

REGIONALIZATION AND ECONOMIC SECURITY

The problem of regionalization and economic security has been observed, approaches to the problem solution of reducing the negative impact factors of regionalization on the region and country economic stability level have been suggested. It has been determined that the problem solution ensuring region economic stability at simultaneous increasing of its independence in making economic decisions requires substantial research. Nowadays a weak elaboration of theoretical approaches and practical recommendations concerning solution of these questions is observed, while investigations are fragmented. The aim of the investigation is to find approaches to the problem solution of reducing the negative impact factors of regionalization on the region and country economic stability level. It has been grounded in the article that the main reasons for the emergence and development of crisis causing a threat to the economic security of Ukraine are: recession and the loss of the internal market; destruction of scientific and technological capabilities and deindustrialization of the economy, the prevalence and the consequent development of primary industries and reducing finishing industries leads to the degradation of the scientific and technological potential. It has been established that in terms of national security and safety the priority is not only own production, but also outrunning technological leadership. The observed interdependence of regional and national causes of economic stability threats has allowed to differentiate priorities of regionalization and proper economic stability preservation. It has been proved that the state security problem is closely connected with the interaction within the state – government regulation and market self-regulation. If problems rise to the national security level, in this case the state must solve them, and it is unacceptable in such situation to rely on market mechanisms. The more important is economic problem, the less is the role and place of market mechanisms in its solving. Further studies are aimed at justifying the need to develop an integral economic system (science integration, own production, monetary, financial and banking system) optimizing the mechanism of market self-regulation.

Key words: economic stability, regionalization, region economic potential, financial stability, accelerated (hasty) reforming of economy.

INTRODUCTION

It is extremely important to transfer more powers to the local authorities for the successful reform of national economy. Nevertheless, it is extremely challenging to find limits of the optimal authority level, transferred to the regional level. The difficulty is in political and economic aspects each of which in its turn has an impact on the economic stability of regional and national level.

Economy serves as the basis of geopolitical constants and the main component of national security. Economic factor is particularly important when the main threats of country national security are not only economic, but also military ones. Such situation is especially relevant for the Ukraine claiming a significant place not only in Europe but also in the world, creating a new structure of priorities and alliances. In general it should be noted that economy and economic security play a key role in protecting national interests of the Ukraine.

The problem. The issue of regionalization and formation of economic security system at the regional level as a component of the management of social and economic processes are still not fully studied. An important task is to find ways of elaborating models and methodology of reducing regionalization negative factors to ensure an appropriate level of economic stability and sustainable development of the region.

Analysis of recent research and publications.

Problems of regionalization and economic security are the subject of investigation of many national and foreign economic scientists. L. Abalkin, A. Arkhipov, Ye. Bukhval'd, A. Horodets'kyi, V. Medvedyev, V. Senchahov, K. Samsonov, O. Tatarkin and others have

conducted the general theoretical study of economic stability issues and evaluation of its level L. Abalkin, B. Hubin, Yu. Lyubimtsev, O. Romanova, O. Tatarkin, V. Yakovlev and others have studied economic stability factors of regional level.

V. Heyets', N. Kapustin, Yu. Lysenko, V. Muntiyani, H. Pasternak-Taranushchenko, O. Polushkin, O. Sudakova and others have considered the economic stability problems paying attention to the global, international and national economic stability levels. Results of economic stability problems research in certain regions are represented in the works of N. Huk, K. Yefremov, V. Ponomarenko, V. Tkachenko and others.

The aim of the article (the problem). Solving of the problem to ensure the economic security of the region while increasing its level of autonomy in economic decision-making requires significant research. Currently a weak elaboration of theoretical approaches and practical recommendations concerning resolution of these questions is observed, while investigations are fragmented. The aim of the investigation is to find approaches to the problem solution of reducing the negative impact factors of regionalization on the region and country economic security.

INVESTIGATION RESULTS

Economic security is considered as a stable state of the national economy, when the country is able to:

1) effectively meet the needs of the population, allowing to maintain a sufficient level of social, economic and military stability of the state;

2) provide technical and economic, scientific and technological independence from external and internal threats;

3) maintain protection of economic interests in national and foreign markets.

Economic stability is a complex indicator system that includes national interests in the sphere of economy and serves as the basis of national security [1].

The main criteria of safety in the economy include: economic growth, dynamics and structure of national product and income, the rate of industrial production, the natural resource potential of the country, inflation, GDP per capita, quality of life, dynamism and adaptability of the state mechanism. The possibility of implementing internal and external public interest depends on the state of economic security. Many researchers believe that the main objective of the Great Powers is to deter economic conflict risk which replaced the risk of armed conflict of the Cold War period [2].

However, the experience of Ukraine shows that impossibility or rather a lack of willingness from the part of the Great Powers to quickly resolve economic conflicts peacefully lead to a significant increase in the risk of military conflict solving. This is precisely the situation in eastern Ukraine, where at the moment there is an armed confrontation which, by and large, is the result of a conflict of economic interests of the United States and the European Union on the one hand, and Russia - on the other.

Over the last decade, there is a certain transformation of the nature and place of economic security in the general security system, associated not only with a change in the configuration of political forces in the world, but with the strengthening globalization trend in the world's economy. A number of new phenomena have appeared, region's dependence on world markets has actualized.

The following threats are the most pressing to economic stability of Ukraine for the period 2014-2015: loss of a large part of the production potential because of the high depreciation of fixed assets; the increased external debt, which may result in aggravation of the financial crisis; low innovative and investment activity; low competitiveness and high degree of poverty and poor quality of life of most Ukrainian people; the partial problem of this system is the systematic theft of budget by oligarchic elite and flow of the capital overseas and military conflict in eastern Ukraine.

A number of researchers have recently pointed out another threat for the economic stability of Ukraine which was previously not mentioned – accelerated (hasty) reforming of the economy. The rate of adoption of some "economic reforms", visible flaws in them, lack of publicly available calculations of the proposed changes to the general public creates a double threat. Firstly, economic, which lies in quite high probability of rapid reform failure, or prolonged concealing of failures by further "belt-tightening" and lowering of living standards of citizens; secondly, social - the reluctance of the general population to continue to put up with the steady decline in living standards that usually leads to a social explosion.

In addition to these factors, there are nationwide and

regional issues related to the specifics of the economy in specific regions. Geoclimatic conditions, the state of profiling sectors of the economy, the level of management culture determine the features of economic stability at the regional level. Therefore, the heterogeneity of social and economic development of Ukraine has different impact on the nature of their stability [3].

To ensure economic stability of the region, the researchers find it necessary to resolve several issues: issues related to the region's interests in economy; evaluation of internal and external economic threats to the region's stability; formation of such economic policy which can mitigate the effect of factors that undermine the stability of the regional economy; organizational protection of the economic stability of the region.

In this case, the economic security of the region is considered as a state in which there is no or minimized or entirely eliminated internal and external threats of social, economic and financial potential of the region below the level required for the well being of its population [5].

It is advisable to divide all functions on economic security in the region into two groups: joint solution with the participation of government officials and exceptional solution at the regional level. The reasons for the emergence and development of crisis, causing a threat for economic security of Ukraine, are:

- recession and the loss of the internal market;
- destruction of scientific and technological capacity and deindustrialization of the economy, the prevalence and as the consequence, development of primary industries and reduction in finishing industries leading to the degradation of scientific and technical potential;
- increasing of unemployment and weakening of motivation, decreased quality of life, sharp social differentiation;
- catastrophic growth of labor migration;
- shadowing and criminalization of the economy;
- deterioration of the environment;
- violation of financial maintenance of the territory, increasing of subsidization;
- increase in export of raw materials and reduction in export of high-tech products.

Regional economic crisis situation could threaten national economic security of Ukraine in cases when the destabilizing factors reach the point of severity at which irreversible changes may occur in some areas or the entire economic sector in the region. This is followed by the need for additional funding from the state budget [6].

In terms of national security and the security of foreign economic activity a priority in the state must not only be its own production, but also advancing technological leadership.

The problems associated with stimulation of economic growth, the creation of conditions for progress of social relations, ensuring of sustainable social and economic development are the most urgent in modern economic policy of Ukraine. Ukraine as the region is now a complex multi-level structure having internal dynamics and is an essential element of the national economy. Regional economies are characterized by a combination of social, economic, environmental, information and other

components, the presence of many complex elements, a large number of different relationships, the circulation of large flows of material, financial and information resources.

The greater the total potential of the region, the more opportunities has the region for sustainable development, ensuring its economic independence and security.

Regionalization is an extremely important factor that has a significant impact on the economy of Ukraine. One of the principles of regionalization is protection of territory from negative external influences using regional economic benefits. The key problem in Ukraine is not economic integration of areas but the problems of economic independence, security and sustainable development.

The result of the transformation of the current economic and social structure was the fact that many of the problems that were at the state level, transferred to the level of regions. The execution of state functions at the regional level - support for sustainable development - in the long run will be due to the creation of mechanisms to ensure economic security of regions [8].

Classical standards for sustainable development suggest that the economy should equally be guided as to meet the reasonable needs of the present, and to preserve the possibility for future generations to meet their most important consumer needs. The analysis of the economic security of regions is one of the stages for evaluation of sustainable development. Concepts that are being developed, and forecasts for the regions are not linked as a rule to the problems of economic security of the border areas. However, economic security should be considered as the most important characteristic of the economic system that determines the ability of implementing national and state interests in the region, providing decent life conditions for its population, eliminating threats that emerge.

Regions of Ukraine differ greatly in geographical location, climatic conditions, demographics situation, potential of development. Economic independence and security of regional systems most of all depend on the social and economic potential, size and structure of which determine the position of the region in the territorial division of labor, the competitiveness of goods and services produced (provided) in the region, and promote comprehensive social and economic development of the region. The greater the total potential of the region, the more opportunities for sustainable development, ensuring its economic independence and security has the region.

The problem of economic security has always existed, but today it has received special urgency in the aftermath of economic reform, as well as varying degrees of readiness of regions to functioning under a modernized economy based on their current potential.

It is known that the foundation of the economic system is its own production, the most important component of national security - its economic security. This raises the question that should be a priority, the most important issue in national security - financial stability and stabilization of production, it is obvious that in terms of national security priority should be given to its own

production. Moreover, it is important to note that in terms of national security and safety FEA priority is not just own production, but advancing technological leadership [7].

The economic security of the country or a region is a set of interrelated activities aimed at sustained, continuous development and improvement of the economy of the territory, which necessarily involves a mechanism to counter external and internal threats. Therefore, a clear distinction of priorities for the state and the region should ensure unity of objectives in the conservation of economic security. At the regional level it is necessary to ensure the priority development of high-tech manufacturing taking into account regional preferences and available resources. At the state level it is necessary to conduct an efficient allocation of financial resources (both own and borrowed) in order to ensure financial stability, which will enable to attract foreign investment in high-regional projects and direct financing of own regional production, leading in a particular industry.

The internal structure of economic security of the region can be divided into three major blocks.

1. Economic independence, which is relative due to economic and political dependence of the region from the center and interconnected economies of the regions of Ukraine. Under these conditions, economic independence means the ability of regional authorities to control regional resources (within the powers granted by the center); achieving a level of production efficiency and product quality, which ensures its competitiveness and allows to take part in inter-regional and international trade, cooperation relations and the exchange of scientific and technological achievements.

2. The stability and sustainability of the regional economy, involving property protection in all its forms; creation of reliable conditions and guarantees for entrepreneurial activity; deterrence of factors that can destabilize (fighting criminal organizations in the economy, preventing serious gaps in income distribution that threaten to cause disruption etc).

3. The ability to self-development and progress - creating a favorable climate for investment and innovation, constant modernization of production, improving professional, educational and cultural level of the workers etc.

CONCLUSIONS AND PROSPECTS FOR FURTHER RESEARCH

The observed interdependence of regional and national causes of threats to economic security enables to differentiate the priorities of regionalization and save an adequate level of economic security. The issue of state security is closely related to the interaction within the state - government regulation and market self-regulation. If issues reach the level of national security, these issues concern the state, and in such situations, it is unacceptable to rely on market mechanisms. The more important the economic problem, the smaller should be the role and place of market mechanisms in its solution. This also requires an integrated economic system (integration of science, own production, monetary, financial and banking system), allowing market self-regulation mechanism to

operate effectively.

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РЕГІОНАЛІЗАЦІЯ ТА ЕКОНОМІЧНА БЕЗПЕКА

Розглянуто проблему регіоналізації та економічної безпеки, запропоновано підходи до вирішення проблеми зменшення впливу негативних чинників регіоналізації на рівень економічної безпеки регіону, країни. Визначено, що вирішення проблеми забезпечення економічної безпеки регіону при одночасному зростанні рівня його самостійності у прийнятті економічних рішень потребує ґрунтовних досліджень. В даний час спостерігається слабка розробленість теоретичних підходів та практичних рекомендацій до вирішення цих питань, а дослідження носять фрагментарний характер. Метою дослідження є пошук підходів до вирішення проблеми зменшення впливу негативних чинників регіоналізації на рівень економічної безпеки регіону, країни. В статті обґрунтовано, що основними причинами виникнення і розвитку кризових ситуацій, що викликають загрози економічної безпеки України, виступають: спад виробництва і втрати внутрішнього ринку; руйнування науково-технічного потенціалу і деіндустріалізація економіки, переважання і, як наслідок, розвиток сировинних галузей і скорочення фінішних галузей призводить до деградації науково-технічного потенціалу. Встановлено, що з точки зору національної безпеки і безпеки зовнішньоекономічної діяльності пріоритетним в державі має бути не просто власне виробництво, але і випереджаюче технологічне лідерство. Виявлена взаємозалежність регіональних та загальнодержавних причин виникнення загроз економічній безпеці дала змогу розмежувати пріоритетні завдання регіоналізації та збереження належного рівня економічної безпеки. Обґрунтовано, що питання безпеки держави тісно пов'язане зі взаємодією в межах держави – державного регулювання і ринкової саморегуляції. Якщо проблеми піднімаються до рівня питань національної безпеки, то їх рішенням повинна займатися саме держава, і покладатися в таких ситуаціях на ринкові механізми неприпустимо. Чим більше значення має та або інша економічна проблема, тим меншими мають бути роль і місце ринкових механізмів в її рішенні. Подальші дослідження спрямовані на обґрунтування необхідності формування цілісної економічної системи (інтеграції науки, власного виробництва, грошово-фінансової і банківської системи), що дозволить оптимізувати роботу механізму ринкової саморегуляції.

Ключові слова: економічна безпека, регіоналізація, економічний потенціал регіону, фінансова стабільність, прискорене (поспішне) реформування економіки.

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РЕГИОНАЛИЗАЦИЯ И ЭКОНОМИЧЕСКАЯ БЕЗОПАСНОСТЬ

Рассмотрена проблема регионализации и экономической безопасности, предложены подходы к решению проблемы уменьшения влияния негативных факторов регионализации на уровень экономической безопасности региона, страны. Определено, что решение проблемы обеспечения экономической безопасности региона при одновременном росте уровня его самостоятельности в принятии экономических решений требует серьезных исследований. В настоящее время наблюдается слабая разработанность теоретических подходов и практических рекомендаций к решению этих вопросов, а исследования носят фрагментарный характер. Целью исследования является поиск подходов к решению проблемы уменьшения влияния негативных факторов регионализации на уровень экономической безопасности региона, страны. В статье обосновано, что основными причинами возникновения и развития кризисных ситуаций, вызывающих угрозы экономической безопасности Украины, выступают: спад производства и потери внутреннего рынка; разрушение научно-технического потенциала и деиндустриализация экономики, преобладание и, как следствие, развитие сырьевых отраслей и сокращение финишных отраслей приводит к деградации научно-технического потенциала. Установлено, что с точки зрения национальной безопасности и безопасности внешнеэкономической деятельности приоритетным в государстве должна быть не просто собственное производство, но и опережающий технологическое лидерство

Обнаружена взаимозависимость региональных и общегосударственных причин возникновения угроз экономической безопасности позволила разграничить приоритетные задачи регионализации и сохранения должного уровня экономической безопасности. Обосновано, что вопрос безопасности государства тесно связано с взаимодействием в рамках государства – государственного регулирования и рыночной саморегуляции. Если проблемы поднимаются до уровня национальной безопасности, то их решением должно заниматься именно государство, и полагаться в таких ситуациях на рыночные механизмы недопустимо. Чем большее значение имеет та или иная экономическая проблема, тем меньше должны быть роль и место рыночных механизмов в ее решении. Дальнейшие исследования направлены на обоснование необходимости формирования целостной экономической системы (интеграция науки, собственного производства, денежно-финансовой и банковской системы), что позволит оптимизировать работу механизма рыночной саморегуляции.

Ключевые слова: экономическая безопасность, регионализация, экономический потенциал региона, финансовая стабильность, ускоренное (поспешное) реформирования экономики.

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