
ЕКОНОМІКА ТА УПРАВЛІННЯ НАЦІОНАЛЬНИМ ГОСПОДАРСТВОМ

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MILESTONES OF PUBLIC POLICY OF ENSURING ECONOMIC SECURITY UNDER THE INFLUENCE OF TRANSNATIONAL CORPORATIONS

Abstract. The four stages of conducting the public policy of ensuring economic security in the context of the transnationalization of the national economy, such as training, development, implementation and monitoring are analyzed in the article. The gradual ongoing activities and anticipated changes are investigated. The possible effects that are expected as a result of public policy of ensuring economic security of the national economy and neutralization of threats from foreign and domestic transnational corporations are pointed out.

Keywords: milestones, public policy, ensuring economic security, transnational corporations.

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ОСНОВНИ ЕТАПИ ДЕРЖАВНОГО ЗАБЕЗПЕЧЕННЯ ЕКОНОМІЧНОЇ БЕЗПЕКИ ПІД ВПЛИВОМ ЗАГРОЗ ТРАНСНАЦІОНАЛІЗАЦІЇ НАЦІОНАЛЬНОЇ ЕКОНОМІКИ

Анотація. В статті проаналізовано чотири етапи проведення державної політики забезпечення економічної безпеки країни в контексті процесів транснаціоналізації національної економіки, зокрема, підготовки, розробки, реалізації та контролю. Досліджена поступовість здійснюваних заходів і очікуваних змін. Виділені можливі ефекти, які очікуються в результаті проведення державної політики забезпечення економічної безпеки національної економіки та нейтралізації загроз від діяльності зарубіжних та вітчизняних транснаціональних корпорацій.

Ключові слова: етапи проведення, державна політика, забезпечення економічної безпеки, діяльність транснаціональних корпорацій.

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ОСНОВНЫЕ ЭТАПЫ ГОСУДАРСТВЕННОГО ОБЕСПЕЧЕНИЯ ЭКОНОМИЧЕСКОЙ БЕЗОПАСНОСТИ ПОД ВЛИЯНИЕМ УГРОЗ ТРАНСНАЦИОНАЛИЗАЦИИ НАЦИОНАЛЬНОЙ ЭКОНОМИКИ

Аннотация. В статье проанализированы четыре этапа проведения государственной политики обеспечения экономической безопасности страны в контексте процессов транснационализации национальной экономики, в частности, подготовки, разработки, реализации и контроля. Исследована постепенность осуществляемых мероприятий и ожидаемых изменений. Выделены возможные эффекты, которые ожидаются в результате проведения государственной политики обеспечения экономической безопасности национальной экономики и нейтрализации угроз от деятельности зарубежных и отечественных транснациональных корпораций.

Ключевые слова: этапы проведения, государственная политика, обеспечение экономической безопасности, деятельность транснациональных корпораций.

Relevance of the research topic. The proper state of economic security of the national economy is reached by implementation of public policy, reinforced by a system of coordinated measures aimed at preventing and neutralizing external and internal threats. The model of open national economy of Ukraine is provided by the active involvement of foreign direct investments (FDI), the main role of which get the investments of transnational corporations (TNCs). Nowadays TNCs are the world's largest investor and representative of new technologies in production and management. The open nature of Ukraine's economy and competitive environment contributed to the emergence

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of TNCs in the domestic market. Their growth rate and quantity is a challenge to the national economy.

Statement of the problem. The processes of transnationalization of national economy has an ambiguous impact on the state economy. On the one hand, they enhance competitiveness and the creation of additional jobs, introduce new methods of management, enliven innovative development, on the other - TNCs monopolize certain activities and fields of economy, inclined to depletion of natural resources and the transmission of obsolete and hazardous technologies in the host country. The public policy of ensuring economic security must take into account the possible threats from the activities of TNCs.

Analysis of recent researches and publications. The issue of economic security of the national economy, classification of threats and mechanisms for their prevention and elimination are reflected in the works of L. Abalkin, V. Belous, L. Brown, B. Buzan, D. Burkaltsevaya, Z. Varnaliy, T. Vasylytsiva, B. Greer, B. Gubsky, A. Gumenyuk, R. Datskiv, V. Jedyak, M. Yermoshenko, T. Kovalchuk, O. Korystina, H. Moule, K. Murdock, V. Muntiyak, E. Oleinikov, G. Pasternak-Taranushenko, V. Predborskiy, G. Puhtayevych, V. Senchahov, A. Sukhorukov and other scientists.

Theoretical and practical problems of transnationalization are studied in the economics papers of L. Antoniuk, V. Biloshapka, K. Bartlett, R. Vernon, A. Gaunt, A. Gryshchenko, D. Lukyanenko, V. Miller, A. Movsesyan, V. Nowickiy, I. Pivovarov, Y. Pakhomov, A. Pekhnyk, O. Plotnikov, O. Rohach, V. Rokochaya, L. Rudenko, A. Filipenko, C. Jakubowskiy and others.

Highlights of unexplored aspects of the problem. Despite the increased attention of scientists to the analysis of the problems of economic security and transnationalization of the national economy, a single approach to public policy of ensuring economic security under the influence of foreign and domestic multinational corporations considering national economic interests has not been produced.

Statement of the objective. The objective of this study is to elucidate the gradual implementation of public policy of ensuring economic security under the influence of TNCs.

Presentation of the problem basics. Ensuring economic security of national economy implies the existence of graduality and milestones of ongoing changes. The objectives of the public policy in the field of economic security are: determining the position of the State regarding the safety of economic processes, outlining specific goals, clarifying and prioritizing their gradual achievement, the forming of economic interests, applying of legal and economic leverage to business entities.

It is appropriate to begin the management of economic security with preparation stage, which is justified by the need to ensure the economic security of the national economy under the influence of transnationalization threats by analyzing the external environment and internal capabilities of the domestic economy. The external environment of the national economy is created by globalization and the objective need of Ukraine to integrate into the inter-economic relations. The international associations, individual countries and foreign multinationals are main subjects of the external environment.

Internal environment is considered as a set of factors that form the long-term trends and are under the direct control of the state. It is formed under the influence of economic, political and institutional factors. In the context of ensuring economic security, taking into account the activities of TNCs one of the main factors of the internal environment is the openness of the national economy, which provides free access to the domestic market foreign investment. This is objectively connected with the limitation of the regulatory functions of the state. Analysis of international experience of protection the national economic interests shows that successful economy combining certain level of openness with the public policy of providing economic security.

After taking into consideration the feasibility of changes in ensuring economic security, it is necessary to prepare for their implementation. In our opinion, the second stage of public policy of ensuring economic security under the influence of TNCs should be a development that begins with determining the sequence of actions to achieve the goals and that offers options for economic security on the final stage, taking into account the state of the national economy and the processes of transnationalization. We believe that in this phase is appropriate to:

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- analyze the international experience of state protection of national interests of TNCs and select precautions that are possible for Ukraine;

- identify the priority ways of ensuring economic security of the national economy.

The analysis of the provisions of the Law of Ukraine "On National Security of Ukraine", National Security Strategies of Ukraine "Ukraine in the developing world", Ukrainian legislation on governing foreign investments allow us to identify the following priority ways to ensure economic security of the national economy, taking into account the process of transnationalization:

1) ensuring the legality of the system of economic security;

2) improving the competitiveness of the national economy and stimulation of the rapid development of knowledge-intensive highly technological industries;

3) monitoring the impact of foreign investments on the development of certain strategically important fields of the national economy and reforming the system of attracting domestic and foreign investments in the national economy;

4) protection and support of domestic manufacturers;

5) promoting prudent policy of internal and external borrowings, opposition to uncontrolled outflow of domestic financial resources of the country;

6) food security and protection of Ukrainian consumers from substandard and dangerous production;

7) acceleration of progressive institutional changes in the economy.

On the basis of the above priority ways of ensuring economic security of the national economy and the necessity for their implementation it would be appropriate to:

1. Create a balanced system of ensuring economic security, which will carry out the actual diagnosis and prediction of potential threats to the economic security from the TNCs. Particular attention should be paid to such system requirement of ensuring economic security as the legality of its functionality.

2. One of the main objectives of public policy of ensuring economic security is increasing competitive potential by usage the national benefits in education, science, high technology and the transition from raw materials export type to innovation investment type of economic development. Using the positive effects of trans-nationalization of the domestic economy, such as access to additional sources of financial capital, new technologies, potential of innovations and usage of modern organizational and managerial experience, the creation and access to foreign markets national high-tech products, the reference for which is foreign product branches that are adapted to the needs of the global market, can be stimulated. Competitive advantages of the activities of foreign TNCs are barely used by domestic economy. Foreign corporations in terms of the national economy mainly oriented to the creation of marketing networks, promoting their product on the Ukrainian market, which affects the competitiveness of domestic manufacturers. The negative impact of TNCs investments on economic processes in Ukraine can be leveled by the balanced system of state regulation of foreign investments, that is, on the one hand, aimed to increase interest of TNCs in the creation of structural units in Ukraine under the condition of improving the competitiveness of the national economy, on the other hand – to reduce the discrimination of national manufacturers.

Theoretical developments in this regard are essential. Thus, scientists of the Institute of Economics and Prognostication of NAS of Ukraine under the direction of Doctor of Economic Sciences I. V. Kryuchkova developed the "Concept of State program of improving the competitiveness of the national economy during 2007-2015.", in which they identified the main stages and components of improving the competitiveness of Ukraine and defined government tasks [1].

3. Monitoring the impact of foreign capital to the development of certain strategic areas of the national economy is of particular importance for Ukraine, because the domestic economy is characterized by a set of serious inter-sectorial imbalances and lack of resources [2].

Taking into consideration that the energy field is strategically important for the economy of Ukraine, the monitoring of the impact of foreign capital to ensure energy security as one of the components of economic security of the national economy is very important. To ensure energy security

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it is necessary: to diversify energy supplies to Ukraine and to prevent monopolization of strategically important energy area by foreign TNCs.

4. Protection of national manufacturer requires the usage of new principles of support the domestic manufacturers based on the proven in the world mechanisms of development and protection of the domestic market. To support domestic manufacturers it would be appropriate to expand the availability of credit support for the real economy area through the development of mortgage schemes, creation of investment banks and compensation funds, forming a network of guarantee offices and more.

5. External borrowings of Ukraine can become a pressure by creditor countries and lobbying interests of foreign TNCs and their consolidation in the economy. Therefore, according to experts, to implement a balanced policy of internal and external borrowing it is necessary to accelerate the replacement of external borrowings to internal ones, because the domestic market is characterized by large capacity, and borrowings on it is less burdensome than on the foreign market and to direct most of the loans to support strategic areas in the real economy field and to support the innovation processes [3].

6. Considering that in conditions of national economy openness the global trends of increasing food shortages and rising prices can be considered as the challenges of food security of Ukraine. In our opinion, a priority aim that is directed to reform the agricultural area and prevent the monopolization of agricultural industry by foreign TNCs in the current environment, should become a commodity of providing support to agricultural production and agricultural competitiveness by simplifying and reducing the cost of obtaining credits, increasing the funding to farms, implementing the subsidy programs and compensation payments for crop and livestock production.

7. To accelerate progressive institutional changes in the economy it is needed to improve the business and social climate in society, to form public perception of the necessity and feasibility of ensuring economic security and defining the role of foreign and domestic TNCs in this process. To achieving this goal it is needed to:

- form economic patriotism and sense of civic duty, without which it is impossible to mobilize society and the state to create a highly efficient national economy and its economic security;
- guarantee the property rights, to comply with economic legislation, the rights and safety of employees, safety of life and consumption, to reduce the amount of regulatory documents.

Thus, the government should promote public opinion on the need and importance of ongoing economic reforms.

The third phase of public policy of ensuring economic security considering threats based on the activities of TNCs is the implementation phase, which depends on the capacity of the state power system, balancing the functions and powers between the branches and agencies, clear separation of legislative policy and administrative powers, functions and responsibilities of public authorities.

The implementation of measures for the prevention and removal of threats to the economic security of foreign and domestic TNCs through legal, economic, organizational and management practices take place at this stage. The tools of implementation are: contracts between TNCs and host country on the development and exploration of natural resources, technology transfers or investments; the usage of certain types of economic sanctions against TNCs in accordance with the Commercial Code of Ukraine; issuance and withdrawal of licenses; providing tax relief on income that is invested in industry development and RTD; additional benefits under the state program to encourage foreign investments in certain industries and areas and more.

The evaluation of the effects of the measures is envisaged on monitoring stage. It should be made operational as the correction of processes that are influenced by the policy of ensuring economic security can effectively influence the course of implementation only on the condition of the consistency and coherence of government actions. The monitoring is accomplished in two ways: continuous control of the implementation of planned activities and the results of the public authorities work of ensuring economic security.

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After a certain time (5-10 years) it is important to undertake a comprehensive assessment of the effects obtained as a result of conducting the government policy of ensuring economic security, taking into consideration the activities of TNCs. Possible effects are presented in Table 1.

Table 1

Possible effects obtained of conducting the government policy of ensuring economic security, under the influence of TNCs

Types of effects	Characteristics of effects
Legal	- ensuring the legality of the functionality of economic security system; - aligning the national legal framework to international standards of regulation of TNCs.
Economic	- preserving and maintaining of the national economy; - improving the competitiveness of the national economy; - using of the benefits of foreign investments (involvement of innovative technologies and management experience of TNCs); - mobilizing of domestic sources of investment; - encouraging rapid development of knowledge-intensive highly technological manufactures; - using the potential of investment resources of large vertically integrated national corporate structure; - preserving and developing of intellectual, scientific and technical potential; - improving the quality and safety of production.
Socio-economic	- satisficing the social and economic needs of the citizens; - reducing unemployment; - increasing business social responsibility; - ensuring adequate standards of living.
Eco-economic	- more efficient using of natural resources; - using of environmentally friendly technologies; - preventing the deterioration of environment.

Source: developed by the author.

Conclusions. Therefore, ensuring economic security of the national economy under the influence of transnationalization threats can be effective on the condition of state consistent and prudent actions, which will contribute to the national economy adaptation to globalization of social and economic development. The internationalization of economic processes, the increase of the dynamism of the competitive environment changes, the increased threats to economic security of the national economy determine the importance of finding balance between the national economy and the external environment. The foreign and domestic transnational corporations create positive effects and cause particular threats to the national economy and its activity is one of the factors that influence public policy of ensuring economic security of Ukraine.

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