turning into military confrontation (for example, Ecuador, Peru, Chile, and others), frequent changes of government, and others. A prerequisite for mutually beneficial economic partnerships is the presence in Latin America of huge reserves of minerals, which can be the basis for the development of heavy industry. These are primarily copper (Chile, Peru, Mexico), tin (Bolivia), oil (Venezuela, Mexico), coal and iron ore (Brazil), aluminum raw materials - bauxite (Jamaica, Republic of Suriname).

Given the new, more favorable political situation in Latin America, Ukraine faces the task of making the most of all available opportunities to

promote Ukrainian exports and implement joint projects. The market of this region in the future can be considered as a space for the promotion of Ukrainian competitive goods and services. In our opinion, only a systematic approach to the formation of incentives for entrepreneurial activity will have the effect of increasing productivity, and the coherence of regional and national economic policy will determine the prospects of the country as a whole.

Conclusions

We believe that in modern conditions Ukraine has a real opportunity and need to cooperate with the markets of Latin American countries, which are no less attractive than the markets of the European Union and Asian countries and should take their rightful place in bilateral and multilateral cooperation on mutually beneficial terms. The strategic development of economic partnerships between Ukraine and Latin America in the recent period should be based on the following basic principles:

- intensifying and strengthening the dialogue on deepening trade and economic cooperation through a system of trade policy instruments, primarily reducing tariff and non-tariff protection of the Latin American market.
- optimization of trade, economic and investment cooperation to gain leverage over the development of global and European economic infrastructure.
- development of a long-term strategy for the development of trade and economic cooperation between Ukraine and individual countries of the Latin American region with the identification and justification of sectorial priorities.

In order to implement the outlined areas of optimizing cooperation between Ukraine and Latin America, we consider it expedient for the Committee on Foreign Affairs of the Parliament of Ukraine with the participation of representatives of the Ministry of Foreign Affairs, the Ministry of Economic Development and Trade of Ukraine, the Chamber of Commerce and Industry, working in Ukraine, economic and political problems in bilateral relations, including legislation that hinders the intensification of cooperation.

Prior to the Coalition Agreement, the list of promising markets should include both the Latin American region and state support for national exporters in this region. We also consider it useful to intensify the work of the relevant parliamentary groups on interparliamentary relations of the Verkhovna Rada of Ukraine with the parliaments of the Latin American

region and to promote the work of «friendship groups» with Ukraine there.

Measures such as: opening of representative offices of Ukrainian enterprises in Latin American countries will contribute to the growth of exports of Ukrainian enterprises in the markets of Latin America; active participation of Ukrainian enterprises in exhibition and fair events taking place in the countries of the region; initiating contacts between delegations of industry experts, as well as initiating business representatives to conclude agreements between the Chamber of Commerce and Industry of Ukraine with the relevant Latin American business associations. Contacts with Latin America could help Ukraine diversify its national exports, which in turn would boost the industrial development of the Latin American region.

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