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Economic Security in The State National Security System

1. Introduction

Safety matters are of particular importance for supporting the stable development of states and societies. It is no coincidence that interest in the problem in the scientific community has not faded over the centuries. The beginnings of conceptual security perception date back to the works of ancient philosophers and thinkers, who considered it as a state that determines the absence of danger in the environment.

The concept of the national security of Ukraine is based on the norms of the Constitution of Ukraine and defines the basic principles of state policy aimed to protect national interests and to ensure the security of the individual, society, state from internal and external threats. Constitutional norms are applied to various types of security, among which economic security is important, as it is closely linked to the stable and dynamic development of the national economy, its efficiency and competitiveness in domestic and global markets. Therefore, a necessary prerequisite for sufficient sustainable development of the state is ensuring of the appropriate level of its economic security.

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Economic security as a state of vital interests' protection of all inhabitants of the country, society as a whole and the state in the economic sphere from internal and external threats is one of the main components of the national security system. Guarantees of economic security are a necessary condition for ensuring of the national economy stable development.

2. Analysis of recent researches and publications

The problem of functioning and development of the state economic security system under the conditions of transition of the country to sustainable social and economic development has been investigated insufficiently. In the scientific literature, matters of economic security are explored in the works of V.T. Bilous, O.G. Danilian, B.F. Zablotskyi, G.F. Kostenko, V.A. Lipkan, O.V. Miroshnychenko, N.R. Nyzhnyk, Yu.V. Sachkov, H.P Sytnyk, S.P. Stetsenko Yu.V. Tiuleneva, O.I. Shaidorov and others.

However, today some issues of economic security formation remain unresolved and need further research.

3. Presentation of the main research material

An integral part of the national security is the state economic security. It plays a crucial role in achieving the economic sovereignty of the state, ensuring of the economic development, realization of effective social policies, protecting of society from environmental disasters, increasing of national competitiveness in terms of international economic interdependence. The creation of an effective system of the state economic security makes it possible to identify threats to national economic interests in a timely manner and to prevent damage to the socio-economic system as a whole. Improving of the economic security system is especially important for countries that slouch through the transformational crisis and exacerbation of its inherent contradictions.

For the current state of Ukraine's economy as an independent state, its establishment as a subject of the world community the matters of

sustainable socio-economic development, the formation of a mechanism to combat internal and external threats, improvement of living standards and international economic interdependence are especially important. The combination of these problems and the algorithm for solving them are closely related to the category of "security", which with translation from Greek means "to handle the situation". The change of internal and external factors of development of the national economy actualizes the research of the issues of the state economic security provision².

According to S.P. Stetsenko, ensuring of economic security is a part of the main functions of the state and depends on the existing internal and external conditions. Economic security is expressed in the protection of national interests of the state, in the readiness and ability of government institutions to create mechanisms to protect national interests of economic development, ensure the ability of the national economy to maintain and renew the process of social reproduction, sufficient defense potential in crisis situations of support, and also socio-political stability of the society. Economic security of the state is not only one of the most important components of the whole system of the national security as a complex of protection of national interests, but also a basic, crucial condition for observance and realization of national interests, so scientific researches in this area are relevant and timely during searching of state economic policy priority³.

To clarify the essence of economic security as one of the components of national security of Ukraine at the present stage, we turn to the basic definitions of "national security" and "economic security".

Shaidorov O.I determines that national security is the protection of vital interests of citizens, society and the state, as well as national values and lifestyles from a wide range of external and internal threats, different in nature (political, military, economic, informational, and environmental and others). In turn, the national interests of the region that act as an objective factor due to the whole set of its vital needs. Their content, unique in each country, determines what the policy of the state

² Skoruk O.V. (2016) Economic security of the state: day-to-day, warehouses, items and problems and security.

³ Stetsenko S.P. (2013) Economic security: essence and structure. Investments: practice and experience.

should be, so that its integrity and well-being are reliably ensured and protected, its citizens live in a world-renowned state, and the governing body and foreign politicians fulfill their vocation to represent and defend their interests at all corners of the planet⁴.

The National security has become an important attribute of foreign, domestic and military policy in the modern world, including Ukraine. A special place in the system of acts to ensure economic security program constituent documents have – strategies, concepts, doctrines, which constitute a system of officially accepted views in the state, as they are constituent. These documents include: Strategy for Sustainable Development “Ukraine – 2020” (Basic Provisions)⁵; National Security Strategy of Ukraine⁶; the concept of fight against terrorism⁷; Military doctrine of Ukraine and a number of others. The basic law in the field of national security is the Law of Ukraine “On National Security of Ukraine” of June 21, 2018. The law defines the basics and principles of national security and defense, as well as the principles of state policy in this area.

According to the Law of Ukraine “On National Security of Ukraine”, the national security of Ukraine is the protection of state sovereignty, territorial integrity, democratic constitutional order and other national interests of Ukraine from real and potential threats⁸.

The National security of Ukraine is divided into state, political, social, economic, informational, environmental, scientific and technological, military, etc according to the spheres of functioning. The priority of national interests in the field of economic security is to create a competitive, socially oriented market economy in Ukraine and to ensure permanent increasing living standards and welfare of the population.

⁴ Shaidorov O.I. (2011) Economic security in the national security system.

⁵ On the Strategy of Sustainable Development “Ukraine-2020” Decree of the President of Ukraine; the Strategy from 12.01.2015 № 5/2015.

⁶ About the solution For the sake of the national security and defense of Ukraine from the 14th spring 2020 to the rock “About the strategy of the national security of Ukraine”.

⁷ On the Concept of Fight Against Terrorism in Ukraine; Decree of the President of Ukraine.

⁸ On the national security of Ukraine. The Law of Ukraine of June 19, 2003 № 2469-VIII.

According to O.V. Miroshnychenko, economic security is one of the defining components of the national security system⁹. It is known thanks to many years of experience that only a reliable and effective system of economic security is a necessary condition for stable and sustainable socio-economic development of the state and protection of its independence.

As a result of analysis of economic security definitions given by various authors, we can conclude that economic security is a state of reliable protection of vital interests and fundamental foundations of the individual, society and state, as well as the world community from internal and external threats. The ability to determine the nature and forms of production or other activities for the expanded reproduction of goods and services independently in volumes that ensure socially oriented economic development.

According to the proposed definition, the objects of economic security are the individual, society and social institutions, the state, other economic systems, and the subjects – the structures of the national economic system that organize the protection of economic security (ministries, departments, banks, funds, manufacturers, etc.). Then the subject is a system of indicators to assess the level of security, and a set of factors that threaten the stability and development of economic security.

Threats are understood by most researchers as direct or indirect possibilities of harming the economic interests of an individual, society or the state. As a rule, the whole set of adverse factors is divided into a group of external and internal threats. Internal threats most often arise as a result of disruption of the mechanisms of sustainable development of economic systems and are caused by social, political, industrial and financial factors. External threats are caused by the pressure on the economic sovereignty and protection of economic interests of the country, the integrity of the economic system of the state and strengthening its potential, the stability of the national economy¹⁰.

⁹ Miroshnychenko O.V. (2007) Defining functions of the national economic security system.

¹⁰ Oleinykova E.A. (2004) Economic and national security: textbook.

Thus, the purpose of the economic security system is to ensure reliable protection of vital interests and fundamental foundations of the individual, society and state from internal and external threats, when they have the opportunity to determine the nature and forms of production or other activities volumes independently that ensure socially oriented development of the country's economy.

To achieve this goal it is necessary to provide:

- Economic independence of the country is the ability to exert state control over national resources, the ability to use national competitive advantages for equal participation in international trade;
- Stability of the national economy is the strength and reliability of all elements of the economic system, protection of all forms of ownership, the creation of guarantees for entrepreneurial activity, inhibition of destabilizing factors;
- The ability of the national economy to self-development and progress is the ability to self-development and progress, the ability to implement and protect national economic interests independently, to carry out constant modernization of production, effective investment and innovation policy, to develop intellectual and labor potential of the country.

The most important indicators of economic performance, of economic policy effectiveness are the so-called indicators of economic security. In this case, it should be assumed that the economy, as the most complex system, has thousands of indicators that characterize its state, which are used at the macro and meso levels for evaluation and forecasting threats to economic security. However, representatives of economics have considered it would make sense to use a number of indicators that reflect the most important areas of economic security in the real and financial sectors of the economy, in the social sphere. These include, in particular:

- Gross domestic product (GDP);
- Share of fixed capital investment in GDP;
- Share of defense expenditures in GDP;
- Share of expenditures on social sciences in GDP;
- Share of innovative products in total industrial output, etc.

Deviations from the threshold values of these indicators, which are their limited, absolute or relative values and indicate the danger of escalation of individual threats into a systemic crisis, destabilization of the economy and political life of society.

When making decisions on economic security the following national economic interests must be taken into account:

- The ability of the national economy to function in the mode of expanded reproduction;
- Acceptable standard of population's living and the ability to improve its welfare;
- Efficient use of natural resources and labor resources;
- Stability of the financial and banking system;
- Rational structure of foreign trade, access of domestic goods of the manufacturing industry to the foreign market, the maximum allowable level of domestic needs satisfaction at the expense of import;
- Independence of the country in strategically important areas of scientific and technological progress;
- Creation of a single economic space;
- Creation of economic and legal conditions that exclude the growth of the shadow sector of the economy and the criminalization of society;
- A reasonable degree of state regulation that meets the criteria of efficiency and social orientation of economic development;
- Upgrade of the country's international economic rating;
- Maintenance of the country's sufficient defense potential.

Ensuring of economic security is achieved as a result of the development and implementation of a set of measures aimed to neutralize threats to economic security. The functioning of a comprehensive system of national economic security is based on the principles of legality, economic feasibility, a combination of preventive and reactive measures, continuity, differentiation, coordination and control [10]. Therefore, ensuring of the national economic security should be based on a strategy that includes:

- Determination of national interests in the field of economy;
- Description of the most probable external and internal threats to the economic security of the country;

- Identification and monitoring of factors influencing the sustainability of the national socio-economic system in the short and medium term;
- Formation of economic policy, institutional transformations and necessary mechanisms to mitigate the impact of factors that destabilize the national economy;
- Goals and objectives of the economic security of the country;
- Determination of criteria and parameters of the economy performance that meet the requirements of economic security and ensure the protection of important interests of the country;
- The mechanism of functioning of the national economic security system on the basis of application by all governmental institutes, legal, economic and administrative measures of influence.

Thus, it is proposed to consider the ensuring of the national economic security of Ukraine as the purposeful activities of state and public institutions, as well as citizens dealing with identification and prevention of threats to economic security of the individual, society and state and counteraction to these threats as a mandatory and indispensable condition for national economic interests. At the same time, it is an indisputable fact that national security is inextricably intertwined with the activities of the state. After all, only it can, relying on its apparatus, public authorities, whose activities are clearly defined and limited by current legislation, to ensure the peace of citizens, to create favorable conditions for their lives and activities. At the same time, no other social forces can fulfill the task of security ensuring. This task has overarching challenges.

4. Conclusions

Economic security, as an economic category, is a defining component of Ukraine's national security and has rather complex internal structure, which is confirmed by the multi-vector views on its definition by scientific economists.

Ensuring of the economic security is impossible on the basis of temporary, periodic, short-term measures. Taking into account the current situation in the Ukrainian economy, the problem of economic security as

never before requires the development and implementation of a strategy for economic security of Ukraine's economy in the short and long term and in need of further research. It is necessary to develop a mechanism for implementing the strategy of economic security of the state, which means a system of organizational, economic and legal measures aimed to prevent threats to the country's economy, and which includes such elements as monitoring of economic indicators, determining of the threshold socio-economic indicators, actions of the state institutions for identification of internal and external threats to the economic system of the country, the formation of a reasonable amount of inventories for both production and non-production purposes to compensate the consumption problems in case of extreme conditions for the economy.

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Summary

The article is devoted to the study of the place, role and regulatory framework of economic security, identifying it as a key component in the national security system of Ukraine. The theoretical and methodological approaches to defining the categories of "economic security" and "national security" have been examined in this article. Objects and subjects of economic security of the state have been defined; the basic threats to economic security have been allocated. The purposes of the economic security system and the measures that must be provided to achieve it have been formed.

It has been noted that the national security today is an important attribute of foreign, domestic and military policy of the state. A special place in the system of acts dealing with the ensuring of economic security the program constituent documents have, namely: strategies, concepts, doctrines that constitute a system of officially accepted views in the state, as they are constituent. Indicators of economic security have been identified, which are the most important indicators of the business situation in the economy and the effectiveness of the economic policy of the state. The national economic interests which are necessary to be considered at decision-making on maintenance of economic safety have been listed.

Ensuring of the economic security is achieved through the development and implementation of a set of measures aimed to neutralize threats to economic security. The article outlines the main directions of the state policy in the field of economic security of the country.

It has been concluded that the problem that had developed in the economy of Ukraine requires the development and implementation of economic security strategies for the short and long term, is actual as never before, and needs further researches.

Keywords: economic security, national security, national economy, internal and external threats, strategy, national economic interests