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TRENDS AND PATTERNS IN THE DETERMINANTS OF FINANCIAL SECURITY. A CASE STUDY OF UKRAINE

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Financial security is crucial for peace of mind and stability of any country in the world. It involves having enough resources to cover needs and unexpected expenses, as well as planning for the future. Common strategies include budgeting, saving, investing wisely, and having appropriate insurance coverage. It's also important to continuously adapt to changing circumstances.

It should be stressed that the problem of financial security is absolutely acute nowadays. Several scientists and research work on studying trends and patterns in the determinants of financial security. Some notable names in this field are Robert Shiller^[1] – The Nobel Prize in Economic Sciences (renowned economist known for his work on financial markets and behavioral economics):

Richard Thaler^[2] – the Nobel Prize in Economic Sciences (behavioral economist who has contributed significantly to understanding human decision-making in finance);

Shlomo Benartzi^[3] – (an economist who focuses on retirement savings and financial decision-making);

Annamaria Lusardi^[4] – (an economist specializing in financial literacy and retirement planning);
and some other scientists.

The main issues related to the convergence of determinants of financial security in Ukraine may include:

Economic stability: It is necessary to ensure stable economic growth and minimize economic volatility to promote financial security. **Political stability:** Political instability can undermine financial security by creating uncertainty and deterring investment.

Regulatory framework: It is important to have effective and transparent financial regulations to protect investors and maintain market integrity.

Fiscal policy: Sound fiscal management is essential for maintaining public finances and reducing the risk of debt crises.

External factors: External influences such as global economic trends, trade relations, and geopolitical tensions can impact Ukraine's financial security.

Corruption and governance: Addressing corruption and improving governance are critical for fostering trust in institutions and ensuring financial stability.

Access to finance: Promoting financial inclusion and access to banking services can enhance financial security for individuals and businesses. **Infrastructure development:** Investing in infrastructure such as transportation, energy, and telecommunications can boost economic growth and resilience.

Several external factors that significantly impact Ukraine's financial security should be taken into consideration. It goes without saying that the first is geopolitical tension. Ukraine's proximity to Russia and its involvement in a war, creates geopolitical instability, affecting investor confidence and economic stability. The other significant factor is International

relations with key international partners, including the European Union, the United States, and neighboring countries. It influences greatly on Ukraine's access to trade, investment, and financial support. Global economic trends are basic factors in financial security of any country. Fluctuations in global commodity prices, financial markets, and economic conditions affect Ukraine's export revenues, currency exchange rates, and access to external financing. Energy dependence is also absolutely important in financial security. Ukraine's dependence on imported energy resources, particularly natural gas from Russia, exposes its economy to fluctuations in energy prices and supply disruptions. International financial markets should be taken for granted as one of the most essential factors in financial security. Developments in global financial markets, such as changes in interest rates, exchange rates, and investor sentiment, impact Ukraine's borrowing costs and access to capital. Trade relations are really vital in financial security of any country. Changes in international trade policies, tariffs, and sanctions imposed by other countries affect Ukraine's trade flows and economic growth prospects. Foreign aid and assistance plays important role in life of the country. Support from international organizations, such as the International Monetary Fund (IMF) and the World Bank, has a crucial influence on stabilizing Ukraine's economy and providing financial assistance during times of crisis. Navigating these external factors requires proactive economic and diplomatic strategies, as well as efforts to strengthen domestic resilience and diversify Ukraine's economic base.

References

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