LEGAL REGULATION OF UKRAINE'S ECONOMIC SECURITY IN
THE CONDITIONS OF MARTIAL LAW

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Abstract

The current conditions of the development of the economy of Ukraine, especially in the conditions of martial law, have a negative impact on the country's economic security. The main normative-legal acts on ensuring economic security, which are the reason for the appearance of modern normative documents, are still not perfect and do not provide legislative consolidation of the category "economic security". Ensuring the economic security of the state is a competent specialized activity of state bodies to prevent, identify and neutralize threats to the economic security of the state, creating conditions for satisfying national economic interests. At present, in Ukraine, it is objectively necessary to strengthen the legal and administrative regulation of national security by the state, adoption and implementation of relevant legislative acts. Ensuring the economic security of the state involves the formation of economic policy, institutional transformations and the necessary mechanisms that eliminate or mitigate the influence of factors that undermine the stability of the national economy. All this should be carried out with the help of adopting a complex of organizational, legal, socio-economic measures, which are implemented on the basis of qualitative indicators and quantitative indicators, including macroeconomic, demographic, foreign economic, etc.

Keywords: legal regulation, economic security, legal framework, development.

Introduction

In the current conditions of reforming the legal system, Ukraine's leading task remains the intention to become a member of the European Union. This process is characterized by specific features associated with the increasing role of the state in the economy. The basis of the practical implementation of the specified direction is the strengthening of the economic security of Ukraine. Modern directions of national economic security of Ukraine can be defined as not viable enough, as they are characterized by a certain isolation. This is precisely what constitutes obstacles for Ukraine in terms of its integration into the European space. However, the rejection of such integration will cause threats to the effective development of the economic system of Ukraine. It should be noted that development is the main prerequisite for ensuring Ukraine's national security.

Ensuring sustainable economic development requires the need for further development of national security compared to political and strategic factors, since it is the economic direction that is becoming the priority of world development.
Results obtained and discussions

In international practice, the concept of "economic security" appeared in the 1980s, and it was established and became generally recognized with the adoption by the 40th session of the UN General Assembly (1985) of the resolution "International Economic Security". Important aspects of ensuring the economic security of the state as the basis of its national security are enshrined in the UN Strategic Program "Millennium Goals" [4, c.186].

Economic security is based on three important principles: economic independence, sustainability and stability, and the ability for self-development and progress [1; 2]. Solving these tasks is possible by combining effective state regulation in the economy with self-regulation of economic activity and taking into account the trends of globalization and regionalization of economic relations. The complex socio-political and military situation in Ukraine is accompanied by an increase in the number of threats to economic security. This led to the need to revise approaches to understanding the role of the importance of national economic security. In view of this, a special place in the system of acts on ensuring economic security is given to programmatic constituent documents - strategies, concepts, doctrines, which constitute a system of views officially accepted in the state, as they are constitutive.

More then year from the escalation of the armed conflict in Ukraine, the devastation continues to affect every aspect of people's lives. The most effective international organizations such as International Federation of Red Cross and Red Cress Societies (IFRC) response to the humanitarian crisis that has been affecting millions of people both inside and outside of Ukraine. Following the immediate response to the needs generated by the conflict and the subsequent mass displacement, operations continue to scale up, while adapting to the changing context and new scenarios, such as continued energy crisis, inflation, civilian casualties and damage to residential areas, new influx of displaced people from Ukraine, as well as gearing up for sustained, targeted and impactful long-term activities both inside and outside Ukraine [1].

Despite the inevitable loss and damage inflicted on Ukraine’s economy by Russia’s war, there is some optimism from Ukrainian companies about their own commercial future and the country’s economy overall. In those Ukrainian territories less affected by hostilities and occupation, companies began recovering their operations just a few weeks after the Russian invasion began and have continued despite ongoing attacks on Ukraine’s power grid causing massive disruptions to power supply. Throughout the country, its corporate climate has been recovering in recent months, thanks in no small part to the military victories of the Ukrainian army and its upgraded ability to defend both its territory and people from shelling. But Russia’s war has affected Ukraine’s economic sectors and regions unevenly. The textile and IT sectors have suffered little disruption thanks to the low energy-intensity and flexibility of their production processes. And Ukrainian agriculture was rescued by the United Nations (UN) Black Sea Grain Initiative which opened a safe maritime humanitarian corridor for grain and food exports. In contrast, Ukraine’s energy and metal industries which are mainly located in south-eastern regions experienced major damage and losses to production output and exports. And while large enterprises, able to draw more heavily on available resources, have generally demonstrated better survival and adaptation capacities, small and micro-business are typically suffering the most or have taken longer to adapt their activities [2].
One of the possible ways to help the economic security is the way using the international financial system. Global financial markets do offer alternative mechanisms of raising private investment, and Ukrainian companies should be supported in taking credit from international banks, issuing corporate bonds, and offering shares at international stock exchanges. In addition, international donors and international governments have proven instruments of risk insurance, such as the Multilateral Investment Guarantee Agency (MIGA) guarantee of the World Bank or the national export credit and loan guarantees. Adapted to Ukraine’s context, these insurance provisions could make Ukrainian shares and bonds better risk-protected and more attractive for private investors. The legal jurisdiction of global inflows could also be moved outside Ukraine, essentially outsourcing a weak Ukrainian rule of law to the more secure European Union (EU) or US legal systems. Beyond an immediate role supporting Ukraine’s reconstruction and corporate modernization, these mechanisms could unleash the transformative powers of global financial markets and tackle the country’s pre-war association with illicit money flows and endemic corruption. Ukrainian companies do see integration into the European and global value chains as the way to sustain resilience during the war and to develop business after the war. But they are limited by non-tariff barriers and the ‘wait-and-see’ strategies of international partners. The EU accession process, potentially a key part of Ukraine’s reconstruction, would open many important doors but the conditions of entry, which aim to make the economies of prospective members more open, have harmed domestic business in newly admitted countries before [1, 2].

But the economic security cannot be considered statically, apart from the national security and national interests. It includes the current national economic policy, medium-term and long-term goals, level of state integration in both international trade and international relations in general. The relationship between the economic security and degree of economic integration determines the level of economy’s vulnerability. Thus, the ability of national economy to pursue national interests is determined by the level of its vulnerability. It is possible to regard it as a ratio of advantages to disadvantages of the national economy in the context of international economic climate, domestic social and political environment. This determines the ability of national economy to respond to internal and external challenges.

Ukraine’s integration into the European Union significantly affects the very structure of society, and the integration process is not manifest just in economic factors. The integration process lies deeper than the relationship within international financial or market institutions and organizations. The process of Ukraine’s integration into the EU determines the national economy restructuring towards the already existing rules of interaction. This process reveals the unprotected state of national economy, which is supported by compliance with the EU regulations and restrictions. At the present stage, Ukraine’s economy is characterized by a low level of economic security because of a delayed accession to the EU, as well as a wider adoption of its regulations. The deep restructuring of national economy and large-scale re-orientation of economic relations make the national economy rather unstable, dependent on the policies of large international financial institutions or intergovernmental bodies. However, the concept of economic security correlates poorly with the modern concept of economic neoliberalism. The main reason is that to ensure economic security, the national governments have to prevent, prohibit or restrict the activities of economic entities which may violate this security. Thus, they conflict with the interests of major international market forces and certain
financial organizations. However, the concept of national economic security is the ideological foundation of the national policy development [3].

Conclusions

The problem of ensuring the country's sustainable security in the war-time is currently being studied in the aspect of specific economic calculation aimed at a timely response to external and internal risks and protection of the country's economic interests. With regard to the most important approaches of economists and lawyers to the understanding of legal regulation of economic security, the most relevant approach is the description of economic security as a set conditions necessary to ensure with a high law protection the normal course of economic development and restore the development gap between the European countries and Ukraine integrating into the EU.

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