

ECONOMIC SECURITY: THE ESSENCE AND CONDITIONS FOR FORMATION

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ABSTRACT

The article is devoted to the analysis of the essence and content of the concept of “economic security, in addition, in the process of research, particular attention is paid to the conditions and factors of its formation. In the process of research it was established that for today there is no unified opinion and a generalized approach to the interpretation of the studied definition, its constituent elements, neither in the scientific and methodological literature nor in the regulatory and steam base.

Keywords: economic security, state, finance, threats, factors, governance, mechanism, economy, world order, globaliza- tion, scientific and technological progress, productive forces, production, enterprise.

INTRODUCTION

Economic security is the core of the formation of motivational processes and sustainable development of enterprises. The importance of economic security consists of business entity profit motivation and increase of the income amount (revenue) from the product sale (goods, work, services), the need to overcome existing risks - devastation of economic activity has to be taken into consideration as well. Each focused measure of economic security of an enterprise, having, of course, important focus and, at the same time, acting as a component of the three-dimensional measure of economic security of an enterprise, on the one hand, gives only a partial (corresponding to its name) idea of such a measure. On the other hand, such an idea of the focused measure of economic security of an enterprise, due to the gradual change of the focuses, somewhat simplifies its understanding, without violating the integrity of the idea of focused economic security of an enterprise . Thus, the analysis of approaches to establishing the degree of economic security of an enterprise showed that their nature and pattern of use are contradicting. The existence of a dilemma is dictated by the dependence of measuring the economic security of an enterprise based on the process or result. It is proposed to solve the partial elimination of the dilemma by introducing a measure of economic security of an enterprise, the understanding of which is reduced to a process-effective combination of quantitative and qualitative assessment characteristics of economic security of an enterprise. Attempts to distinguish the features of the process and the results of the measure of economic security of an enterprise through existing and / or the formation of new indexes or indicators of such features can be studied in the future; development of tools for identifying quantitative and qualitative characteristics of the assessment of partial and aggregate measures of economic security of an enterprise, etc.

Against this background, the turbulence of world economic development and the development of any single country as a whole has increased significantly, and one of the reasons for this is the process of changing technological systems, which is accompanied not only by technological but also political, social, institutional and other transformations. These changes create new

challenges, threats and risks to economic security and national economies, as well as significantly affect the intensity and forms of manifestation of existing ones. As a result, the situation with ensuring the economic security of national economies is undergoing serious changes. The development of crisis processes in the world economy, the sharp increase in conflict in international economic relations, hostile actions of external actors to harm the interests of national businesses naturally lead to increased interest in theoretical and applied research related to economic security. At the same time, studying and solving the problem of ensuring the economic security of the national economy is also a necessary condition for bringing the country out of the crisis period and protecting its economy in the future.

LITERATURE REVIEW

The very essence of the existence of enterprises involves conducting of independent economic activities that are supposed to meet social needs in goods, work and services, make profit and imply its security . A number of scientists Tumin V. M., Koryakov A. G., & Nikiforova, E. P. Kozitsyn A.A., Dudinskaya M.V., who have studied economic security, claim that economic security of an enterprise is its stable and most efficient operation at present and high potential for successful development in the future. Determination of the level of economic security of an enterprise allows to assess the real possibilities of confronting between internal and external challenges and to determine potential for further sustainable development. Cherep A., Babmindra D., Khudoliei L., Kusakova Y. applied an integral method, regression analysis and expert evaluation method in their research on the level of economic security of mechanical engineering .

We agree to the scientific approach to economic security based on a multifactor model and complex assessment. Kozitsyn A.A., Dudinskaya M.V. have studied the state, level and growth of economic security under the influence of external factors. The authors emphasize the need to analyze the functional components of economic security: financial, technological, intellectual, human, political, legal and environmental. L. Liubokhynets, Ye. Rudnichenko, I. Dzhereliuk, O. Illiashenko, V. Kryvdyk, N. Havlovska have studied the process of minimizing the negative impact of destabilizing factors on economic security, that leads to the necessity of applying different approaches and methods that will allow companies to resist successfully and develop stably. An effective tool to minimize this negative impact is the adoption of a flexible management methodology for the organization in general and economic security in particular. The core of economic security is to motivate the comprehensive development of market relations, predetermination of an effective environment. The economization of development and its integration have become one of the main patterns of the modern historical stage, under the influence of which a new global economy is formed. We believe that motivation induces a company to optimize resources and achieve financial results, reflects all the possibilities of overcoming threats and compliance with interests. Scientists Desai S., Mohanty AK, Mota A., Braga V., Ratten V. , Katekhaye D., Meyer N., Magda R. emphasize the need for motivation as a factor of sustainable development of enterprises. Authors Pravdiuk N., Pokynchereda V., Pravdiuk M., Hong E., Lee IHI, Makino S., connect economic security and sustainable development of enterprises with staff motivation first of all.

MATERIALS AND METHODS

The current stage of economic development shows that the problem of economic security of national economies is becoming vital for the further development of countries and increasing the welfare of the population. Understanding of this has intensified with the growing crisis in the world economy, limiting opportunities to use external factors to transfer the economy to a new technological and organizational level of development. In addition, the contradictions between national economies and international conditions of their reproduction in the context of globalization are exacerbated, which requires revision of tools and mechanisms of economic security management, which can be done only on the basis of research and rethinking economic security of the national economy. traits and threats in which states operate today.

RESULTS

- Asian approach, developed by representatives of major Asian economies and leans mainly towards the civitacentric paradigm. The approach focuses mainly on protecting the economy from adverse external influences. Economic security of the national economy within the state is understood as security of supply or economic sovereignty (Tseykovets, 2019). Despite the fact that the issues of economic security of the national economy have a long history of study, a single approach to understanding the essence of this term has not yet been developed. This can be partly explained by the peculiarities of economic security of the national economy:

1. Independence, which means the ability to control national resources, achieve a level of production, efficiency and quality of products that ensure its competitiveness, allow equal participation in international trade and cooperation and exchange of scientific and technological achievements;
2. Stability of the national economy, which provides for the protection of property in all its forms, guarantees for active business, containment of destabilizing factors.
3. Ability to self-development, ie the ability of the national economy to survive, resist and adapt to internal and external threats and development.
4. Probabilistic nature, ie unforeseen factors play a significant role in the functioning and development of this system and in the subsystems that make it up. Therefore, based on information about the past and actual state of the system, it is impossible to accurately predict its development in the planning period.
5. Purposefulness, ie determination of national (state) interests, goals of the economic system, which should be closely related to the national idea and the system of state priorities.
6. Contradictions that involve the clash of national goals and interests, necessary concessions between sustainability and the ability to selfdevelopment and progress.
7. Controllability, which means the ability of the economic security system to respond in a timely and adequate manner to changes in operating conditions (Mishina, 2011). Investigating the growing impact of globalization on the development of the national economy, V. Larionov proposes to take into account and study certain aspects of its economic security, which include:
 1. Management of property relations based on monitoring of international and national capital markets.

2. Full-fledged organic participation of national enterprises in the transnational world economy, without which it is impossible to get involved in the process of forming a system of social production.
3. Inclusion of the national economy in the international system of monetary, financial and credit relations on the basis of modern information technology, which has now become the main driving force of the world economy.
4. Inclusion in world markets of goods and services that form the strategic basis of the system of global social reproduction. Ultimately, it depends on the competitiveness of national firms and the economy as a whole, which in globalization is determined by four main factors: production capacity, access to large, integrated and rich markets, economic efficiency, ability of state institutions to create competitive advantages for national producers.
5. The use of new information and communication technologies that form a global cyberspace, the effective use of which is a prerequisite for ensuring the competitiveness and security of the country.
6. Carrying out a balanced migration policy aimed at overcoming labor shortages and strengthening the economy.
7. Solving environmental problems associated with the man-made effects of the world economy on the environment (Larionov, 2008).

As a result, today there are many different views on the essence of economic security, among which the main ones are the following: - economic security as a state of the economy, its stability and stability; - economic security as a prerequisite and guarantor of independence and autonomy of the state; - economic security as a state of the economy that provides resilience to external and internal threats; - economic security as ensuring the social needs of all members of society; - economic security as a mechanism or model of state regulation; - Economic security is associated with the country's place in the world economy (Martyn, 2016). L. Abalkin defines the economic security of the national economy as a state of the economic system that allows it to develop dynamically, efficiently, solve social problems and when the state has the opportunity to develop and implement independent economic policy (Abalkin, 1994, p. 7). According to Yermoshenko, this is the state of the country's economic mechanism, which is characterized by balance and resistance to the negative effects of internal and external threats, its ability to ensure stable and effective development of domestic economy and social sphere based on national interests (Ermoshenko, 1999). According to A. Ilarionov, economic security of the national economy is a combination of economic, political and legal conditions, which ensures in the long run the production of the maximum amount of economic resources per capita in the most efficient way (Illarionov, 1998).

CONCLUSIONS

Despite the long history of studying the concept of "economic security of the national economy" has not yet formed a unified approach to describing the essence of this concept. The publications we have analyzed present a significant number of definitions of this term, but most of them have methodological shortcomings that prevent the constructive use of these terms. We propose to consider the economic security of the national economy as a state of the national economy that allows it to effectively combat all external and internal threats,

maintain the required level of its functioning and competitiveness, ensure sustainable and self-sufficient development. It is necessary to emphasize the complexity and structure of economic security of the national economy, on which there is also no consensus among scholars. At the same time, in order to identify and develop high-quality and effective tools for its management, there is a real need for further research on this issue.

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