



THE ECONOMIC SECURITY OF THE STATE: THE INSTITUTIONAL ASPECT

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Abstract

In recent years the problem of economic security ensuring is characterized by new aspects of its theoretical content in connection with the institutional transformation of the Russian economy, which is essential condition of its modernization. .New trends and patterns determining institutional ensuring of economy modernization are an essential aspect of economic security. Scientific substantiation is required by modern problems of economic security ensuring, the prevention of new challenges and threats of economic security and sustainable development of the regions. At the present time, there is a search of new conceptual approaches of methods and mechanisms formation which can protect the economic interests of the State, regions, enterprises and organizations, public and business sectors, which finds its expression in the strategy of socio-economic development of the Russian regions.

Keywords: National security strategy, economic stability, threats social and economic development, indicators, stable development.

Introduction

Economic security is a complex socio-economic category which is influenced by the continuously changing environment of material production, external and internal threats of the economy. Economic security is a basis of the national security of the State. The national security ensuring is a primary responsibility of the State, which is being implemented in close collaboration with the economic agents. The national security reflects the ability of relevant political, legal and economic institutions of the State to protect the interests of its key entities in national economic traditions and values. Therefore, its development must be seen in the overall context of the formation of the national security state (Litvinenko, 2013). For the State, there is no absolute economic security, when there are no types of external and internal threats to the





national economy. The main factors of economic security of the country are its geographical location, natural resources, industrial and agricultural potentials, the degree of socio-demographic development, the quality of public administration. Russia, the United States, Japan, China, including the European Union, take a leading position in the world of the industrial potential, the volume of agricultural production, natural resources and they have an unbeatable geographic position that contributes to their economic security (Grigoreva e., Fesina e., 2013). However, they differ sharply on the parameters, as well as the nature of the State and of economic regulation. It should also be noted that there are new aspects of economic security which are related to features of Internet. Today, economic security is becoming increasingly important not only for an individual country, but for the whole world before entering into economic relations. In a number of foreign articles, scientists expressed their personal views on the development of this direction. For example, Ekaterina Grigorieva and Lilia Garifova theoretically covered the issues of economic security in their journal article "The economic security of the state: the institutional aspect" in the journal "Procedia Economics and Finance". The article notes the following: In recent years, the problem of economic security has been characterized by new aspects of its theoretical content. The trends that determine the institutional security of economic modernization are an important part of economic security. Topical issues of economic security, prevention of new threats and scientific substantiation of threats to economic security and sustainable development of regions are highlighted. Currently, new conceptual studies are carried out by organizations, government and business sectors, whose approaches to the formation of methods and mechanisms for protecting the economic interests of the state, regions, enterprises and other countries are reflected in the strategy of socioeconomic development. The multifaceted and interdependent nature of the changes taking place in the modern socio-economic system necessitates the formation and implementation of an institutional approach to solving complex economic problems. In the context of globalization of the world economy, the problems of ensuring economic security of the state are becoming increasingly important. The economic security of the state means the protection of all levels of the country's economy from dangerous actions, which can be both a consequence of the conscious influence of any factor, and a spontaneous influx of market forces. In the context of the complication of economic ties between individual states, the intensification of globalization and integration, economic threats are increasing, which in turn requires the development of a short-term and strategically effective concept to ensure economic security at all levels of the economy. For this purpose, a system of indicators is used - quantitative characteristics of socio-economic





phenomena and processes, the measurement and comparison of which allows us to identify the dynamics of economic security.

Literature Review

To assess the economic security of Russia there is used a system of indicators that reflect its place in the world economic system (Ranjan R, Ngai Weng Chan, Ruslan R., 2013). They reflect the gap between the indicators that characterize the proportions of territorial space and natural resource potential, and, on the other hand, financial potential, gross domestic product and foreign trade and, above all, the level and the quality of the population life. Over the past 15 years in Russia were made bad the imbalance on many indicators, particularly on the social. Comparison of actual values of economic security indicators of States with their thresholds, describing various aspects of the national economy security, provides an indication of the individual components evolution of economic security at the international level and in some cases their comparison. It raises the problem of determining the cumulative index of economic security to evaluate its performance and to conduct comparative description on an international scale. In the economic literature (Butorin V.K., Tkachenko A.N., Shipilov S.A., 2007) there is a methodological approach that is based on the definition of the normalized values as for appropriate threshold levels of private indicators of the State economic security. This assumes that the smallest possible value i of the normalized private indicator $E_{i, \min}$, 0 01 is the least level of economic security of the State at fixed values the rest of private indicators-indicators. And, vice versa, the largest possible value i of normalized private indicator $E_{i, \max}$ 100 corresponds to the highest level of economic security of the State at fixed values the rest of private indicators-indicators. The unit value i of the private indicator corresponds $E_{i, \max}$ to the normalized threshold level of economic security of the State. Large external government debt and an increase in corporate debt, excessive import dependence, overloading of export of commodities are external threats to the country's economy. The duration and growth of these indicators, as well as the expansion of the range of interaction of the above threats, lead to the lag of the state from developed countries in the economic growth rates, competitiveness and welfare of citizens. Therefore, the definition of criteria for indicators characterizing the economic security of a country requires careful scientific research.

Therefore, in conditions of unstable development of the economies of the countries of the world, interaction between them intensifying during the period of globalization, states are trying to be more careful in ensuring economic security. In preparation for joining the Eurasian Economic Union (EAEU) and digitalizing the economy of





Uzbekistan, to ensure economic security, the most important task is to determine the list of indicators characterizing the state of the economy and the security criteria of the subject. The solution of these issues requires the study of foreign and domestic indicators, as well as the procedure for determining their criteria. According to A.I. Popov, the threshold values of economic security are quantitative indicators or parameters characterizing the acceptable level of development security, beyond which there are dangers, accompanied by the loss of control by states in any field. To develop indicators and threshold values, it is necessary, according to the theory of social sustainability, to assess the socio-economic situation not by a single indicator, but by their combination, since due to a critical deviation of one or two parameters from the maximum permissible values, the current situation is not always correctly estimated situation as a whole. We believe that we can agree with the author's opinion on the need to develop indicators and threshold values according to the theory of social sustainability, to assess the socio-economic situation not by a single indicator, but by their combination. Therefore, indicators and threshold values of economic security for individual countries may be different. But we believe that indicators of economic security are not only a quantitative indicator, it is also a qualitative indicator. Since, if the indicator of external debt has increased quantitatively, but in relation to GDP, it should not be negative, its quality ensures repayment of the debt without affecting the state budget or the budget of the private sector.

Results

The strategic goal of Russia development in the long-period is its turning into one of the leaders of the global economy, entrance of the country to the level of developed post-industrial countries. The implementation of this goal means achieving standards of welfare which correspond to the level of the developed countries (average per capita GDP to 20-30 thousand dollars), as well as providing scientific and technological leadership in the competitive advantages and the Russian national security formation (Grigoreva E.A., 2011). In the economic literature the same question of the Russian economy industrial structure dissatisfactory was raised many times. (Glukhov E.V., Glukhov Was, 2013). Fuel and commodity orientation of Russian production and exports is threatening stability of functioning and development of the economy. Fuel and commodity orientation of Russian production and exports is threatening stability of functioning and development of the economy. The predominance in the economic structure of the manufacturing industries is because of their ensured high capacity of the sustainability and profitability of production. It is because of the following reasons: -significant species and quality diversity of products; -abundant and flexible





modes of production; -relatively high mobility of capital; - freedom in the choice of the type of activity and the geographic distribution of enterprises; -more high added value on the cost elements and consequently greater productivity of the invested capital. In machine-building and chemical industries there are promoted new high technology products: production of computer and laser technology, automation, equipment for atomic engineering, microbial drugs and materials. In the United States these knowledge-based industries represent over 50% of the total output of the manufacturing industry. In Germany, France, Great Britain, Italy, it is from 35 to 40 per cent (Feofilova T.Y., 2012).

In Russia the share of education of manufacturing industries and industries that define the scientific and technological progress, not only lags behind the developed countries, but also has decreasing tendency. (Garifova L.F., 2010). In 2013 in the sectoral structure of Russian industry per electric power industry share there was 9.3 per cent of the fuel complex -18.4%, metallurgy-18%; Union of wood, pulp and paper-4.7%; chemical petrochemical-9.6%; machine building and metal processing-18.1%; light and food-18.1%. The same structural distortions are observed in exports. Russia accounts for more than 10 per cent of world exports of crude oil, 50% natural gas, 33% of tin ore and more than half of tungsten ores and concentrates, niobium, tantalum, vanadium (Granberg A.G., Danilyan-V. I. Danilov et al., 2002). In manufacturing industries there has been a significant drop in the production and sale of industrial and household equipment, as well as chemical, light and food industries. According to Rosstat in 2013 from 406 basic industrial products manufacturing industries due to the decline in production was fixed on 386 items (more than 90% of product groups). So, if at the beginning of the 1990 's. Russia produced 53 thousand of mechanical equipment, 137 thousand of agricultural machinery, 4319 thousand (pieces) of vacuum sweepers, 4015 thousand of radio receivers, in 2012, there were produced respectively 8.7 thousand, 8 thousand, 770 thousand; and 249 thousand. (Statistical Yearbook., 2014). The figures indicate that the structure of the material production steadily increased the proportion of share of the fuel and energy complex, metallurgy, but the mechanical engineering and industries operating in the domestic market is decreasing. As for the proportion of new industries-micoelectronics, information technology, bio-and nanotechnologies, they still occupy an insignificant place (9.8%, against 87.3% in developed countries). With such sectoral structure of the economy it is unlikely to overcome the boundary lines between industrial and postindustrial society. Another structural problem of the Russian economy is a low level of diversification. In highly developed countries, the number of sectors and industries in engineering reaches 150-200, while in Russia this rate does not exceed





10-15 (M.R. Safiullin, L.A., Shakirova Elshin A.I., Ermolaeva P.O. Prygunova, M.I., 2013). Thus, we can conclude not only about continuing lag of branches of the Russian economy structure from the leading countries of the world, but also for its extreme volatility influenced by market fluctuations.

Conclusion

Structural backwardness of the Russian economy causes its instability and limits possibilities for further development. Return on mineral raw materials and energy products sales is completely determined by market conditions and doesn't depend on manufacturers efforts. It means, that changing the economic situation in the world, discovering of huge fields outside of Russia, a technological breakthrough in new construction materials and fuel sources using, development of resource-saving technologies could lead to mineral resources demand reducing and involve a significant drop on their prices. (Vorobiev A.E., Balykhin G.A., Komashenko V.I., 2007). Thus, the problem of structural modernization of the Russian economy is a priority in the competitiveness and the economic security ensuring of the country. . The national security concept of the Russian Federation stated that the threats in our economy are complex. They are determined by country's scientific and technical and technological potential weakening, economic disintegration, social differentiation of the society, the devaluation of spiritual values, the criminalization of social relations, rising terrorism and organized crime. (Senchagov, V.K., Gubin B.V., Ivanov E.A., 2013; Granberg A.G., DanilovDaniliyan V.I. et al, 2002). However these threats aren't completely revealed in it, that's why it is difficult to define their concrete boundariesчто, acuity and work out a unified state approach to their neutralization. The national security concept of the Russian Federation also does not reflect the major threats of the economic development of the regions where the criminalization of the economy is becoming catastrophic. In particular, it does not review the economic and tax crime, shadow economy, grey labour market. Since the adoption of this document economic, social and political situation both in Russian regions and the world has changed significantly. It means that the criteria of economic security remain constant, as contributing to the maintenance of the status of the vital interest's protection of the national economy and the population. However, factors and circumstances of economic security are constantly changing, reflecting the transformation processes of the Russian economy, which leads to the emergence of new threats and dangers in the socio-economic system development.





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