

INVESTMENT ACTIVITIES OF TNCs' IN UKRAINE: PROBLEMS AND PROSPECTS

*Elvina Lymonova, Senior Lecturer, Alfred Nobel University, Dnipropetrovs'k,
elvina.lim@mail.ru*

Methods. Methodological basis of the study has comprised a combination of basic and special scientific methods of investigation, such as method of system analysis and synthesis, induction and deduction – while analyzing the activities of TNCs' affiliates in Ukraine and evaluating the impact of their activities on the national economy, trending and statistical analysis – while analyzing TNCs' investment activities trends in Ukraine.

Results. To investigate the prospects of transnational processes development in Ukraine the author has analyzed the dynamics of inward FDI stock in Ukraine, sectoral and geographical structure of inward FDI. The revealed tendency of reduction in inflow of foreign capital into the real sector of the economy means that strategic industries do not attract the necessary amount of capital to upgrade morally and physically obsolete fixed assets.

The aspects explored are the influence of transnational corporations activities' on the development of a competitive environment in Ukraine and positive and negative aspects of such an influence.

Also the paper contains the analysis of factors hindering the inflow of foreign capital in Ukraine and Ukraine's integration into the global financial system.

The author emphasizes the necessity of examining all aspects of TNCs' investment activities in order to create conditions favorable for attracting transnational capital into domestic economy on mutually beneficial terms.

Novelty. The scientific novelty of the research lies in the comprehensive theoretical analysis of the investment activities of foreign multinationals in the territory of Ukraine. The author has defined positive and negative aspects resulted from arrival of TNCs in Ukraine. The former are caused by conventionally high labor and capital productivity, import of new technologies and efficient management. The latter are connected with the fact that most foreign investors are prone to realizing pseudo-investment strategies.

Practical value. The paper offers directions for state economic policy in the field of foreign direct investment and, emphasizes the necessity of further establishment of national TNCs, which will result in increasing social production efficiency, better customer satisfaction and improving competitive positions of the national economy.

Keywords: transnational corporations, foreign direct investment, investment strategy of TNCs, FDI sectoral structure, FDI geographical structure

Literature

1. Dunning J. H. Location and the multinational enterprise: A neglected factor? / Dunning J. H // Journal of International Business Studies. – 1998. – N. 29 (1). – P. 45–66.
2. Caves R. E. Multinational Enterprise and Economic Analysis. 2nd ed. Cambridge: Cambridge University Press. – 1996. – 324 p.
3. Hymer S. H. The multinational corporation and the international division of labor. In: Cohen R. B. et al. (eds.). The Multinational Corporation: A Radical Approach. Papers by Stephen Herbert Hymer. Cambridge University Press: Cambridge. – 1979. – 534 p.
4. Астапович А. З. Транснаціональний капітал США в мировому господарстві / А. З. Астапович – М. : Наука, 1990. – 200 с.
Astapovich A. Z. *Transnatsionalniy kapital SshA v mirovom khozyaystve* [USA' Transnational capital in world's economy] / A. Z. Astapovich – М. : Nauka, 1990. – 200 p.
5. Макогон Ю. В. Інвестиційна привабливість України в умовах трансформації світового господарства / Ю. В. Макогон, К. В. Лисенко // Теоретичні і практичні аспекти економіки та інтелектуальної власності. – 2012, Випуск 1, Том 1. С.7–26.
Makogon Yu. V. *Investytsiyna pryvablyvist Ukrainy v umovakh transformatsiyi svitovogo gospodarstva* [Investment attractiveness of Ukraine in conditions of economy world's transformation]/ Yu. V. Makogon, K. V. Lysenko // *Teoretychni i praktychni aspekty ekonomiky ta intelektualnoyi vlasnosti*. [Theoretical and practice aspects of economy and intellect property]. – 2012, Vypusk 1, Tom 1. P.7–26.
6. Рогач О. І. Міжнародні інвестиції. Теорія та практика бізнесу транснаціональних корпорацій / О. І. Рогач – К : Либідь, 2005. – 720 с.
. Rogach O. I. *Mizhnarodni investytsiyi. Teoriya ta praktyka biznesu transnatsionalnykh korporatsiy* [International investments. Theory and practice of transnational corporations business] / O. I. Rogach – К : Lybid, 2005. – 720 p.
7. Рокоча В. Транснаціональні корпорації: навч. пос. / В. Рокоча, О. Плотніков, В. Новицький . – К. : Таксон, 2001. – 304 с.
Rokocha V. *Transnatsionalni korporatsiyi : navch. pos.* [Transnational corporations] / V. Rokocha, O. Plotnikov, V. Novytskyi . – К. : Takson, 2001. – 304 p.
8. World Investment Report 2004: The Shift Towards Services [Електронний ресурс]. – Geneva : UNCTAD.– Article Stable URL: www.unctad.org/wir, Дотуп вільний. – Назва з екрану, англ.
World Investment Report 2004: The Shift Towards Services [Elektronniy resurs]. – Geneva : UNCTAD.– Article Stable URL: www.unctad.org/wir, Dostup vilniy. – Nazva z ekranu, angl.
9. Методичний коментар до платіжного балансу України [Електронний ресурс]. – Київ : НБУ.– Режим доступу : http://www.bank.gov.ua/control/uk/publish/article?art_id=44459, вільний. – Назва з екрану, укр.
. *Metodychniy komentar do platizhnogo balansu Ukrainy*. [Methodical comments to Ukraine's payment balances] [Elektronniy resurs]. – Kyiv : NBU.– Rezhim dostupu : http://www.bank.gov.ua/control/uk/publish/article?art_id=44459, Dostup vilniy. – Nazva z ekranu, ukr.
10. Закон України «Про режим іноземного інвестування» // Урядовий кур'єр. – 25 квітня 1996 р. – № 77–78. – С. 9–10.

Zakon Ukrainy «Pro rezhym inozemnogo investuvannya» [Ukraine's law «About regime of foreign investments»] // Uryadoviy kuryer. – 25 kvitnya 1996 p. – № 77–78. – P. 9–10/