

Section 01. Modern Economics

Antonina Prylepa

Y.O. Dyachkova, language advisor

Taras Shevchenko National University of Kyiv (Ukraine)

Problems and Ways of Providing Financial Security in Ukraine

An important component of financial policy is to ensure the financial security. This is especially true for countries with transition economies where public finance system is not sufficiently stable. In the economic literature there are several definitions of financial security, due to the complexity of the processes that displays this category. Scientists believe that the financial security of the state is rather multifaceted notion in economic context and extremely important politically. In the National Academy of Internal Affairs of Ukraine during the financial security of the country it is understood as the financial, monetary, foreign exchange, banking, budget, tax system, which is characterized by balance, resistance to internal and external negative effects, the ability to ensure the effective functioning of the national economic system and economic growth.

Financial security is also understood as a set of measures targeted fiscal and monetary policy to achieve stability of the financial system and create a favorable investment climate. It is important to create an environment that makes it vulnerable to economic threats from within the country and outside.

The main threats are: large state debt bondage, the critical volume of public external and internal debt, "shadow" state of the economy and so on. It is necessary to point out that a very serious threat to the financial system of Ukraine is unofficial dollarization of our economy, indicating that the distrust of citizens and entrepreneurs to its own currency, as well as distrust of the government's monetary policy.

The main challenges in ensuring the financial security of Ukraine are: lack of financial resources to undertakings for the reproductive process; imperfect and incomplete legislation in the financial sector; the weakness of the monetary system; the imbalance in the structure of foreign trade.

It is supposed that the financial security of the country should be considered at several levels: the company, industry, country, global economy. Financial security cannot be guaranteed without financial security of individual businesses and industries.

State financial security depends on many factors: fluctuations in supply and demand, the monetary and credit system of the country, the balance(imbalance) of the state budget deficit, national debt, barter economy, tax relief, tax arrears and so on.

It should be concluded that to provide financial security it is needed to take the following measures: develop Concept of financial security of Ukraine; establish an effective system of control over budget funds; strengthen the payment discipline of business entities; improve the efficiency of the tax system; stop the "flight" of Ukrainian capital abroad; establish effective state control over currency transactions. This will definitely influence positively the economic development of Ukraine.