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PROTECTIONISM IN UKRAINE: IMPACT ON THE MARKET RELATIONS WITH PARTNER COUNTRIES

Summary

The purpose of the article is to substantiate and investigate the impact of protectionist policies on Ukraine's market relations with partner countries. In the article the theoretical foundations of protectionist policy, in particular its essence and consequences (positive and negative) are considered. It is proved that the positive aspects of protectionist policy include: protection of national producers from external competition, stimulating the development of production and employment growth, protection of industries that are still gaining strength in the economy. The negatives aspect include: reduction of the "spirit" of competition, reduction of benefits for the state from international specialization of labor, reduction of foreign trade and aggravation of interstate interactions. The world tendencies of application of protectionism in the world are analyzed, the basic players in the global market are allocated. It has been proven that the growth of protectionism in the USA affects the economic activity in general, both in the country and in the world as a whole. In the course of the research it was established to which industries and groups of goods the quantitative restrictions of Ukraine are applied to the countries of the EU and the Russian Federation and vice versa. As a result of the analysis of mutual trade relations of the studied partner countries with Ukraine, it was established that in the end, protectionist measures are dominated by discriminatory ones. The need of revision the instruments of protectionism in Ukraine for more progressive ones, are capable of ensuring the development of the country's economy and strengthening competitiveness in general, is argued, in particular state support in the world market, subsidies, export credits on favorable terms, financial grants, etc.

Keywords: protectionism, trade war, customs tariff, trade liberalization, national producer.

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