



XIII International Scientific Conference

“Time of challenges and opportunities: challenges,  
solutions, perspectives”

12-13 May 2023

**THE "TRAP OF BACKWARDNESS" IN UKRAINE:  
THE PRE-WAR PERIOD AND THE OVERCOMING POSSIBILITIES**

**Olha Poliakova**

**Viktoriia Shlykova**

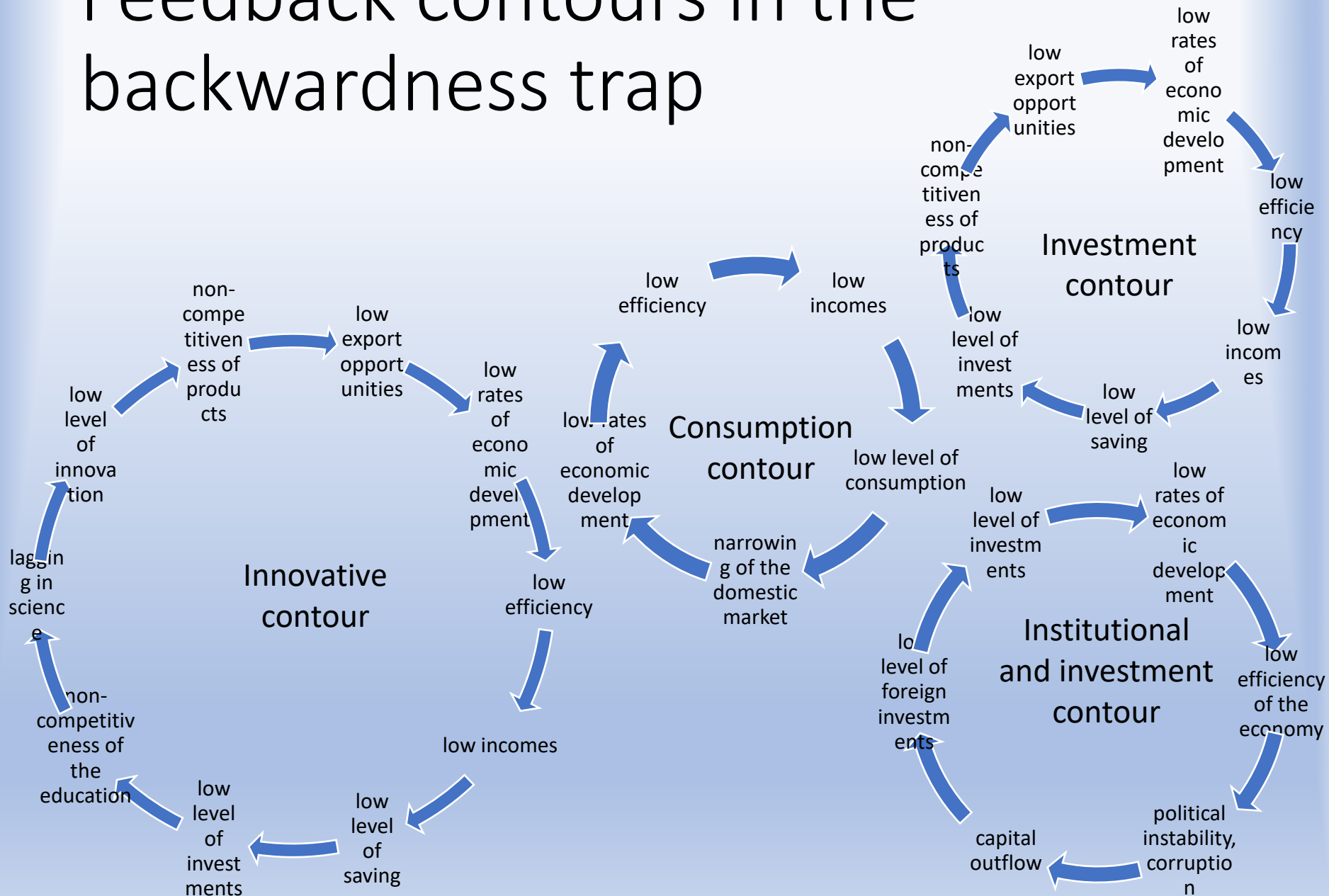
**Research Center for Industrial Problems of Development  
of the National Academy of Sciences of Ukraine, Kharkiv**

**<https://ndc-ipr.org/>**

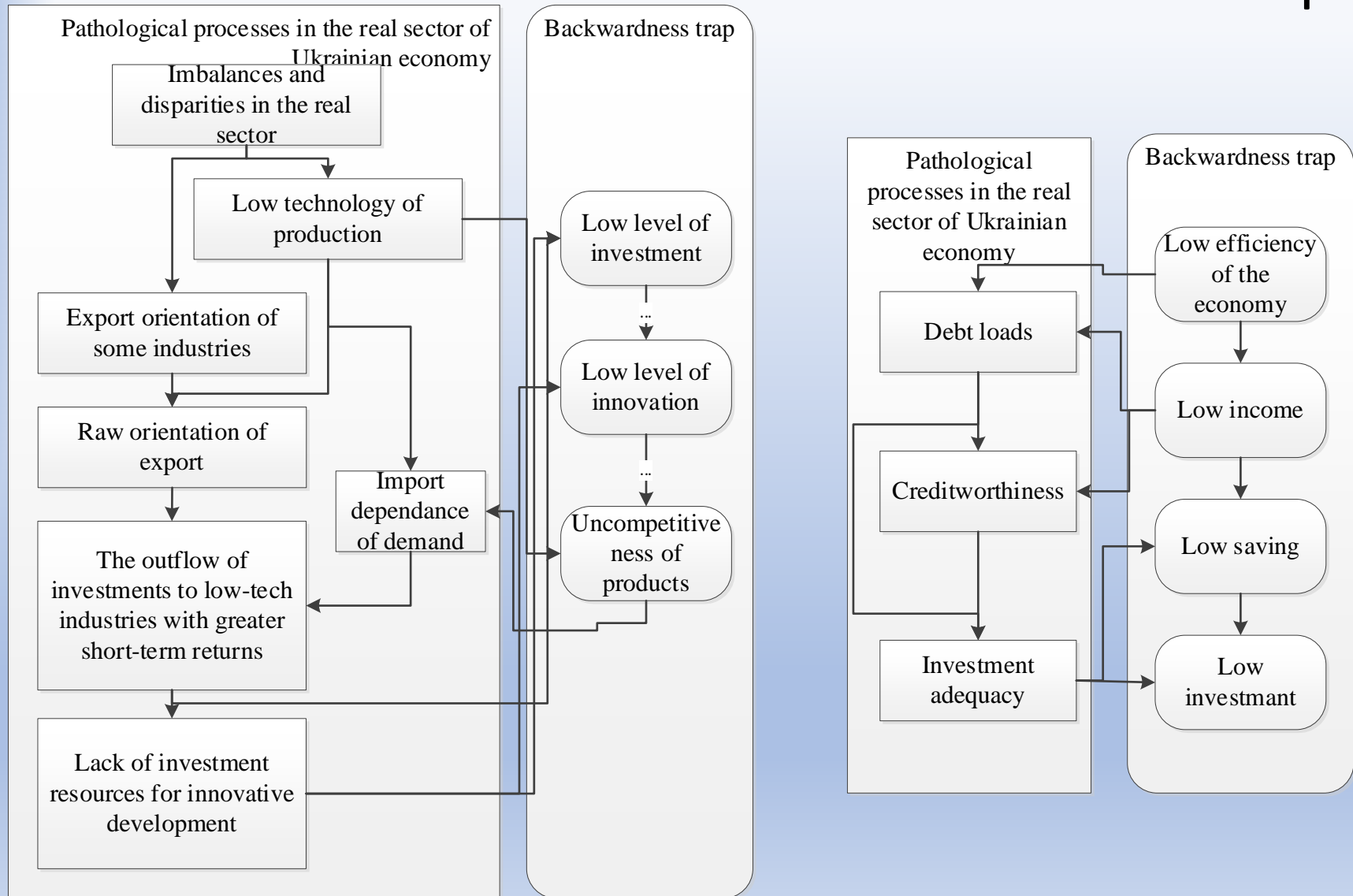
# Our priority areas of research:

- Restructuring of the national economy and justification of the economic policy of Ukraine with consideration for the current global challenges
- Defense capabilities, industrial and agricultural policy, modernization of economic sectors and enhancement of energy security of Ukraine
- Science, technology, and innovation policy of Ukraine and countries of the world, cooperation between education, science and business
- Socio-economic problems in the spatial development of territories and urban economic development

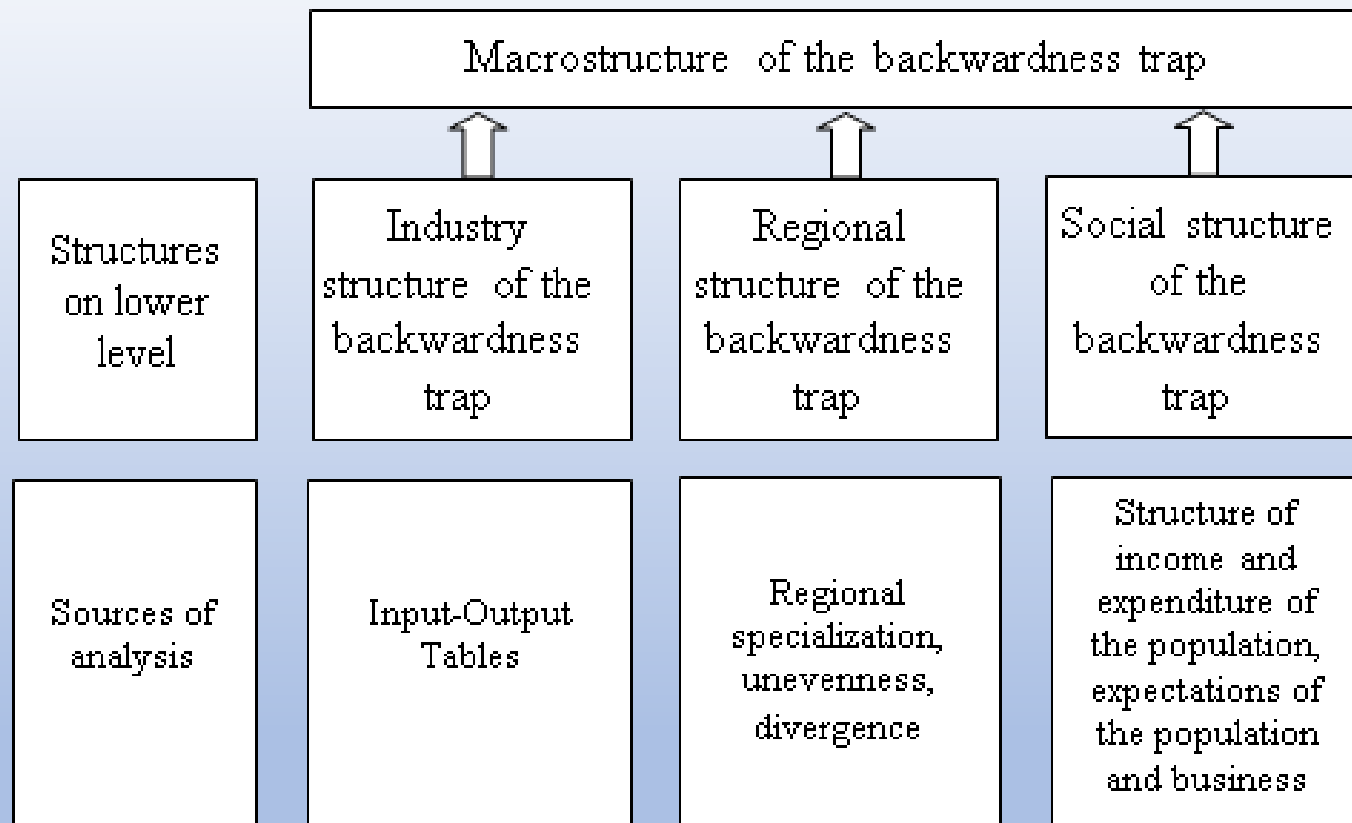
# Feedback contours in the backwardness trap



# Pathological processes cause the backwardness trap



# The hierarchy of the backwardness trap structure in Ukraine



# Signal panel of pathological processes in Ukraine at the end of 2021

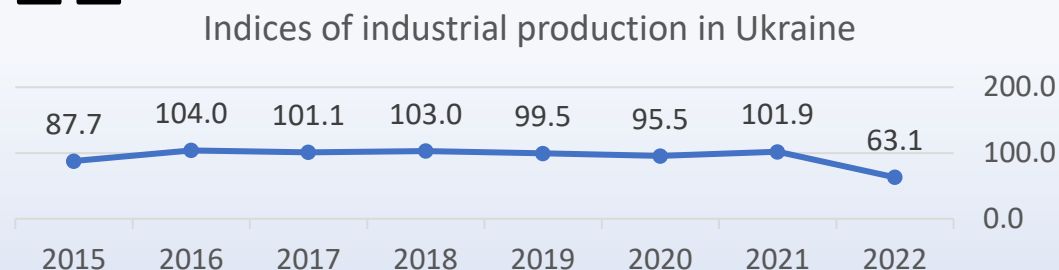
Industries	Imbalances and disparities															
	Supply and demand		Trade balance		Trade openness		Import dependence		Saving and investment		Investment sufficiency		Debt loads		Creditworthiness	
Agriculture, forestry and fishing	131,8 ↓	SG	24,1 ↓	SG	28,5 ↓	USG	5,8 ↓	SG	12 ↑	PC	3,1 ↓	PC	5,2 ↓	SG	289,1 ↑	SG
Mining of energy minerals	65 ↑	PC	-53,7 ↑	PC	1,9 ↓	SG	36,2 ↓	PC	5,5 ↑	PC	6,9 ↓	USG	2 ↓	SG	627,9 ↑	SG
Extraction of non-energy minerals	193,3 ↓	SG	48,3 ↓	SG	50,3 ↓	PC	3,9 ↓	SG	21,6 ↑	USG	7,1 ↓	USG	0,6 ↓	SG	4539,4 ↑	SG
Manufacture of food products	111 ↓	SG	9,9 ↓	SG	20,8 ↓	USG	12,1 ↑	USG	0 ↑	PC	1,4 ↓	PC	4,4 ↓	SG	32,5 ↑	USG
Manufacture of coke and refined petroleum products	68 ↓	PC	-47,1 ↓	PC	4,6 ↓	SG	35,2 ↑	PC	2 ↑	PC	1 ↑	PC	0,1 ↓	SG	2947,3 ↑	SG
Manufacture of chemicals	57,2 ↑	PC	-74,9 ↑	PC	24,7 ↓	USG	56,9 ↓	PC	5,2 ↑	PC	1 ↓	PC	2,4 ↓	SG	263,2 ↑	SG
Manufacture of basic pharmaceutical products)	62,7 ↓	PC	-59,5 ↓	PC	7,1 ↑	SG	41,8 ↑	PC	2,2 ↑	PC	2,2 ↓	PC	0,8 ↑	SG	565,3 ↓	SG

SG – sustainable growth    USG – unsustainable growth    PC – pre-crisis

# Signal panel of pathological processes in Ukraine at the end of 2021 (2)

Industries	Imbalances and disparities																							
	Supply and demand		Trade balance		Trade openness		Import dependance		Saving and investment		Investment sufficiency		Debt loads		Creditworthiness									
Manufacture of basic metals and metal products	159,4	↑	SG	37,3	↑	SG	53,9	↑	PC	26,6	↑	USG	6,5	↑	PC	3,2	↓	PC	1,7	↓	SG	585,8	↑	SG
Manufacture of computer, electronic and optical products	39,1	↑	PC	-156	↑	PC	13	↓	SG	66	↓	PC	1	↑	PC	0,9	↓	PC	0,8	↑	SG	236	↓	SG
Manufacture of electrical equipment	73,9	↑	USG	-35,3	↑	PC	37,5	↑	USG	53,8	↓	PC	0,6	↑	PC	2	↑	PC	12	↓	USG	21,2	↑	USG
Manufacture of machinery and equipment n.e.c.)	46,1	↓	PC	-116,9	↓	PC	45,4	↑	USG	74,8	↑	PC	-0,9	↑	PC	2,2	↓	PC	11,6	↓	USG	10,7	↑	PC
Manufacture of motor vehicles	39,9	↓	PC	-150,7	↓	PC	11,4	↑	SG	64,7	↑	PC	-1,5	↑	PC	1,9	↓	PC	1,1	↓	SG	40,7	↑	SG
Manufacture of other transport equipment	90,9	↓	USG	-10,1	↓	PC	19,3	↓	USG	26,7	↑	USG	-2,1	↑	PC	3,7	↓	PC	10,1	↓	USG	15,9	↑	USG

# Sharpness of the backwardness trap in 2022



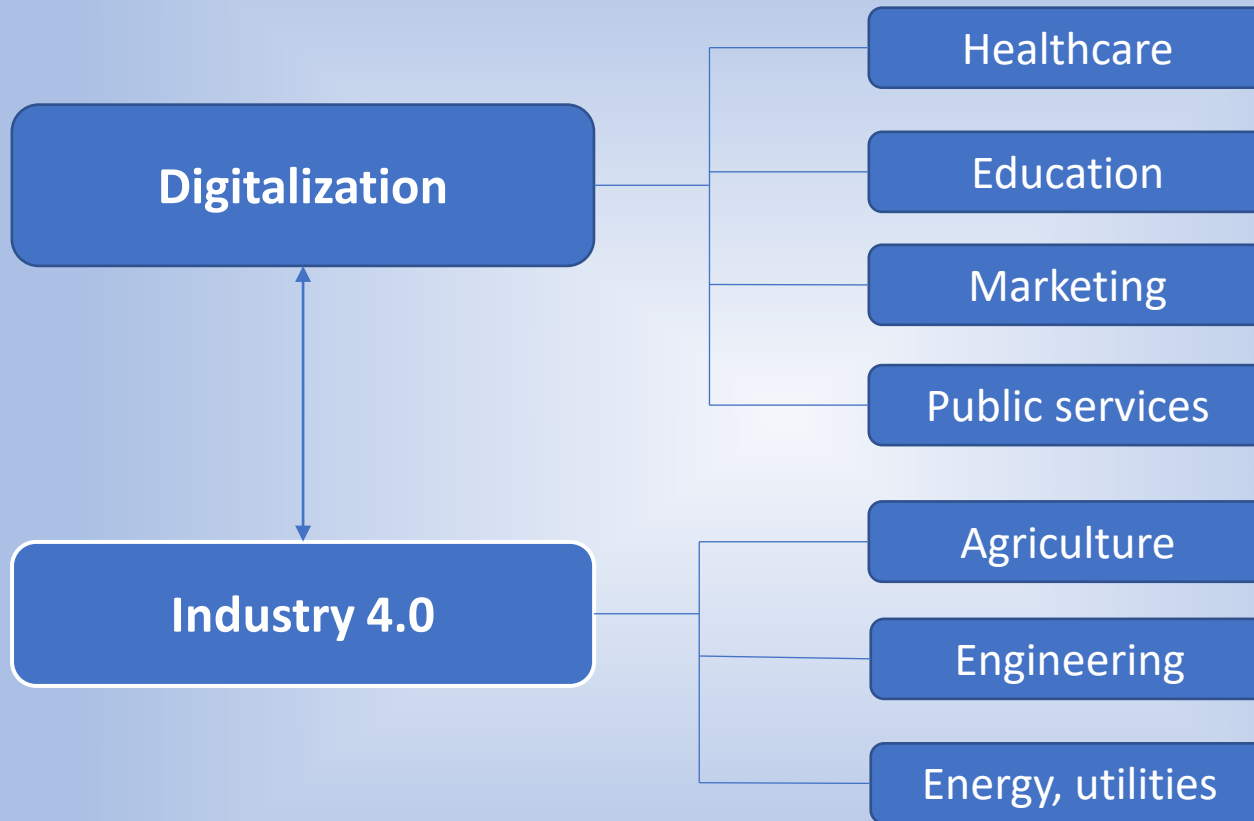
Industries	Indices of industrial production	Industries	Indices of industrial production
Mining and quarrying	69,9	Engineering	56,9
Manufacture of food products	77,9	Manufacture of computer, electronic and optical products	59,7
Manufacture of coke and refined petroleum products	33,4	Manufacture of electrical equipment	65,8
Manufacture of chemicals	38,0	Manufacture of machinery and equipment n.e.c.)	40,6
Manufacture of basic pharmaceutical products)	70,1	Manufacture of motor vehicles	66,6
Manufacture of rubber and plastic products	58,8	Manufacture of other transport equipment	65,1
Manufacture of basic metals and metal products	37,5	Manufacture of military fighting vehicles	79,8



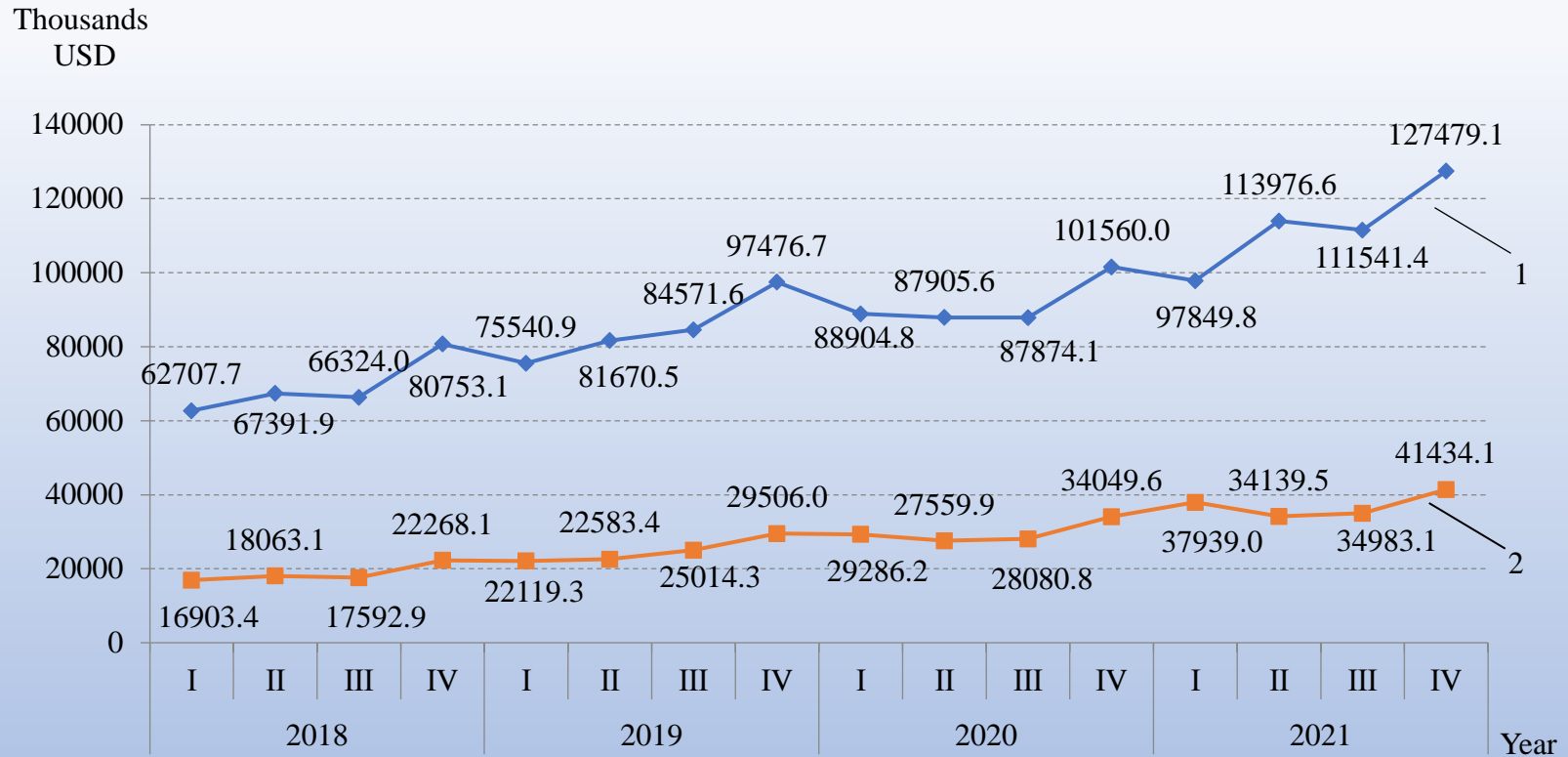
# Decline of export

Commodity, 2022	Exports		Imports	
	in % to 2021	% of the total	in % to 2021	% of the total
<b>Total</b>	64.9	100.0	75.9	100.0
Meat and meat preparations	109.3	2.1	97.9	0.4
Cereals	73.8	20.6	92.4	0.3
Oil seeds and fruits	154.4	8.5	79.9	0.6
Animal or plant fats and oils	<b>84.5</b>	<b>13.5</b>	66.2	0.5
Finished food industry products	65.9	5.7	71.4	4.6
Mineral products	51.4	9.8	87.6	23.7
Mineral fuel, petroleum and petroleum distillation products	132.6	2.4	89.3	23.2
Products of chemical	45.7	2.9	64.7	11.4
Pharmaceutical products	75.5	0.5	62.2	3.4
Fertilizers	<b>27.3</b>	<b>0.4</b>	48.0	1.4
Polymeric materials, plastics	42.6	1.1	67.4	5.9
Base metals and preparations thereof	<b>37.5</b>	<b>13.6</b>	59.2	4.7
Machines, equipment and mechanisms, electric and technical equipment	<b>71.0</b>	<b>8.5</b>	64.6	16.6
Ground, air and water transport facilities	53.1	0.8	74.3	10.2

# New opportunities



# Postal and courier services



Volume of postal and courier services sold in Ukraine:

1 – the total volume of sold services; 2 – the volume of implemented services to the population

# CONCLUSION

- Along with the catastrophic consequences of the COVID-19 crisis and military aggression for the country's economy, counteracting the two crises led to positive developments in
  - increasing the level of digitalization of services,
  - the development of remote work, remote, dual and informal education,
  - online trade and targeted delivery of goods, expansion of the geographical boundaries of domestic markets production network of some enterprises,
  - diversification of sales markets and suppliers.
- The loss of the old fixed assets opens up opportunities to restore the economy on new technological bases.
- Forced measures to restore the country's economy let us to overcome the trap not in a gradual, endogenous way, but by disaggregating the structure of the trap.



# Thank you!

**Olha Poliakova** [polya\\_o@ukr.net](mailto:polya_o@ukr.net)

**Viktoriia Shlykova** [v.shlykova@ukr.net](mailto:v.shlykova@ukr.net)

<https://ndc-ipr.org/>



Plenárséde / Plenary Session / Пленарное заседание | 46:15

Public Chat: vladislavs.volkovs

NOTES: Shared Notes

USERS (17)

- Viktorija Shlykova (You)
- vladislavs.volkovs
- Alexander Masharsky
- Alexey Aleksandrov
- Anna Morozova
- Elvis Ebangnaw Ashu
- Franklin Ndembo Njunga
- Ivvinge, GFK
- Igor Kuznetsov
- Inna Burakova
- Marina Lihulina

Stop sharing webcam

Plenárséde / Plenary Session / Пленарное заседание | 48:43

Public Chat: Olga Poliakova

NOTES: Shared Notes

USERS (16)

- Viktorija Shlykova (You)
- vladislavs.volkovs
- Alexander Masharsky
- Alexey Aleksandrov
- Anna Morozova
- Elvis Ebangnaw Ashu
- Franklin Ndembo Njunga
- Ivvinge, GFK
- Igor Kuznetsov
- Inna Burakova
- Marina Lihulina

XIII International Scientific Conference  
 "Time of challenges and opportunities: challenges, solutions, perspectives"  
 12-13 May 2023

**THE "TRAP OF BACKWARDNESS" IN UKRAINE:  
 THE PRE-WAR PERIOD AND THE OVERCOMING POSSIBILITIES**

Olga Poliakova  
 Viktorija Shlykova

Research Center for Industrial Problems of Development  
 of the National Academy of Sciences of Ukraine, Kharkiv  
<https://ndc-ipr.org/>

Plenárséde / Plenary Session / Пленарное заседание | 06:20

Public Chat: vladislavs.volkovs

NOTES: Shared Notes

USERS (16)

- Viktorija Shlykova (You)
- vladislavs.volkovs
- Alexander Masharsky
- Anna Morozova
- Elvis Ebangnaw Ashu
- Franklin Ndembo Njunga
- Ivvinge, GFK
- Igor Kuznetsov
- Inna Burakova
- Marina Lihulina
- Ndongmo Nchupa Camille

Click to unmute yourself.

Plenárséde / Plenary Session / Пленарное заседание | 19:38

Public Chat: vladislavs.volkovs

NOTES: Shared Notes

USERS (17)

- Viktorija Shlykova (You)
- vladislavs.volkovs
- Alexander Masharsky
- Alexey Aleksandrov
- Anna Morozova
- Darja Bakunina
- Elvis Ebangnaw Ashu
- Ivvinge, GFK
- Igor Kuznetsov
- Inna Burakova
- Irina Gafta

**Public investment in the CEE countries (% of GDP)**

Source: Eurostat

Public investment in Central and Eastern Europe (CEE) also demonstrates cyclical dynamics, but does not differ significantly across the selected countries. With rare exceptions, government investment spending varies within narrow limits between 3% and 6% of GDP. The development of this variable does not show a clear upward or downward trend during the analyzed period. Thanks to financing provided by the European Structural and Investment Funds, public investment in the CEE countries exceeds the average public investment for the EU member states.

Public Chat

NOTES

USERS (17)

Viktorija Shlykova (You)

vladislavs.volkovs

Alexander Masharsky

Alexey Aleksandrov

Anna Morozova

Elvis Ebanghnao Ashu

Franklin Ndembo Njungwa

I.Vingre, GFK

Igor Kuznetsov

Inna Burakova

Irina Galta

Plenārsēde / Plenary Session / Пленарное заседание | 78:28

Picture in picture

Public Chat

NOTES

USERS (17)

Viktorija Shlykova (You)

vladislavs.volkovs

Alexander Masharsky

Alexey Aleksandrov

Anna Morozova

Elvis Ebanghnao Ashu

Franklin Ndembo Njungwa

I.Vingre, GFK

Igor Kuznetsov

Inna Burakova

Irina Galta

Plenārsēde / Plenary Session / Пленарное заседание | 78:14

Novykova Innola

doctor of economic sciences,  
professor

EXPORT OF EDUCATION AS A VECTOR FOR THE DEVELOPMENT OF HIGHER EDUCATION IN UKRAINE: STUDYING THE EXPERIENCE OF HIGHER EDUCATIONAL INSTITUTIONS IN LATVIA

Public Chat

NOTES

USERS (23)

Viktorija Shlykova (You)

vladislavs.volkovs

Alexander Masharsky

Alexey Aleksandrov

Anna Morozova

Dr. Vivek Nanoti

Elvis Ebanghnao Ashu

Franklin Ndembo Njungwa

Franklin Ndembo Njungwa

Franklin Ndembo Njungwa

I.Vingre, GFK

Plenārsēde / Plenary Session / Пленарное заседание | 100:47

Speaker

Doctor of Economics, MBA

Visiting Professor of MIM – Kyiv Business School (Kyiv, Ukraine)

Visiting Professor of Baltic International Academy (Riga, Latvia)

Partner, Executive Director AB Solutions Capital Management Company

Advisor of "Rebuild Ukraine Fund" Richfox Capital Investment

ALEXEY (OLEKSII) ALEKSANDROV

Phones: + 352 621733910, + 371 203 858 98  
e-mail: ava@absolutions.ee

Message Public Chat

Waqar Faheem 12:12 PM  
Sir i cannot see presentation

Olha Poliakova 12:16 PM  
we are here <https://ndc-lpr.org/>

Public Chat

NOTES

USERS (20)

Franklin Ndembo Njungwa

I.Vingre, GFK

Igor Kuznetsov

Inna Burakova

Irina Galta

Ksenija Dorozhina

Marina Lihuzina

Naseli Okha Dloh

Olha Poliakova

Thomas Yanick Peji

Viktorija Kaleja

Plenārsēde / Plenary Session / Пленарное заседание | 86:28

New Generations: New Challenges and Expectations

Type of Generations

Year of birthday	GI/Heroes	Silent	Baby Boomers	X	Y/Millennials	Z/Digitally native
USA*	1901 - 1924	1925 - 1942	1943 - 1960	1961 - 1981	1982 - 2004	2005 - 2025
CIS, EU	1903 - 1923	1923 - 1943	1944 - 1963	1964 - 1984	1985 - 2003	2004 - 2024

\*William Strauss, Neil Howe "Generations" (1991): "The Fourth Turning" (1997)

- August 2022: more than 8 billion people (o/w 50,5% male; 49,5% female).
- Expectation 2030: 8,3 billion population
- Generation Y: 31,5% World's population
- Generation Z: 32% World's population
- Phenomenon "Young Olds": 13% of world's population older than 60 years. Significant increase in life expectancy
- Millennials are anticipated to inherit over 68 trillion USD from Baby Boomer parents by 2030 in USA
- Generations X, Y: digital immigrants
- Generation Z: digitally native
- Both (Y, Z) generations are focused on solving social and ecological problem
- Generations Y: 87%
- Generation Z: 97%

The Deloitte Global Gen Z & Millennial Survey "Striving for balance, advocating for change" 2022

AVA 3

Message Public Chat

Waqar Faheem 12:12 PM  
Sir i cannot see presentation

Olha Poliakova 12:16 PM  
we are here <https://ndc-lpr.org/>



Public Chat

Welcome to Plenārsēde / Plenary Session / Пленарное заседание!

For help on using BigBlueButton see these (short) tutorial videos.

To join the audio bridge click the speaker button. Use a headset to avoid causing background noise for others.

This server is running BigBlueButton.

Waqar Faheem (offline) 12:12 PM  
Sir i cannot see presentation

Olha Poliakova 12:16 PM  
we are here <https://ndc-ipr.org/>

Message Public Chat

17°C Mostly cloudy

# Why to Nurture Innovation

- To make India innovative and adding value to India's outstanding traditional knowledge base
- To help India become inventive and creative, and to become a global leader in sustainable technologies without social and economic handicaps affecting the evolution and diffusion of green grassroots innovations

129:25

Public Chat

Welcome to Plenārsēde / Plenary Session / Пленарное заседание!

For help on using BigBlueButton see these (short) tutorial videos.

To join the audio bridge click the speaker button. Use a headset to avoid causing background noise for others.

This server is running BigBlueButton.

Waqar Faheem (offline) 12:12 PM  
Sir i cannot see presentation

Olha Poliakova 12:16 PM  
we are here <https://ndc-ipr.org/>

Message Public Chat

# Thank you

For feed back & suggestions  
[viveknanoti@gmail.com](mailto:viveknanoti@gmail.com)  
Or  
+919822233286

Catch me also on

146:06

Public Chat

Welcome to Plenārsēde / Plenary Session / Пленарное заседание!

For help on using BigBlueButton see these (short) tutorial videos.

To join the audio bridge click the speaker button. Use a headset to avoid causing background noise for others.

This server is running BigBlueButton.

Waqar Faheem (offline) 12:12 PM  
Sir i cannot see presentation

Olha Poliakova 12:16 PM  
we are here <https://ndc-ipr.org/>

Message Public Chat

16°C Mostly cloudy

## Hypotheses

H1: Applying the national intelligence theory to its foreign policy, we stress that especially from an economic perspective, a more advantageous for Serbia to collaborate with the EU and in the long run to give full membership. However, despite its official candidate country status and proximity to the EU, lately its foreign policy has been characterized by a passive alignment to the status and direction set by the EC, rather than an active engagement.

H2: Latest surveys have shown that the European Union has been turning into an irrelevant actor and on some occasion this affinity can lead to direct clashes and contradictory approaches with the EU (for example the unwillingness to impose sanctions on Russia, Kosovo question).

116:52