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## WORLD ECONOMY

**Maksym Serpukhov**

Associate Professor, Ph.D.,

*Simon Kuznets Kharkiv National University of Economics, Ukraine*

### METHODS OF CONDUCTING TRADE WARS IN INTERNATIONAL TRADE

***Abstract.** The article is devoted to the topical problems of trade wars in the international economy. The methods used by countries in implementing trade wars in international trade are considered. The results of analysis of types of trade wars and their instruments are presented.*

***Key words:** international trade, trade wars, latent protectionism, trade barriers, exports, imports*

#### INTRODUCTION

Export is the basis of a country's economic development, and it allows with the expansion of its specialization, to export its products and to get profit which gives the opportunity to buy the necessary goods for the country. Increasing exports is a way to the welfare of the country and its citizens. The current dynamics of Ukrainian products' export in recent years has negative tendency. At present, domestic exporters are faced with dramatic issues. They are: increased competition in the world markets, the impact of trade wars and economic blockades, latent protectionism and discrimination in the world markets.

Among the contemporary researchers of the theoretical concepts of international trade and trade wars, the significant contribution was made by the following scientists:

T. Didier Brandao, M. Pinat studied the nature of trade and economic growth linkages and well-being; and the influence of the structure of trade connections on economic growth [1];

S. Evenett studies the nature of latent protectionism and its impact on international trade and economic processes [2];

the study of L. Baccini is devoted to the analysis of the state and opportunities of international institutions on the liberalization of international trade and counteraction to protectionism. And the inefficient work of international institutions in the process of trade liberalization is also stated in this study [3];

the works of A. Mazaraki and T. Melnyk are about the issues of import substitution in Ukraine [4];

the work of O. Bolotna studies the policy of import substitution as a factor for increasing the competitiveness of Ukraine's economy [5];

the work of I. Dunayev considers the aspects of foreign trade policy which is aimed at import substitution [6];

Implementation of the import substitution strategy at industrial enterprises is considered in the work of Y. Shipulina and T. Kisil [7];

Mansfield E. explores the issue of institutional barriers through the signing of preferential trading agreements between individual countries, which, on the one hand, promotes trade between the parties to the agreement and creates barriers to trade with other countries [8];

Marano V. studied the issue of the impact of internal and external economic conflicts on trade between countries. The critical role of internal economic conflicts for foreign trade of the country has been noted [9];

A. Dirdorf, Do Kuan Than, A. Levchenko [8] dealt with trade policy issues and the identification of sensitive sectors of the economy in the framework of trade agreements.

Trade war is the process of opposing economic or political interests in order to achieve the desired results by using various protectionist instruments (including latent protectionist tools).

Despite the formal dominance of the free trade paradigm, the use of latent protectionist tools is very active, which leads to trade wars as a backlash to unfair competition.

The current practice of trade wars has the main directions: offensive and defensive trade wars.

An offensive trade war means the country's introduction of tools for boosting exports or import substitution in trade between countries in order to support a domestic producer.

A defensive trade war means the introduction of trade barriers in trade between countries in order to defend their own economic interests, or to counter protectionist instruments from other countries.

Summarizing a large number of trade conflicts between the countries, the general characteristics of using the tools of trade wars have been defined. They are shown in Table 1.

Table 1

### Characteristics of the instruments of trade wars

Trade war	Instruments
Offensive war	Export subsidies, stimulating exports
	Financial support of exporters
	Use of dumping prices
	Dissemination of false information about goods of competitors
	Lobbying interests through political influence (preferential trade)
	Currency policy (devaluation of the national currency, preventing its consolidation)
	Import substitution of products (subsidies of domestic producers)
Defensive war	Antidumping duty import
	Reduction of import quotas
	Customs restrictions on imported products
	Sanitary requirements to competitor's goods
	Reduction of export duties

In Table 1 it is shown that a particular type of trade war is characterized by the features and tools which are used during the trade war. The overall distribution of the offensive and defensive trade war characterizes the state's position on trade conflict and the range of instruments that can be used. Understanding the processes of conducting trade wars gives an opportunity to develop the appropriate tools for their counteraction and prevention.

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### Mazorenko Oksana

Ph.D., Associate Professor

*Simon Kuznets Kharkiv National University of Economics (Ukraine, Kharkiv)*

## EXIT OF UKRAINIAN COMPANIES TO EUROPEAN MARKET: SEARCHING FOR PARTNERS

**Мазоренко О. В.**

канд. екон. наук, доцент

*Харківський національний економічний університет імені Семена Кузнеця*

## ВИХІД УКРАЇНСЬКИХ ПІДПРИЄМСТВ НА ЄВРОПЕЙСЬКИЙ РИНОК: ПОШУК ПАРТНЕРІВ

**Abstract.** *The article is devoted to the problems of export of the Ukrainian company's products to the European market. The TOP-10 countries-trade partners of Ukraine in 2017-2018 are determined. Main steps for searching partners abroad are considered. Also the resources and services for searching partners in European countries are systematized.*

**Key words:** *export, partner, company-exporter, European market, export strategy.*

**Анотація.** *Стаття присвячена проблемам експорту продукції українських підприємств на європейський ринок. Визначені ТОП-10 країн-торговельних партнерів*