

## MODERN ECONOMIC SECURITY OF UKRAINE

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The term “security” is very global and dates back to ancient times. A lot of things have changed, but the issue of economic security remains a cornerstone of the world community. As a result there are no incentives to work, learn and develop and self-confidence also weaken.

The issue of economic security remains relevant, because freedom and dignity are important both for a particular individual and for the state. In the case of ensuring the economic security of states, the confirmation of the importance of this issue is a wide range of international documents. For these reasons, and especially in the light of recent economic and social events, security must become a priority political issue.

In a global sense, the economic security of the state are measures, which are made by public authorities to prevent or counter economic threats, both in the international and domestic arena [1]. The issue of economic security is especially acute during periods of tension in the world, for example, during wars, reforms, clashes between individual states, trade wars.

In a narrower sense, the concept of economic security of a person is enshrined in the Constitution and regulations. This means that a person is inviolable and free in his actions.

Trends in the modern world reflect the complex situation in the world economy. It is characterized by a slowdown in economic growth, deteriorating key macroeconomic indicators of leading countries, as well as the escalation of geopolitical conflicts and trade wars.

The spread of the COVID-19 pandemic has forced to reform the mechanisms of economic security. These developments have had a particularly negative impact on underdeveloped and developing countries. Against the background of constant transformation processes, it is quite a difficult task to ensure safe economic conditions in the world and, in particular, in Ukraine [2]. The spread of coronavirus on the territory of Ukraine, in turn, caused a sharp deterioration in the economic situation of the country and significantly slowed down development.

Another negative lever of influence on Ukraine's economic security was the annexation of the Autonomous Republic of Crimea and the armed operations in the east of the country provoked by the Russian Federation.

In addition to global problems, there are domestic ones, such as the shadow economy, the spread of corruption, growing poverty, the socio-economic division of the state and recent pandemic events in Ukraine that need to be addressed urgently [3].

After many years of political and economic tensions, the Ukrainian economy began to stabilize, but the COVID-19 outbreak reversed this trend. According to the IMF, GDP growth has declined to -7.2% in 2020 (from 3.2% in 2019) and is expected to increase to 3% in 2021 and to 3.2% in 2022, depending from the post-war recovery of the global economy. These activities should be supported by a revival of external and domestic demand, as well as tax and monetary incentives.

Until February 2020, the Ukrainian economy was still in a stable macroeconomic condition due to the successful implementation of the reform program, with reduced public debt, lower inflation and positive growth forecasts, but the outbreak of the pandemic and the reshuffle in government obscured the prospects. Declining nominal GDP and COVID-19-related fiscal stimuli increased the fiscal deficit, reaching -4.5% of GDP in 2020 (from -1.8% in 2019) and the projected level of -3.8% of GDP in 2021. and -3%

of GDP in 2022 (IMF). Public debt has increased significantly, from 50.1% of GDP in 2019 to 65.7% of GDP in 2020, and is expected to remain high in 2021 (64.3% of GDP) and 2022 (61, 8% of GDP) (IMF). In the first nine months of 2020, the hryvnia lost -16% against the US dollar, but inflation fell to 3.2% in 2020 (from 7.9% in 2019) due to lower energy and food prices. Inflation is expected to rise again to 6% in 2021 and to 5.7% in 2022.

In June 2020, the IMF approved a \$ 5 billion support package to help Ukraine cope with the COVID-19 pandemic. The policy under the new mechanism focuses on four main priorities: mitigation of the economic consequences of the crisis; ensuring the permanent independence of the central bank and a flexible exchange rate; ensuring financial stability while reimbursing the costs associated with bank resolutions; Promoting key governance and anti-corruption measures to preserve and deepen recent developments.

Economic priorities for 2021 include health care, the purchase of COVID-19 vaccines, education and agriculture, raising the minimum wage, wages and pensions.

To sum up, currently, the Ukrainian economy is experiencing another stage of the financial crisis, so the issue of economic security is more important than ever. The economic danger of the national economy grows as globalization intensifies. The development of economic systems contributes to the growth of threats to economic security, as well as the increase in the volume and types of economic crimes.

### References:

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