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REGRESSION OF EU SUSTAINABILITY PRIORITIES AND TRADE POLICY: VISION OF DEVELOPMENT

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ABSTRACT

The study investigates the specific features of achieving the goals of sustainability in the process of ensuring the economic development of the European Union. It is established that an important means of implementing the principles of sustainable development in international trade as a source of economic growth and a tool for promoting ideas and stimulating their observance on a global scale. The study proved the existence of positive mutual influence and synergetic interrelation of foreign trade activity of the countries, ecological efficiency of their economic system and level of development. According to the results of the multifactorial grouping of EU countries, it is argued that countries with a higher level of development have higher potential opportunities in achieving Sustainable Development Goals. At the same time, the policy of less developed countries of the integration group is primarily focused on economic growth and strengthening its position in the world market by increasing the burden on the environment. The scientific novelty of the study lies in the empirical proof of the possibilities of balancing the goals of sustainable development and economic growth of countries through international trade as a sphere of consensus of economic, social, and environmental interests at the national and global levels.

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INTRODUCTION

The current stage of development of the world's economies is extremely complex and is described by rapid changes in all spheres of life. On the one hand, such changes are progressive, especially when they are associated with revolutionary technologies, increased communication rights and opportunities, poverty reduction, middle-class growth, higher education, medicine, knowledge, information, etc (Inshyn *et al.,* 2021). On the other hand, global trends stimulate the intensification of contradictions in international economic interests, lead to the development of a model of multipolarity of the world, spreading demographic instability, "aging" of countries, increasing demand and shortage of natural and raw materials and consumer behaviour, climate change and environmental problems, the solution of which becomes the most difficult task for most states (Zavalna and Starynskyi, 2021).

In the context of recent world events, it can be argued that there is a process of development of a kind of crisis background of the global economy (Schiek, 2013; Mavroudeas *et al.,* 2018; European Commission, 2014), which is indicative of the EU as the most developed integration union with common sectoral policies. Common policies and interests are at the heart of the principle of cohesion, which allows the EU to become

more flexible to change and make decisions. Extrapolation of global trends indicates the need to choose an alternative (possibly radical) direction of development of EU member states (Dinan *et al.,* 2017; Ryner and Cafruny, 2017; OECD, 2018), focused on economic growth while minimising risks and threats to social, environmental, scientific, and technological nature. The strategic decision-making process in the EU does not exclude opposed scenarios, as in recent years the group has displayed signs of regional instability, conflict, discrete events that do not contribute to economic growth. Increasing the pace of influence on world markets and halting the negative trends of EU integration can be achieved under at least two conditions: firstly, clear compliance with the Sustainable Development Goals (UN, 2015; Chupyra, 2021) and, secondly, changes in trade policy priorities for goods and services, such as a factor of economic growth.

The EU's approaches to the Sustainable Development Goals are synchronised with those generally accepted and widespread in most developed countries. Both the common European and the main aspects of the national policies of the member states are motivated by the implementation of tasks related to the achievement of balanced socio-economic and environmental development. The EU has set a course for the transition to an economic strategy that has a neutral impact on the climate and environment, is of resource-saving and cyclical nature and has a positive social effect in terms of ensuring social equality and inclusiveness (Campos *et al.,* 2020; European Commission, 2010; Karlsson *et al.,* 2019; Basyigit *et al.,* 2021; Levchenko, 2021), as well as a high level of economic growth.

One of the tools of the trajectory of economic movement in the scenario of sustainability is trade policy, export-import practice, and methods of its regulation. According to the existing extensive type of economic growth in the EU, natural resources (arable land, minerals, mines, etc.) are used irrationally, however, due to these factors, the growth rate of trade is ensured. As a result, the question arises: how are EU countries capable of adapting to new changes in economic development while maintaining the growth rate of trade and not being on the verge of a resource collapse with a significant negative environmental footprint and threatening consequences of the environmental catastrophe for present and future generations? After all, well-known theories evidence the fact that when the pace of trade increases, an irreversible process of depletion of natural resource potential commences (European Commission, 2015; Shawkat, 2008; UN, 2016a; Bakardjieva *et al.,* 2020; Beverelli *et al.,* 2020), thereby contradicting the fundamental principles of the Concept of sustainable development.

At first glance, the answer to the above question lies in the plane of maximum reorientation in the commodity specialisation of the country from trade in goods to trade in services. When reaching the "peak" in the system of trade in goods, which is significant for EU member states, the priority should be trade in services with the least environmental footprint. Recent research indicates that due to its advantages (less dependence on market fluctuations, the possibility of diversification of exports, increased income and employment, less volatility compared to trade in goods), trade in services is a fast-growing segment of European and world trade. Transformation of economic models of the EU countries towards increasing the volume of international trade in services allows not only to restructure economies but also to increase trade, to engage in the most progressive achievements of world science. However, the main achievement for countries that are more focused on trade in services is the contribution to the development of a model of civilisation, which is based on the need to comply with social, economic priorities, and environmental protection (Karlsson and Silander, 2020; UN, 2016b; Kettunen *et al.,* 2018). Therefore, the purpose of this study is to identify and justify the impact of trade and sustainability policies of EU countries on the level of their economic development.

Theoretical Overview

The issue of development in modern economic research is constantly intensifying due to the emergence of new challenges and opportunities of a global nature, which ensure gradual transformation of the content of this concept from purely economic growth to human development and, at the same time, cause its conceptual uncertainty.

The fundamental basis of its understanding lies in the intertwining with the sphere of fulfilment of human potential, which acquires an economic dimension through overcoming poverty, stimulating investment and employment growth (Etim, 2012). Thus, development is a concept that expresses competing ideological, theoretical, and practical views on human

well-being and freedom (Sant'Ana, 2008; Cohn and Hira, 2020);

In the international environment, pluralism in the understanding of development is associated with dissatisfaction with the pace and nature of economic and social change, which leads to a rethinking of development goals and measures (UNDP, 1990). In addition, the differentiation in approaches to the determination of development as an object of study and, at the same time, governance challenges, are conditioned by differences between countries in terms of social parameters and features of the national economic system, prospects for its growth.

Despite differences in understanding the priorities for the development of individual components of the global economy, to achieve the goals set in the Agenda of Humanity for 2030, scientists, politicians, and civil society representatives note the need to adhere to the principles of sustainability in policy initiatives and decisions (Messerli *et al.,* 2019). The multidimensional understanding and nature of sustainable development bring it closer to the environment, which, according to E. Obi, is associated with justice, progress in understanding the efforts required to integrate the economy, ecology, and society (Obi, 2005). The philosophy of sustainable development (Gawor, 2010; Hamm, 2001; Goodluck, 2006; Mensah and Casadevall, 2019), despite the obvious logic and argumentation in the context of the scale of socio-economic and environmental problems of the modern world, remains unimplemented, legitimises the inability to achieve sustainability as one of the most serious challenges facing humanity.

A critical look at the conceptual foundations of sustainable development allows us to identify certain gaps that remain out of focus. This refers to abstracting from the basic features of the functioning and development of the economy and society, ignoring the role of conflicts, the variety of interests and lifestyles, the imbalance of power in and between individual social groups, the specifics of advanced development, the importance of accumulated scientific and technical knowledge and cultural heritage, ensuring the development of successful solutions to socio-economic and political problems, political apathy of the Sustainable Development Goals about the policy of extractionism (Heilig, 1997; Jacob, 1994; Hope, 2020). The issues of determining the nature of globalisation processes on the environment (Tisdell, 2001) and the development of a homogeneous, hybrid, or differentiated space as a result of cultural, political, economic, and technologically stimulated forms of globalisation (Pauwels, 2019) are also not given due attention. Some researchers take an antagonistic position on the methodology of sustainable development based on the inherent critique of interdisciplinarity and standardisation of sustainable development research (Boda and Faran, 2018). Despite the identified "bottlenecks" of the paradigm of sustainable development and attempts to implement it in modern global strategies, sustainability retains its position as a key principle of society, complementing the methodology of socio-economic and environmental-oriented transformations and the profile of modern forms of international relations, and international trade in particular.

International trade, as an effective factor in the openness of the economy, provides a growing impact on the level of economic development. Promoting capital accumulation, structural modernisation of the economy, technological and institutional progress are derived from the country's participation in international trade operations (Sun and Heshmati, 2010). Even in the absence of technology transfer, international investment, research and development, aggregation of economies of scale, etc., international trade affects economic development through the comparative advantages developed by the country in the course of evolution (Yenokyan *et al.,* 2014). The consequences of countries' integration into international trade are stimulated by the external environment, the parameters of the current strategy and product structure (Reyes, 2012). Thus, the mainstream of the conceptual foundations of international trade and its relationship to economic development is based on traditional arguments and criticism. At the same time, despite the depth of existing theoretical and applied research on the relationship between international trade and economic development, the nature of the causal link between them remains unproven and is subject to further scientific discussion. Thus, A. Schor notes that although economic theory contributes to the understanding of this scientific and practical problem, it is incapable of providing a clear and definitive answer to the question of the positive or negative impact of international trade on economic development, shifting it to the plane of empirical research (Schor, 2016). In turn, the empirical studies

(Ortiz-Ospina, 2018; Sun and Heshmati, 2010; Farsi *et al.,* 2016) indicate the different intensities of economic development in the world, which is ensured by international trade.

Based on the stated theoretical provisions, the scientific problem of argumentation and assessment of the impact of international trade on economic growth is visualised in terms of prioritising the concept of sustainability, opportunities to balance social and environmental development goals with market-oriented ones. As an object for such a study, those member states of the European Union were chosen, which seek to combine the positions of world leadership in achieving the Sustainable Development Goals and trade in the global market: in 2018, the EU's share in world exports of goods was 28.8%, imports – 27.4%, exports and imports of services – 31.9% and 30.6%, respectively (Eurostat, 2020). The integration of these priorities is ensured by including the provisions of the concept of sustainable development in the processes of institutionalisation of EU trade relations with international partners, as provided by the terms of the Lisbon Treaty signed in 1987 (Centre for European Reform, 2019). This approach allows for the harmonisation of European action plans in the areas of trade and sustainable development of the EU, as well as for an increase in support for openness, business technology focuses on sustainability in resource use, and minimisation of environmental footprint (Laveren *et al.,* 2020). Given the scope of EU trade policy commitments to achieve sustainability goals, its development and evaluation are based on the development of systemic tools to support decision-making related to trade regulation, taking into account the global nature of production and consumption (Pelletier *et al.,* 2018).

METHODOLOGY

The conceptual basis of the study included a methodological approach to understanding economic development as a permanent process and, at the same time, the result of the activities of micro-and macro-level entities in the economic, social, and environmental spheres, which has not only current but also long-term impact on society and the environment. Argumentation of theoretical provisions and conclusions of the study on trends and patterns of development of EU member states was based on systematic and interdisciplinary approaches, based on scientific and applied developments of leading experts in the field of sustainable development and international trade.

The application of the dialectical method provided an opportunity to study the evolution of conceptual approaches and practices of the European Union to ensure economic development and implementation of the principles of sustainability in the processes of policy-making, especially in international trade. The method of correlation-regression modelling was used to prove the existence and determine the nature of the interrelation between international trade indicators and the achievement of sustainability criteria and the level of economic development. The application of the scaling method regarding the studied indicators allowed to carry out a multifactor grouping of countries and determine the deviation of the parameters of their economic development from the countries of the leading group. The statistical and economic method was used to gather and process analytical data on the dynamics of development and structure of international trade of the EU countries, their progress in achieving the goals of sustainable development and environmental efficiency.

The information base of the study was developed based on data accumulated and presented in databases of international and analytical organisations: Eurostat, WTO, World Bank, Chatham House (CHRTD), Global Footprint Network, ResourceTrade, Earth, etc.

RESULTS AND DISCUSSION

Expanding the focus of modern policy strategies, integrating trade development and sustainability goals allows to build a holistic, long-term, methodological approach that defends the interests of economic growth in terms of environmental security, preserving the ability of future generations to achieve further development (Cosbey, 2004). A similar model of development is inherent in EU countries trying to achieve synergies between international trade, sustainable development and economic growth. To study its features, a regression model of the impact of international trade and the results of compliance with the priorities of sustainability in the EU countries on the level of their economic development was built. The value of GDP per capita (USD) was used as an effective indicator (Y). Factor traits were selected according to the criteria of economic, social, and environmental achievements in the development of EU countries, in particular:

- x_1 – human development index;
- x_2 – gender equality index;
- x_3 – innovation index;
- x_4 – globalisation index;
- x_5 – ecological footprint per 1 person, ha;
- x_6 – environmental efficiency index;
- x_7 – sustainability index;
- x_8 – total value of exports of goods, billion US dollars;
- x_9 – total value of imports of goods, billion US dollars;
- x_{10} – total value of exports of services, billion US dollars;
- x_{11} – total value of imports of services, billion US dollars.

The simulation results (Tables 1, 2) indicated the need to exclude from further analysis such factors as indices of human development, gender equality, innovation, globalisation, sustainability, and environmental footprint per 1 person given the statistically inadmissible value of their reliability (p-value).

Table 1. Derivation of statistical analysis.

Regression statistics					
Multiple R	0.92159				
R-square	0.84934				
Normalised R-square	0.81347				
Standard error	10,032.90205				
Observation	27				
Analysis of variance					
	df	SS	MS	F	Significance of F
Regression	5	11916816153	2383363231	23.67756788	5.67208E-08
Remainder	21	2113841595	100659123.6		
Total	26	14030657748			

Table 2. Parameters of the regression model of the influence of factors on the level of economic development of countries

	Coefficients	Standard error	t-statistics	P-value	Lower 95%	Upper 95%	Lower 95%	Upper 95%
Y-section	-114,266.857	22,819.5866	-5.00740	5.88992	-161,722.7	-66,810.9	-161,723.	-66,810.9
x_6	2,090.295	339.0105049	6.16587	4.06644	1,385.3	2,795.3	1,385.3	2,795.3
x_8	222.839	69.05982572	3.22675	0.00404	79.2	366.5	79.2	366.4
x_9	-328.816	85.12551651	-3.86272	0.00090	-505.8	-151.8	-505.8	-151.8
x_{10}	421.059	159.8174762	2.63462	0.01549	88.7	753.4	88.7	753.4
x_{11}	-184.276	128.3559128	-1.43566	0.16582	-451.2	82.7	-451.2	82.7

The logical explanation for the lack of the expected relationship between the indices of the social bloc (human development and gender inequality) and the level of economic development is: *firstly*, the assignment of all current EU members to a group of countries with very high levels of human development, indicating human capital in their socio-economic growth; *secondly*, the effectiveness of European gender policy, which has ensured the levelling of gender inequalities in society and the economy. Similarly, based on progress in the liberalisation of international trade relations, the EU's active political position on the world stage, adherence to the ideology of economic openness, etc., the low closeness of the relationship with the globalisation index can be explained. According to the world ranking built by experts from the Swiss Economic Institute, in 2019 the EU countries were in the lead, as the value of the globalisation index for them ranged from 79.84 in

Bulgaria to 91.19 in Switzerland (for comparison, in Singapore – 83.62, in the USA – 82.41).

The results of statistical analysis of the studied indicators allowed us to build the following model of regression interdependence (1):

$$Y = -114266.9 + 2090.2935x_6 + 222.8390x_8 - 328.8168x_9 + 421.0592x_{10} - 184.2763x_{11} \quad (1)$$

Model testing indicated that the deviation of the calculated value Y from the actual value is 1.5%, i.e., the regression model is adequate. Accordingly, with fixed values of other factors, an increase in the environmental efficiency index by 1 mark would lead to an increase in GDP per capita in the EU by 2,090.3 US dollars. The impact of the growth of the value of exports of goods and services is similar in content – with their growth by 1 billion US dollars, the value would increase by 222.8 and 421.1 US dollars. Therewith, the higher effect is provided by the export of services, which confirms the research hypothesis and indicates the expediency of further structural reorientation of the economy and the export potential of the EU. There is an inverse correlation between the value of imports of goods and services and the resultant value, which logically corresponds to the postulates of classical and neoclassical theories of international trade, but from an economic standpoint denies the ability of the EU member states to preserve and minimise the negative impact on endogenous natural resource potential through the import of goods and the purchase of foreign-made services. To determine the differences between individual EU countries in terms of achieving development parameters and factors that affect it, the scaling method was used. According to the results of its application concerning the indicators of the level of economic development, environmental efficiency, and foreign trade activity, a multifactorial grouping of EU countries was carried out and 4 of their groups were singled out (Table 3). The group of countries with the highest level of development in terms of the value of the integrated indicator is developed by Germany, the Netherlands, Ireland, France, and Luxembourg.

The group of countries with the lowest level of development includes mainly post-socialist states of Eastern Europe. Despite a fairly long period of membership in the integration group, the level of their economic development substantially differs from that of the founding members of the EU. Notably, the difference in the level of environmental efficiency between the countries of the extreme groups is only 18%, which indicates that they adhere to the European course to achieve the Sustainable Development Goals, in particular their environmental component.

Table 3. Results of multifactorial grouping of EU member states

Group No.	Country	GDP per capita, USD	Environmental performance index, 2020	Total products export value, bln USD	Total products import value, bln USD	Total service export value, bln USD	Total service import value, bln USD
1	Germany Netherlands Ireland France Luxembourg	average value in the group					
		66513	78	590	529	249	256
2	Belgium Spain Denmark Italy	average value in the group					
		45621	77	263	256	95	82
	Sweden Austria Finland	deviations from the level in the leading countries, %					
		-31	-1	-55	-52	-62	-68

3	Czech Republic Poland Greece	average value in the group					
		22808	68	101	105	35	22
	Malta Slovenia Portugal	deviations from the level in the leading countries, %					
		-66	-12	-83	-80	-86	-92
4	Slovak Republic Hungary Cyprus Romania	average value in the group					
		18014	63	45	50	16	10
	Estonia Lithuania Croatia Latvia Bulgaria	deviations from the level in the leading countries, %					
		-73	-18	-92	-91	-94	-96

At the same time, there are fundamental differences in trends in resource use and environmental footprint in countries from different groups. In the course of studying the patterns of development of countries from extreme groups, in particular, Ireland and Latvia, which are described by the median value of indicators in the respective groups, the tendencies of growth of foreign trade activity for both countries are traced. However, Ireland tends to reduce its environmental footprint, while the growth of Latvia's economy, including the volume of its international trade, occurs due to the increased pressure on the environment (Figure 1).

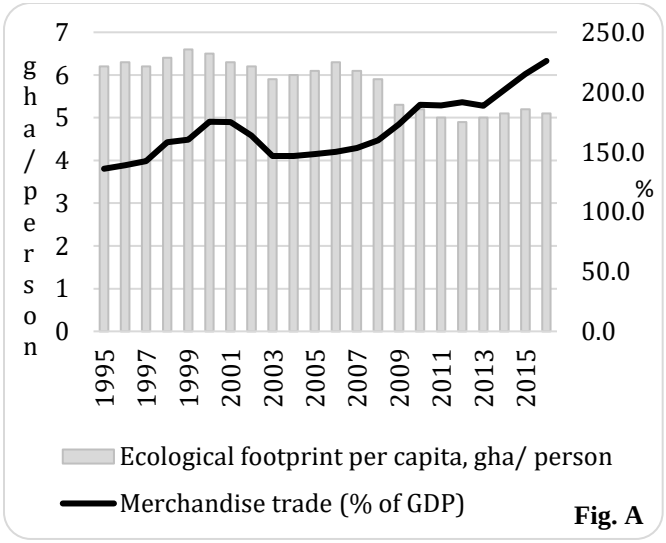

Figure 1. Trends of changes in ecological footprint and merchandise trade in Ireland (A) and Latvia (B) (Global Footprint Network; World Bank Open Data)

The ecological footprint of highly developed countries has declined and somewhat stabilised over the last decade (Strapchuk, 2021; Martynenko, 2021). This suggests that the developed countries are evolving through further progress towards the sustainability goals, while in lower-developed countries this figure continues to grow steadily (although it does not reach the level of highly developed countries), i.e., the source of their economic development is found in extensive use of resources. Highly developed EU countries, compared

to less developed ones, implement the provisions and principles of sustainability faster, partially compensating for the consumption of resources by a higher rate of introduction of the latest technologies. This thesis is confirmed by the gap in the values of the innovation index, which was developed with the participation of representatives of the World Intellectual Property Organisation, Kernel University, and the international business school "INSEAD". According to 2020, the average value of the innovation index for the first group is 55 points, for the fourth group – only 40 points. However, studying the development trends of the European Union in general, it can be argued that the use of innovative technologies does not fully compensate for the negative impact on the environment, as it is objectively incapable of radically reducing the consumption of resources needed to ensure the growing volumes of production and exports, which in most Member States are predominantly commodity-based (Figure 2).

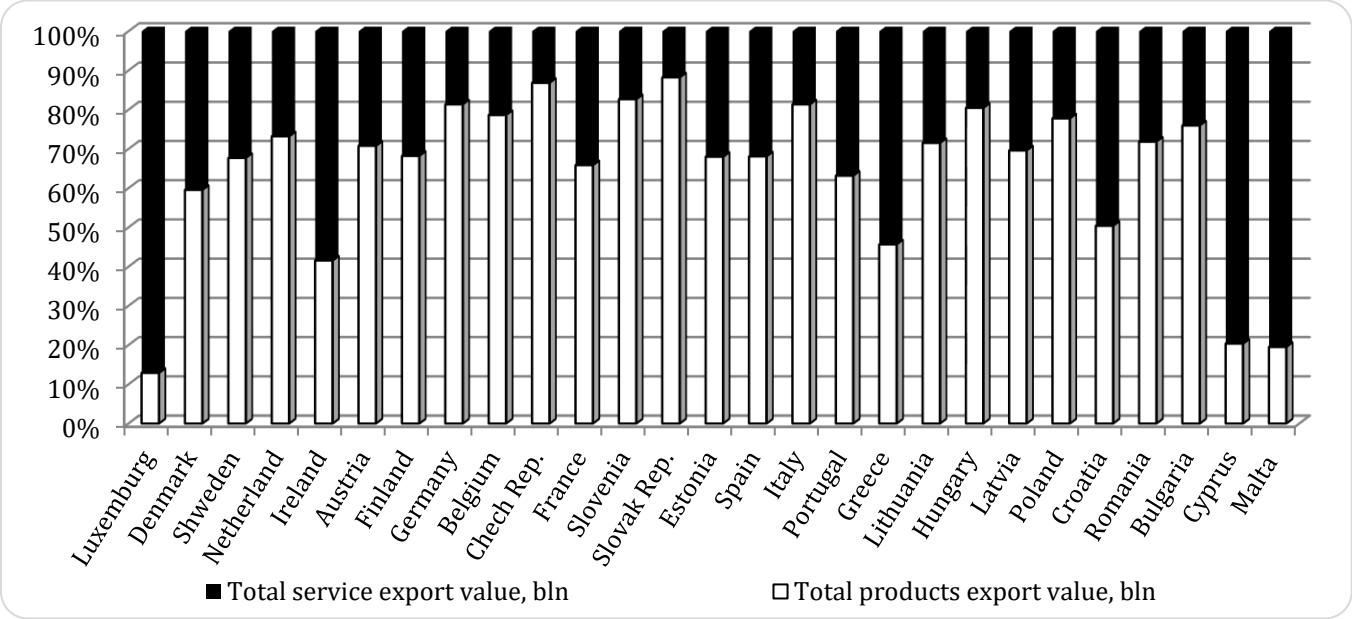

Figure 2. The structure of exports of EU member states in 2019 **(**International Trade Centre, 2019)

The problem of the economical use of resources is urgent for all EU countries, regardless of their level of economic development, as evidenced by their dependence on imports of resources. According to the ResourceTrade.Earth database, all EU countries (except Denmark and Finland) are net importers of resources. In particular, Italy imported resources in 2018 at a total cost that exceeded the value of exports by 119%, Portugal – by 81%, the Czech Republic – by 77%, Germany – by 76%. This fact proves the consistency of the EU's trade policy in approaching the priorities of sustainable development.

The philosophy of sustainable development is the traditional basis of integration and policy-making in the EU, because without proper consideration of environmental factors in the development and implementation of policies governing economic activity and other forms of social organisation, achieving a new model of sustainable development, in the long run, is impossible (Baker *et al.*, 1997). The evolutionary consequence of the commitment of European politicians to the priorities of sustainability has been not only the accession of EU countries to the global movement to achieve the Sustainable Development Goals, but also the ambition to lead the world in achieving them (Kastrinos and Weber, 2020). Since 2015, the world leaders in the implementation of the Sustainable Development Goals have traditionally been the northern EU member states: Sweden – 84.72%; Denmark – 84.56%; Finland – 83.77% (Figure 3). However, similarly to other highly developed countries, mainly OECD members, which form the TOP-20 countries in terms of the CSR implementation index, they are described by the so-called "red" markers, which indicate the absence of positive changes in achieving the

planned indicators. The most problematic goals remain related to sustainable consumption and production, protection of biodiversity, especially the conservation of marine ecosystems (Goal 14) (Sachs *et al.,* 2020).

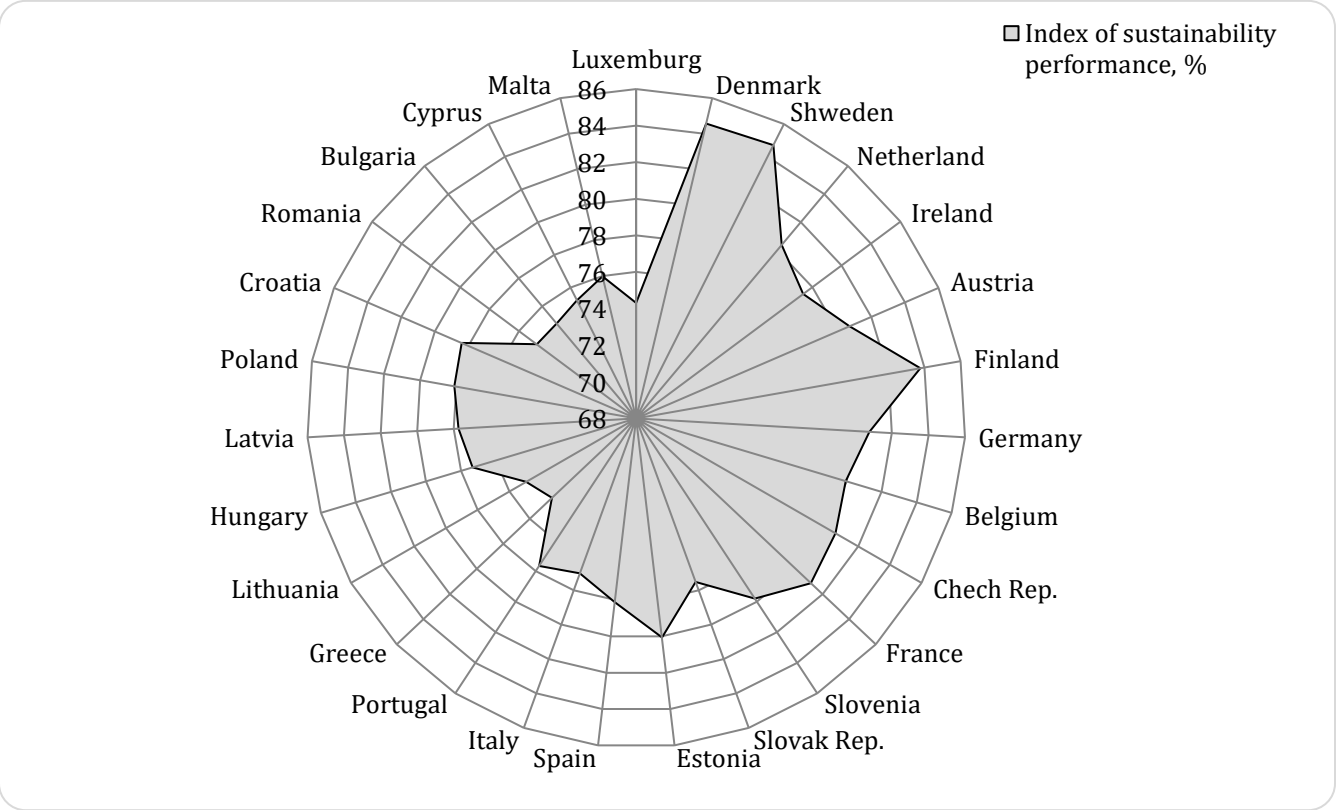

Figure 3. Differentiation of EU member states according to the level of implementation of the Sustainable Development Goals, %, 2020 (Sustainable Development Report, 2020)

Analysis of environmental indicators of the functioning of the economies of EU member states suggests that their achievement of the current level of development has become possible due to extensive environmental policies. Evidence of this is, in particular, the value of the ecological footprint per capita. For each of the EU countries, the value of this indicator is many times higher than the criterion of the available bioavailability of the planet relative to the world's population – 1.7 global hectares (gha) per 1 person (Global Footprint Network). The absolute anti-record belongs to Luxembourg – 15.8 gha/per 1 person; Belgium (7.5 gha per 1 person) and Denmark (7.0 gha per 1 person) are also among the top three in terms of environmental footprint. It is important to emphasise that despite the homogeneity of institutional conditions and development priorities determined by the framework of EU cohesion policy, during 2000-2016, EU member states approached the choice of resources for growth in different ways. Thus, Denmark, the Netherlands, Ireland, Germany, France, Spain, Italy, Portugal, Greece, and Malta have managed to significantly reduce their demand for natural potential, offsetting it with innovative technologies, while the development of countries such as Lithuania, Latvia, Estonia, Croatia, Romania, Bulgaria, and Slovenia are still dependent on the growth of consumption of natural resources (Figure 4).

Thus, the identified dynamics of change and the current structure of EU exports constitute one of the factors of non-compliance with the planned indicators of achieving the Sustainable Development Goals. This leads to the perception of international trade not only as a source of economic development but also as one of the tools to ensure sustainability, which is reflected in pan-European policy initiatives and international agreements involving the EU. Prospects for the implementation of the principles of sustainable development in the

development of EU trade policy are associated with such measures as 1) promoting compliance with environmental standards in the production, trade and foreign investment, including environmentally friendly goods, services, and technologies; use of renewable energy, resource- and energy-saving technologies and products; ecological labelling of goods; 2) evaluation of all trade initiatives to promote sustainability, etc.; 3) removal of trade barriers for goods that are critical to the environment and mitigation of the effects of climate change; 4) cooperation with trading partners in raising environmental and social standards; 5) establishment of appropriate institutional structures and monitoring practices in trading partner countries.

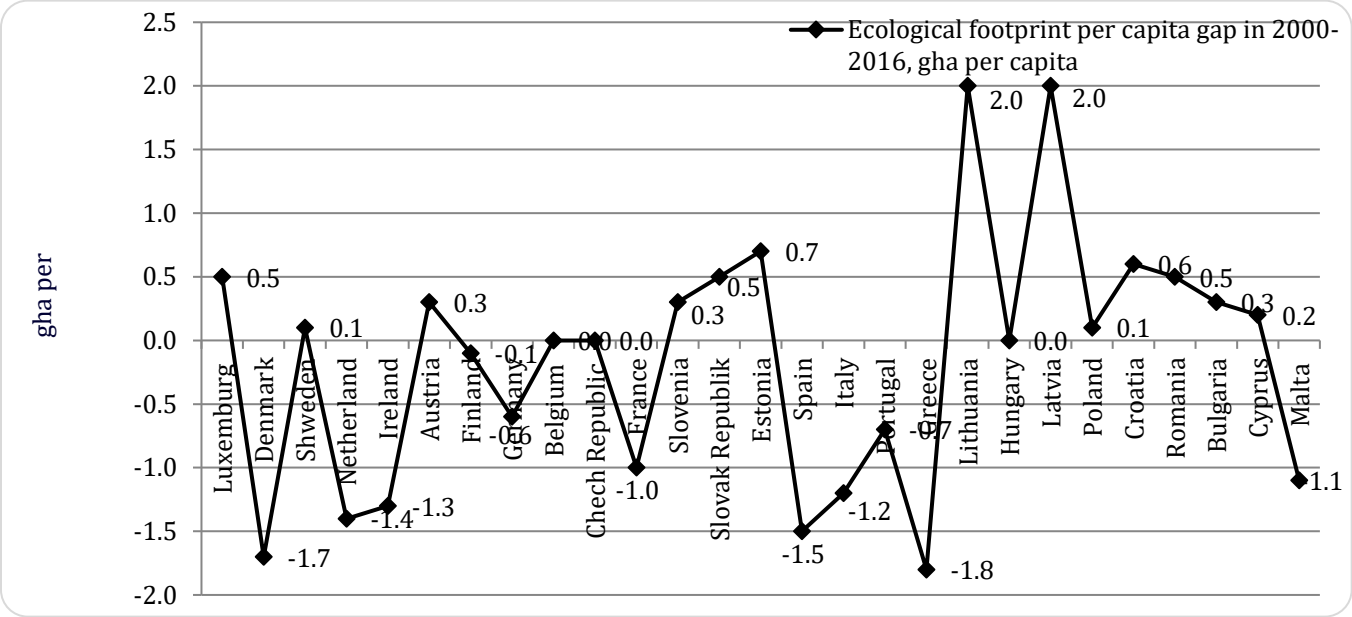

Figure 4. Dynamics of changes in the values of ecological footprint for EU member states in 2000-2016, gha per 1 person (Global Footprint Network)

CONCLUSIONS

The study was ideologically aimed at a critical understanding of the interdependence and opportunities for balancing polar-opposite priorities in the economic development of EU countries: sustainability and growth. On the one hand, the line of research was aimed at identifying traditional growth factors for the philosophy of sustainable development, the analysis of which proved to be dominant for the future progress of economic and environmental. On the other hand, the results of the study (expectedly) proved that the policy of world leadership in achieving the Sustainable Development Goals and the growth of environmental efficiency of economic systems in practice have become real mainly for more developed countries of the integration group. Less developed countries are still forced to implement catch-up development strategies not only through pan-European programmes and mechanisms but also due to available resource opportunities and an increase in the exports of goods, which amplifies the pressure on endogenous natural potential.

The results of the study, in particular, the built regression model, prove the possibility of the simultaneous positive impact of the participation of EU member states in the system of international trade relations and the achievement of sustainable development parameters on economic growth. The proven absence of contradictions opens new horizons in the reconstruction of the content of European trade policy, the main priorities of which are aimed at its general "greening", strengthening the role of exports of services, general reduction of import dependence, etc. Notably, despite the consideration of sustainable development priorities in the processes of institutionalisation of EU foreign trade policy as a way to achieve economic benefits and promote European standards in international trade, the mechanisms and

tools for implementing sustainability priorities remain ambiguous.

At the same time, the study left open the question of defining the framework for the development of EU import policy. The achieved level of dependence on the consumption of foreign goods and services has already crossed the line of positive or at least neutral impact on economic development; therefore, it is obvious that further growth in imports threatens to reduce the growth rate of the European economy. However, there is no alternative to imports both from the standpoint of openness of the European economy and liberalisation of international trade, which is advancing at all institutional levels of the globalised environment and given the need to compensate the national deficit for certain categories of goods and resources.

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