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**MECHANISMS OF GOVERNMENT SUPPORT FOR THE ECONOMIC
COMPETITIVENESS OF UKRAINE IN THE CONDITIONS OF GLOBALIZATION**

The article examines current mechanisms of state support for the economic competitiveness of Ukraine in the context of globalization challenges. Based on a complex analysis, the key areas of improvement of the state policy in the sphere of increasing the competitiveness of the national economy have been determined. Particular attention is paid to institutional reforms, digital economy development, infrastructure modernization, and innovation potential strengthening. The specifics of the transformation of state support mechanisms in the conditions of European integration and the digital transformation of global markets have been studied. The state's role in forming a favorable business environment, stimulating export activity, and developing human capital is analyzed. The priority directions for improving state support mechanisms have been identified, considering the international experience and national features of economic development. Recommendations for strengthening Ukraine's competitive position on world markets through the implementation of complex state support mechanisms covering institutional, innovative, infrastructural, and socio-economic aspects of development are proposed.

Keywords: *state support, competitiveness of the economy, globalization, economic reforms, political measures, sustainable development.*

Formulation of the problem. The intensification of globalization processes has fundamentally changed the landscape of international economic competition, opening both opportunities and challenges for developing economies like Ukraine. The country's position at the crossroads of Eastern Europe and its rich resource base provide significant potential for economic growth, however, the realization of this potential requires effective state support mechanisms aligned with the needs of

the world market. This research addresses the critical need to identify and analyze key government support mechanisms that can enhance Ukraine's economic competitiveness in an increasingly interconnected world. The importance of this research is enhanced by the ongoing digital transformation of global markets, changing geopolitical dynamics, the emergence of new industrial paradigms, and the need to build sustainable economic structures capable of withstanding external shocks while promoting sustainable growth. The study is particularly relevant given Ukraine's aspirations for deeper integration with European markets and the need to modernize its economic infrastructure by international standards.

The nature of global economic competition is fundamentally changing under the influence of several key trends that directly affect Ukraine's competitive position. First, the rapid development of digital technologies and the emergence of Industry 4.0 have created new imperatives for industrial modernization and workforce development. Second, the reconfiguration of global value-added chains, accelerated by recent global crises and geopolitical tensions, creates both challenges and opportunities for Ukraine's integration into international markets. Third, the growing importance of environmental sustainability and green technologies in international trade and investment decisions requires a fundamental rethinking of traditional competitive advantages [2].

Analysis of recent research and publications. The issue of state support for economic competitiveness is the focus of research by many domestic and foreign scientists. Scientists such as O. Amosha, V. Geets, and Yu. Poluneev considered the structural aspects of the modernization of the economy. The issues of institutional reforms and their impact on competitiveness are covered in detail in the works of A. Galchynskyi and I. Kryuchkova. Research by L. Fedulova and O. Vlasuka focused on innovative factors of increasing competitiveness. Among foreign researchers, it is worth noting the works of M. Porter on the theory of competitive advantages of nations, J. Stiglitz regarding the impact of globalization on the economic development of developing countries, and D. Rodrik on industrial policy in the conditions of globalization. At the same time, despite a significant number of scientific works, the issue of a comprehensive approach to the formation of mechanisms for state support of Ukraine's competitiveness in modern conditions of global challenges requires further research.

The purpose of the study is to analyze and evaluate the effectiveness of existing

state support mechanisms for increasing the competitiveness of the Ukrainian economy with the development of recommendations for their improvement in the conditions of globalization.

Presenting main material. Ukraine's competitive position must be considered through the prism of its unique historical heritage and geopolitical position. The country inherited from the Soviet era a powerful industrial and agricultural potential, a developed education system, and a strong scientific and technical base. However, the transformation to a market economy was characterized by heterogeneity: periods of active reforms alternated with stages of institutional stagnation. The strategic geographical location created a double effect: on the one hand, it opened opportunities for multi-vector economic cooperation, on the other hand, it created specific challenges in the field of access to markets and ensuring energy security [4].

The current stage of development of Ukraine's economic competitiveness is characterized by a complex of interconnected challenges and opportunities. The legacy of centralized planning combined with the incompleteness of market reforms and institutional weakness creates significant obstacles to realizing the country's competitive potential. At the same time, the signing of the Association Agreement with the EU forms a new architecture of economic development. Activation of digitization processes and reform of key sectors of the economy, in particular energy and agriculture, open up additional opportunities for economic modernization. It is significant that Ukraine's response to global challenges, including the COVID-19 pandemic and geopolitical tensions, demonstrated both the resilience of the economic system and the urgent need for deepening structural reforms.

The development of a reliable institutional framework is the fundamental basis of state support for economic competitiveness. The experience of successful transition economies, primarily the countries of Central and Eastern Europe, convincingly testifies to the decisive role of effective institutions in ensuring market operations, protecting property rights, and stimulating innovative activities. In the context of strengthening Ukraine's institutional capacity, there is a certain heterogeneity of results: while significant progress has been achieved in the areas of digital governance and public procurement reform, judicial reform and anti-corruption measures still need significant improvement. However, the establishment of specialized anti-corruption institutions and the introduction of transparent procurement systems have already laid the groundwork for further movement towards international

standards of institutional efficiency [1].

Innovation policy occupies a special place in the system of state support mechanisms for competitiveness. The presence of powerful scientific and technical potential of Ukraine formed historically and supported by a developed education system, is most clearly manifested in the fields of information technology, aerospace engineering, and agricultural science. At the same time, the processes of commercialization of innovations and their integration into the productive sectors of the economy remain insufficiently effective. State policy in this area should focus on the formation of a modern innovative infrastructure, ensuring systematic support for scientific research activities, and establishing effective interaction between academic institutions and industry. The creation of innovation parks and technology transfer offices has become a positive trend, which reflects the growing awareness of the critical importance of innovative development for increasing national competitiveness [7].

It is difficult to overestimate the strategic importance of the development of physical and digital infrastructure for the state support of Ukraine's competitiveness. The geographical location of the country creates unique opportunities, the implementation of which requires large-scale modernization of the existing infrastructure. In this context, the Government's National Economic Strategy until 2030 defines infrastructural development as one of the priority areas, emphasizing the development of transport corridors, increasing energy efficiency, and expanding digital communication. The practical implementation of this strategic vision is embodied in concrete projects of modernization of port infrastructure, expansion of the network of high-speed rail connections, and implementation of the concept of a smart city. However, the successful implementation of these initiatives requires not only significant investment resources but also the establishment of an effective public-private partnership mechanism.

In parallel with the development of infrastructure, the development of human capital is of critical importance for increasing national competitiveness. The availability of an educated workforce is traditionally considered one of Ukraine's competitive advantages, but maintaining this asset in the face of dynamic changes in the global labor market requires constant adaptation and improvement. State policy in this area covers a complex of interconnected measures: from reforming the education system and introducing professional development programs to creating favorable

conditions for retaining highly qualified specialists by expanding employment opportunities and improving working conditions. A positive development in recent years has been the reform of higher education aimed at expanding university autonomy and harmonizing educational standards with European requirements. At the same time, problems in the field of professional and technical training and ensuring that graduates' skills match the current needs of the industry remain unresolved.

The digital transformation of Ukraine's economy is one of the key drivers of strengthening its competitive position in the global market. State policy in this area covers a wide range of tasks: from the development of digital infrastructure and increasing the level of digital literacy of the population to the formation of a favorable environment for the development of the IT sector. A good example of the success of this approach was the domestic IT industry, which shows stable growth and has turned into a significant source of export earnings and the creation of high-paying jobs. The effectiveness of state support mechanisms in this direction is confirmed by the introduction of a specific tax regime for IT companies, the creation of a network of digital innovation centers, and the implementation of programs for the development of digital competencies of employees in various sectors of the economy [3].

In the context of Ukraine's integration into the global economy, the mechanisms for stimulating export activity and the development of international trade are of particular importance. The inclusion of domestic manufacturers in global chains of added value requires a balanced state policy aimed at ensuring compliance of products with international quality standards and expanding access to foreign sales markets. Ukraine's export strategy is focused on the priority development of sectors with high-added value and geographical diversification of export flows beyond traditional trade partners. The practical implementation of this strategy is provided through the export credit system, the organization of trade missions, and the support of international product certification processes. The Agreement on the Deep and Comprehensive Free Trade Area (DCFTA) with the European Union became an important tool for expanding trade opportunities, although the maximum use of its potential requires further harmonization of domestic standards and business practices with European norms.

Mechanisms of financial support are of decisive importance in the system

of ensuring national competitiveness. The implementation of state programs to facilitate access to capital, stimulate investment activity and finance export operations creates the necessary prerequisites for overcoming the resource limitations of Ukrainian business and strengthening its competitive position on international markets. The creation of the Ukrainian Development Fund and the introduction of sectoral support programs became a practical embodiment of state policy in this area. A significant addition to national financing mechanisms is cooperation with international financial institutions, which expands the possibilities of implementing modernization and innovation projects.

Regulatory reform is an integral part of the process of increasing the competitiveness of the national economy. The priority areas of state policy in this area are the simplification of bureaucratic procedures, reduction of the administrative burden, and the formation of a favorable business environment, which is of crucial importance for the activation of investment processes and the development of entrepreneurship. Despite the positive results of recent deregulation initiatives, achieving the level of best international practices requires further improvement of permitting procedures, tax administration mechanisms, and customs operations [6].

Regional development policy is an important mechanism for the formation of competitive advantages in the national economy. Regional diversification of Ukraine is characterized by the presence of unique competitive advantages and specific challenges, which determines the need for a differentiated approach to stimulating the economic development of different territories. In this context, the role of the state is to promote regional specialization, support the formation of industrial clusters, and ensure balanced economic development on a national scale. The implementation of smart specialization strategies based on the European model, which allows regions to effectively identify and develop their own competitive advantages, has become a promising direction for regional policy improvement.

In the conditions of global climate challenges, environmental sustainability, and energy efficiency acquire the status of determining factors of economic competitiveness. State policy in this area should provide systematic support for the introduction of environmentally safe technologies and compliance with international environmental standards. Ukraine's fulfillment of international climate obligations actualizes the need for large-scale investments in the development of renewable energy, increasing energy efficiency, and the introduction of clean technologies.

Practical implementation of these tasks is carried out through the mechanisms of stimulating green investments, implementation of energy efficiency programs, and development of renewable energy infrastructure.

The strategic importance of the agricultural sector for the economy of Ukraine determines the need for its priority development through specific mechanisms of state support. Reforming the land market, implementing innovative programs in agriculture, and modernizing agricultural infrastructure are the key directions of state policy in this area. Increasing the competitiveness of the domestic agricultural sector on world markets requires its comprehensive modernization, which involves the widespread introduction of precision farming technologies and the development of processing industries with high-added value.

The development of small and medium-sized enterprises (SMEs) is an integral part of the process of strengthening the competitiveness of the national economy. State support for this sector is implemented through providing access to financial resources, providing services for the development of business activities, and creating favorable conditions for participation in the public procurement system. The significant improvement of the business environment for SMEs was facilitated by the implementation of initiatives to simplify business registration procedures and reduce the regulatory burden, although the problem of access to financing remains acute.

Conclusions. According to the results of the study of the mechanisms of state support for the economic competitiveness of Ukraine in the conditions of globalization, the need for a complex and systematic approach to their implementation was established. The effectiveness of these mechanisms largely depends on the strengthening of the state's institutional capacity, the completion of judicial reform, and the improvement of anti-corruption mechanisms, which will create prerequisites for improving the investment climate and the development of entrepreneurship.

Digital transformation of the economy and the expansion of innovative infrastructure are gaining priority, which is confirmed by the successful development of the IT sector. At the same time, the modernization of the physical infrastructure and the realization of the transit potential of Ukraine requires an effective public-private partnership and the attraction of international investments. The development of human capital through reforming the education system and creating conditions for

retaining qualified personnel deserves special attention.

The ecological modernization of the economy and the improvement of energy efficiency are becoming critical, which requires significant investments in renewable energy. Further development of export potential requires deepening integration into global chains of added value creation and diversification of export markets. The successful implementation of the mentioned mechanisms of state support requires a consistent and coordinated policy oriented to the long-term perspective, taking into account global trends and national features of the development of the economy of Ukraine.

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