

OCENA ROLI KOMPONENTU BUDŻETOWEGO W BEZPIECZEŃSTWIE FINANSOWYM

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Streszczenie: Rozważane jest przedstawienie opinii i oświadczeń o bezpieczeństwie finansowym we współczesnej gospodarce narodowej i światowej. Ustalono, że termin «bezpieczeństwo finansowe» został użyty stosunkowo niedawno, a jego rozwój jest uwarunkowany zagrożeniami w systemie finansowym Ukrainy. Przeprowadzono analizę formułowania bezpieczeństwa finansowego pod kątem zapewnienia równowagi, podejścia funkcjonalnego pod względem zasobów, stabilności systemu finansowego, ochrony interesów finansowych, elementu bezpieczeństwa ekonomicznego w kontekście regulacji prawnych i prawnych. Opracowano matrycę podejść do definicji składników zabezpieczenia finansowego na podstawie oświadczeń naukowców dotyczących określania składników zabezpieczenia finansowego. Udowodniono częste kryzysy i niepewności, które wpływają na zmiany w społeczeństwie. Uzasadniona jest konieczność zarządzania zmianą jako narzędziem rozwoju gospodarczego i wzrostu sektorów wytwórczych i nieprodukcyjnych wraz z rozgałęzieniem i dostosowaniem metodologicznym do każdej gałęzi, która wymaga uzasadnienia. ustalono, że ze względu na swój charakter i treść bezpieczeństwo finansowe jest złożonym, wielopoziomowym, dynamicznym procesem składającym się z wielu podsystemów, z których każdy ma własną strukturę i logikę rozwoju. Badanie przewagi komponentu budżetowego w strukturze i poziomie bezpieczeństwa finansowego Ukrainy, które mówi o znaczeniu polityki budżetowej w systemie zapewniania bezpieczeństwa finansowego państwa, i stwierdziło, że najważniejszym elementem polityki budżetowej kraju w nowoczesnych warunkach powinno być bezpieczeństwo finansowe.

Słowa kluczowe: bezpieczeństwo, bezpieczeństwo ekonomiczne, bezpieczeństwo finansowe, komponent budżetowy, polityka budżetowa.

ASSESSMENT OF THE ROLE OF THE BUDGET COMPONENT IN FINANCIAL SECURITY

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Abstract: The presentation of opinions and statements of financial security in the modern national and world economy is considered. It has been established that the term «financial security» has been used relatively recently and its development is conditioned by threats in the financial system of Ukraine. The analysis of the formulation

of financial security from the point of view of ensuring equilibrium, resource-functional approach, stability of the financial system, protection of financial interests, a component of economic security in the context of regulatory and legal regulation has been carried out. A matrix of approaches to the definition of financial security components has been developed based on the scientists' statements regarding the determination of financial security components. Frequent crises and uncertainties that influence changes in society have been proven. The necessity of managing change as a tool for economic development and growth of the manufacturing and non-productive sectors with the branching and methodological adaptation to each branch that needs to be substantiated is substantiated. It is determined that, by their very nature and content, financial security is a complex multilevel dynamic process consisting of a number of subsystems, each of which has its own structure and logic for development. The study of the prevalence of the budget component in the structure and level of financial security of Ukraine, which speaks about the importance of budget policy in the system of ensuring the financial security of the state, and stated that the most important element of the budget policy of the country in modern conditions, should be financial security.

Keywords: security, economic security, financial security, budget component, budget policy.

Changing the nature of contemporary threats in the context of globalization, choosing the main strategic goal of the world community - the transition to sustainable economic development - require new approaches to interpreting the concept itself and developing effective mechanisms for ensuring the financial security of states. In today's national and world economy there is a diverse presentation of opinions and formulations of financial security. There are judgments based on years of research and specific directions, and sometimes you may find incorrectly formulated or inaccurately defined concepts. Over the last few decades, there have been a number of evolutionary processes that have, to some extent, gradually led to a change in views and knowledge that has accumulated over the long term.

The concept of «security» is widespread throughout the world at the end of XX century. Security means, above all, the physical survival of the state, the protection and preservation of its sovereignty, territorial integrity, the ability to respond adequately to any real and potential external threats (Nashinets - Naumova 2017, 34-39). Economic security is a complex multi-vector category that defines the overall purpose, strategic priorities and criteria for assessing the state of ensuring sustainable economic development of the country. It is a kind of national security framework that ensures the stability of any state. Without guaranteeing economic security, it becomes impossible for the state to solve the problems in the field of protection of basic national interests (Vlasyuk 2014, 8). It should be noted that economic security, as one of the integral types of security itself as a whole, has components with its specific subsystems, in the structure of which financial security occupies an important place. It is noteworthy that "economic security as a systemic concept has a complex internal structure, including the following elements: budgetary, debt, foreign economic, monetary, financial, credit, tax, structural, industrial, economic, investment, defense, economic, food, energy and fuel safety, etc (Research papers and analytical materials prepared during the 8th session of the Verkhovna Rada of Ukraine 1998, 16). This is due to the fact that all types of economic security cannot be sufficiently implemented without financial security, since,

within each of these elements of the system can be separated subsystems, from the point of our study, financial security will be considered as an economic security subsystem, which includes budget security, which is implemented through the state's budgetary policy and through which the secure state of existence of the financial sector is achieved.

The concept of financial security is so broad and multilevel that it is an extensive system of relationships with certain objects that logically evolve, form subsystems with their own structure and ability to survive and develop in the face of internal and external threats, as well as the action of unpredictable and difficult to predict factors. In Ukraine, the concept of «financial security» has been used relatively recently and its development is predetermined by threats in the financial system of Ukraine, so it is important to comprehensively understand its essence and understanding. The scientist Varnaliy VS, noted that the financial security of the state is a multifaceted phenomenon, its state is changing dynamically, therefore it is necessary to carry out careful monitoring of the financial system, as well as to study the problems arising under the influence of reforming the national economy, regionalization and globalization of the world economy, internationalization financial flows and more (Varnalii 2009, 123).

We believe that in the study of financial security in modern conditions it is necessary to determine methodological approaches to its study. Because financial security has a certain structure that makes it possible to identify aspects of it that can be grouped by interconnections and distinctive features. It should be noted that there are a sufficient number of publications in which financial security is examined for equilibrium and is determined by the particular state of the system or sector in which a particular resource is used to achieve a positive outcome in the financial sector. From these perspectives, definitions are considered through a favorable environment, considering the interests of all members of society. In this regard, it is worthy of interest to believe that financial security is the protection of the state in the financial sphere, or such a state of the budget, tax and monetary systems that guarantees the state's ability to effectively form, preserve from excessive depreciation and rational use of the country's financial resources to secure it. socio-economic development and maintenance of financial liabilities (Sukhorukov 2004, 12). In these definitions, financial security is associated with financial, credit, monetary, banking, currency, and so on, which extends its scope. However, this identification is, in our view, debatable and beyond the scope of our study. Thus, most authors consider the equilibrium of financial, currency, banking, tax, budgetary, monetary and credit systems from the standpoint of determining financial security as a certain state. However, it should be noted that the impact of situations on the same systems, which can take place in the socio-economic development of society and prove the dynamic nature of security. Therefore, we consider it appropriate to analyze other approaches to defining this concept. The formulation of financial security from the point of view of the resource-functional approach is quite common, where it is considered as protection of the financial interests of all participants of extended reproduction. Emphasis is placed on Blank I.O., who proves that it is a quantitatively and qualitatively determined level of financial condition that provides stable protection of priority balanced financial interests against identified real and potential threats of external and internal nature, the parameters of which are determined on the basis of financial philosophy create the necessary prerequisites for financial support for sustainable development in the current and future periods (Blank

2009, 571). It should be emphasized that the relations with the organization of financial security are complex measures of activity of interdependent institutions or institutions, which structure the measures for strengthening of effective influence on the development of the country and introduction in the national management of balance of interests of all participants of financial relations, which as a result contributes to the achievement of the objectives of ensuring the financial security under certain historical conditions. We consider the opinions of the authors above to consider financial security as a sufficiency of financial resources for participants in all sectors of the country's economy involved in the expanded reproduction process. From the point of view of achieving stability in the financial system, financial security is not often considered as it is a matter of research into risk management and protection of national interests against external and internal financial threats to ensure sustainable development in the current and strategic perspective. (Arkhireys'ka 2012, 83-87). A strong opinion in this aspect is the vision of the national scientist Heitz VM, who defined financial security as a stable development of the country's financial system and its resistance to the potentially negative impact of external and internal shocks (Geyets 1999, 24). In today's context, the regulatory and structural element of financial security is of particular importance, as public financial activity is unlawful at all. It is in accordance with the legislative framework that the relevant competent authorities operate, a secure "infrastructure" is in place (Krynitsky 2017, 176-179). Considering financial security, Operenko G. M., believes that it is determined by specific indicators of its functioning, the main of which are the size of internal and external debts, the level of inflation, the stability of the national currency, the balance of payments, the level of budget revenues (Operenko 2006, 34-36). The presence of different approaches and points of view regarding the interpretation of financial security confirms the multifaceted nature of this definition, the interdependence and complexity of the elements. For a more detailed definition of its content, we consider it appropriate to consider the financial security components identified by the researchers and its functional characteristics (Table 1.1).

The 2013 Methodological Recommendations state that financial security includes banking security, non-banking financial sector security, debt security, currency security, monetary security and budgetary security. With regard to identifying the components of financial security, there has been an active debate in the scientific field, where each of the researchers forms their vision. They indicate the presence of three to ten components. The smallest number of financial security components are distinguished Belov O. V. and Sukhorukov A. I., Ladyuk O. D. For example, in their view, it is advisable to separate the budget, tax and monetary components.

We cannot fully agree with this approach to the allocation of financial security components, since we believe that investment and inflation, for example, can be attributed to monetary, so it is not sensible to separate them separately. Of interest is the vision Arkhireys'koyi N. V., which, when structuring the components of financial security, defines monetary, monetary and banking as components of the security of the monetary sector. As part of the security of the non-banking financial sector, the author sees the security of the insurance market and financial services. According to her, tax and customs are part of budget security, which in turn, with debt security, make up the security of the budget sector.

Table 1.1.

A matrix of approaches to determining the components of financial security*

A component of financial security	Author										
	Methodical recommendations for calculating the level of economic security of Ukraine	Baranovsky O.	Belov O. V.	Derkach O. M.	Obrusna S. YU., Chuban' V. S.	Sukhorukov A. I., Ladyuk O. D.	Mazaraki A. A.	Hur'yanova L.S., Nepomnyashchyy V.V.	Arkhireys'ka N.V.	Podik I. I. Honcharov YU. V.	together
Budgetary security	+	+	+	+	+	+	+	+	+	+	10
Tax security					+	+					2
Debt security	+	+	+	+	+		+	+	+	+	9
Bank security	+	+		+	+			+	+	+	7
Investment security		+		+	+			+			4
Currency security	+	+	+	+	+		+	+	+	+	9
Monetary-credit security	+	+	+	+		+	+		+	+	8
Security of the non-banking financial market	+								+	+	3
Stock market security		+		+			+	+			4
Security of the insurance market		+		+				+	+		4
Inflationary security		+						+			2
Others		+									1

*Organized by the author according to (according to Methodological recommendations for calculating the level of economic security of Ukraine No. 1277), (Baranovs'kyy 2004, 28), (Byelov 2014), (Derkach 2012), (Obrusna 2019, 99-103), (Sukhorukov and Ladiuk 2007, 16), (Mazaraki, Korolchuk, and Melnyk 2010, 17), (Guryanova and Nepomnyashchyy 2012, 232-236) (Arkhireys'ka 2015, 919-922) (Podik and Goncharov 2017, 15).

The results of the analysis of scientific publications on determining the components of financial security show that the largest number of researchers allocate in the composition of financial security is the budget, which determines the strategic priority of public policy in the field of finance and determines the solvency of the state, so we can say that it has a significant impact on achieving security in the public financial sector. This understanding guarantees a specific level of independence of the state, its stable and long-term development. The main goal is to build confidence in Ukraine, to direct its positioning in the world in favor of the political and economic interests of our country, as well as to strengthen its national security and restore its territorial integrity. The key task is to create a positive image of Ukraine as a European, democratic, competitive state with a favorable business climate, with its unique place in the global division of labor (according to the Presidential Decree № 5/2015). From these statements of scientists on the definition of components of financial security shows that the study of security issues and its structure is becoming widespread. This is caused by frequent crises and uncertainty and sometimes by the reactivity of changes taking place in society. In the current transitional and transformational processes in the country, change management as a tool for economic development and growth of the production and non-productive sectors needs branching and methodological adaptation to every industry that needs to be developed. It should be noted that by their nature and content, financial security is a complex multilevel dynamic process consisting of a number of subsystems, each of which has its own structure and logic of development. It should be noted that the breach of proportions and relationships between all these components of financial security, which in turn can be represented by the spheres and links of the financial system leads to destabilization and is a signal of its transition from a safe state to a threatening one. We consider it necessary to dwell on defining the nature of budgetary security, disclosing its concept and place in financial security. The research conducted on this issue included the disclosure of certain features of the complex political, organizational and economic aspects of budget security, which are formed by implementing practical measures to reduce the negative impact on the financial stability of the state. It should be noted that the interpretation of its economic nature and the content of its basic characteristics is ambiguous today. The fiscal security of the state, which acts as a component of financial security, is considered as a special state of solvency of the state, which balances the revenues and expenditures of the state budget, ensures the use of financial resources of the budgetary system more effectively to perform the functions of state power (public administration, international activity; financing such industries as science, education, culture and health; maintaining national security and defense, regulating investment policy) to maintain fiscal sustainability the systems to the threats that affect it (Varnalii and Datsyuk 2017, 5-11). The completeness of the tasks in all spheres of the national economy is determined by the solvency of the state and the financial support of the subjects participating in the socially reproduced and vital activities of the society, and are undergoing production, distribution and consumption. It is in this aspect that the priority role of the budget and its effectiveness is determined. In developing the link between financial security and the implementation of effective budgetary policy, Kolesnik O. Ya., Expresses the opinion that budget security as an important factor of socio-economic development of the state acts as a kind of indicator and criterion of effectiveness of its budgetary policy and organization of the budget process. (Kolesnik 2009,1). Budget policy formulation is closely interrelated

with all types of economic policy of the state (external interconnection) and with all internal structural elements (internal interconnection). (Demianyshyn 2008, 176). This position considers that fiscal security of the state is a component of financial security, which is aimed at ensuring resilience to financial shocks and imbalances in the financial system as a whole (Petrichko 2015, 140-148). Considerable policy in this sector is ensured by the accepted concepts, strategies, programs in the economic, financial, political, social, information spheres. The policy itself ultimately determines the state of the financial system of the state, which can also be considered as a separate subsystem of financial security of the state (Zagariy, 2014). Financial security in the budget system is determined by the need for the state to perform not only economic, but also social, political, environmental and other functions necessary to preserve the integrity and sustainable development of the country as a whole. The object of security is: budget system, budget potential, budget, public finances, budget policy, budget process (Bogma 2017, 27-30). This vision outlines the essence of the concept by defining the various functions performed by the category of «financial security».

We have investigated that «financial security» is a category that can be the subject of separate research and analysis, requiring careful elaboration and elaboration of the correct initial categories, concepts, financial instruments and mechanisms in place, so we note that another criterion for determining financial security can be advocate budget policy objectives that ensure the stability of the budget system. In terms of budgetary policy objectives, financial security must be realized as the ability of the budgetary system and its entities to withstand internal and external factors trying to balance their balancing system. Thus, pursuing an effective budgetary policy will have an impact on the increase in the level of budgetary security, which in turn implies a balance in the budgetary system, and therefore leads to an increase in the level of financial security. In this respect, it is an integrative notion based on the ability to maintain the functioning of normal financial relations and to withstand emerging threats. The prudent policy in this sector is ensured by the accepted concepts, strategies, programs in the economic, financial, political, social, information spheres. The policy itself ultimately determines the state of the financial system of the state, which can also be considered as a separate subsystem of financial security of the state (Zagariy 2014)

We have come to the conclusion that financial security is an important component of economic security and a strategic priority of public policy in the field of financial flows, which creates the conditions for maintaining the integrity and unity of the financial system, expresses a state of stability and stability protection against threats in the budgetary sphere, characterized by the availability of plateaus state and the level of budgetary, debt, banking, monetary, monetary security and is achieved through the implementation of effective budgetary policies.

Forming a financial security mechanism involves mobilizing existing resources to overcome existing risks and threats, and developing proactive measures to reduce, minimize actual losses and losses by the same members of the community involved in resource risk. In this regard, a number of authors point to the need to introduce a mechanism for preventing destructive processes: this cannot be done without timely adoption and implementation of management decisions on the systematic coherence of tax, financial, budget, investment, scientific, technical, industrial and other components of economic policy to subordinate them to the achievement of strategic goals (Andriychuk, Vlasyuk, Moky and Titarenko 1996. – 148. 3). Financial security must

have the ability to eliminate disparities in this policy through self-regulatory mechanisms before they lead to a transition from a stable to a fragile state. From the perspective of our research, the author's opinion is of scientific interest, on the basis of which we can focus on the balance and stability of the budget system and the presence of common goals inherent in other systems that ensure the strengthening of the national economy as a whole and reflected in budgetary policy, which has been aimed at creating favorable conditions for improving the socio-economic status of the country and solving problems that hinder the development of the financial sector of the state. Certainly, at every stage of historical development, the priorities of financial security are objectively changing, and therefore the most important task of budgetary policy in this area is to identify the sources of potential threat in the budgetary system. Since the budget system, the main link in financing economic processes, is the most vulnerable area, the most important element of the country's budgetary policy in today's context should be ensuring financial security, and probably the effect of the world financial systems on a separate state is moving to a new level.

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