

Agribusiness Innovation Development in the Conditions of the Globalization of the World Economy

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Abstract--- In this article examines the main aspects of innovation Agribusiness Ukraine and the need for further innovative development. The main provisions of the formation of an effective innovation environment and how the current economic reforms in agribusiness as the basis of its innovative development. The article explores the essence of the phenomenon of "globalization", positive features of influence and signs of modern globalization processes in the international economy. The current trends of globalization of the international economy are determined, the business environment of the subjects of agribusiness is assessed. The place of domestic agrarian business in the conditions of globalization is determined. The emphasis is placed on the fact that the Ukrainian agricultural sector with a production potential far exceeding the needs of the domestic market is a link that, on the one hand, can become the engine of the development of the national economy and its effective integration into the world economic space, and on the other hand growth the income of the rural population involved in the agrarian economy, accounting for more than one-third of the total population of the country, can give a multiplier effect in the development of other sectors of the national economy. Highlighted its main strengths and weaknesses. On the basis of the analysis, the risks and threats for the agrarian business of Ukraine in the conditions of globalization, determined both by internal and external factors, were identified. The strategy of development of agrarian enterprises of Ukraine in the conditions of globalization of the international economy has been explored and characterized.

Keywords--- Globalization, Agrarian Sector, Global Consequences, Economic Risks, Business Development Strategy, Economic Development, Research and Development.

I. Introduction

Success in agrarian business is determined not so much by access to natural resources, but by the introduction of new technologies, the timely receipt of the necessary information, the production of new ideas. Profit ability and stability of agrarian units in the post-industrial society depends on the use in the production of information and knowledge.

Thus, to increase the competitiveness of agriculture, achieve growth in production and motivation to increase productivity, rural development, securing you thin the countryside an objective necessity for Ukraine is the transition of the agricultural sector of the economy to an innovative path of development.

Therefore, an important task is to create an effective innovation system in evolving the state, scientific institutions and innovative businesses [20].

The agrarian sector of our country with its systemic structure is the system-forming in the national economy. It is this sector that forms the basis for maintaining the sovereignty of the state - the food, economic, environmental and energy security, ensures the development of various sectors of the national economy and shapes socio-economic

policy areas. In the conditions of globalization, agribusiness is a modern sign of progressive changes in agriculture and, in comparison with other spheres, a new direction of research in agricultural science. The international policy provides the agricultural sector with an appropriate vector of development and opens up new opportunities for the revival of agriculture, creating additional comparative advantages in the agri-food market.

However, analyzing the current state of domestic agro-industrial enterprises, characterized by the use of outdated and worn-out equipment, lack of innovative component and sufficient information and analytical support, lack of financial and labour resources to expand production capacity, undeveloped infrastructure and many other problems, compete with powerful foreign entities. The question arises about the development and place of agrarian business in Ukraine in the globalization of the international economy.

II. Literature Review

In the economic literature, a lot of attention is paid to the issues of the innovative way of development and the results of the innovative activity of agricultural enterprises.

This problem is widely presented in scientific articles and works of leading Ukrainian and foreign scientists, but nevertheless, this problem implies a constant need for its study and research.

Various problems of innovative activity, its specific aspects in the activity of modern enterprises of the domestic economy are considered in the works of such authors as L. Antonenko, S. Bandura, L. Blykhman, V. Bogachev, Y. Vasylychuk, E. Vychlisenko, V. Geyets, M. Gracheva, O. Dacia, V. Dobrova, T. Zayets, N. Lapina A. Lykshinov, A. Lisetsky, L. Menshikov, L. Moldavan, S. Pakulin, G. Popova, A. Prigozhina, P. Sabluk, V. Seminozhenko, E. Starobinsky, D. Stechenko, M. Hvesik, Y. Tsyppkinand others.

At the same time, many issues remain debatable or insufficiently addressed, in particular, a comprehensive system of effective provision of innovative activity of enterprises has not yet been developed, which is evidence of the need for the further scientific development of the strategy of innovative development of agribusiness and characterizing the relevance of the research topic.

III. Research Methodology

The main purpose of this is a study of the current state of innovative development of agribusiness in Ukraine in the context of globalization, identifying its problematic aspects and prospects for this direction of development.

The article used general scientific methods of analysis and synthesis of induction and deduction, the ascent from the abstract to the concrete, as well as specific methods of analysis: grouping, comparison, systematic and others.

IV. Results

Now the agrarian sector of the economy of Ukraine is facing a systemic challenge, which determines the need to update the scientific-information and technological base of the agro-industrial complex on a qualitatively new basis, before the need to move to a qualitatively new innovative type of development. Nature and quality a system call is determined by a combination of the following external and internal factors [13].

The first factor is the intensification of global competition in the agro-food economy, which encompasses markets for goods, services and capital, and other components of the agro-economic development. Competition in the agricultural and food markets is intensifying, which is undergoing significant changes due to global growth in agricultural consumption. The process of acquiring foreign investor land in countries where the population and governments are in no hurry to develop their agricultural production is increasing. A similar threat exists in Ukraine[12].

This cofactor is poor labour productivity in the agrarian sphere of the economy of Ukraine, their rational use off actors of production, which causes the low efficiency of the majority of subjects of economic activity in agro-industrial complex and even stagnation of production.

The third factor is the lack of development of human capital in the countryside. This is due to the unresolved problems of socio-economic development of the village, with the mono-profile nature of rural development. Modern technologies have significantly increased the requirements for skills in agricultural business and reduced employment in it. A broad in the country, there late and alternative business is intensively developing, the village becomes a supplier of ready-to-eat food and even industrial goods, thus increasing the level of income of rural

residents, increasing human potential. There are reversed trends in world practice -the outflow of population from large cities in small towns with high-tech industries to rural areas developing alternative businesses [21].

The fourth factor is the impossibility of solving problems of providing the population with affordable and quality domestic food in volumes and structure consistent with sound science-based nutrition standards while maintaining formed tendencies in the development of agro industrial complex and existing one's mechanisms of its state support.

The need for a widespread transition to advanced technologies and forms of agribusiness, an accelerated approximation to world achievements in this field.

When it comes to the innovation process, the question arises about its main carriers, about the business entities that carry out a real production upgrade. The peculiarity of economic development of a market economy in recent years has brought to the foreign scientific and technological progress small capitals, small business. For example, in the last decade, more than half of all innovations in the agrarian economy of the USA were provided by small venture firms, enterprises [2].

Smaller capitals and firms, more mobile and flexible, successfully carry out the function of developing scientific and technical ideas, bringing them to acceptable technologies for implementation and profitability. In these early stages of the innovation process, the role of small and medium-sized enterprises is very significant [23].

It is well known that the transition from one quality to the other requires the cost of resources. The process of translating innovation (innovation) into innovation (innovation) also requires the expenditure of various resources, the main ones being investment, motivation and time. In the market, as a system of economic relations buying goods, in which demand, supply and price are formed, innovation, investment and innovation are the main components of innovation. Innovations form the market of innovations (innovations), investments – the market capital (investment), innovation (innovation) – the market of pure competition of innovations. These three main components form an innovative infrastructure [6].

In order to ensure the efficiency of the innovation process, the forms of its organization, in which the result of each stage could serve as a basis for the progressive movement to the next, are of paramount importance. Of particular importance is the joining of stages, which provides the continuity, flexibility and dynamism of the whole process, which is impossible without a system of stimulating it [16].

Thus, the mechanism of the innovation process will be effective when it will ensure the integration of all its stages, the speed of development of innovations, their rapid introduction into the sphere of social production.

Taking into account the specifics of the development of the domestic agro-industrial complex and the peculiarities of functioning and location of agrarian scientific institutions, the problem of detailed development of the concept of creation and development of innovative structures, the sphere of interests of which is agriculture, stands out. Organizational-managerial factor operates in the case when firms integrate with scientific institutions, centres, universities, etc., resulting in new organizational forms that ensure the development of innovative activities. These include techno-parks, techno-polis, business incubators, regional scientific and industrial complexes, scientific and technical centres, specialized divisions of the firm (creative teams, project groups), venture firms, etc.

There is no doubt that the implementation of innovative activities requires large investments. Unfortunately, most agricultural producers cannot use credit without their own resources.

The mechanism of investment support of innovations at the level of individual enterprises is implemented in three main directions: mobilization of own sources of financing of innovations; state support for innovative initiatives; creation of attractive conditions for entry into the field of private investors [3].

The technological complexity of Ukraine's agribusiness, the predominance in a number of areas and industries of primary backlogs, is now one of the main factors that negatively affect the development of agroindustrial complex, where along with the newest industries continue to exist the production of outdated technological structures, long displaced from agriculture in developed countries [2].

Among agricultural producers, only a small share is occupied by farms whose production is based on innovation and belongs to the fifth technological institution. These are mainly pig, poultry and closed soil vegetable companies. At the other extreme are private farms and small-scale farms that use mostly manual labour, primitive backward technologies and which have not come out of the second way. Between them are a variety of agricultural organizations and large peasant (farm) farms, which are mainly third to fourth units that require modernization [1].

According to many scientists, modern society is characterized as a transition for the advanced countries of the world to the development of the sixth technological way, characterized by the features of resource-saving nanotechnology, nano-biotechnology, unique information systems [5].

The development and further diffusion of innovations are key factors in the growth of production and employment in agriculture.

It is here that the most significant reserves for improving product quality, saving labour and material costs, increasing labour productivity, improving production organization and improving its efficiency lie. All this, in the long run, determines the competitiveness of enterprises and products manufactured by them on the inside and world markets, improving the socio-economic situation in the country's agricultural sector [1].

Taking into account the current state of tendencies of development of the world economy, including the agribusiness scientific community, it comes to the conclusion that economic crises are connected with the natural historical process of changing technological ways.

In this situation, the special role of further development agribusiness and the whole economy is relegated to the use of innovation [4].

Noting the position of Ukraine in the modern world and the further ways of its development, many researchers come to the conclusion that in the period of changing the way of "catching up" countries there are additional chances to approach the leaders of scientific and technological progress, because when forming the contours of a new way they can use the accumulated investment and technological experience of developed countries. In these circumstances, the role of long-term forecasting, planning, selection and justification of macroeconomic priorities, both at the level of national economies and their leading segments and sectors, is repeatedly enhanced. In this situation, in our opinion, the long-term growth strategy of Ukraine's agribusiness should be based on the priorities of innovative development.

In our opinion, the current situation in Ukraine is a historic chance, having regrouped forces and means in time, to be built into a new long wave of the technological cycle that is emerging in the world economy. While it is in a turbulent stage of changing technological formations, potential investors do not yet see the clear outlines and contours of the new style. In this regard, it is now necessary to develop long-term forecasts of scientific, technical and socio-economic development, which must be continuously updated based on the real events occurring in the world and national economies [6].

Thus, the widespread use of innovation is a necessary element of modern agro-industrial production, the solution of socio-economic problems of agroindustrial complex, associated with the search for mechanisms to improve the economic performance of agricultural enterprises and providing the population with high-quality agricultural products.

The innovative development of the agroindustrial complex means its qualitative reforming, which is based on the growth of production indicators while improving the socio-economic mechanism of agriculture, as well as the related industries. This process must be ensured by the continuous use of more sophisticated technologies for the production and processing of agricultural products, new varieties of crops of plants and animal species, progressive models of socio-economic development, modern models of information technology [13].

V. Discussion

Solution of problems of adaptation of economic mechanism of functioning in the conditions of globalization is based on the formation of models – actions or other production of temporal, spatial, synthetic and probabilistic orderly socio-economic realities. The inhibiting factors of the adaptation system development economic mechanism of functioning is a disparity of prices for products; the opacity of implementation schemes agricultural products; inconsistency of the pricing system of production and sales dynamics, supply and demand, and the tax base of the country - the tax system; lack of free access to financial and credit resources; low innovation and credit attractiveness as well as low-level tax attractiveness as an investment resource, etc. [14].

The efficiency of agricultural enterprises depends directly on the level adaptation of the economic mechanism of functioning to the conditions of globalization of the international economy [5]. For achieving an adequate level of adaptation of agricultural enterprises in the conditions of globalization of the international economy it is necessary to formulate a strategy for the effective development of Ukraine's agribusiness [8].

The purpose of the strategy of development of the domestic agrarian business is to provide comprehensive effective functioning of agricultural enterprises, development of highly efficient competitive as on domestic and foreign agribusiness market, food security of the country, solving the village problem [9].

The strategic objectives are:

- Improvement of the environment ;
- Improvement of the internal environment;
- Innovation and investment support for agribusiness;
- Formation of a positive image of the agrarian sector of Ukraine;
- Improvement of pricing;
- Increase in the export of agricultural products;
- Ensuring supply and demand balance;
- Completion of land reform;
- Entry into international organizations;
- Improvement of inter-sectoral and intra-sectoral economic relations;
- Increase in agricultural production;
- Improvement of information and analytical support for the development of the industry;
- Formation of an innovative model of its functioning;
- Technical and technological modernization of agricultural production;
- Adaptation of the national innovation system to the conditions of globalization and its increase competitiveness [4].

VI. Conclusion

Ukraine has good climatic conditions and natural, labour resources for developing the export potential of the agricultural sector of the economy, but there are many problems. The significant influence of political factors and corruption hinder the development and realization of export potential. Currently, the state can preserve European markets and geographically diversify Asian markets, but without state regulation, producers' efforts may be futile, so stabilizing the political system and preserving the unitarity of the state is at the forefront of the development of any sector of the economy [11].

Today, new conditions and concepts of agricultural development are emerging, which are the consequence of changes in the international division of labour and the formation of the world system of agriculture and the world market of agricultural products, acceleration of scientific and technological progress, which allows creating new factors such as entrepreneurship, globalization, the elasticity of activity, the rise of a new trend of transition to individual and personal interests, the transition from separate sources of income to the whole group, which is connected with the change of traditional and economic goals farms and family input agriculture in the phase of overproduction and problems that arise from this. The old principle of “producing more and cheaper” is being replaced by a new one that arises from overproduction, i.e. producing as much or less, but more efficiently [7].

This creates a completely different social and individual situation of agriculture, and at the same time forces to change the philosophy of behaviour of farmers.

Based on the above, there are several conclusions to be drawn. The efficiency of Ukrainian agribusiness in modern conditions is a multifaceted, topical and complex problem. The challenge today is not to increase yields quantitatively, but to work so that at reduced costs and high productivity, you can maximize profits. The use of new innovative agribusiness technologies can be considered fundamental. In crop production, it is "zero treatment" of soil, which reduces fuel consumption by one time and excludes the use of mineral fertilizers and pesticides;

It is also important to work with human resources, village and agribusiness need qualified specialists. It is worth noting here the broader possibilities of using the achievements of world experience not only within the universities but also on the basis of the creation of information-consulting institutes [18].

Consideration of agribusiness efficiency is unthinkable without external investment. Unfortunately, the current credit system does not meet the modern requirements of agricultural production. High bank interest, insufficient and untimely state support in the form of bank loan subsidies, lack of effective security mechanisms, bureaucracy and

red tape, and the overt reluctance to invest in risky businesses does not allow borrowing to be sufficiently utilized, which also reduces the competitive ability of domestic agribusiness.

Institutional mechanisms of state regulation of agroindustrial complex are necessary to solve this problem.

A significant institute for innovation support and one of the areas that stimulate the development of innovation processes in agribusiness at the regional level may be the creation of regional innovation support funds, which are formed both from budgetary sources and at the expense of payments from the agribusinesses of the region.

Thus, in order for the innovative development of agribusiness to be fit for purpose and deliver the expected results, it is necessary to provide a comprehensive and complete provision of it, which will allow changing the existing inert, as well as regression nature of this process. The sources of success can be [20]:

- The removal of barriers to entry into the European Union, which creates access to a large and rich market;
- Good training of Ukrainian manufacturers food to European standards of quality, food safety and environmental protection;
- There is a comparative advantage, mainly related to low wages and lower land and energy costs than in developed countries;
- Exchange rate policies that support a relatively high exchange rate (above their purchasing power).

Practical implications: The priority direction of agrarian policy in the conditions of globalization of the world economy is the development of the innovative activity. In many developed countries in Europe, the United States is called innovation as the foundation of the economy.

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