

NATIONAL ECONOMY MANAGEMENT

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CONCEPTUAL BASES FOR ENSURING FINANCIAL SECURITY OF THE STATE

The theoretical principles of ensuring financial security of the state are systematized. The author's definition of the provision of financial security at the macro level – as a process and as a set of resources necessary for the state to protect the national economy from internal and external threats – is proposed. The elements of the methodology for assessing the level of financial security of the state are determined. It is proved that the assessment of financial security should be conducted from two positions: in order to diagnose financial security as a condition of financial independence and financial resources, and in order to protect against threats and their negative impact on the implementation of public financial interests. It is necessary to use an integral indicator of financial security. Each intermediate indicator should have its fair weight in the integral indicator.

Keywords: financial security, financial security of the state, financial security ensuring, financial security system, resources.

Introduction. The trend towards globalization, which tirelessly modifies the economic picture of the world, leads to the emergence of a sustained financial dependence of some countries from others. States that continue to support energy-intensive and resource-intensive industries and do not reduce the volume of low-skilled labor in production, do not tend to innovation in restructuring of economic processes, are in the role of raw appendages for those countries that may not have their own resources in sufficient quantities, but have another their main advantage – the availability of powerful financial centers. Coordinators of the world's financial flows are managing the distribution of financial assets at the international level, and because of the investment support of the economies of the backward countries, they can initiate the beginning of their path to economic convergence with world leaders. At the same time, the lack of powerful capital centers will mean the degradation of economic systems, the breakdown of links between their elements and social collapse in the nearest future. Financial independence is a guarantee of realization of national financial interests, a pledge of sustainable economic development and strategic prospects.

In addition to the need for external financing, the negative characteristics of the current state of Ukraine's financial security are the size of the budget deficit, the trends of devaluation of the hryvnia against the US dollar, the dynamics of the hryvnia to the US dollar, low growth rates of gross domestic product, indicators of the proportion of non-working loans and assets of banks, professional participants in financial services markets and their clients, etc. In view of this, studies devoted to the problems of ensuring Ukraine's financial security in the long run, of stabilizing its state at the present time, become especially relevant.

Target setting. The purpose of the study is to generalize and systematize the fundamental principles of ensuring the country's financial security, taking into account the economic, political and social realities that are inherent to Ukraine today. To succeed in achieving this goal, it is necessary to perform a whole series of important research tasks, including: to offer an author's definition of ensuring financial security at the macro level; to identify the elements of the methodology for assessing the level of financial security of the state.

Analysis of recent research and publications. The study of the issues of ensuring the financial security of the state has a multidirectional orientation, as proved by numerous publications of modern scholars in the professional literature. In particular, financial security as a system with a number of important components, which also require separate scientific research, is considered by such scholars as

Petrenko L., Ishchenko V., paying attention to tax security in the system of providing financial security of the state¹², and Payentko T., Poplavska M. and Sydorenko P. emphasize the important role of security of the stock market to maintain a high level of financial security of the state³⁴. Some authors discuss the problems of state financial security at the level of financial market⁵⁶. Legal support of the process of maintaining financial security has been reflected in the work of such scholars as Radzivil K. and Dmytrenko E.⁷⁸. Scientists admit that there is currently no single approach to assessing the level of financial security of the state, and in this context, Dyachek S. determines the problems of assessing the level of financial security of the country and the ways to solve them⁹, and Lutsyk-Dubova T. offers a system of indicators for diagnosing the state of financial security of the country¹⁰. There is a small number of works considering the possibility of using foreign experience to solve the problem of stabilization of the state of financial security of Ukraine¹¹.

Consequently, the issues of achieving and maintaining an adequate level of financial security of the state level are actively discussed in the scientific sphere. But there is the need to systematize the existing principles of ensuring financial security and to supplement their existing gaps in order to form a relevant information basis for solving the problem of financial security management of the state and regulation of its level in the short and long term.

Research results and discussion. Given into account the dissimilarity of thoughts regarding the definition of financial security, it becomes necessary to specify the content of its concept. If it is an ambitious and ultimate goal to ask specialists to develop a strategy for ensuring Ukraine's financial security for a period of five years (without such a document adopted at the state level, financial development of the country in the current economic realities is not possible), then it should be clear and concrete understanding of the state financial security ensuring. So, Ukhna N. believes that "ensuring an effective system of financial security involves the clarification and systematization of phenomena, events, actions, offensive or implementation which, directly or indirectly, may pose a threat to a particular subject of financial security"¹². In this way, the author understands the provision of financial security as a process of monitoring the threatening factors for it without taking measures to counteract them or control their likely negative impact on the object of protection.

Bryhinets O. notes that "... the provision of financial security of the state is based on the functioning of a well-defined mechanism. The mechanism of financial security of the state is a system of organizational and legal measures of influence aimed at preventing and minimizing threats to the financial security

¹ Петренко, Л. М. (2012). Податкова безпека як складова фінансової безпеки держави. *Моделювання та інформаційні системи в економіці*, 86, 89-98.

² Іщенко, В. В. (2011). Податкова складова фінансової безпеки держави. *Наукові праці НДФІ*, 4, 149-156.

³ Паєнтко, Т. В., Поплавська, М.В. (2011) Безпека фондового ринку в контексті зміцнення фінансової безпеки держави. *Збірник наукових праць Національного університету державної податкової служби України*, 2, 215-221.

⁴ Сидоренко, П. О. (2014). Безпека фондового ринку в системі фінансової безпеки держави. *Інтелект XXI*, 2, 94-103.

⁵ Zachosova, N., Babina N., Zanora V. (2018). Research and methodological framework for managing the economic security of financial intermediaries in Ukraine. *Banks and Bank Systems*, 13/4, 119-130

⁶ Zachosova, N., Herasymenko O., Shevchenko A. (2018). Risks and Possibilities of the Effect of Financial Inclusion on Managing the Financial Security at the Macrolevel. *Investment Management and Financial Innovations*, 15/4, 304-319

⁷ Радзівіл, К. С. (2011). До питання правового забезпечення фінансової безпеки держави. *Юридичний вісник. Повітряне і космічне право*, 4, 49-52.

⁸ Дмитренко, Е. С. (2012). Загальнотеоретичні питання механізму правового забезпечення фінансової безпеки держави. *Бюлетень Міністерства юстиції України*, 3, 62-69.

⁹ Дячек, С. М., Легенчук, Ю. О. (2013). Оцінка рівня фінансової безпеки держави: проблеми та шляхи вирішення. *Вісник Житомирського державного технологічного університету. Сер. : Економічні науки*, 2, 219-226.

¹⁰ Луцик-Дубова, Т. О. (2013). Система індикаторів фінансової безпеки держави. *Наука й економіка*, 3, 22-28.

¹¹ Болдуєва, О. В., Богма, О. С. (2016). Міжнародні акти і закордонна практика забезпечення фінансової безпеки держави. *Вісник Приазовського державного технічного університету. Серія : Економічні науки*, 31 (1), 92-97.

¹² Ухналь, Н.М. (2014). Фінансова безпека України в контексті сучасних трансформаційних процесів. *Наукові праці НДФІ*, 2 (67), 126-138.

of the state"¹. According to this approach, the ensuring of financial security is systemic, and provides for a list of actions and management decisions that are taken at the time of the need to counteract the negative impact of the threat or to counteract its impact beginning.

The publication of Bogma O. we read: "The financial security of the state is ensured by the safety of lower-level socio-economic systems, namely, the national, regional, entrepreneurial or organizational and personal levels of financial security"². Such opinion is shared by Smokvina H., who notes that "in order to ensure an adequate level of security, it is necessary to assess the existing threats ... in order to ensure ... the financial security of the country is the fencing of its property and society from sources of external and internal security threats, prevention of causes and conditions that they are generated"³. Consequently, one can note the existence of a multilevel or structural approach to ensuring the country's financial security, according to which protection from threats must be carried out simultaneously at different levels of an integrated system of financial security of the state.

Providing financial security as the use of a set of certain tools is considered by Breus S. At the level of the business structure, the researcher refers to such a set of tools, as "financial analysis and financial management, financial planning and forecasting, budgeting, risk management"⁴. In view of this, we can assume that the author is a fan of a mixed approach to determine the ensuring of financial security of the state, according to which this concept is understood and as a set of certain tools for determining the likelihood of the impact of threats to the state of financial security and for counteracting them, and as a direct process of using such toolkit for achieving the level of financial security of the state.

According to the results of a scientific search, two separate approaches to defining the notion of ensuring financial security of the state can be offered. According to the first, resource approach, financial security is understood as a combination of resources – material, financial, labor, information, time, etc., which are in the possession of state authorities or which can be quickly obtained for the purpose of identifying threats to the financial security of the state, to eliminate them, to minimize them, to counteract their negative impact on the state of financial security or to compensate for the consequences of such influence to stabilize the state of financial security. According to the second, process approach, ensuring financial security is the process of identifying, avoiding, minimizing threats to financial security and eliminating their consequences for security condition by using risk management and public management tools, including monitoring, control and supervision at different levels of the system of financial security of the state and within all its subsystems. According to today's Methodological Recommendations on Calculating the Level of Economic Security of Ukraine (hereinafter – Methodology), the financial security of the state has six components that determine its state: banking security; security of the non-banking financial sector; debt security; fiscal security; currency security; monetary security⁵. The provision of financial security should be comprehensive and cover the work of public authorities in this direction in all of the listed financial security subsystems.

The complexity of the structure of Ukraine's financial security system raises difficulties in assessing the level of security that has been achieved when implementing measures to ensure it. Approved at the state level methodological approach to such an assessment over time (since its promulgation 6 years has passed) began to lose relevance. Its use from the very beginning was quite complicated even for specialists in the field of security science, since the proposed methodological guidelines provide for the calculation of a large number of indicators, some of which are stimulants, the others are disintegrators, causing confusion and difficulties in interpreting their endpoints. The sources of information for obtaining the primary data for the calculation of the proposed indicators specified in the Methodology do not exist, moved to other categories

¹ Бригінєць, О.О. (2016). Особливості формування механізму правового забезпечення фінансової безпеки України. *Вісник Національного університету "Львівська політехніка". Юридичні науки*, 837, 36-41.

² Богма, О.С. (2016). Структура та рівні фінансової безпеки країни. *Теоретичні і практичні аспекти економіки та інтелектуальної власності*, 1(13), 90-95.

³ Смоквіна, Г.А. (2014). Фінансова безпека як стратегічна складова економічної безпеки України. *Економіка: реалії часу. Науковий журнал*, 3 (13), 30-36.

⁴ Бреус, С.В., Москалець, М.В. (2016). Фінансова безпека як складова економічної безпеки підприємства. *European Journal of Economics and Management* <https://eujem.cz/wp-content/uploads/2018/eujem_2018_4_6/06.pdf> (2019, March, 13).

⁵ *Наказ про затвердження методичних рекомендацій щодо розрахунку рівня економічної безпеки України, 2013* (Міністерство економічного розвитку і торгівлі України). *Офіційний сайт Верховної Ради України* <<https://zakon.rada.gov.ua/rada/show/v1277731-13>> (2019, March, 13).

of information or lost relevance. Most of them are based on the statistics that are published on official information resources with a delay, and some of them are completely discontinued. In addition, the weighting factors that are used to determine the significance of the indicators of each component of financial security in its final indicator, as well as the intervals of values – minimum, critical, unsafe, unsatisfactory, satisfactory and optimal for each indicator (in general, it is advisable to reduce the number of intervals possible values up to five). It would also be advisable to determine at least approximately the same number of indicators for assessing the state of the financial security subsystem (now their number varies considerably) and to add indexes and rating assessments of international agencies relevant to aspects of Ukraine’s financial situation on the international scene (for example, Corruption Perceptions Index, Financial Inclusion Index, etc.).

The discrepancy between the traditional approach to assessing the state of economic and financial security of Ukraine to the needs of time is demonstrated by the fact that the state authorities diagnosed its level lastly in 2014, that is, immediately after the development of the Methodology. The absence of an analysis of subsequent years does not allow to verify the comparability of data, its comparison in order to determine the dynamics of state security level. In addition, in 2014, the economic and political situation in Ukraine has changed dramatically, and the emergence of new realities should be reflected in the state approach to determining the state of security of the country.

Matviychuk V. and Neshko R. correctly note that "the financial security of the state by the vertical level of government includes the assessment of individual indicators of financial security of the state, region, enterprise and citizen. At the horizontal level – includes a set of functional security subsystems, the current level of which is determined by a certain list of indicators with recommended limits"¹. Taking into account all the disadvantages of existing methodological recommendations for assessing the level of financial security of Ukraine as a component of its economic security, the need for their revision and modernization, it is advisable to propose an updated list of constituent elements of the methodology for assessing the financial security of the state (Table 1).

Table 1

Elements of the methodology for assessing the financial security of the state

Elements	Specification	Features of the implementation
Statement 1	The assessment should be conducted from two positions – in order to diagnose financial security as a condition of financial independence and financial resources, and in order of protection against threats and their negative impact on the implementation of public financial interests	The list of indicators should allow to determine the state of financial security on the basis of quantitative indicators that characterize the level of financial security of the state, at the same time, indicators should be involved indicating the presence or absence of financial threats to the public interest
Statement 2	Necessary multilevel assessment system not only for the components of financial security, but also for the micro, meso and macro levels within each functional component	In aggregate indicators of assessing the level of banking security; security of the non-banking financial sector; debt, budgetary, currency, monetary security, it is necessary to distinguish indicators for diagnosing the status of the main participants of these systems, the financial results of which have an impact on the level of safety of the subsystem under investigation
Statement 3	The information base for calculating quantitative indicators should be information from generally available data sources	The main source of data should be the sites of the State Statistics Service, ministries and departments, national regulators of the financial market, rating agencies, financial institutions, etc.

¹ Матвійчук, В.І., Нешко, Р.М. (2017). Фінансова безпека регіону як складовий елемент фінансової безпеки держави. *Фінанси, облік, банки*, 1 (22), 125-134.

Continuation of table 1

Elements	Specification	Features of the implementation
Statement 4	A precise periodicity of the assessment of financial security state should be established	It is expedient to conduct an assessment once a year in the second quarter when most of the required reporting data has already been published for the general public and experts can give an opinion on the results of the activities of the state financial security system participants of the previous year
Statement 5	The number of metrics to evaluate the state of each subsystem must be approximately the same	It is rational to distinguish no more than 10 key indicators for assessing the state of each subsystem of financial security. It is also proposed to develop a method of express-evaluation of the level of financial security, which will contain no more than 30 main indicators
Statement 6	The number of intervals of values for the transformation of quantitative results into a qualitative assessment should be no more than five to avoid confusion and to simplify the understanding of the obtained value of the indicator	It is suggested to select such intervals of values as: critical, minimal, satisfactory, sufficient and high (optimal). If all indicators receive the highest rating, the state of financial security is characterized as maximum
Statement 7	Intervals of critical, sufficient, optimal and other possible qualitative estimates of indicators should be established on the basis of existing norms, expert opinions and practices of other countries of the world	It is proposed to distinguish three intervals of values: normal, unsatisfactory, high. After calculating the value of the indicator, comparing it with the recommended value, it is proposed to apply a scoring methodology with a highest score for high value of the indicator, the lowest score for unsatisfactory value of the indicator, average score for normal value of the indicator
Statement 8	As an additional set of indicators for the methodology for assessing financial security it is necessary to integrate Ukraine's position in international ratings that diagnose the financial aspects of the situation in the country	It is proposed to use such ratings and indices as current credit ratings of Ukraine Fitch Ratings, Standard & Poor's (S&P), Moody's Investors Service (Moody's), annual quality rating of the interaction of sovereign issuers with international portfolio investors, Index Financial Stress, Corruption Perception Index, and others
Statement 9	In case of impossibility to set the recommended value for the estimation of the indicator, to interpret the result it is necessary to use the dynamics of its value or compare it with the analogue value in other countries	It is proposed to determine whether the value of the indicator for the year has improved or deteriorated, compare it with a similar indicator in a country with similar financial characteristics, and then to make a conclusion on the assessment of the analyzed indicator
Statement 10	It is necessary to use an integral indicator of financial security. Each intermediate indicator should have its fair weight in the integral indicator	The weights of each intermediate indicator in the final will be determined with the involvement of experts and by processing the results of their survey using the mathematical apparatus. Integral indicator should be defined as the sum of values of intermediate indicators corrected for weighting factors

Made by authors

The formation of methodological grounds for assessing its current level of financial security of the state should be the first task on the way of the conceptual bases for ensuring financial security of the state development.

Conclusions. The study of the conceptual framework for ensuring financial security of the state made it possible to make the following important conclusions.

Ensuring financial security at the macro level, in accordance with the resource approach, is a set of resources – material, financial, labor, information, time, etc., which are available for state authorities or which can be quickly obtained for the purpose of identifying threats to financial security of the state, to eliminate them, to minimize them, to counteract their negative impact on the state of financial security or to compensate for the consequences of such influence to stabilize the state of financial security. Accordingly the process approach, ensuring financial security is the process of identifying, avoiding, minimizing threats to financial security and eliminating their consequences for its condition by using risk management and public management tools, including monitoring, control and supervision at various levels of the state's financial security system and within all its subsystems.

The constituent elements of the methodology for assessing the financial security of the state should include ten statements that should be consistent with a modern approach to the diagnosis of financial security. In particular, approaches to assessing the security state, the level of such assessment, the basic provisions on evaluation indicators, intervals of their values, frequency of evaluation, data sources and integral index of financial security level are defined.

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