 DEVELOPMENT OF INNOVATIVE ECONOMY IN CONDITIONS OF INSTITUTIONAL CHANGES

The institutional environment of Ukraine’s economy is characterized by a high level of instability and uncertainty. This is caused by a special, very incorrect, in some cases even «shock» strategy to move the domestic economy from administrative-command to market form, and therefore fundamental changes in the institutional structure. The main causative mechanism of the development of all kinds of innovation is market competition. To achieve stable economic growth, the
state must provide a balance of competition policy. The perspective competitiveness is ensured only by active innovation policy.

Innovative capacity and technological availability are integral components of the competitiveness of the national economy in terms of institutional changes. The role of innovation in ensuring competitiveness will increase, because the structure of world industrial production will change in favor of high-tech industries, particularly under the influence of the rapid development of nanotechnology, genetic engineering will appeared new production, at the same time ecological, and climate threats will cause the activization of ecologically caring industry [1, p. 105].

Competitiveness interpret as the ability to attract and use intellectual capital. The stimulation of the development of innovative entrepreneurship and science and education supporting the experts of EU chose as the most important directions of improvement of the quality of economic growth of its grouping. In most cases, taking into account the national features, these should become the foundation for the construction of a new Ukrainian competitive economy [2, p. 38].

Ukrainian scientist L. Mikhailov considers the structure of innovative economy through the prism of types of markets and identifies two components:

- the market of innovations that form the scientific organizations, universities, scientific associations and other entities. On this market the key commodity is a product of intellectual activity that is subject of copyrights, which are decorated in accordance with applicable international, national, corporate and other legislative and normative acts;
- capital market (investments). This market is a sphere rotation of capital, where, on the one hand, organizations and individuals engaged in the scientific field, and on the other hand – organizations and individuals who invest are the subjects [3, p. 15-16]. The main influence on the market of investments exert macroeconomic policy of the state, legislation, securities market, information provision.

However, in our opinion, no full is the consideration of the structure of innovative economy through the prism of types of markets without market of goods and services.

Institutional conditions of raising the competitiveness of Ukraine economy at the expense of innovative factors should be considered as a set of necessary institutions that directly or indirectly contribute to revitalization of innovation processes in the country.

Innovative activity is the main source of the process of expanded reproduction. Innovative activity is primarily directed to overcome technological backwardness, reorientation of production potential for creating competitive industrial enterprises, whose development depends on the susceptibility enterprises to innovations [4, p. 68].

Implementation of innovative technologies in Ukraine enterprises plays very
crucial value in economic development of the country, in its competitiveness in the
global innovative space.

In this connection, there is a need for a practical application of some tools
from the complex of institutional changes, needed to improve the competitiveness
of domestic innovative economy.

Particular attention should be paid to improve the institutions that are
involved in innovative processes. Only institutional transformation at the making
of the innovation model of economic development in Ukraine will enable adaption
to the requirements of the global information world society and continuously
improve the economic behavior of economic entities and the mechanisms of
market self-production production and industrial complex of Ukraine.

References
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