

THE HUMAN CAPITAL FACTOR'S INFLUENCE ON THE INNOVATION-INVESTMENT DEVELOPMENT OF UKRAINE IN THE GLOBALIZATION CONDITIONS

Globalization and the Fourth Industrial Revolution created both new opportunities and significant polarization in economies and societies, differentiating their interconnections. The available scientific and technical resources of the country, which become a decisive factor of international competitiveness and the key to future success, determine successful development of any economy. Ukraine has considerable potential for economic growth, but its place in the world market in the future will depend, in the first place, on how effectively it will address the issue of improving the competitiveness of the state through innovation.

The dominance of globalization and integration processes in all sectors of economic development is a common current trend. Only the innovation-investment model of development can ensure the process of rapid development of productive forces. It aimed at the gradual formation of a viable innovation-investment potential of sustainable development of Ukraine.

Joseph Schumpeter was one of the first and foremost scientists to consider innovations in economics. Unlike his contemporary, John Maynard Keynes, Schumpeter argued that developing institutions, entrepreneurs and technological change were at the heart of economic growth. The definition of an innovative economy underlined the practical importance of this theory. The innovation economy based on two fundamental principles: the primary goal of economic policy is to drive greater productivity through innovation, and that markets that rely solely on resources and price signals will not always be as efficient as they can be to boost productivity and economic growth. Foreign investments play an important role in creating favorable conditions for the development of an innovative economy. Moreover, the assessment of investment attractiveness advisability determined of investing in the world. One of the drivers that stimulates the improvement of the investment climate is the level of innovation activity of the state. The link between innovation and investment is so strong that the existence of these terms separately narrows the definition of the innovation process and only the economic category of "innovation-investment activity" reveals the "path of emergence" of the necessary resources to innovate. Innovation-investment activity is an economic, social and legal category that reflects a set of practical measures for the use of intellectual labor the results. They are expressed in a new (previously unknown) or improvement of the existing properties of the object when attracting investment resources for profit and other positive effects (social, environmental and other).

Intellectual work can only be effective if there is an enlightened human resource. After all, it is impossible to obtain high technologies without the people who produce them. Humanity has shifted to new standards of living, based not on quantitative but qualitative indicators. Economic activity becomes a priority. It is not related to endless production of goods, but rather to the use of information and the application of knowledge, proficiency and skills for greater economic impact. Thus, the central place in the economic development of the country comes precisely human capital and its development. That is, in the new economic paradigm at the center of the analysis of socio-economic development is the ability to make effective qualitative and structural changes, which is directly and explicitly embedded in man, human capital. For Ukraine, these issues are quite relevant today.

There is no doubt that Ukrainians are an extremely talented nation and possess all the necessary technical competences and skills to develop breakthrough innovations that are the key to a successful future. The strength of the national economy is the availability of educated able-bodied human capital, which attests to the 85th position of Ukraine from 141 countries according to the rating of The Global Competitiveness Report 2019. Analyzing one of the benchmarks of the Higher Education and Training Index, we observe a positive trend in the majority of variables that include: "Secondary education enrollment rate", "Tertiary education enrollment rate", "Quality of the education system", "Quality of math and science education", "Quality of management schools", "Internet access in schools", "Local availability of specialized training services", "Extent of staff training". External for Secondary education enrollment rate and Quality of math and science education, we need to reach the heights of the top 30 Global Competitiveness Index leaders [4].

Despite such positive dynamics, the level of use of scientific knowledge for the development of innovations in the territory of Ukraine is determined rather low, and the growth of innovative production is extremely slow. The first major problem is the problem of financing innovative activities. If we analyze the total amount of financing of innovation activity by sources, we can conclude that it is almost entirely at its own expense.

State budget revenues do not exceed 3.9% of total funding, and foreign investment in innovation decreased from 3.8% in 2010 to 2.8% in 2019 [3]. Obviously, the state and foreign investors are not interested in financing Ukrainian innovators. Ignoring Ukrainian scientists every year increases the "brain

drain" abroad. For example, only from 2010 to 2014 the number of postgraduate students at the National Academy of Sciences of Ukraine, the largest scientific organization of Ukraine, decreased from 2716 to 2045 people. The reasons that encourage young scientists to think about possible emigration, according to the poll at NASU, can be divided into three categories: low wages and poor financial and economic status of science (about 90%); unfavorable working conditions (60%); difficulties in professional realization (about 20-30%). Only 15% named family reasons [1].

Given the serious (even in spite of large-scale outflow of intelligence abroad) scientific potential and the scope of patenting inventions, the second pressing problem that hinders the implementation of R&D results into production is the lack of incentives. If fierce competition, binding national standards (such as environmental parameters of production), the need to save energy play a role abroad, Ukraine's only incentive was and remains an uncertain chance to sell the invention abroad. Notwithstanding the Law on Scientific and Technical Activities, which provided universities – one of the most important sources of patents in Ukraine - the right to organize business organizations (spin-offs) and to obtain the intellectual property income created by them, as well as the permission business to invest in them, the problems in this sector remain relevant.

The main obstacle to an innovative breakthrough in Ukraine is the too long process of commercialization of the invention. Departments dealing with patenting and licensing have been set up in developed countries and each training or research center. For example, the Israeli Weizmann Institute of Science funded by the state in the same amount as the Academy of Sciences of Ukraine. However, this is only 25% of its total budget. The other three quarters are revenues from the sale of patents and licenses for university development.

In today's competitive world, the winner is the one who sells his designs faster and better. Thus, thanks to an effective system of intellectual property rights protection and economic realization, the United States receives \$ 75-80 billion annually net income is the most powerful source of investment in the future.

Despite the fact that according to the Global Innovation Index 2019, Ukraine is among the TOP 50 countries with high inventive activity and occupies 47 positions, which is 7 positions higher than in the previous reporting period, the number of received patents in Ukraine in total corresponds to the portfolio of new patents several US universities. If you rank rating positions, the state ranks 27th out of 50 evaluated by patent activity [2]. Effective commercialization requires an appropriate ecosystem. If you evaluate all components of the innovative ecosystem of Ukraine (government, universities, corporations, venture investors and service providers), we can see not only the low level of development of individual elements, but also the great problem of interaction with them. The peculiarity of modern dynamics of invention in Ukraine is the rapid decrease of patenting under the international procedure against the background of increasing number of security documents under the national procedure.

Unfortunately, the Ukrainian government lacks a structure responsible for innovation development, such as the Israel Innovation Authority in Israel. In Ukraine, in fact, businesses are trying creating independently investment parks that provide residents with up-to-date infrastructure, knowledge and experience with international companies, communications and access to capital, and our state is still an outsider. Today the main task for Ukraine is to create conditions for competitiveness, which at the present stage of society development is determined by the level of educational qualification of the population, the state of fundamental developments, the structure of R&D, the degree of patenting and the introduction of innovations in production.

The above makes it possible to identify the need for accelerated our country economic development based on effective utilization of available human capital potential and strengthening of the innovative capacity of the national economy as an integral component of attracting foreign direct investment and strengthening of the country's competitiveness.

References:

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