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An extended abstract of a paper on the subject of:
INNOVATION AND INVESTMENT AS A FACTOR OF PROVIDING COMPETITIVE ABILITY OF THE NATIONAL ECONOMY AND THE TRANSFORMATION OF ECONOMIC RELATIONS

Formulation of the problem. Ukraine's economy is so still not rid of deep structural deformations and lags far behind the developed countries in aggregate productivity of factors of production and respectively - the level of welfare.

Most businesses were technologically backward, energy-intensive, with weak diversification of products and markets. Therefore, in terms of increasing the openness of the economies of the world and deepening globalization becomes a topical issue - ensuring the competitiveness of the national economy.

The main condition for the further transformation of economic development of Ukraine is seeking new ways to attract investment capital for future development of Ukraine's economy.

Analysis of recent research and publications. The issue of forming the investment image and investment attractiveness of Ukraine's economy examined in the works of O. Gavrilyuk, the formation of the concept of improving the investment climate in Ukraine Alexander Malyutin analyzed, the innovation paradigm of management of analyzed Rossokha V. Grade economy of Ukraine in terms of investment attractiveness considered N. Marchenko.

The purpose of the article. One feature of the XXI century. is the complexity of the structure of economic systems, accelerate scientific and technological changes, the impact of active integration processes on the specifics of socio-economic development of individual countries and the world at large.
Problems of economic transformation of individual states in the context of globalization of particular scientific-theoretical and practical significance in view of current realities. Today there is the need to determine the status of foreign economic relations of Ukraine detection of exogenous and endogenous risks transforming the economy of Ukraine and strategic priorities justify its effective reintegration into the global economic space.

**Presenting main material.** During the economic transformation of Ukraine should combine on the one hand, strengthening the social orientation of the budget, the second - increase investment budget for programs on competition (research, human capital, innovation and investment activities). Indicators of economic growth, inflation should be the mutually agreed terms of the budget deficit, public debt.

Modern State appears before the choice of economic development strategy that provides an optimal combination of social and economic programs - "growth strategies for the fight against poverty".

In recent years, sustained debate about the optimal balance in social and investment spending. In conditions of crisis budget constraints social dimension is considered incompatible with the strategy and budget growth. Most of the alleged relationship between the level of economic growth that is achieved, in particular, public investment and social equity.

**Conclusions and recommendations for further research in this area.** In modern conditions of guarantee established safety structurally balanced national economy - with normally functioning real and strong financial sector, optimal proportions of production and non-production sectors, public and private sectors, adequate domestic and international socio-economic structure of the living environment.

The main priority of economic development is to improve the competitiveness of our economy by increasing productivity. Only in this way can actually improve the quality of life of citizens of Ukraine. Achieving this goal is possible only if the introduction of qualitative changes in business deregulation,
fiscal, monetary, foreign trade and investment policies that promote the development of private business in Ukraine.