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## **THEORETICAL ASPECTS OF NEW INDUSTRIALIZED COUNTRIES ECONOMIC MODELS DEVELOPMENT**

**Introduction.** The sensation in the global economy was the progressive development of the several developing countries which were defined as “new industrialized countries”. New industrialized countries are a topological group of countries characterized by high and qualitative rates of economic growth with the activation of innovations and attracting investments. NIKs now have a strong position in the global economy, although their economies have recently had typical features of the developing economies. In a short time, this group of countries made a qualitative shift from backward to highly developed economy.

The state of economy of the new industrialized countries has been studied in works of A. Holikov, Y. Hrytsak, A. Filippenko, R. Avakov. The systematization of the scientific works allows us to analyse the group of major industrialized countries.

**The objective of the paper** is to analyse the theoretical aspects of new industrialized countries economic models.

**Results of research.** Back in the 20th century, in the 60’s and 80’s, there was a global change in the structure of developing countries, then a group of countries with “new industrial” economies, named NIC, emerged. This group includes four countries in Southeast Asia: Hong Kong, Singapore, Taiwan, the Republic of Korea, as well as three Latin American countries: Argentina, Brazil, Mexico. These are the “new industrialized countries” of the first wave with the most powerful economic development.

The first aspect of the NICs successful development is that forcing agrarian and raw material specialization in the economy, while forming an industrial complex, establishing an open-ended economy model which can adapt to international economic markets and promote enhanced international trade, etc.

The rapid growth of the economy was also affected by the foreign investment involvement: financial and technological – industrial equipment and “know how”. In order to master modernized technologies, there was a shortage of skilled staff capable of continuous retraining and a well-established competitive mechanism in the modern economic sector.

The new industrialized countries rapid development is closely connected with the structural restructuring of the economy, which began in industrialized countries due to the scientific and technological revolution in the 50-60’s. Developed countries created TNCs and made significant investments in NIC economies. It is significant that according to the 2016-2017 World Economic Forum, based in Geneva, in the

ranking of the world competitiveness Singapore takes the 2nd place and Hong Kong is on the 9th, then 14 - Taiwan, 25 - Malaysia, 26 - Republic of Korea, etc. [1]

The lucrative economic development of the new industrialized countries contributed to the optimal combination of the market mechanism and state regulation. The role of the state in the economy of these countries is different, but not insignificant, because it supplemented the market mechanisms to ensure a high level of economic development. For example, due to the state regulation of foreign economic relations, Hong Kong, Taiwan, South Korea, and Singapore have had a long term positive payment balance. Asian governments also monitored measures to maintain macroeconomic stability, avoiding high inflation and unemployment.

An equally important factor in the economic growth is the effective opposite to the traditional income policy, due to it, the economy of the new industrialized countries can be described as post-industrialised by many indicators.

In the process of the NIC development, two continental models were distinguished:

- the Asian model;
- the Latin American model.

Countries that have the Asian development model are: Hong Kong, the Republic of Korea, Singapore, Taiwan, or the "4 Asian dragon." This model is characterized by the rapid development of the national economy with a course on the external market based on borrowed modern technologies with strong state support in all areas of the development, as well as the existence of the loyalty features of to their corporations, ie national interests are more prioritized than international ones. In the global environment, these countries are distinguished by the following features: significant GDP figures; post-industrial economy, in which the share of service sector exceeds 60%; innovative character of the economy branches development; high positions of the national economy competitiveness; strong financial position in the world; large amount of export and re-export; low unemployment; significant social stratification of the population [2 : 146-149].

The countries that have a Latin American development model are: Argentina, Brazil and Mexico. This model is aimed to the national economy development with a focus on import substitution on the basis of involving American multinationals and TNB. But not all economists recognize as the new industrial countries those which joined industrialism on the second and fourth stages. There are cases when even Argentina, Brazil and Mexico are not defined as the new industrial countries, because the development of these countries was uneven in certain periods and areas [3].

**Conclusion.** In a relatively short time, these countries created industrial potential and developed some of the modern industries. They dramatically increased industrial exports and occupy an important place in the international labour market. Due to overcoming the agrarian and raw material specialization, the economy restructuring, the export-oriented model of the development, the countries improved their economic level together with obtaining the status of the new industrialized countries. The Asian model of the development was quite successful, because with the help of the foreign market orientation and the development of innovative

technologies, the countries achieved successful growth in all fields at the international level.

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## ANALYSIS OF INNOVATIVE ACTIVITY IN UKRAINE

**Introduction.** Due to Ukraine’s European choice in a highly competitive environment, it has become urgent to form and implement an innovative model of economic development, which should provide high and sustainable economic growth, solve some of the problems related to the quality of life, ensure the competitiveness of the the national economy, and increase domestic exports in the global market. However, economic transformations have not made the innovative way of development one of the main characteristics of Ukraine’s national economic growth.

**Review of recent publications.** The problems of Ukraine’s innovation policy, its major challenges and ways to overcome them have been studied by such scientists