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IMPACT OF GOVERNMENTAL DEBT ON FINANCIAL SECURITY OF UKRAINE

Summary

The article discusses the concept of public debt and its impact on Ukraine's financial security. The relationship between public debt and the state budget has been determined. The concept of internal and external state debt is characterized. The dynamics of their formation in Ukraine is traced. Analysis of the volume and structure of public debt, its relation to the GDP of Ukraine. A system of measures to improve the management of Ukraine's public debt to improve the financial security of the state is proposed. It is considered that the medium-term strategy of public debt management allows to overcome unfavorable tendencies of dynamics and structure of the national debt of Ukraine and to prevent their negative impact on the national economy of the country.

In the recent period, the macroeconomic trend of moving away from the principle of budget balance and accumulation of public debt in Ukraine has become dangerous both in terms of economic security of the country and in terms of compliance with the criteria of budgetary discipline established by the European Union. The prerequisites for such a situation were laid during the formation of Ukraine, as a state, in the years of Independence, when the annual increase in nominal expenditures did not correspond to budget revenues and led to an active involvement of debt resources. However, without receiving loans from international financial institutions, Ukraine is unable to balance the state budget. But a sharp change in the policy of public debt can cause an increase in debt, inflation. The introduced system of measures for improving public debt management is necessary to regulate the economic situation in the country and can become a reliable basis for effective debt policy and economic security of Ukraine.

Keywords: financial security, public debt, public debt management, external debt, domestic debt, gross domestic product, public debt structure.

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