

Modern Determinants of Economic Security Management of States in Conditions of Globalization and Stability Development



Vitalii V. Bashtannyk, Galyna S. Lopushnyak, Tetiana V. Bielska, Petro F. Nemesh, Yuliia Muzyka

Abstract: *The scientific novelty of the article is a developed methodology of the world countries' classification regarding the quality of economic security management and the possibility to develop an exclusive set of actions directed towards optimization of such management. It has been proved using an example of Ukraine. The research methodology is based on systematic and historical approaches to the disclosure and resolution of the issues of economic security management in economically developed countries of Europe and European countries that develop their own economic systems, taking into account the processes of globalization and ensuring their sustainable development. In this case, the historical approach is based on the study undertaken during a certain period of time (2012-2018), and the systematic approach is aimed at the assumption of connection and mutual influence of economic security of different European countries, which operates as a single system. To conduct the research data and empiric analysis of seventeen countries of Western (Germany, France, Great Britain, Spain, Italy), Eastern (the Russian Federation, Latvia, Lithuania, and Estonia), and Central Europe (the Czech Republic, Bulgaria, Hungary, Poland, Slovakia, Romania, and Ukraine) in 2016 – 2018 have been taken and analyzed. Policy considerations: -economic security is the main element of the countries' national security provision under globalization and their stable development; - the required level of economic security can be reached only within management based on a set of key determinants; -*

economic security management varies significantly in different world countries in conditions of their operation as parts of the world economic system; - some world countries, which are developing their own economic systems, for example Ukraine, have special problems in economic security management at the national level; and they need development and implementation of exclusive optimization sets of such state institutes' management activities.

Keywords: *Determinants, economic security, globalization, management of economic security, sustainability.*

I. INTRODUCTION

The current development of the countries of the world is based on the provision of national security (NS), which, in its turn, is based on economic security (ES). At the same time, it should be noted that during the twentieth century there is a rather significant transformation of the term "national security" and the role of economic security in it. So, if in the first half of the century national security was predominantly based on the military aspects of its security, after the Second World War, with the advent of nuclear weapons, as well as the active development of the economic systems of developed countries and the beginning of globalization processes, the emphasis in ensuring national security shifted to the side of the economic security. Since then, there has been a close link between national security, economic security and globalization, which has developed in the 21st century.

It should be noted that the term "economic security" in relation to the functioning of a particular state was used by F. Roosevelt in the context of the struggle and elimination of the consequences for the United States of the Great Economic Depression. At the same time, this term was more social, not economic [1]. The approval and recognition of the term "economic security" was held at the 40th session of the UN General Assembly within the framework of the adoption of the resolution "On International Economic Security", which indicates an increase in the ES's attention from the side of international organizations, national authorities, academics and other interested parties [2]. Thus, we can point out that economic security has become a key aspect of theoretical research and practical activities of international and national authorities at the end of the 20th and the beginning of the 21st century.

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In today's conditions of development of world, international and national economics, the basic factors determining the key importance of economic security for all without exception of the countries of the world are:

- search for optimal ways to ensure the sustainable development of national economic systems in the transition from industrial to post-industrial conditions of operation;
- accelerating the processes of globalization and the growing threats of losing economic and national independence to countries of the world with a poorly developed economy;
- search for a new world economic equilibrium in the context of increasing the economic power of emerging economies, especially as regards the Chinese economy;
 - the transformation of the economies of countries that had a command-administrative economy and a low degree of integration into the world and international economic spheres.

Taking into account the above, we note a considerable interest in the definition, characterization and optimization of processes for ensuring economic security at the national level by international organizations, academics, civil servants and economists-practitioners [3]–[5]. At the same time, the key issue here is the issue of managing the country's economic security [6,] [7].

Particular attention deserves attention in the context of the study of economic security and management of the ES at the national level by scientists from countries that are developing their own economic systems, where it is possible to identify the following areas of problem solving:

- identification of the features of the provision and management of economic security in different countries of the world, mainly economically developed or China, and attempts to use such experience for a certain country or group of emerging economies [8]–[10];
- coverage of the provision and management of the ES of a separate country of the world, identifying problems and developing ways to eliminate them [4], [11];
- research on various aspects (components) of the provision and management of economic security at the level of individual countries of the world [12]–[15].

At the same time, we note the inadequate disclosure and identification of key determinants of the processes of managing the economic security of the countries of the world, taking into account the globalization processes and ensuring the sustainable development of these states, which determines the purpose of the study.

In the context of the above and stated goal, within the research it is necessary to prove or reject the following hypotheses:

- economic security is the main component of ensuring the national security of states in the conditions of globalization and sustainable development;
- the appropriate level of the ES can only be achieved through management, based on a number of key determinants;
- the management of economic security almost does not differ in different countries of the world in conditions of their functioning as components of the world

economic system;

- individual countries developing their own economic systems, such as Ukraine, have particular problems in managing economic security at the national level and require the development and implementation of exclusive optimization complexes for this type of government activity of state institutions.

II. MATERIALS AND METHODS

To conduct research and achieve the goals and objectives of the scientific article, a set of general and special methods has been used, namely: an analytical and economic method – in analyzing the theoretical and methodological foundations of the problem research; a comparative method for assessing the quality and effectiveness of managing economic security in economically developed countries of Europe and European countries that develop their own economic systems; methods of analysis and synthesis for verification of hypotheses put forward in work; an abstraction method for identifying problems of managing economic security in different countries of the world, including Ukraine; methods of induction and deduction to develop ways to improve the quality and effectiveness of economic security management in countries around the world; a graphical method for interpreting the results of a study on economic security management in Europe; methods of systematization, grouping and logical generalization for systematization of information, formation of conclusions and scientific proposals of the article.

The research methodology is based on systematic and historical approaches to the disclosure and resolution of the issues of economic security management in economically developed countries of Europe and European countries that develop their own economic systems, taking into account the processes of globalization and ensuring their sustainable development.

In the work, the management of economic security is presented as one of the key elements of ensuring national security and sustainable development of socio-economic systems of countries of the world in conditions of acceleration of globalization processes. The study is also based on the assumption that addressing the management problems of the ES should be based on an appropriate methodology for its assessment, taking into account the main determinants of such management (competitiveness, globalization, sustainable development).

III. RESULTS

A. The Essence and Role of Management of Economic Security of States in the Conditions of Globalization

Economic security is central to the nation's national security system [5], because it serves as a base for the decent work of all components included in this type of security: political, social, humanitarian, military, environmental, technological, and information security.

It is also possible to note the close relationship of the ES with the development of the socio-economic system of the state, since it is economic security that forms the basis for such a system of sustainable development. At the same time, we also note the inverse relationship between national security (NS), its components, and also the socio-economic system of states and the ES, as they act as factors influencing

the level of economic security of the country (Fig. 1).

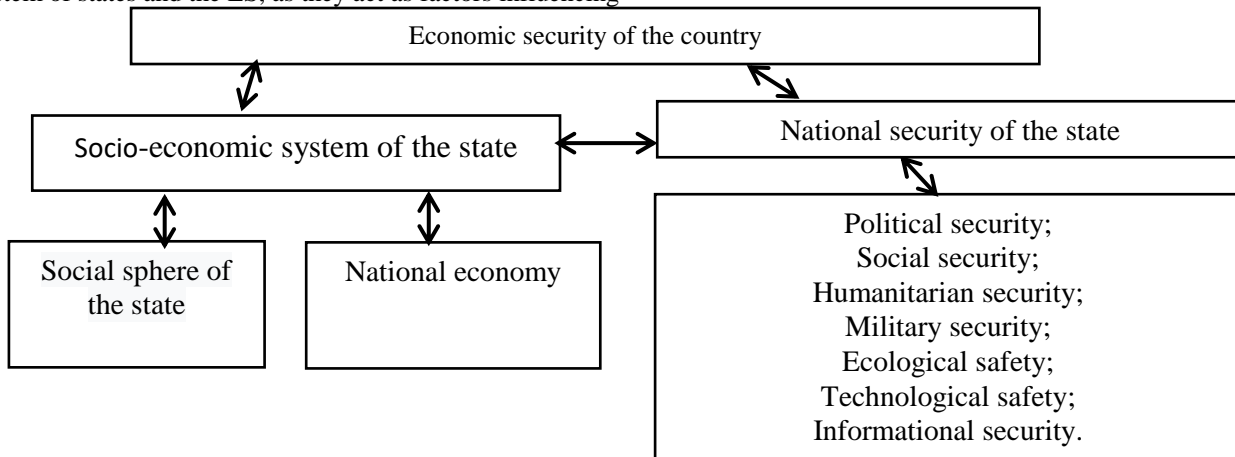


Fig. 1. Interrelationship of economic security with national security and socio-economic system of the country
 Source: developed by the author

The given situation is of considerable interest from the side of state institutions, the scientific community and economists-practitioners, which led to the emergence and discussion of the definition of the essence of the term economic security, which began in the eighties of the twentieth century.

Thus, in [16] author considers economic security as an integral part of international and national security, linking it to the state of the absence of a military conflict and the psychological factor in the belief that it is not possible to lose a war. Instead, in [17] was linked the ES with the well-being of citizens and the growth of the national economy. Was emphasized the connection of economic security and access of the state to the appropriate amount of resources, including financial and provided with a certain level of welfare of the population, as well as state power [18]. Author in [19] connects the ES with the development of the country's economic system and the influence on it of internal and international factors of influence. In [20] author emphasizes the connection of economic security with the solvency of the country and the standard of living of its population. Was accented that the ES is connected with the stable functioning of the national economy and its relations with the economies of other countries of the world [21]. Researchers in [4] indicate the dependence of economic security on innovation, competitiveness and communication of the country with international institutions. Noting the significant contribution of the above scientists to the study of the essence of the term "economic security" we note the need for its revision, taking into account the current trends in the development of world and national economic systems. In our view, under the economic security of the state it is necessary to understand the special state of the economy, which is characterized by the introduction of stable and well-founded methods of eliminating the influence of internal and external threats, which, moreover, provides for the creation of appropriate

conditions for socio-economic development of the country.

However, for the states of the world, under the current conditions of development of their socioeconomic systems, effective management of economic security is important, since without management, the level of the ES is situational and can have a negative impact on both national security and the economic and social spheres of the country. Thus, we note the key role of economic security management in ensuring sustainable development of the countries of the world. At the same time, under the "sustainable development" we will understand the maximum satisfaction of the needs of citizens of the country without violating this condition for subsequent generations [22].

In this context, it is important to determine the essence of economic security management and to reveal its main modern determinants.

As with the definition of the essence of the term "economic security", we emphasize the considerable scientific discussion regarding the definition of the essence of "economic security management" and its main determinants.

Specialists of the International Labor Organization focus on the management of personnel as a key component of the country's economic security management and distinguish the following key determinants of such a management: human security; globalization; socio-economic security; income security; labor market safety; unemployment rate; labor safety; employee rights. Based on the identified determinants, the Index of Economic Security [3] is being constructed.

In [23] was determined the essence of the management of the country's economic security through the legal aspects of such management, distinguishing the following key determinants: competitiveness; investment; per capita income; unemployment; ecology; social sphere.

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Author in [5] points to the inextricable link between the Department of Economic Security and National Security, where energy security and a well-educated workforce are the basic determinants.

Researchers in [24] stress the minimization of risks for the national economy within the limits of ES management and allocate the following main determinants: macroeconomics; investment; innovation; foreign economic activity (competitiveness); globalization; socio-demographic sphere; financial and credit system; ecological safety; fiscal-dES system; food security.

We note the thoroughness of the research of the above scientists, however, the need to refine their development, especially with regard to the allocation of the main determinants of economic security management, since derivatives of such determinants are often provided, which complicates the assessment of the effectiveness of the management of the ES and the development of measures to increase its level in the country.

Hence, we emphasize the need to link the above definition of economic security with the managerial influences of international, state and private institutions, which will define the essence of the term "economic security management in the state". Regarding the main determinants of the management of the ES in the country, we consider it appropriate to allocate three of them: the level of globalization (KOF, Index of Globalization), taking into account their influence on the state of the world powers and the availability of international indices; level of sustainable development (Index of sustainable development); Competitiveness (The Global Competitiveness Index).

In this context, it is necessary to explore these three determinants and identify the main challenges within the ES's management of such determinants.

The research of scientific works showed that in scientific circles three main approaches to the understanding of globalization were formed that reflect the critical nature of this phenomenon (Table 1).

Table 1. Scientific approaches to understanding the essence of "globalization"

Basic scientific approaches to understanding the phenomenon of globalization		
Apologetic approach is globalist one	Moderate approach is a transformationalist one	Antiglobalization - alterglobalist
Approach concept		
Globalization is an inevitable process, the essence of which is the absolute power of the world order over national states and societies	Globalization is considered as unparalleled in world history, and it affects the profound changes in the development of states and societies that are adapting to existence within the bounds of an interconnected but rather undefined world. In the context of globalization, the main players, national states and governments, and local cultures that are undergoing significant changes under the influence of globalization processes can remain on the international scene.	Globalization is considered, primarily, as a world myth, which conceals the true essence of the international economy, which is gradually becoming increasingly divided into three major regional blocs, within which national governments have significant leverage of influence

Source: compiled by the author on the basis of [25]–[27]

In our opinion, globalization is a process of deep and intensive development of the economy, politics, social sphere, which is being developed at the international level under the influence of various global processes (movement of goods and services at the international level, factors of production, development of innovative resources, internationalization of industrial branches of economy, transnationalization, infrastructure development, strategic management) and institutions (institutions of commodity liberalization, institutions of regulation of economy, politics and social sphere) whose purpose is efficient transformation and the growing influence of global driving forces to the balanced development of individual countries.

Among the main challenges for managing the economic security of states in the conditions of globalization we allocate:

Challenge 1. Establishing effective foreign trade activities and improving the quality of exported products on the basis of international standards (TQM).

Challenge 2. Promotion of cooperation with foreign contractors of developed countries for attraction of investments in economic development.

Challenge 3. Implementation of international legal acts in the practical activities of countries in order to form a single globalized environment.

The category of "sustainable development" has developed in the late XX, the beginning of the XXI century and is one of the dominant in contemporary economic science and practice

at the level of world, international, national and regional economic systems. At the same time, sustainable development is inextricably linked with ensuring the economic security of the state and has a reciprocal impact on the management of the ES. Among the main challenges for managing economic security of the states in the conditions of sustainable development we allocate:

Challenge 1. Provide local and regional development in the context of achieving economic, social and environmental equilibrium.

Challenge 2. Provide rational use of nature-resource potential and effective management of separate territories.

Challenge 3. Involvement of all strata and different sectors of the population in developing the economy on the basis of sustainable development.

Significant influence on the development of countries of the world has a competitive edge that, in the conditions of globalization, has shifted from individual producers to the sectors of the national economy or the economic system of the state as a whole, while having a direct connection with their economic security and management of the ES. Among the main challenges for managing economic security of the states within the framework of ensuring their competitiveness in the world and international markets, we distinguish:

Challenge 1. Provide effective support and protection against unfair competition from national exporters.

Challenge 2. Observance of

the balance of interests of national producers and importers on the markets of the country.

Challenge 3. Formation of an exclusive system of stimulation of export activity in the state. Taking into account the differences in the functioning of national socio-economic systems, it is appropriate to disclose the peculiarities of the management of the ES in different countries of the world, both economically developed and those who develop their own economies.

B. Features of Management of Economic Security in the States of Western, Eastern, Central Europe

The generalization of foreign experience shows that the provision of economic security on the scale of the national

economy significantly affects the international authority of the country [28]. Researcher determines that "most of the national security strategies of the state are aimed at ensuring national and economic security through radical economic reforms, close integration with world and European security systems, joining economic and political unions and organizations. In this regard, the application of the positive experience of foreign countries in providing economic security should become one of the most important directions of development of the national economy of Ukraine" [29]. Consider the main approaches to economic security management in Europe (see Table 2).

Table 2. Comparative characteristics of approaches to economic security management in European countries taking into account processes of sustainable development and globalization

Country	Characteristics
I. Countries of Western Europe, including:	
Germany	There is no special legislative basis for the ES. The main issues on this issue are reflected in the directives of the Ministry of Defense, which regulate the most important areas of market activity and determine the control functions of the state. The methods used to secure the ES, which are aimed at supporting civilized market relations, ensuring economic and social progress, preventing monopoly in certain industries, creating conditions for fair competition and stability of the national currency, protection against economic blackmail, are used.
France	There is no special legislative basis for the ES. Some provisions on the ES (creating conditions for increasing national prosperity and strengthening the country's economic potential) are reflected in the Law "On National Security". Methods for ensuring the ES are aimed at reducing the vulnerability of the country's economic system, maintaining the independence of foreign policy, eliminating disproportions in the level of economic development of economic entities; preventing excessive external dependence in the most important sectors of the economy, minimizing the risks associated with dependence on the outside world.
Great Britain	There is no special legislative basis for the ES. The separate rules governing the ES are contained in the normative legal acts in the field of defense policy. They are based on assessments of national interests and are realized through their protection. The methods for ensuring the EB are related to prediction and prevention of the most dangerous external and internal risks. In the development and implementation of decisions relating to the provision of ES, emphasis is placed on specialized organizations representing the interests of industrialists and entrepreneurs.
Spain	The legislative framework for providing the ES is flexible, it clearly defines the functions of management bodies and organizations in this area, which develop special programs of economic development. Legislation on the maintenance of the ES is related to the relevant EU legislation. The methods of ensuring the ES protect the interests of the priority industries, as well as aimed at stimulating investment, ensuring currency control, and developing legislation on joint stock companies.
Italy	There is no special legislative basis for the ES. Italy is guided by its international treaties in providing its IT services. The methods of providing the ES are aimed primarily at protecting the interests of domestic producers in the domestic and foreign markets.
II. Central European countries, including:	
Czech Republic, Bulgaria, Hungary, Poland, Slovakia	There is no special legislative basis for the ES. The provision of the ES is based on the relevant EU legal acts. When choosing the methods of ensuring the economy of the country take into account the geopolitical situation, vector and strategy of economic development in accordance with the trends of regional and world evolutionary process, the direction of economic reforms.
Romania	There is no special legislative basis for the ES. The provision of the ES is based on the relevant EU legal acts. When choosing the methods of ensuring the economy of the country take into account the geopolitical situation, vector and strategy of economic development in accordance with the trends of regional and world evolutionary process, the direction of economic reforms.
III. Countries of Eastern Europe, including:	
Russian Federation	The maintenance of the ES is regulated by the National Security Concept of the Russian Federation; State strategy of economic security of the Russian Federation; RF Law "On Safety". A distinctive feature of legislation is the presence in it of a regional aspect and provisions on the establishment of criteria and indicators for assessing the state of economic security. The methods of ensuring the ES are oriented towards the implementation of economic reforms in the near future, reducing the danger of increasing the uneven social and economic development of the regions.
Belarus Republic	Legally, the ES is reflected in the Concept of National Security of Belarus. Priority directions of the maintenance of the ES include: development of the system of economic relations, creation of mechanisms for solving contradictions arising in society and abolishing the preconditions for their emergence; development of a strategy for ensuring the realization of vital economic interests in the country; formation of a long-term program of economic transformation; ensuring sustainable social and economic development; use of non-inflationary methods of financing the budget deficit and effective redistribution of financial resources; improvement of foreign economic policy; creation of favorable conditions for entrepreneurial activity, etc.

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Latvia, Lithuania, Estonia There is no special legislative basis for the ES. The provision of the ES is based on the relevant EU legal acts. The methods of ensuring the EB are aimed primarily at the implementation of financial and economic security.

Source: compiled by author on the basis of [30], [31]

Consequently, within each country, an understanding of economic security and its methods of achievement is being formed that can be aimed at achieving national, public interest or in order to ensure sustainable economic development or the independence of the national economic system from the

external market. As already noted above, one of the main determinants of the level of economic security and the quality of management of the ES in the country is the index of economic competitiveness. In accordance with the considered characteristics, we will analyze the indices of global economic competitiveness of the above-mentioned countries in 2016-2018.

Table 3. Dynamics of the Index of Global Economic Competitiveness of European Countries in 2016-2018

Country	Index of Global Economic Competitiveness			Place in rating			Absolute Deviation of 2018 from 2016, +/-	
	2016	2017	2018	2016	2017	2018	I e.k.	R
I. Countries of Western Europe, including:								
Germany	5,53	5,57	5,65	5	4	5	0,12	0
France	2,13	5,20	5,18	22	21	21	3,05	-1
UK	5,43	5,49	5,51	10	7	7	0,08	-3
Spain	4,59	4,68	4,70	33	32	32	0,11	-1
Italy	4,46	4,50	4,54	43	44	44	0,08	1
II. Countries of Central Europe, including:								
Czech Republic	4,69	4,72	4,77	31	31	31	0,08	0
Bulgaria	4,32	4,44	4,46	54	50	50	0,14	-4
Hungary	4,25	4,20	4,43	63	69	69	0,18	6
Poland	4,49	4,56	4,59	41	36	36	0,1	-5
Slovakia	4,22	4,28	4,48	67	65	56	0,26	-11
Romania	4,32	4,30	4,28	53	62	62	-0,04	9
Ukraine	4,03	4,00	4,11	79	81	85	0,08	6
III. Countries of Eastern Europe, including:								
Russian Federation	4,44	4,51	4,64	45	43	43	0,2	-2
Latvia	4,45	4,45	4,40	44	49	49	-0,05	5
Lithuania	4,55	4,60	4,58	36	35	35	0,03	-1
Estonia	4,74	4,78	4,85	30	30	30	0,11	0

Source: compiled by author on the basis of [32], [33]

It can be generalized that the selected areas of economic security in the countries of Europe in the most favorably affect the level of economic competitiveness of these countries. In particular, countries such as Germany, whose economic competitiveness index grew by 0.12 points, France – 3.05 points, United Kingdom – 0.08 points, Spain – 0.11 points, Italy – 0.08, took the highest level in the rating. points, Czech Republic – 0.08 points, Bulgaria – 0.14 points, Hungary – 0.18 points, Poland – 0.1 points, Slovakia – 0.26 points, Russian Federation – 0.2 points, Estonia – 0.11 points and

Lithuania – by 0.03 points. However, a number of other countries have worsened the value of this indicator and decreased their rating, namely: Romania, whose index of economic competitiveness has decreased by 0.04 points and Latvia – 0.05 points.

Within the framework of the study, the main determinants of economic security management will study the indices of globalization and sustainable development of the world (see Table 4).

Table 4. The ranking of world countries under the index of globalization and sustainable development in 2015-2017

Country	Index of globalization			Index of sustainable development			Absolute Deviation of 2017 from 2015, +/-	
	2015	2016	2017	2015	2016	2017	I. r.	I.c.p.
I. Countries of Western Europe, including:								
Germany	78,86	78,24	84,57	70,8	80,5	81,7	5,71	10,9
France	82,65	82,61	87,19	69,4	77,9	80,3	4,54	10,9
UK	82,96	81,97	87,26	68,3	78,1	78,3	4,3	10
Spain	83,71	83,73	84,56	66,5	72,2	76,8	0,85	10,3
Italy	79,51	79,59	82,19	61,3	70,9	75,5	2,68	14,2
II. Countries of Central Europe, including:								
Czech Republic	84,10	83,60	84,88	62,4	76,7	81,9	0,78	19,5
Bulgaria	76,11	77,16	76,89	-	71,8	72,5	0,78	72,5
Hungary	85,49	85,78	86,55	55,5	73,4	78,0	1,06	22,47
Poland	79,43	79,90	81,32	64,2	69,8	75,8	1,89	11,6
Slovakia	83,52	83,62	84,36	60,2	72,7	76,9	0,84	16,7
Romania	72,27	75,09	76,51	-	67,5	74,1	4,24	74,1

Ukraine	69,50	70,71	70,24	-	66,4	72,7	0,74	72,7
III. Countries of Eastern Europe, including:								
Russian Federation	65,90	69,40	68,25	-	66,4	68,9	2,35	68,9
Latvia	71,06	70,97	71,45	-	72,5	75,2	0,39	75,2
Lithuania	72,71	77,26	77,47	-	72,1	73,6	4,76	73,6
Estonia	79,35	78,46	79,27	-	74,5	78,6	-0,08	78,6

Source: compiled by author on the basis of [32]–[34]

Consequently, the index of globalization for 2015-2017 has increased in all countries, except for Estonia, where it decreased by 0.08 p. Thus, in Germany, this indicator increased by 5.71 p., In France - by 4.54 p., The United Kingdom - by 4.3 p., By Spain - by 0.85 p., By Italy - by 2.68 pp, by the Czech Republic and Bulgaria by 0.78 pp respectively, by Hungary - by 1.06 pp, Poland by 1.89 p., Slovakia - by 0.84 pp, Romania by 4.24 pp, Ukraine by 0.74 pp, the Russian Federation by 2.35 pp, Latvia by 0.39 p., Lithuania - by 4.76 p. As for the index of sustainable development, it also increased during this period in all above mentioned countries x. Thus, in Germany and France, this indicator increased by 10.9 p., The UK by 10 pp, respectively, Spain by 10.3 pp., By Italy by 14.2 pp, by the Czech Republic by 19.5 pp., Hungary - by 22.47 points, Poland - by 11.6 points, Slovakia - by 16.7 p.

level of globalization, high level of constancy Germany (CGI 5.65), Great Britain (CGI 5.51), France (CGI 5.18), Estonia (CGI 4.85), Czech Republic (CGI 4.77), Spain (CGI 4.7).

II Group. High level of economic competitiveness, high level of globalization, average stability of Lithuania (CGI 4,58), Poland (CGI 4,59), Italy (CGI 4,54), Russian Federation (CGI 4,64).

III Group. Lower level of economic development, high level of globalization, high level of sustainability Latvia (CGI 4.40), Slovakia (CGI 4.48), Bulgaria (CGI 4.46), Hungary (CGI 4.43).

IV Group. Low level of economic development, high level of globalization, average sustainability of Romania (CGI 4.28), Ukraine (CGI 4.11) (Figures 2, 3).

Thus, the analyzed groups of countries can be divided as follows:

The I group High level of economic competitiveness, high

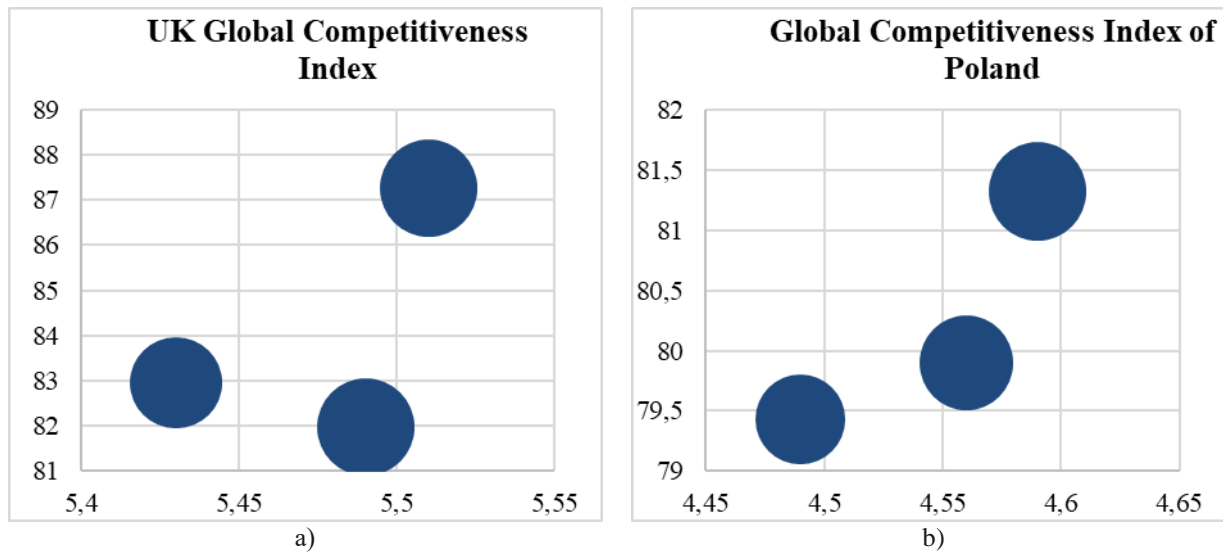


Fig. 2. Global Competitiveness Index (CGI): a) And a group of countries (UK, 2015-2017); b) Group II countries (Poland, 2015-2017)

Source: developed by the author

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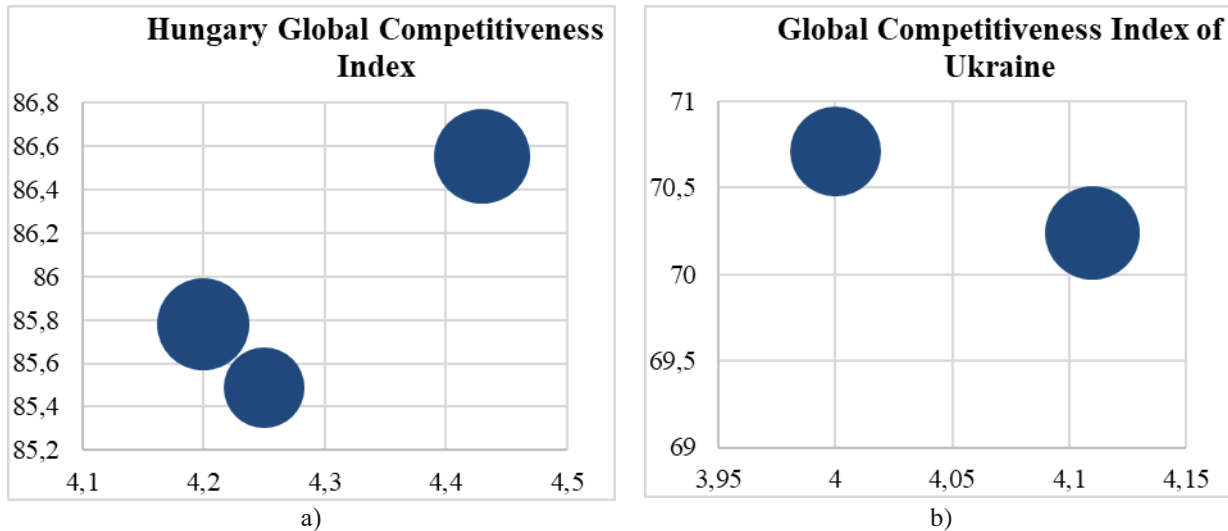


Fig. 3. Global Competitiveness Index (CGI): a) Third group of countries (Hungary, 2015-2017); b) IV group of countries (Ukraine, 2016-2017)

Source: developed by the author

In Table 5 provides a map of issues for managing economic security for different categories of countries.

Table 5. Map of problems of management of economic security for different categories of countries

Group of countries	Problems of economic security through the prism of sustainable development	Problems of economic security through the prism of globalization
Group I. Germany, Great Britain, France, Estonia, Czech Republic, Spain	Depletion of natural resource potential; deterioration of the environment; low rates of involvement of all sectors of society and other stakeholders in the development of the economy	Sufficiently high macroeconomic, foreign economic, investment, innovative indicators of economic development, which need to be supported and augmented; increase in the influence of world corporations on the economy
Group II Lithuania, Poland, Italy, Russian Federation	Differentiation of living standards of different layers of the population; the presence of a large number of morally and physically worn out equipment at the enterprises.	Vulnerability to the influence of negative external factors on the economy, sales of products and turnover of capital
Group III. Latvia, Slovakia, Bulgaria, Hungary	Low rates of implementation of technologies for processing household and industrial waste; low competitiveness of the economy compared to other European countries, shortage of labor resources;	Vulnerability to external economic threats; complexity in global competition; growth of shortage of labor resources
Group IV Romania, Ukraine	Insufficient level of social and economic development; low level of innovation in industry, technology and high levels of pollution	Slow pace of economic reforms; the complexity of competition in foreign markets; threats of a negative financial balance of the state; concentration on defense policy (for Ukraine)

Source: developed by the author

For these groups of countries, we offer the following strategies for managing economic security:

For Group I - Strategy for strengthening (supporting) economic security, which envisages rationalization of the regime of use of natural resources, development of foreign economic policy and development of public-private partnership.

For Group II - Strategy for minimizing negative external economic impact and internal problems, which involves increasing the economic potential of countries, increasing the level of protection of economic threats, modernizing equipment and improving the living standards of the countries.

For Group III - Strategy for the strengthening and innovation of economic security of the countries, which involves the introduction of modern resource-saving technologies and other developments to optimize national production, increase the level of protection of economic threats. For group IV - Strategy of integrated development of economic security, which involves the introduction of resource-saving technologies to minimize the negative impact of industrial waste on the environment, the development of socio-economic system, harmonization of regulatory and

legal provision of countries with international standards.

Modern practice offers to apply the following characteristics for economic security management in the context of achieving sustainable development and in a globalized environment:

1. Strategies for managing economic security and achieving sustainable development of the states must be different, but must be consistent with the global goals of sustainable development and the approved sustainable development strategy and other intergovernmental instruments.

2. The development of strategies for the provision of economic security and sustainable development should be carried out mainly by a specially created management body that can further be responsible for its implementation or be formed temporarily.

3. A broad discussion of the strategy of economic security management in the process of its development and attracting the maximum number of experts at the stage of its development, as well as involving public associations in its direct implementation.

4. All strategic activity and management are focused not on the implemented measures, but on the results obtained by the strategy.

5. Constant monitoring and control over the achievement of identified goals and targets.

6. Implement Key Performance Indicators (KPI) in the state economic security management for qualitative and quantitative assessment of the work of public authorities.

8. Changing priorities in achieving the goals and objectives of economic security and sustainable development in favor of selected regions and territories with adequate financial support and significant potential.

9. Permanent analysis and observation are essential for a proper assessment of the situation. Audit by the state bodies of other states, located next to each other, may form separate auditing committees.

10. Development of social and environmental consciousness. In order to actively implement strategies, it is necessary to change the general outlook, focused on careful

attitude towards nature, equality and respect in society.

We note the importance of a detailed study of the management of the ES and its determinants for the countries of the fourth group, especially with regard to Ukraine.

C. Analysis of Modern Determinants of Ukraine's Economic Security Management in the Context of Globalization and Sustainable Development

Nowadays, the problem of the formation of a mechanism that would ensure the state's economic security and would have a complex nature was often and was the subject of study, but the improvement of the organizational mechanism is a complex process, given the constant transformation processes and the economic stagnation of Ukraine that is absorbing. In terms of the rating level that determines the economic competitiveness defined by the World Economic Forum, Ukraine has been given a 73-85 position in recent years (see Figure 4).

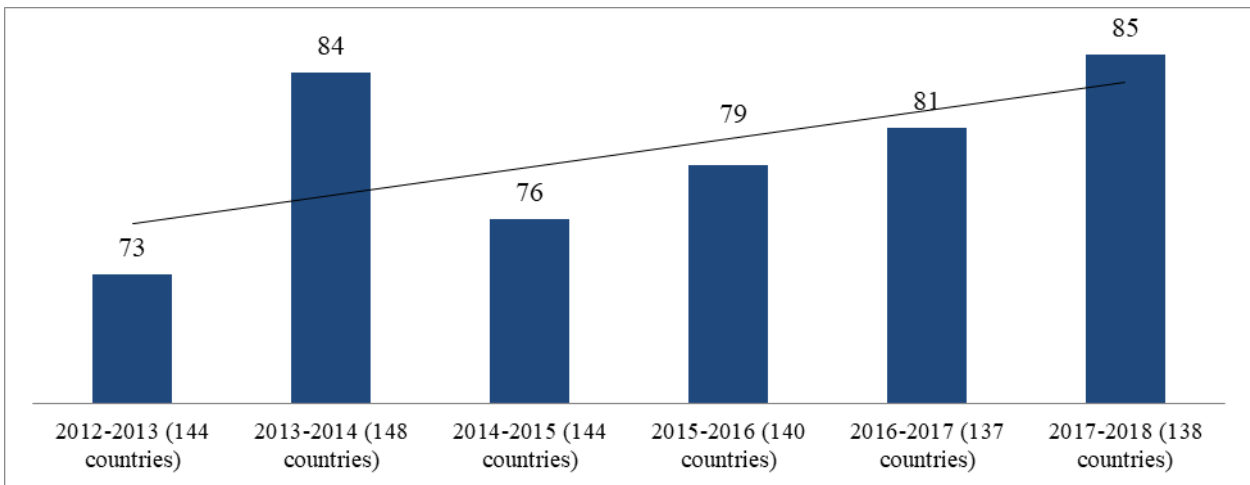


Fig. 4. Dynamics of Ukraine's position in the world ranking according to the index of global competitiveness (The Global Competitiveness Index)

Source: compiled by the author based on [32], [33]

Despite Ukraine's upgrading of Ukraine's 2017-2018 rankings to four levels, Ukraine's performance has deteriorated in four of the 12 criteria, more precisely, 13 points in terms of labor market efficiency, 3 in terms of infrastructure, 2 in terms of higher education and vocational training, and 9 - on the level of innovation component. In

2013-2014, Ukraine assessed the innovation component of the Global Competitiveness Index to be the last (93) position for the past 5 years. During 2014-2017, there is a gradual improvement of their positions, but sharply deteriorating in 2017-2018 (Table 6).

Table 6. Ukraine's position as an innovative component of the Global Competitiveness Index (The Global Competitiveness Index)

Indicator	Indicator value				
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Innovative ability	100	82	52	49	51
Quality of research institutes	69	67	43	50	60
Expenditures of companies for research and development	112	66	54	68	76
Interconnection of universities with industry in the field of DIR	77	74	74	57	73
Public procurement of state-of-the-art technologies and products	118	123	98	82	96

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The presence of scientists and engineers	46	48	29	29	25
Innovations in general	93	81	54	52	61

Source: compiled by author on the basis of [32], [33]

The best results in our country were observed by the number of scientists and engineers, and the worst - for government procurement of modern technologies and products and study expenses and progress. In 2015-2017, there were significant increases in Ukrainian positions for all characteristics, but in 2017-2018, by all indicators, except for the number of scientists and engineers, acquired positions decreased by 2-16 points. Thus, in 2017-2018, the rate of

increase in the level that determines the innovation activity of our state has decreased, there are negative trends that led to the loss of previously achieved positions in the ranking, which determines the index of global competitiveness.

An important aspect in the study of economic security management in Ukraine is to investigate the dynamics of the country's ranking on the KOF globalization index (Table 7).

Table 7. Ukraine's rating on the KOF globalization index

Indicator	Indicator value			
	2017		2018	
	Rating	Indicator value	Rating	Indicator value
Economic globalization	63	68,42	26	79,83
Social globalization	63	61,05	78	58,53
Political globalization	43	84,90	37	86,87
Index of globalization rate	45	70,24	30	75,08

Source: compiled by author on the basis of [34]

From the given data it can be concluded that our country's rating according to the data of the index of globalization level ICO4 has changed considerably: in 2017 the most developed was a political component that significantly lost its power at the beginning of 2018. However, there have been positive changes in the economic component that significantly

improved its position in 2018 compared to 2017 (in 2017 – 63 ranking positions, in 2018 – 26 rating positions).

The above made it possible to form a map of the problems of the management of the EB for Ukraine and place them at the top priority for the country (Table 8).

Table 8. Map of problems of economic security management for Ukraine (in their priority)

№	Problems of economic security through the prism of sustainable development	Problems of economic security through the prism of globalization
1	Inconsistency of indicators of integral safety assessment of most Ukrainian enterprises	Decrease in the level of favorable economic environment of Ukraine compared to a number of foreign countries
2	Depletion of natural resource potential of Ukraine	Low macroeconomic, foreign economic, investment, innovation indicators of the Ukrainian economy
3	Irrational use of materials and raw materials on most domestic enterprises of Ukraine	Low significance of financial stability indicators of most Ukrainian enterprises
4	Low interest of domestic enterprises in the implementation of innovative resource-saving technologies	Increase in the number of criminal offenses in connection with the spread of illegal foreign economic activity
5	Slow pace of involvement of all sectors of society and other interested persons in the development of the Ukrainian economy	Low competitiveness of the domestic economy on the international scene

Source: own development of the author

In the context of globalization and the achievement of sustainable development, we offer for Ukraine the following components of economic security management: strategic management, foreign economic policy, normative and legal support, innovations, local initiative.

1. To change priorities of development of economic, industrial, energy and agricultural development strategies taking into account the basic principles of sustainable development and globalization;

2. To form effective foreign economic policy, for which it is necessary to bring indicators of quality of domestic products in accordance with international standards;

3. To improve the regulatory framework that would provide the necessary conditions for the sustainable development of domestic enterprises;

4. To implement information and communication technologies at different levels of public administration and economic activity of individual subjects;

5. To develop local self-government in the direction of decentralization and development of public-private partnership, involve the public and other public organizations and institutions in the process of state building.

IV. DISCUSSION

The problem of quality assessment and the main determinants of economic security management and, on the basis of their increase, the effectiveness of such management in the conditions of globalization and ensuring the sustainable development of national socioeconomic systems is one of the most important aspects for modern countries of the world. We note that the economic security and management of the ES are at the center of a large number of academics and international and national institutions.

However, the constant transformational processes taking place in the world and national economies need to continue research in this direction, with emphasis on developing countries such as Ukraine's own economic systems, such as Ukraine and the testing of a number of hypotheses.

The hypothesis that economic security is a key component of ensuring the national security of the states in the conditions of globalization and sustainable development was confirmed in the framework of the research of researchers of the scientists and the disclosure of the relationship between the ES, the NS and the socio-economic system of the countries of the world.

A critical assessment of the scientific developments of international institutions and scholars has allowed to confirm the hypothesis that an appropriate level of economic security can be achieved only within the framework of governance, based on a number of key determinants that have been classified: the level of globalization; level of sustainable development; competitiveness.

A comparative description of the approaches to economic security management in Europe, taking into account the processes of sustainable development and globalization, as well as the assessment of the quality of management of the ES in these countries according to the selected main determinants, allowed to mark the falsity of the third of the hypotheses put forward (see Introduction) and to show the differences in such management in different countries the world and the need to develop for them exclusive complexes of measures to improve the quality of management activities in the field of economic security at the state level.

A detailed assessment of the management of economic security in Ukraine in accordance with the identified determinants has allowed us to confirm the hypothesis that individual economies developing their own economic systems have particular problems in managing economic security at the national level and require the development and implementation of exclusive optimization complexes of this type of government activity power institutions. At the same time, an appropriate set of improvement of the management of the ES in Ukraine was developed. Taking into account the above, we may note that the purpose of the study, which was set at the beginning of work, has been achieved. The key value of the article is the developed methodology of classification of the world crane for the quality management of economic security and the possibility of developing on its basis exclusive complexes of measures to optimize such management.

In this regard, some limitations can be made in applying the results of this article, namely: the need to check the proposed methodology over a period of time and for more countries with possible corrections; the limited use of the methodology for a reliable assessment of the quality of management of the ES in the countries of the world due to the limited number of detected determinants. At the same time, the formulated restrictions do not reduce the scientific and practical value of this article and characterize the prospects for further research.

V. CONCLUSION

The processes of globalization and ensuring the sustainable development of world, international and national economic

systems increase the role of economic security management at the level of individual countries of the world. Assessing and improving the quality and effectiveness of such management is important for all countries of the world without exception, however, it attaches particular importance to developing countries such as Ukraine. At the same time, it is important to identify and characterize the main determinants of the management of the ES. The above makes an important study of the determinants of economic security management taking into account the processes of globalization and ensuring sustainable development at different levels of functioning of economic systems.

The developed methodology for assessing the quality of management of the ES based on the identified main determinants of such a management allows to classify the countries of the world, identify problems and develop exclusive complexes of measures to increase the efficiency of management activities in the field of economic security at the level of the individual state.

The practical implementation of the proposals and conclusions of this article should be considered in the context of their importance for increasing the efficiency of functioning and competitiveness of individual countries in the current conditions of development of the world economy, as well as increasing the stability of such an economy.

Prospects for further research on the basis and using the scientific results of the study, are: the need to test the developed methodology for countries from other regions of the world except Europe, as well as for a longer period of time; the details of the components of the identified determinants of economic security management of the state; development of criteria for the formulation of exclusive complexes of measures to improve the management of economic security for any country in the world.

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