

## ECONOMY OF UKRAINE, ITS STRUCTURE AND TRANSFORMATION IN MARKET CONDITIONS

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Nowadays Ukraine's economy is in crisis. That's why it is crucially important to analyze its structure and define the main directions of its favorable changes, and this problem is actual. A level of development of territory of Ukraine is rather high. The economic complex of Ukraine covers all parts of social production, distribution and exchange in all territory. Economy of Ukraine has complex, differentiated and diversified structure.

Since 1990 the structure of Ukraine's economy has considerably changed. So, industrial production has decreased, a part of agriculture in gross national product was 20.8 % in 1992, and now it is approximately 13.8 %. A building complex has no changes (8-10 %), and the part of services in gross national product has grown from 23 % up to 37.5 %. So called shadow economy by estimations of experts represents near 60 %.

The structure of areas which produces means of production includes extracting and processing branches. To extracting one belong: extraction of mineral fuel, manufacture of the electric power on hydroelectric power stations, extraction of ores black and nonferrous metals, mountain-chemical and mineral-building raw material, wood processing; fishing and sea products.

Branches are grouped in so-called complex branches. Therefore areas can be grouped in fuel and energy (the bulk industry and electric power industry), metallurgical, machine-building, chemical-wood (chemical and petrochemical, wood, pulp and paper industry) complexes.

Agrarian and industrial complex of Ukraine – complex productive and economic system which represents group of technologically and economically interconnected areas of agriculture, industry and infrastructure. In agrarian and industrial complex there are three basic spheres: 1) industry provides an agriculture with the different equipment and means of production; 2) agriculture; 3) preparation, storage and processing of agricultural production.

The central part of agrarian and industrial complex is an agriculture.

The reasons of the crisis phenomena in areas of economy of Ukraine are insufficient and untimely accounts of replaceable conditions of manufacture, opportunities of intensification, and also changes in methods of managing, etc. Rates of manufacture were sharply slowed down, and diligence to constrain its recession by extensive methods has not given appropriate results.

National economy of Ukraine covers all levels of social production, distribution and accounting of its territory. Ukraine's economy is characterized by differentiated and diversified structure, there is high weight of heavy industry, lack of development of industries and consumer goods production. At the sectorial structure significantly affect the economic and natural factors (level of development of productive forces, elements of production growth, the level of raw materials and fuel – energy resources).

Improvement of the national economy should be done due to the rational use of natural, material and labor resources, intensive development of economy, and environmental protection.

Scientific-technical progress increases the dynamic changes in industry structure. There are significant differences in the territorial concentration of industrial production between the South - Eastern and some Western and central regions, in economic structure are high on the weight of the agricultural sector.

The main task of restructuring the economy of Ukraine is the formation of a modern, effective, efficient, environmentally friendly structure of the economy and the creation of a competitive domestic production through the implementation of the absolute and relative advantages of the country.

The main directions of structural shifts in the Ukraine, in our view, should be the following: the modernization of production, its technical and technological renewal; - reduction of resource input (fund-, material-, energy-, labor- input) of production; change in the relationship between the manufacture of means of production and consumption in the interests of the latter; creating conditions for extended recreation (investment) etc.

Considering the improvement of structural policy in Ukraine, it is advisable to pay attention to the existing experience of developed foreign countries on this issue. The most attention with the experience deserves the USA and Japan. Despite on the significant differences between possibilities of Japanese and Ukrainian economy, it is crucial to use the Japanese experience in solving strategic tasks of restructuring of manufacture, high efficiency of state regulation of structural changes, especially in the context of the economic crisis of the country.

Not being able to form in the near future a closed structure of the economy, Ukraine should focus on the development of transport – primarily through a favorable geographical position, the presence of international highways, power lines, gas pipelines, food processing industry, as many regions are agrarian-oriented; building materials industry – given the availability of a variety of building materials and metallurgy to the reorientation of the industry to more advanced types of metal smelting.

The implementation of these proposals, in our opinion, will help to improve the structure of the Ukrainian economy and improve its efficiency.