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DOES EU REALLY ENCOURAGE TRADE? THE EFFECT OF EU MARKET ENLARGEMENT ON UKRAINE'S TRADE POLICY

This study empirically investigates the effect of the EU integration on trade, analyses evolution in trade patterns of European economies and focuses on the effect of Candidate Countries' accession to the EU on Ukrainian trade performance. The gravity model of international trade is used to assess trade patterns between countries within one or different preferential trade arrears. The results suggest that a pair of countries both in the EU trade 210 percent more than do a pair of countries outside the EU. The findings reject a hypothesis that the EU integration implies trade diversion vis-a-vis the rest of the world. EU members increase the trade with non-member countries by 32 percent. Thus, EU future enlargement will not lead to a large trade diversity effect on the Acceding countries trade with Ukraine. However, with result should be taken with caution, because the model do not captures specific characteristics of EU trade with Ukraine. Taking into account the dynamic benefits of EU integration, Ukrainian trade reorientation towards the EU market is strongly encouraged.

Introduction

It is common knowledge that there exist three approaches to international trade relations: multilateral, where a country provides trade concessions to all partners in the world; regional, where a country liberalizes trade with two or more members only within a region; and unilateral, where a country promotes more free trade with individual partner. It was considered that multilateral trade agreements are the most effective approach towards trade liberalization until the 1980s, when regionalism and unilateralist appeared to gain more interest as the effective complements with the goal of promoting higher level of openness in trade relations.

Trade liberalization has always been the most important aspects of transition strategy. Foreign trade is an essential part of economic activity and a factor of future growth for Ukraine. In this respect, the problem of foreign market access is crucial for future economic growth of Ukraine. Accession to the EU became a high priority of Ukrainian foreign strategy policy. In 2000 the Ukrainian Parliament approved the Activity Program of the government, which makes integration with the EU a key priority. However, the implications and the clear consequences of Ukraine's trade relations with the EU membership are still left open.

The main advantage of integration is considered to be an improved access to foreign markets for domestic exporting enterprises. However, the future of Ukrainian trade performance is controversial. Further growth of foreign trade is prevented by an inefficient export structure. Diversification of the export structure and regional reorientation of trade relations has to take place in order for Ukraine to increase benefits from trade.

It should be emphasized that the future trade patterns of almost every EU trade partner are very unclear now, when the greatest enlargement is in process. After successfully growing to 15 members, the European Union (EU) is now preparing for its biggest enlargement ever in terms of scope and diversity. Ten countries, currently known as "acceding countries",- Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic, and Slovenia will become EU full members on May 1, 2004.

The aim of this study is to empirically investigate the effect of the EU integration on trade and to examine the issue of Ukrainian trade reorientation. Does the European trade agreement really give rise to higher than *normal* level of trade, i.e. the level that is predicted by the distance and economic size? It is also essential to investigate the impact of EU expansion on Ukrainian trade performance in the short and long-term perspectives by examining the question whether European integration promotes trade diversion or trade creation effect with the rest of the world.

The paper outline is as follows. First, the general overview of the related literature is presented. Second, the developments and clear problems of the trade sector of Ukraine are analyzed, with focus on the issue of regional trade reorientation from the market of the CIS to Europe and other countries. Third, the Ukrainian relations with the EU are investigated. Next, the methodology of estimation and the results are described. The paper concludes by the overview of the benefits of EU expansion for Ukraine.

Literature review

Recent study by Rose (2002a) shifted concentration away from multilateral trade agreements in view of systems beneficial to trade development. He looked for empirical evidence of multilateral trade agreements on international trade and provided a comprehensive econometric study to analyze the effect of the World Trade Organization (WTO), the Generalized Agreement on Tariffs and Trade (GATT), and the Generalized System of Preferences (GSP). A gravity model for the period from 1948 to 1999 is estimated. The author concludes that membership in WTO/GATT does not imply an increase in trade intensities; the volume of bilateral trade between members and non-members is not significantly different.

Rose (2002b) investigated further to find out whether WTO/GATT membership implies more liberalized trade. After applying a large number of different trade policy measures, i. e. degree of openness, tariff and non-tariff barriers, informal, composite and price-based measures, measures based on residuals, he found that WTO/GATT members do not have more open trade and systematically lower trade barriers than non-members.

Taking into consideration Rose's findings, the new question emerges. May be regional integration proves to be more efficient with providing trade benefits of improved market access?

In search of an answer Nitsch, Sturm (2003) replicated Rose's (2002b) finding on trade policy for regional trade arrangements (RTAs) and, surprisingly, also found no compelling evidence that membership in a RTA is associated with lower barriers to international trade. Most measures of trade policy, i.e. decrease in internal tariffs, remove of the non-tariff barriers, appeared to have no empirical association with membership in an average RTA! However, their results showed that the EU member countries tend to have more open trade policies and it will be correct to say here that EU integration has been effective with respect to trade liberalization, but not to a great extent. The authors conclude that out of 50 trade policy measures, 39 indicate EU member countries have more liberal trade rules than countries outside the region.

While studying the related literature, I was unable to find papers that replicated Rose's (2002a) findings for RTAs, so it seems to be a gap in the literature. It may be the case that even if RTAs do not provide members with more liberal trade, they still can be effective in increasing the volume of bilateral trade within the area. In order to clear the state of affairs, it is necessary to assess the economic implications of regional integration for international trade in the context of the following questions. Does membership in RTAs lead to an increase in trade intensities and do the volumes of bilateral trade between members and non-members are different? The goals of this research imply that EU is of particular attention here.

The economic effects of regional economic integration can be classified as either static or dynamic effects. Static effects arise from new resource allocation due to established free movement when factors of production, technology, and characteristics of competitive environment are constant. Effects from changing in the quality and quantity of factors of production, improvement of technology, and changes in competitive environment are, in turn, called dynamic.

From a point of view of static affects only, the establishment of the Customs Union (CU) or Free Trade Area (FTA) will not always lead to the improvement in overall welfare. Viner (1950) emphasized the possibility of increase in member countries' discrimination against non-members. The distinction is made with respects to two possible outcomes: trade creation and trade diversion effect. Trade creation will occur if formation of regional trade union results in transfer of production from a high-cost source in a home country to the low-cost source in a partner country, because tariffs have been moved from the trade between these countries. Trade diversion, in contrast, will occur if production is transferred from a low-cost source in a third country to the higher-cost source in a partner country, because tariffs are no longer imposed on the goods from a member country. Trade creation and diversion effects can arise from any regional economic integration that results in trade barriers reduction that is not extended to nonmember countries. Thus, the establishment of CU or FTA is considered to be beneficial from a production point of view if trade creation effect outweighs trade diversion.

The Ukrainian Trade Performance

The dismantlement of the Soviet system and the resulted disintegration of economic links resulted for Ukraine in a rather poor production structure and in a significant decline in industrial production. However, it is obvious now that Ukraine has proceeded far on its road to be considered a growing market economy. For the last three years its average GDP growth was about 6 percent a year. In recent years its exports has increased fast by over 10 percent a year and it comprises a growth engine of economy.

The performance of the external sector is usually a good indicator for the success of economic transition in the whole economy, thus it is important to look at the initial conditions for Ukrainian exports.

Table 1. **Geographical Structure of Ukrainian Exports of Goods**

Year		FSU countries	EU counties	Asia	ROW
1996	USD min	7405.2	1596.4	2711.0	827.7
	% of total	51.42	11.09	18.83	5.75
1997	USD mln	5585.7	1757.1	3829.2	1141.7
	% of total	39.25	12.35	26.91	8.02
1998	USD mln	4202.3	2119.3	2997.0	1445.1
	% of total	33.25	16.77	23.72	11.44
1999	USD mln	3252.2	2118.6	3183.8	1354.6
	% of total	28.08	18.29	27.49	11.70
2000	USD mln	4497.5	2354.4	3437.9	1956.0
	% of total	30.86	16.16	23.59	13.42
2001	USD mln	4675.4	2976.5	3970.2	1896.3
	% of total	28.75	18.30	24.41	11.66

Source: NBU, own calculations.

The issue of trade reorientation is of great significance for Ukraine for several reasons. First, regional distortions in our country's foreign trade are obvious. Fidrmuc (2000) finds that the collapse of the Former Soviet Union (FSU) was associated with a sharp decline in the trade intensity among the affected countries, albeit the bilateral trade among Belarus, Russia and Ukraine around the time of disintegration exceeded the *normal* level about 40 times. Intensity of Ukrainian trade relations with FSU countries is still very high, but as can be seen from the table that a substantial reorientation of trade flows to other countries is taken place. With exports to the FSU of 51 percent of its total export in 1996, Ukraine managed to decrease this share to 29 percent in 2001. As far as Ukrainian imports from FSU is concerned, its share was even larger.

The European Union is Ukraine's main trading partner outside the Commonwealth of Independent States (CIS). 11 percent of total export of goods went to the EU it in 1996 with this share increased to 18 percent in 2001. For the EU, though, this trade remains marginal: (only 0.4 % of the EU total trade). Positive trends in the Ukrainian economy led to a renewed increase in EU-Ukraine trade in 2000. In the first six months of 2002 EU-Ukraine trade in goods increased 11 percent compared to the same period in 2001. Over the past years Ukraine has recorded a steadily increasing trade deficit with the EU. Aslund (2003) notes: "given the economic geography, the EU should be Ukraine's all-dominant export market buying 60 percent of its exports". In this situation, regional reorientation of trade relations has to take place in order for Ukraine to benefit from redirecting export from the former interior market of the Soviet Union to Europe and other countries.

Table 2. **EU-Ukraine trade 1995-2002 (in € billion)**

Year	Ukrainian export	% of change	Ukrainian import	% of change	Trade balance
1995	1.54		2.25		-0.71
1996	1.46	-6	2.63	+17	-1.17
1997	1.89	+29	3.44	+31	-1.55
1998	2.24	+19	3.54	+3	-1.3
1999	2.08	–7	2.61	-26	-0.53
2000	2.95	+42	3.65	-40	-0.70
2001	3.65	+24	4.95	+35	-1.30
2002*	3.11		4.00		

(*) Jan-Sep 2002.
Source: Eurostat, Comext.

Second, Ukraine's export structure is rather homogeneous and has remained little changed. Exports consist largely of standardized products and resource endowments. According to the official site of the European Union, Ukraine's main export products to the EU are raw materials (22 %), heavy industry products (44 % - of which iron and steel comprise 17 % of total EU imports), textiles (14.6 %), chemicals (9.8 %) and agricultural products (12.4 %). This reduces substantially the export potential and reflects the low competitiveness and output decline of Ukraine's manufacturing industry over the past decade, leading to the predominance of primary production in export trade. Thus, an issue of product diversification gains a large importance for Ukraine. It is also necessary to note that all CIS reveal a comparative advantage in the similar products. Thus, it could help limiting trade diversification effects if one of the CIS countries concludes a preferential agreement with the EU.

A classification of Ukrainian exports to the EU according to the factor intensities shows that exports of capital products dominated during the first period of transition. This export pattern was formed as a part of the Soviet production heritage. However, in the mid-nineties labor-intensive products advanced to a first place and a further growth of their proportion is observed. In contrast to Ukraine, most of the Central Eastern European countries (CEECs) managed to reorient their trade in favor of the capital-intensive goods and to tremendously improve their competitive position. Hungary, for example, increased the share of export to the European Community consisted of machinery products from 13 percents in 1993 to 35 percents in 1995. Thus, most CEECs managed to gain EU market share against non-EU member countries. According to the Routledge Studies in the European Economy, Switzerland had exported

3.6 times more to the EU than Poland, the Czech Republic, Hungary and Slovakia taken together. By 1995, Swiss export was just 38 percents higher than those of the Central Europeans. The driving forces of their economies were machinery and electronic goods, and not just the sensitive products, such as steel, textiles, chemicals and agricultural products. In the Ukrainian case the change of this indicator is of a particular importance. Sensitive products, i. e. goods that are particularly exposed to protectionist measures by EU, comprises above 70 percent of its export.

The export structure needs to be diversified and improved. Ukraine possesses a relatively high endowment of skilled manpower and human capital to be able to fully develop its comparative advantage. In this situation Ukraine should be more specialized on the production and export of an intermediate outputs, medium and high technology products instead of on unprocessed and semi-processed export goods.

Ukraine's Relations with the EU

Official negotiations between the European Commission and Ukraine started in 1993. Ukraine's Relations with the EU are to a large extent based on the Partnership and Cooperation Agreement (PCA), which was concluded in 1994 and entered into force only in 1998. Its objective is to provide a basis for deepening economic relationships between the EU and Ukraine with a prospect of the future free trade agreement. The PAC stipulates the following major principles of the EU-Ukraine trade policy:

- most favored nation treatment;
- prohibition of quantitative import restrictions on imported goods;
- the standard WTO rules;
- freedom of transit;
- rules, concerning custom valuation of goods and so on.

In general, it contains little of substance for Ukraine. Ukraine remains a subject to high level of trade discrimination from the EU. The only trade policy concessions of the EU for Ukraine are its conclusion of agreements to regulate trade in textiles and in steel products that eliminated its import quota system.

The PCA stipulates the evolution of the relationships with the prospect of a free trade area. In reality, Ukraine's trade policy has raised concerns on the side of the EU. The key impediment to the deepening of trade relations has proved to be the absence of a stable legislative mechanism, high level of mutual tariffs and quotas, considerable amount of anti-dumping measures of EU, and the other trade problems, mostly due to frequent violation of the WTO and PCA rules.

The EU is concerned about unsatisfactory market access conditions in Ukraine for EU products and services. Ukrainian tariff policy is used to be very volatile. Frequent tariff changes are introduced, targeting imported goods. European enterprises face numerous market access difficulties such as: tariff protection, discriminatory taxation regimes, and different kinds of technical barriers.

The gravity model of trade

I estimate the general trade indicator known as gravity model to empirically investigate the effect of the EU integration on trade. The gravity model relates trade flows between two countries to the trade costs, proxied by distance between the countries and their economic sizes, proxied by GDP. GDP per capita is usually also used as a proxy for the level of country's income: bilateral trade between the richer countries is greater. Factors that determine specific trade effects, different from what we would expect on the basis of the distance and GDP, are captured by a certain number of dummy variables. I apply Rose's empirical strategy to control for as many "natural" causes of trade as possible. These include sharing a common land border, speaking a common language, belonging to the same currency union and others. After taking into account of all the natural factors, trade patterns for countries in the preferential trade areas (PTA) are compared with those outside them.

The positive coefficient on the dummy variable indicating a pair of countries, both of which are the members of regional trade agreement (RTA), point out that they trade more with one another than is predicted by their economic sizes, incomes and distance, and, so, it is the evidence of trade creation effect. It means this trade agreement has actually promoted trade. A negative coefficient, in contrast, implies the discrimination effect. The negative coefficient on the dummy variable indicating a pair of countries, one of which is the member of RTA and the other is non-member, is an indication of trade diversion vis-a-vis the rest of the world.

The linear form of the model is as follows:

$$\begin{gathered}\ln (X_{ij}t) = b_0 + b_1 \ln D_{ij} + b_2 \ln (Y_i Y_j)t + \\ + b_3 \ln (Y_i\, Y_j \,/\, \mathrm{Pop}_i\, \mathrm{Pop}_j)t + b_4\, \mathrm{Lang}_{ij} + \\ + b_5 \mathrm{Cont}_{ij} + b_6 \mathrm{Landl}_{ij} + b_7\, \mathrm{Island}_{ij}\ \ b_8\, \mathrm{CurCol}_{ij}t + \\ +\ b_9\, \mathrm{Colony}_{ij} + b_{10}\, \mathrm{CU}_{ij}t + f_1\, \mathrm{oneEU}_{ij}t + \\ + f_2 \mathrm{bothEU}_{ij}t + \{Tt\} + e_{ij},\end{gathered}$$

where i and j denotes trading partners, t denotes time, and the variables are defined as:

Xijt stands for the average value of real bilateral trade between i and j at time t,

7 is real GDP,

Pop is population,

D is the distance between i and j,
Lang is a dummy, takes the value one if both countries have a common language and zero otherwise,
Cont is a dummy, takes the value one if both countries share a common land border,
Landl is the number of landlocked countries in the country-pair (0, 1, or 2).
Island is the number of island nations in the pair(0, 1,or 2),
ComCol is a binary variable, takes the value one if both countries were ever colonies after 1945 with the same colonizer,
CurCol is a dummy, takes the value one if *i* is a colony of j at time *t* or *vice versa,*
Colony is a binary variable which is unity if *i* ever colonized j or *vice versa.,*
CU is a dummy, takes the value one if *i* and y use the same currency at time *t,*
oneEU*ij* is a binary variable which is unity if / andy both belong to the EU,
bothEU*ij* is a dummy variable indicating a pair of countries, one of which is the member of RTA and the other is non-member at *t*,
{Tt} is a comprehensive set of time "fixed effects",
e*ij* represents the omitted other influences on bilateral trade, assumed to be well behaved.

All variables are in logs. The same set of dummies is used for the whole period to account for the evolution of trade relations. The time dummies for each of the years from 1948 to 1999 are included to capture the year-specific "fixed" effects, i. e. to account for "globalization" effect. The gravity model is estimated using generalized least squares ("random effects").

In general, this specification of the model is taken from Andrew K. Rose research. I apply Rose's empirical strategy to control for as many "natural" factors that determine specific trade effects as possible with the similar set of dummy variables. However, Rose was seeking for empirical evidence of multilateral trade agreements on international trade and the dummies of particular interest to him were accounting for World Trade Organization, the Generalized Agreement on Tariffs and Trade, and the Generalized System of Preferences. In my paper, on the contrast, I am interesting in the effect of EU and related trade patterns, thus, after taking into account of all the natural factors, I compare the trade patterns for countries in different preferential trade areas (PTA) with those outside them.

Results

The gravity model gives quite good explanation of trade patterns as evidenced by the value of adjusted R (0.6). The transformed estimated values of dummy variables from logs to levels (by taking antilog and subtracting one) are presented in the third column. The baseline variables, GDP and distance, are highly significant and have the expected signs. Twice as distant countries trade 130 percent less due to the negative influence of trade costs on the trade movements. Countries sharing a common land border, speaking same language, etc. trade more intensively with each other.

The results suggest that joining the EU does really increase bilateral trade between member countries. The EU does seem to have a strong effect, and is associated with an approximate doubling of trade. A pair of countries both in the EU trade 210 percent more than do a pair of countries outside the EU. Thus, European regional trade agreement does actually promote trade.

Table 3. **Regression results for panel data, years 1948-1999**

Variable	Coefficients *	Standard errors	Transformed coefficients
Both EU	1.130	0.054	2.10
OneEU	0.275	0.015	0.32
Distance	-1.301	0.025	
Real GDP	0.841	0.007	
Real GDP per capita	0.034	0.009	
Landlocked countries	-0.637	0.035	-0.89
Number islands	0.369	0.039	0.45
Common land border	0.455	0.130	0.58
Common language	0.427	0.052	0.53
Ever colonized	-0.034	0.067	0.03
Common colonizer	2.108	0.169	7.23
Common currency	0.622	0.048	0.86

* Dependent variable is log real trade,

The unexpected outcome is a positive coefficient on the dummy variable indicating a pair of countries, one of which is the member of RTA and the other is non-member. This finding rejects a hypothesis that the EU integration implies trade diversion vis-a-vis the rest of the world. According to the resulted coefficient, EU members increase the trade with non-member countries by 32 percent.

The outcome of the model provide us with the evidence that Ukraine will not be adversely affected be European Eastern expansion. EU future enlargement will not lead to a large trade diversity effect on the Acceding countries trade with Ukraine. On the contrary, Ukrainian trade should increase by 32 percent. However, with result should be taken with caution, because the model do not captures specific characteristics of EU trade with Ukraine. First, as it was described above, European trade policy is very restrictive in the sensitive area, which includes the products Ukraine, along with Central Eastern European countries, has a comparative advantage in. Thus, the accession of the CEECs may have a negative impact on the share of Ukraine's trade in this area, i.e. the share of trade in agriculture, steel, textiles, chemicals may decrease. However, in case of Ukraine this adverse effect may be mitigate by a fact that a general reduction of the external protection of new EU members will take place as they align themselves on Community tariffs.

Benefits of European integration for Ukraine

For Ukraine a choice between East and West exists to be the primary orientation. It is the choice of economic system, of economic effectiveness, of political institutions, of social justice, and values. This choice is essential for the very existence of Ukraine.

After the disintegration of the Soviet Union Ukraine faced a dilemma as regards its foreign trade policy, namely:

1. Should it seek to preserve as much as possible of the trade flows in the region that existed before 1991?

2. Should it ignore the past, liberalize the trade without regard to the established commodity flows, and then undertake the necessary industrial restructuring? The second question implies orientation towards the EU market.

It should be noted that Ukrainian relations with CIS countries is not an optimal outcome. Both the FTA and the CU are likely to have many economic disadvantages. First, given the inefficient allocation of many factors across the CIS region, there is likely to be a predominance of inefficient trade diversion rather than beneficial trade creation as a result of these policies. Second, the countries concerned have to go on using out-dated Soviet technology, because it will be more costly to access Western technology. Third, unlike the EU, trade agreements across the CIS are unlikely to form economically large or competitive enough areas to gain significant benefits from economies of scale and specialization within the region. Last, such a trade policies could actually entail a loss of revenues for Ukraine, because of more restrictive nature of Russia's trade.

The CIS concluded an Agreement on the Creation of a Free Trade Zone in 1994, which has been the basis of trade relations between the CIS countries. This is highly inefficient trading system. Trade among the CIS is not very free and the number of trade disputes only accumulates. The other dysfunctional trading system, the CIS CU, with Russia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan being the members, was formed in 1995. It has been an entire disappointment. None of the countries involved has harmonized their customs with anybody else, because they have different foreign trade interests. In addition, the CIS CU is not recognized as a CU internationally.

The Western option for the Ukraine implies orientation towards the EU. Integration to the EU will have a range of economic, political, and security implications for Ukraine. Foreign trade is one of the most important factors of future growth for Ukraine and it will be most obviously affected. The findings of this paper provide with strong evidence that a country becoming a member of EU will benefit greatly from trade creation on large and open export market, while the non-members might not suffer from less access to a great extent. These are static allocation effects, but it is the accumulation affects, or long-term dynamic effects, that are most important to consider:

- efficient pricing system will contribute to better resource allocation and usage of international comparative advantage;
- transmission of advanced types of technology, inflow of know-how and expertise will increase total factor productivity and income per share;
- foreign competition will improve business transparency and corporate accountability;
- economies of scale will drive down prices and transaction costs;
- consumer goods will become cheaper, better in quality, and more diverse.

EU accession had a significant impact on FDI inflows in previous enlargements. Ukrainian FDI increase was about 2 % of GDP in 2002 and further growth is likely, though this is only 1/3 of the East-Central European level. One of the standard complaints for foreigners not to invest in Ukraine is the country's limited market access, notably to the EU. Foreign investors often export to their home markets, but strikingly few European businessmen do that from Ukraine because of too high barriers to export to the EU. Without market access, neither FDI nor export may increase. EU entry will make Ukraine more attractive as a production location, because it will guarantee unfettered access to the big market and protect investors against any sudden changes in trade policy. Furthermore, the process of preparing for accession in itself attracts more inward investment.

The very essential effect of the prospect of EU membership is its role as an anchor to the reform process. The drive to join the EU has been one of the most powerful incentives for undertaking major reforms in Ukraine. Through the tasks set annually by the European Commission, the EU ensures consistent external pressure on successive governments, helping to ensure continuity of reform efforts. Some tangible benefits are also linked to progress in reforms, such as additional aid, trade access and political support. When prospects for EU membership recede, it is more difficult to overcome domestic political opposition to different reforms.

The EU's size and weight as a regional player will grow further after enlargement: it will be a weightier trade block with a bigger market and so a stronger economic power. Meanwhile, its foreign and security dimensions are growing surely. For Ukraine, this new security and foreign policy capacity increases the attraction of the EU as a club tojoin.

Someone can argue thatjoining the EU requires a profound transformation of Ukrainian laws, institutions, policies and this, in turn, necessitates large government expenditures. However, the economic benefits of the common market will be able to prevail over these costs of accession in the long term.

Over the past 50 years, the EU has grown into a huge trading block that has the power asymmetrically to define the terms of trade relations with non-EU countries. For Ukraine, being a small country, even if EU integration will result in suboptimal growth, remaining outside the EU could be much worse.

Taking into consideration all these arguments, it can be argued that Ukraine should orient its policy towards the EU market with the goal to become EU member in the near future.

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ЧИ СПРАВДІ ЄС СПРИЯЄ ПІДВИЩЕННЮ ТОРГОВЕЛЬНОГО ОБОРОТУ? ВПЛИВ РОЗШИРЕННЯ ЄС НА ТОРГОВЕЛЬНУ ПОЛІТИКУ УКРАЇНИ

Статтю присвячено виявленню впливу європейської інтеграції на торговельні відносили країн - членів ЄС та інших країн світу. Окремо досліджується ефект розширення Європейського ринку на структуру торгівлі України. Для оцінки торговельних зв'язків між: країнами в одній чи різних зонах преференційної торгівлі використовується гравітаційна модель торгівлі. Результати економетричного аналізу свідчать, що Європейська інтеграція збільшує двосторонній торговельний оборот між країнами-членами на 210 %. Більше того, ЕС не сприяє диверсифікації торгівлі з іншими країнами світу, а навпаки, підвищує її обороти на 32 %. Таким чином, майбутнє розширення Європейського ринку не повинно викликати диверсифікаційний ефект щодо України. Слід зауважити, що в моделі не беруться до уваги специфічні особливості торгівлі України з ЄС, тому результати слід сприймати з обережністю. Зважаючи на динамічний позитивний вплив європейської інтеграції на торгівлю, українська переорієнтація торговельної політики щодо ЄС набуває важливого значення для подальшого розвитку нашої країни.