The Impact of the Transnationalization Process on the Consumer Market of Ukraine

Tetiana V. Kniazieva
National Aviation University, Kyiv, Ukraine

Anna V. Shevchenko
National Aviation University, Kyiv, Ukraine

Hanna A. Radchenko
National Aviation University, Kyiv, Ukraine

Olena S. Komova
Kyiv National Linguistic University, Kyiv, Ukraine

Liliia O. Pankova
National University of Life and Environmental Sciences of Ukraine, Kyiv, Ukraine

Abstract---During the research it was found that globalization in no way affects the content of monopoly capital, which had changed its form because of the existence of transnationalization process. The increasing number of transnational corporations not only enhances engagement with the state at the nowadays process of globalization. Minimization of the negative consequences of transnational corporations on the consumer market, providing the country’s food security suggested the implementation of a strategy of import substitution and reasonable protectionism. It triggers upgrades foreign economic strategies, improves institutional and organizational, and economic efforts of state regulation to ensure the protection of the boundaries of the consumer market. Here are target goals are defined: growth of own production; increase in investment demand; increasing non-raw exports through the export of high-tech, knowledge-based goods, and services; intensification of measures within the system of integrated export support.

Keywords---global economy, globalization, international complex, monopoly capital, structural transformation, transnationalization.
Introduction

The influence of the process of transnationalization on the functioning of emerging consumer markets is an indispensable feature of the development of the global economy in a globalizing environment. The signs of globalization are evident in the growing openness of states, the liberalization of financial flows and national trade regimes, the formation of the world consumer and financial market, international economic institutions, the worldwide information network. Transnational corporations (TNCs), acting as an essential link in the development of international economic relations exerting a multidirectional influence on the functioning of the world economy and the state of economic entities, occupy a special place in the system of a modern globalized market. Appearing as a leader in globalization, they have become systemic factors of global development, which have an increasing influence on the functioning of the world economy, specific economic actors (Akman et al., 2017; Krupiak, 2017).

The modern system of world order is such that the influence of TNCs on the evolution of national economies and the security of states has positive and negative consequences. They provide an increase in growth rates, the efficiency of production, the implementation of an investment regime, a qualitatively new level of security, which affects the degree of economic stability of countries, leveling their technological gap, changing the advanced technology on a global scale (Korolova et al., 2020). At the same time, financial power allows TNCs to oust national producers from the most profitable sectors of the economy, occupy significant segments of the consumer market, expand their presence through imposed institutionalization, and act as a source of contradictions and negative socio-economic processes. The urgency of the study is because TNCs is a complex phenomenon that constantly evolves in the system of world economic relations, requiring the study of their essence, the identification of counteraction to the essential influence, the search tools, mechanisms of national and international control of the activities of transnational corporations in the emerging consumer markets (Momot & Avanesova, 2016; Bohdan et al., 2019).

In studies of economists of different times, the main focus is on the study of the theoretical foundation for the development of TNCs without considering the influence of contradictions and institutional contradictions associated with their functioning. The nature of the expansion of TNCs, the change in the profile of their activities, factors that determine these processes in the aspect of national specificity of countries, studied and presented in the literature are not enough. The potentially possible positive and negative aspects of the impact of transnationalization on the Ukrainian consumer market as a subsystem of the world market are not fully covered, therefore, there is a need for theoretical studies that analyze its status and prospects of functioning (Pelekh, 2018; Samilyk et al., 2019).

The purpose of the study is to identify trends, contradictions, and peculiarities of the expansion of TNCs, the arguments for strengthening their influence on the Ukrainian consumer market, to determine the content blocks of the directions of its adaptation to the process of transnationalization, considering the target
indicators of functioning, institutional aspects of regulation, priority areas of state protection, export-oriented activity, and import substitution.

In accordance with this purpose, one can formulate the following research objectives:

- based on the analysis of transnationalization, its essence, and forms, to reveal the general laws of the expansion of transnational corporations, to substantiate it as an objective process of development and the factor of globalization;
- to determine the reasons, scale and directions of expansion of TNCs to emerging markets, considering the essence, dual nature, and goals of functioning;
- to identify the main contradictions and trends in the introduction of TNCs in consumer markets in developing countries;
- to argue the significance of foreign economic expansion of TNCs as an objective factor of development, to evaluate their influence on the structure and dynamics of the consumer market of Ukraine as a subsystem of the world market. The object of research is the modern TNCs, trends, and indicators of their activities in the world consumer market (Huntington, 1993). The methodology of the study includes the results of developments in the works of foreign scientists who studied the phenomenon of transnationalization of emerging markets as subsystems of the world market, the problem of the contradictory impact of the external economic expansion of TNCs in the consumer market in a globalized world. In the process of solving the tasks, common scientific methods were used: dialectical, systemic-functional, structural-level, theoretical, monographic, and other scientific methods: logical, analytical, comparative, graphical, and tabular interpretation of data (Baccini, 2012).

The working hypothesis of the study is to assume that the consumer market of Ukraine, as a subsystem of the world market in terms of its openness, is objectively inclined to influence the process of transnationalization, which manifests itself in the contradictory, dualistic effect of TNCs, which determine the structural, volume and sectoral transformation of the market, reproduced in its quantitative and qualitative indicators, uneven functioning, which requires its balance based on institutional regulation and improvement of the state defense system. The degree of certainty and validity of scientific statements, conclusions, and recommendations is confirmed by the generalization of the experience of TNC expansion into emerging markets, using modern methods of scientific analysis of world economic processes, testing in scientific discussions, and the practice of transnationalization of the consumer market (Gapsalamov et al., 2021; Putra et al., 2020; Arnawa et al., 2019).

**Understanding the manifestations of economic globalization**

Different categorical interpretations of globalization are presented in scientific publications, but the only common interpretation is absent. The most common is the understanding of the manifestations of the globalization of the economy
through such processes as: increasing interdependence and the relationship of international economic relations, increasing their scale; the conventionality of borders between national economic relations and international ones; Inclusion in the global system of virtually all states. The category of “TNC” is based, first of all, on the wording of international organizations. Thus, UNCTAD (The United Nations Conference on Trade and Development, 2020), originally from TNCs, represented firms consisting of parent companies and their affiliates abroad, provided that the former controlled the activities of established affiliates whose shares were determined at a level not less than 10% in share capital. Transnational corporations as a result of the scientific and technological revolution are one of the most interesting phenomena of the modern global economy (Šaková, 2004).

As a consequence, UNCTAD identified new criteria for the inclusion of a firm in the category of TNCs, which resulted in clarification of the wording. Thus, TNC is a company with divisions in two or more countries, conducting a coherent policy with one or more decision-making centers. At the same time, the ability to control the assets of other economic entities in the countries of the base, remains in the parent company, usually with the participation of capital. New branches and enterprises can be created overseas through direct investments, which turns the company into a transnational one. The lower limit of participation in the capital is 10%, which is defined as a sufficient condition for establishing control over the assets of subsidiaries. As a result, the number of TNCs increased by an order of magnitude in the global economy (Antropova et al., 2015).

Nowadays, the largest number of multinational corporations is registered in developed countries, for example, it is China. Also, most of the leading TNCs are located in North America, then Europe and Asia and Russian TNCs occupy only 3% of the list (Astrakhantseva et al., 2019). According to Forbes, the top ten largest TNCs in the world in 2018 included: seven banking institutions, four of which were Chinese companies (China Construction Bank Corporation, Bank of China, JPMorgan Chase, Bank of America, Agricultural Bank of China, ICBC Wells Fargo), an American multi-company in the USA. (Apple) and other Chinese insurance companies (The World’s Largest Public Companies, 2020). Among modern approaches to TNCs, Henry Dunning’s Theory of Investment Development Path (IDP) is of particular importance. It argues that the level of economic development of countries is related to the degree of maturity of their enterprises, the volumes of participation in the international flow of capital. In his theory, there are five levels of economic development of countries, which corresponds to the degree of evolution of TNCs, the relationship between exports and imports of foreign direct investment. They differ in the following points:

- At the first level, the economies of the countries are poorly developed, not only there are no conditions for the accumulation and export of investments, but also their import, except for those who possess significant reserves of natural resources.
- At the second level, the economy of countries is characterized by a tendency of growing GDP – up to 2.5 thousand dollars per capita. Due to this expanding domestic demand in the consumer market. By attracting foreign TNCs who want to conquer foreign markets, imports of foreign direct investment are increasing. However, the level of development of national
enterprises is still low, which does not contribute to the export of investments, and if it exists, it is oriented mainly to regional markets or countries with similar economic development.

- In countries of the third level, 10 thousand dollars of GDP per capita is provided. Import of investments is slowing down against the backdrop of increased exports, as TNCs enter into tough competition with national companies, indicating the preconditions for the creation of the first national TNCs. However, as before, the amount of accumulated investment with imports is more than their export volumes.
- At the fourth level – GDP is 10-36 thousand dollars per capita. The country demonstrates the growth of national TNCs, and exports exceed imports of foreign direct investment.
- At the fifth level, according to some economists, is the US economy, which has the largest number of TNCs, and the volume of imports and exports of foreign direct investment is balanced (Khalatur et al., 2018).

Thus, this theory argues that the number of TNCs created in the country is a kind of indicator of the level of surplus investment in one or another field of production and the overall degree of economic development. By increasing the import of foreign direct investment, the effect of “swelling of investment demand” in various economic sectors is created, which stimulates the growth of national investment exports (Imamov & Semenikhina, 2021; Behrens et al., 2007).

The regularity of foreign economic orientations in the process of transnationalization

TNC means a large corporation that implements trade, investment, production-technical, and integration ties with firms in two or more countries, which significantly affects the performance of a specific industry where TNC operates. It is assumed in some cases they need for their presence in no less than 6 countries. Agreeing with this interpretation, it can be articulated that a transnational corporation is a form of development of monopoly capital. In this sense, it carries in itself all the features and contradictions of the monopolistic form of capital in general. However, it has several new features that in this form a monopoly has undergone several modifications, has found new features and characteristics (Grigoreva & Garifova, 2015).

Thus, modern TNCs are gigantic industrial and financial associations that are international in scope based on the principles of centralized planning and corporate governance on a global scale, implementing a policy in international trade aimed at expansion. Also, TNCs are based on industrial and scientific-technical cooperation, technology exchange and capital investment, labor force migration, which deepen the process of internationalization, taking into account the objective tendencies of the international division of labor, and determining its new schemes (Becker-Ritterspach et al., 2017). Consequently, TNCs are peculiar not only with contradictions that are inherent in monopolistic capital in general but also special, are generated by this form of association. The question of the interconnection of transnationalization, through the expansion of TNCs, and the deepening of the contradictions of modern capitalism, relate to several new relations in the global economy, the theoretical comprehension of a large part of
which did not give unambiguous assessments in the literature. Part of these new
ties and trends in the development of TNCs were not considered at all. Therefore,
the specification of the theoretical and methodological position, which is the
initial, basic for the analysis and conclusions regarding the transnationalization
and deepening of the contradictions of capitalism in the conditions of
globalization, becomes of special significance (Calabrese, 2012; Kharazishvili &
Sukhorukov, 2013).

The essence of all forms of monopolistic unions is always the same, it is a
conspiracy for the economic achievement of its dominant position. These forms
differ according to the mechanism of economic realization of their monopoly
position. In this sense, the concern differs from cartels, syndicates, trusts.
Therefore, TNCs do not differ from the concern as a form of movement of
monopoly capital. Having entered the international environment, TNCs do not lose
any features of concern in the form of a monopoly (Tobin, 2000; Khan et al., 2019;
Zu, 2021). Moreover, it broadens its reproduction on the path of transnationalization, using the mechanism of the concern – the “system of
participation”, which allows establishing financial control over huge capital.

The predominant way of international expansion of TNCs is through mergers and
acquisitions through the purchase of controlling stakes. Thus, monopolies in the
form of the concern and TNCs in the way of establishing economic domination are
the same type, and, therefore, there are no grounds in considering TNCs as a new
form of a monopolistic association. At the same time, uniformity does not mean
their identity. TNC is a modified form of concern, it has a number of specific
characteristics (Koldovskiy & Chernega, 2018).

Although the formation of TNC does not change the fundamentally universal
connection in the system of modern capitalism, it nonetheless informs it of new
elements, substantially modifying it. This is precisely what it means:

- there is a number of new qualities in the movement of corporate property;
- there are new qualities in the production and sale of additional value and
  profit;
- the scientific and technical base of the monopoly is growing sharply;
- TNCs generate new forms in the system of relations between monopolistic
  industrial associations and banks;
- the adaptive properties of the market system are sharply intensifying with
  the advent of TNC, its adaptation to the new conditions in the world,
  expanding the possibility of increasing the exploitation and looking for new
  forms.

There are differences and peculiarities between TNCs of different states in the
intensity of expansion, its scale, due to differences in levels of concentration and
centralization of capital in different countries. In particular, Western European
monopolies are inferior to the United States in terms of concentration of
production and capital, in terms of profit. Only by the degree of concentration
employed in the largest enterprises, they surpass them (Bazhanov et al., 2019).
Thus, the clarification of the question of differences between TNCs is based on
one of the most important principles of materialist dialectics – the principle of the
relationship of general, special, and individual. Relying on this principle allows us to conclude, firstly, that the only essential characteristic of TNCs is determined primarily by the socio-economic environment in which they are formed and operating and by the system of objective economic laws and regularities inherent to it (unevenness). Secondly, this approach allows us to conclude on a number of specifics of TNCs that are determined by the regional, sectoral specificity and country of origin (Obolenska et al., 2019).

Consequently, transnationalization is a process of quantitative and qualitative growth of TNCs, expansion and strengthening of their activities in the conditions of globalization. It is a rather controversial phenomenon, since the balance of positive and negative effects, shifts towards the last of them, in the technological, economic, political, and social development of countries. The growing openness of the emerging economies, the internationalization of the functioning of national economic entities determines the definition as an independent sphere of theoretical analysis and practical knowledge of the influence of TNCs on the dynamics of the consumer market, which represents the organic interaction of the totality of institutions, elements, and subjects of the process of commodity exchange (Van Assche & Gangnes, 2019).

Contradictions of structural and functional character, crisis and conflict situations that deform and inhibit the processes of monopolistic capital accumulation, determine and support the high rates of the introduction of TNCs in emerging markets. An analysis of the sectoral, sectoral, and structural transformation of emerging economies allowed to systematize a number of new trends in the expansion of TNCs (Table 1).

<table>
<thead>
<tr>
<th>Period</th>
<th>Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>70-80 years of XX century</td>
<td>Activation of export of capital from developing countries</td>
</tr>
</tbody>
</table>
| 80th years of XX century      | 1. Outflow of capital from developing countries: emerging industrialized countries in Eastern and Southeast Asia (Hong Kong, Singapore, South Korea, Taiwan) is due, firstly, to the decline of the attractiveness of the region for TNCs in connection with the raising of wages pay and secondly, by increasing their industrial exports.  
2. Reorientation of the sectoral structure of capital exports, investing in manufacturing, finance, services. |
| 1983-1986 years               | The balance of US investments deteriorates due to the slowdown in their exports and the growth of imports into the country of foreign capital. |
| 90th years of XX century      | The regrouping of foreign investment in favor of developed countries, caused by the tremendous debt of the “Third World” countries, is complicated in its repayment. |
| End of XX – beginning of XXI century | Formation and activation of the emerging industrial countries of Southeast Asia, the Latin American countries (Argentina, Brazil, Venezuela, Colombia, Mexico, Chile), the largest countries of |
South Asia (India, Pakistan), and a number of Middle East countries in the global economy.

Beginning of XXI century

The aggressive policy of TNCs in increasing assets through acquisition, changing the structure of their activities, related to the volume and scope of transactions, merging of $1 billion and more, and the growth of capitalization.

Thus, the analysis of the historical development of TNCs showed that the evolution of TNCs is closely linked with a sharp escalation of internal contradictions of capitalism at the end of the XX century. Their nature regarding expansion appears both on the national and international levels. All indicators in the statistical reporting of TNCs grow, (volume of FDI and retail sales, assets, profit, capitalization). An analysis of the trend of transnationalization shows the extent and directions of the expansion of TNCs into the consumer markets of developing countries, the distribution of natural, productive, financial, and human resources, which suggests the formation of contradictions and new conflicts in the modern world economy (Figure 1).

contradictions between TNCs and host countries in terms of development strategies and goals, conflict of interest in production issues

contradictions caused by the redistribution of international economic order between the TNCs of developed countries and countries of the BRICS and the Shanghai Cooperation Organization (SCO)

TNCs oppose the national-state form and political organization of society, contradicting the interests of many nations

Figure 1. Contradictions in the modern world economy (systematized by the authors)

An assessment of the causes, scales, and tendencies of TNC expansion shows that under the conditions of globalization, the essence of monopoly capital does not change. TNCs expand the boundaries of their domination. Their activities, the impact on the development and security of emerging economies are heterogeneous, have a dual meaning (Wilkins, 2009; Scott, 1996; Schor, 2005; Danga, 2015). On the one hand, TNCs are the main structure-creating link of the economy, the leading force in the country’s development and the growth of production efficiency. On the other hand, they are the generator of a number of negative socio-economic processes. However, the general vector is that TNCs provide stable economic ties between different subsystems and countries, forming
a single global economy. The trend of world development is characterized by increased concentration of production and capital, both at the micro-level of enterprises and on the mega-level of transnational corporations (Anderson, 2008).

**Adaptation consumer market to the process of transnationalization**

The transnationalization of the Ukrainian consumer market is an objectively necessary and prepared strategic step for globalization, without which it would not be possible to form a developed economic system of the country, to ensure its competitiveness and efficiency. Systematization of trends and features of the functioning of the consumer market under the influence of the foreign economic expansion of TNCs indicates the transformation of its volumes, structures and boundaries, as a complex mechanism for the interaction of social, economic, political, institutional elements and subjects of the process of commodity exchange (Table 2).

<table>
<thead>
<tr>
<th>Trends</th>
<th>Content and features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Movement in the direction of structural and sectoral stabilization</td>
<td>The change in the structure of domestic consumption and production, the growth of requirements for the quality of goods and foodstuffs, and the increase in their volume implies the formation of borders, capacity and scale of the domestic market, taking into account the participation in the international division of labor and trade flows of international trade.</td>
</tr>
<tr>
<td>Changing the institutional and organizational structure</td>
<td>Formation of a fundamentally new institutional, organizational and legal structure and infrastructure, with a focus on the practice and technology of developed countries, adequate to the current state of the world market.</td>
</tr>
<tr>
<td>The real transition from raw material export-oriented policy to import substitution</td>
<td>The gradual departure from commodity-oriented raw materials policy in the international division of labor system is ahead of the growth in international trade of processed and ready for consumption of goods and foodstuffs, and not raw materials and products.</td>
</tr>
<tr>
<td>Changing the position in global commodity flows and ranking of world exporters</td>
<td>Redistribution of volumes and geographical directions of export and import of certain food and non-food products to developing countries of East Asia and Eastern Europe</td>
</tr>
<tr>
<td>Overcoming the current deformations of the consumer market by volume and structure</td>
<td>Creation of a unified and effective mechanism of state-legal regulation of the market, since the integration of firms under the influence of TNCs covers all basic areas of life: social, economic, innovative, institutional</td>
</tr>
<tr>
<td>Modification of the concept of</td>
<td>In connection with the deterioration of Ukraine’s</td>
</tr>
</tbody>
</table>
the competitiveness of production and the market under the influence of transnationalization

Ensuring national economic security through a set of measures

The expansion of TNC, on the one hand, has had a positive impact on consumer preferences and foreign economic activity of enterprises: the pace of “innovative economy”; the emergence of new products and industries (40-60% of the turnover of successful companies is due to the goods introduced to the market in the last 5-7 years); use of information technology and e-commerce; reduction in the cost of communications; development of network organizations; eliminating trade barriers; the importance of international and individual marketing. On the other hand, losses are borne by domestic commodity producers, since the activities of TNCs are aimed at improving their financial state (growth of production, capitalization of profits), asset growth, further expansion. Therefore, the strategic direction of development of Ukrainian companies should be: concentration and diversification of production activities on the basis of product and geography, expansion of the range of products, continuous development of new products and innovative technologies, considering the priorities of the national producer and consumer, the formation of stable market boundaries and the efficiency of its functioning (Kaleka & Morgan, 2019).

Built in global commodity flows, the consumer market is experiencing structural transformations under the influence of TNCs, geopolitical changes, the regrouping of forces between dominant countries and regional associations. Its functioning and growth rates were influenced by the diverse dynamics of the largest economies and the world market - the crisis processes in developed countries in 2013-2017; the trend of a decrease in world prices and value of trade, due to aggravation of the geopolitical situation and the situation of raw commodity markets; institutional barriers in EU countries (Steenkamp & Burgess, 2002; Li et al., 2008).

The consumer market has lost its leading position, characterized by diminished volumes and changes in the structure of retail trade, deterioration in the quality and range of products and services offered, the withdrawal of a number of
manufacturers, well-known brands, drop in profits and profitability of trade organizations. Increasing competition and monopolization in the retail market under the influence of the escalation of trading networks that have large-scale resources and pushed the weak business players (Grigoreva & Garifova, 2015).

We suggest considering the experience of Asian countries. For example, Vietnam’s enterprises still depend on input sources from China. General Department of Vietnam Customs statistics showed that last year, from the total import value of $253.07 billion in 2019, the import value of 7 key commodity groups from China was $56.73 billion, of which import of computers, electronic products, and spare parts worth $12.11 billion; chemical products - $3.23 billion, mobile phones and accessories - $7.58 billion, machinery and equipment, - $14.9 billion; textile, garment, leather and footwear materials and accessories of all types - $11.52 billion; plastic materials and products - $3.99 billion; iron and steel of all kinds - $3.4 billion. Unfortunately, the COVID-19 pandemic has disrupted imports from China and other countries into Vietnam (Lam et al., 2020).

Thus, much of what is exported from our country is raw materials and goods with low added value. Expansion of TNCs without government intervention leads to unstable functioning of the consumer market, loss of state sovereignty. The index of food imports exceeds the permissible values of the country’s economic security. The share of foreign capital in the food industry is 60% and continues to grow. The country does not provide itself with products of its production. For the development of the economy taking into account internal interests, it is necessary: activation of the introduction of TNCs, operating in the sphere of manufacturing industry; creation of joint research enterprises with participation of them, for development and reception of the newest technologies and goods; a reorientation to restructuring and modernization of industries with a long payback period (e.g., machine building), due to the unevenness of investments by industries; the expansion of agricultural co-operation in the country as an instrument for protecting farmers from the expansion of TNCs; development of own domestic brand (Jaworek & Kuzel, 2015).

To this end, the practice of creating state-owned corporations that can compete with foreign TNCs, for example, is a specialized state corporation in the field of agro-industrial complex. Thanks to such an institute it is possible to ensure the development of «adjacent clusters», factories for the production of agricultural machinery, fertilizers, etc. The chain will develop production clusters, necessary for the functioning of related branches of the second level. In the long-term, the economy can be rebuilt on the innovative-technological type (Jaworek & Kuzel, 2015).

**Conclusion**

Based on the analysis of indicators of Ukraine’s activity on the world market and the impact on the economy of the expansion of TNCs, a number of conclusions can be drawn. Transnationalization is the process of quantitative and qualitative growth of TNCs, expansion and strengthening of their activities in the conditions of globalization. This is a controversial phenomenon since the balance of positive and negative effects is shifted towards the last of them in the technological,
economic, political and social development of countries. Openness of the emerging economies, the internationalization of the functioning of national economic entities, and the deepening of the international division of labor, triggers an increase in the influence of TNCs on the dynamics of the consumer market, which represents an organic interaction of the totality of institutions, elements and subjects of the process of commodity exchange.

Increasing presence, massive invasion of international business and national markets, as well as all processes in the global economy, are controversial and dual. On the one hand, the expansion of TNCs provides external impulses and incentives for production in host countries, contributes to the deepening of the division of labor, specialization, and cooperation. On the other hand, the inevitability of the emergence of numerous negative consequences, due to the monopolistic form of these processes. Further, on the one hand, external expansion contributes to the emergence of large international complexes, the functioning of integrated production systems, but, on the other hand, the monopolistic form of their organization ensures the creation of a holistic system of corporate dominance in the global economy. The largest number of TNCs are owned by developed countries. This points to an internal investment over-accumulation, a surplus of capital flows that go beyond national economies. It is important to mention, that COVID-19 should be considered as a major stagnation of globalization in a decade. We didn’t draw the right conclusions from the previous financial crisis, so maybe, that is why the harmful influence of COVID-19 has been even more tangible. Today The Coronavirus pandemic has a widespread negative influence on trade and foreign investment, and as a result, reduced global exports and imports in a range of industries. In addition, short-term adaptation to contain and reverse the worst impacts of TNCs at the current crisis is an opportunity to reflect on international business policies and business models., it was proved that Pandemic strengthens a type of narrow-profiled nationalism that seemed to have disappeared.

The general vector and direction of evolution is that TNCs provide stable economic ties between different subsystems and countries, in this connection the integration of national economies into a single world economy takes place. The trend of world development is characterized by an increased concentration of production and capital, both at the micro-level of enterprises and on the mega-level of transnational corporations. Expansionist activity of TNCs in the Ukrainian consumer market is complex and controversial. In general, they have a positive impact on the development of the economy but are focused on improving their financial state (increase production, capitalization of profits) and further development of the company. Therefore, without government intervention, the expansion of TNCs leads to the loss of state sovereignty, which undermines the national security of the country.

TNCs have transformed the sectoral structure of the market and production, changing the flow of goods from Ukraine, which is determined by its place in the modern international division of labor and specialization of production. The unevenness of the development of the consumer market under the influence of TNCs manifests itself in regional, structural, sectoral transformations, changes in the competitive environment, through the gradual buildup of capital and assets,
reunion, achieved through mergers and acquisitions. The Ukrainian consumer sector, retail trade and agriculture have undergone active transformation processes. Therefore, a set of state measures in the field of industrial and structural policies aimed at accelerating the growth of domestic production, the formation of stable boundaries of the Ukrainian consumer market and the efficiency of its functioning are needed.

References


