

## **GLOBALIZATION ASPECTS OF GOVERNMENT FINANCIAL SECURITY MANAGEMENT**

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***Abstract:** Emphasis is placed on the need for adequate and consistent financial policy, focused, on the one hand, on strengthening the financial security of the state and creating the necessary conditions to increase the competitiveness of the economy, taking into account priority national interests, and on the other - to control the state in financial globalization, intensification of activities in standardization of rules, norms and requirements, international financial coordination, unification of financial policy measures to prevent the consequences of permanent crises of the financial sector.*

***Key words:** financial security, financial security management, globalization.*

The problem of identifying factors influencing the level of financial security was studied in the works of A. Lazarev [3], S. Onishchenko [4], V. Petrushevskaya [5], I. Feofanova, L. Feofanova [8], A. Havanova [9], V. Buryachka, J. Nevoyta, L. Buryachka [1] and other authors, however in the conditions of change of an economic situation the investigated question remains the urgency.

According to O. Pidkhomny [6, p. 56-57] uncontrolled financial relations of domestic individuals and enterprises with offshore companies have already caused an irreversible outflow of state capital. So, the author notes that not only the current state of financial security of the state is endangered, but also the interests of future generations, respectively, in the need to preserve tax revenues to budgets of all levels, the problem of stopping the withdrawal of capital abroad using illegal instruments, including related to offshore zones are among the most relevant.

In recent years, global global debt has reached a new record high, equivalent to 225% of world GDP. So, there is a global tendency to increase both private and public debt, the high level of which limits the ability of states to support the economy in the event of a financial crisis or recession. Note that public sector debt plays a significant role in increasing global debt. We consider threatening the dynamics of the global debt ratios of the public sector, which have been steadily increasing over the last 50 years.

At present, in market economies, public sector debt is largely at the level of the debt crisis of the 1980s. In developing countries, public debt has increased by 13% over the past five years, and the cost of servicing such debt has increased significantly. So, the average public sector debt to GDP in low-income countries is below historical highs, however, it should be borne in mind that the reduction of debt compared to highs is associated with various forms of its restructuring.

World practice has shown that countries with increased public debt are more vulnerable to changing financial conditions, which can actually put the economy at risk and increase the depth and duration of the recession, given the government's inability to provide sufficient budget support.

The global tendency to increase both private and public debt, the high level of which limits the ability of states to support the economy in the event of a financial crisis or recession, is analyzed. We consider threatening the dynamics of the global public sector debt ratios, which have been steadily increasing over the last 50 years.

Ukraine's cooperation with international financial organizations began with the adoption of the law №2402-XII in 1992 [7]. At the present stage of development of the state Ukraine cooperates with a significant number of international financial

organizations, the totality of which, according to V. Koilo, it is expedient to divide into 4 groups:

- organizations with a significant impact on the world economy (World Bank Group, International Monetary Fund), general functional organizations (UN Development Program, International Labor Organization, World Intellectual Property Organization);

- interstate sectoral organizations (World Trade Organization, Single Bank for Reconstruction and Development);

- association of enterprises in energy, industry, communications and transport;

- international cooperative organizations (International Cooperative Alliance) [ 2, p. 63].

Most often, each state that is a member of a particular international financial organization has an established quota in borrowing rights. In the IMF, for example, the size of the quota is calculated for each country depending on the pace of its economic development and approved by the Board of Directors. In 2016, the 14th revision of quotas took place, as a result of which the quota of Ukraine in the Fund increased to 2.0118 billion special drawing rights, which amounts to 2796.4 million dollars USA. The maximum amount of financial assistance that an IMF member can receive from the fund is 125% of its quota. It should be noted that the receipt of financial assistance from the IMF can take place in three modifications (concession, special and regular) with the establishment of strict economic conditions, which are most often put forward in relation to the price mechanism, foreign trade, credit and currency relations.

Ukraine's quota with the International Bank for Reconstruction and Development, which is part of the World Bank, is 0.8% of its total capital. This organization provides financial assistance mainly for a period of 15-20 years with an interest rate that exceeds the average rate of bank lending by 0.5%. In addition, the rate is reduced for developing countries, while the poorest countries can receive zero-rate assistance.

Another important part of Ukraine's international cooperation is cooperation with the European Bank for Reconstruction and Development, which began in 1992. Until

2011, cooperation with this financial institution was systematic, but after this period of funding has a downward trend. [2, p. 77]

The deepening of financial globalization at the present stage is due to the rapid growth of foreign currency loans, foreign bank capital, foreign investment (direct and portfolio). Accordingly, the state in a short time may lose the effectiveness of previously used traditional levers of macroeconomic regulation.

So, in modern conditions it is especially important to pursue an adequate and consistent financial policy aimed, on the one hand, at strengthening the financial security of the state and creating the necessary conditions to increase the competitiveness of the economy, taking into account priority national interests. globalization, intensification of activities in standardization of rules, norms and requirements, international financial coordination, unification of financial policy measures to prevent the consequences of permanent crises of the financial sector.

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**Анотація:** Наголошено на необхідності проведення адекватної та послідовної фінансової політики, орієнтованої, з одного боку, на зміцнення фінансової безпеки держави та формування необхідних умов для підвищення конкурентоспроможності економіки з урахуванням пріоритетних національних інтересів, а з іншого боку – на контроль місця держави у процесах фінансової глобалізації, активізації діяльності у стандартизації правил, норм і вимог, міжнародній фінансовій координації, уніфікації заходів фінансової політики для запобігання наслідків перманентних криз фінансового сектору.

**Ключові слова:** фінансова безпека, управління фінансовою безпекою, глобалізація.