# EDUCATION AND ECONOMIC SECURITY Kononova I.

The relevance of the study of issues related to education in ensuring economic security at the state level is substantiated. The main views of scientists on the essence of economic security are studied. The educational aspect of economic security by its components is considered, which allowed to reveal the content of the concept of "educational security" and to form its author's definition. The main problems of the impact of education on economic security are identified. The characteristics of types of economic systems are given. The role of education in the security dimension is traced depending on the type of economic system. The need to take into account education and its important role in ensuring the economic security of the national economy is noted.

### **INTRODUCTION**

At the present stage of development of the national economy of Ukraine, the development of education is one of the most important areas of state policy of Ukraine. Based on the fact that education is a strategic resource for socio-economic development of society, improving the well-being of people, this issue must be given sufficient attention. It is the presence of internal and external problems that pose many threats to the development of the national economy that necessitates increased attention to issues related to the role of education in shaping economic security.

The issue of economic security as an element of security is important for any modern state throughout its existence. Recently, we can talk about the dominance of globalization trends in the economy and in other spheres of life. These objective transformations are accompanied by the rapid development of global markets, the operation of which provides a wide range of opportunities for existing and potential market participants, and on the other hand - insufficient knowledge leads to significant risks and dangerous trends that may pose a potential or real threat to economic security. Thus, in modern conditions, when the globalization of Ukraine's

economy to the world is happening at a fairly fast pace, the study of the relationship between education and economic security becomes especially relevant.

## 1. EDUCATIONAL SECURITY AND ITS PLACE IN ECONOMIC SECURITY

Today, the problem of preparing entrepreneurs for the realities of the modern post-industrial world is quite acute - increasing the amount of available information and digitalization in almost all spheres of life as an individual and the population as a whole. Despite the awareness of the relationship between the state of the education system and the security sector, its specification remains insufficiently developed in methodological terms. This situation is explained, among other things, by the lack of international experience applicable in the domestic context.

For example, in the United States, education is one of the main components of the worldview of Americans, which leads to constant attention to the problems of education. The formation of the intellectual potential of the state, which is a necessary condition for ensuring the dynamic development of the economy on an innovative basis, largely depends on the development of the education system meets the needs of the state, how protected it is and resistant to external and internal destructive influences.

Regarding the study of the role of education as a factor of economic security, I. Musienko, B. Danylyshyn, V. Kutsenko, O. Pometun, A. Sadovenko, L. Maslovska, V. Sereda, T. Tymochko, etc. paid attention to this scientific problem. Recently, however, scholars have increasingly focused on the role of education in terms of creating favourable conditions for the development of the national economy and ensuring its economic security. This is due to a paradigm shift in favour of a post-industrial or knowledge-based economy. It is about providing key conditions for the preservation and increase of human capital, improving the state of protection of the state and society against current and potential threats is emphasized in the leading countries of the world. According to I. Musienko, in economically developed countries, education is equal to the material production of the economy, which makes a significant contribution to increasing national income and wealth. Thus, education acquires no importance in solving problems of social stability, national and economic security of the state, because the education of the nation in a broad context - is the source of its self-development, the basis of social consolidation and national stability [1, p. 129-130].

Regarding the fact that education is an important component of economic security, the main threats can be identified, which have a high potential for actualization in case of delay in overcoming the negative trends in education. First, it is a threat to economic growth and competitiveness. Second, it is a threat to military security; third, it is a threat to information security; fourth, it is a threat to the global interests of the state. Thus, the economic security of a country is now closely linked to human capital, and the strength or weakness of a country's human capital is determined by the state of the education system.

In order to study the essence of the concept of "educational security", its semantic analysis was conducted, which allowed to understand the full depth of the meaning of this phrase, obtained by combining and layering the content of the two concepts "education" and "security".

As for the concept of education, in the explanatory dictionary of the Ukrainian language it has several of the most common interpretations. In particular, education can be interpreted as a set of knowledge acquired in the learning process, or the level and degree of this knowledge, education. Secondly, education can be understood as raising the level of knowledge, learning or directly the process of learning [9]. It should be noted that these interpretations reflect the content of education for each individual, ie are mostly applied at the personal level.

At the state level, the concept of education reflects the general level of knowledge in society or in the state, or is applied to the system of educational activities or the system of institutions through which these activities are carried out [9]. In our opinion, from the point of view of protection of economy from external

threats, education should be defined as the system of educational actions carried out through the corresponding establishments and establishments directed on maintenance of various spheres of national economy according to their needs by the qualified experts possessing a sufficient level. Acquired competencies (certain knowledge, skills and abilities), due to which the task of forming and accumulating the intellectual potential of the state is solved.

By combining the content of the concepts of "education" and "security" into a single complex concept, the concept of educational security can be formed. At the macro level, educational security applies to an object such as the state. In view of this, educational security provides protection of the education system from internal and external threats and dangers, which increases its ability to provide the national economy with qualified professionals in accordance with its needs, which will, on the one hand, create conditions for accelerated economic development formation of the intellectual potential of the state, and on the other hand, will be the basis for solving social problems, in particular, improving the quality of life.

According to the legal interpretation of the essence of the concept of economic security - a state of the national economy that allows maintaining resilience to internal and external threats, ensure high competitiveness in the global economic environment and characterizes the ability of the national economy to sustainable and balanced growth [2].

O. Lepikhov defines economic security as a state of the economic system, which is characterized by stability in relation to the influence of internal and external actions that threaten society. According to E. Buchwald, economic security is a qualitative characteristic of the economic system that determines its ability to maintain normal living conditions, sustainable provision of resources for economic development, as well as the consistent realization of national and state interests.

### 2. EDUCATIONAL ASPECT OF ECONOMIC SECURITY

It is interesting to study the relationship between the concepts of educational security and economic security.

Regarding the importance of education in determining the economic security of the national economy, the only indicator related to education, which is used in the process of calculating the economic security of the state, is the amount of consolidated budget expenditures on education in% of GDP. This, in our opinion, does not allow to adequately assessing the educational security of the national economy, which is unacceptable, given the significant role that education plays in modern conditions.

According to the Human Development Reports ranking of the United Nations Development Program (UNDP), in 2020 Ukraine ranked 74th in the Human Development Index (HDI). It is worth noting that a year ago Ukraine was on the 88th position in the ranking. And for the period from 1990 to 2019, the value of HDI in Ukraine increased from 0.725 to 0.779, increasing by 7.4% [12-14]. The World Bank notes that this figure is higher among countries with similar levels of economic growth, but at the same time it is lower than in Europe and Central Asia. To solve this problem, large investments are needed in education, health care and social protection.

But according to The Global Competitiveness Report 2019, published on the website of the World Economic Forum, Ukraine ranked 85th among 141 countries, while in 2018 it ranked 83rd. In 2012, Ukraine in the GCI was 73rd out of 144 countries, in 2013 fell to 84th position out of 148 countries, after 2014 rose immediately to 76th place out of 144 countries, but then rolled back to 79th position from 140 countries, and in 2016 - to the 85th position out of 138. In 2017, the country rose to 81st place in the ranking of 137 countries. According to the report, ICT implementation has deteriorated slightly from 77th to 78th place, macroeconomic stability from 131st to 133rd place and innovation opportunities from 58th to 60th place, with in this regard, Ukraine managed to rise slightly in such indicators as education - from 46th to 44th place [12-14].

When comparing the ratings of human capital development and the economy, it is obvious that in our country there is a significant gap between the high rates of human capital development and its unrealization in economic activity. These ratings indicate that human capital and the education system as a key factor in its preservation and development are the most important resource for the future success of Ukraine's economy, and therefore they should be the engine of positive change in the socio-economic sphere.

Table 1

Signs	Type of economic system		
	Pre-industrial	Industrial	Post-industrial
The orientation of the economy	Satisfaction of needs by own forces thanks to own production	Getting the maximum economic result	Introduction and wide application of innovations
Method of management	Natural production	Commodity production	Development of services
The predominant sphere of the economy	Agrarian sphere	Industrial sphere	Information sphere
Fundamentals of social welfare	Products of own production	Cargo	Knowledge, information
The main factor of production	Labour, land	Capital, entrepreneurship	Information, knowledge
The main way of working	Manual	Mechanized and automated	Computerized
Management principle	Indivisible domination	Leadership	Coordination and balance of interests
Political regime	Authoritarianism	Representative democracy	Direct democracy (self-government)
The main value	Physical power	Money	Knowledge, information
The role of education	The privilege of the leading stratum of society	Increasing the availability of professional education as a guarantee of well- being	All-encompassing education, a call to lifelong learning
Attitudes towards educational security	There is no need	Being in the embryonic state	Declaring priority and increased attention

The value of education in characterizing the types of economic systems

*Note:* supplemented by the author based on sources [1; 3; 4; 10]

In the security dimension, the role of education can be traced depending on the type of society or economic system. As noted in the textbook on economic theory, edited by V. Bazylevych, according to the theory of institutional change of the

American economist D. North, the criterion of socio-economic development is technological change. According to this criterion, it is advisable to distinguish three economic systems: 1) pre-industrial or agricultural; 2) industrial and 3) post-industrial [11]. Table 1 shows the main characteristics of these types of economic systems.

Thus, we can conclude that during the domination of the pre-industrial (agrarian) economy, the economic system was focused on meeting the needs of their own forces through their own production. In view of this, the dominant mode of management was subsistence production, concentrated mainly in agriculture. The main factors of production were labour and land. At the same time, mostly hard manual labour of unskilled workers was used. The most massive was the stratum of peasants engaged in agriculture. The leading stratums in society were the clergy and feudal lords. The political system was characterized by authoritarianism based on undivided domination. The main value was physical power. In the pre-industrial economy, education was not given due attention. It was perceived, rather, as a privilege of the leading stratum of society.

In an industrial economy, the orientation of the economic system to obtain economic benefits through the production of goods in demand in the market has changed. In view of this, the dominant mode of management was commodity production, concentrated mainly in the industrial sphere. The main factors of production are capital and entrepreneurial skills. At the same time, manual labour was replaced by mechanized and automated labour, which required higher qualification of workers. The most widespread was the stratum of workers working in industrial enterprises. Entrepreneurs can be considered the leading stratum in the times of the industrial economy. The political system is characterized by a representative democracy based on leadership. The main value is money. In an industrial economy, the deepening division of labour has led to the need for workers to receive appropriate qualifications for vocational education. In view of this, in the industrial economy there is a question of increasing the availability of vocational education as a guarantee of economic development. As for the post-industrial economy, which is called the knowledge economy, its main direction is the introduction and widespread use of innovation in all spheres of life. The greatest development in the post-industrial economy should be the service sector, and therefore knowledge and information acquire an extremely important role, because it is the basis of social welfare (as a specific commodity) and the main factor of production (as a resource). The post-industrial economy involves the use of computerized labour, which requires highly skilled workers. The leading stratum should be formed by scientists and scholars, and the role of the main social institutions should be played by educational institutions. The main value is knowledge and information. Given this, education is beginning to be understood as a major component of this type of economic system.

Given the different role of education in different types of economic systems, there is a different attitude to educational security. Thus, if under the conditions of the pre-industrial type there was no need for educational security, then within the industrial type certain indicators of educational development within various methods are proposed to be used as indicators in determining the level of economic security (most often its social component).

At the present stage of development, Ukraine is dominated by the industrial type of economy with elements of transition to post-industrial. Thus, Reznichenko K. analysing the National Doctrine of Education Development, cites such main directions of education development in accordance with modern requirements as: transformation of Ukraine's economy into a knowledge economy, in particular, through the development of lifelong learning and lifelong learning; creation of an industry of modern teaching aids, training of qualified personnel capable of creative work, professional development; development and implementation of knowledge-intensive and information technologies competitive in the labour market [7].

The penetration of information technology and new media into the economy, social life and defence determines the importance of computer literacy and media education as part of educational projects and programs. Given the further growth of the destructive potential of cyberattack, with the strengthening of the role of various information systems and the development of the Internet of Things, the urgent task is to train professionals capable of adequately protecting information systems of critical infrastructure (including some of the most socially significant private structures) such as telecom operators, transport and banking service providers, etc.) and government agencies. Thus, as rightly noted in the work of Musienko I., today, the extremely important issue of the educational aspect of security in the political and legal conceptualization of national interests of Ukraine, which is one of the most important national priorities.

In such conditions, in our opinion, limiting the impact of education exclusively on the social component of economic security of the economy is ineffective. Regarding steps in this direction, it should be noted that the Cabinet of Ministers at a meeting on March 17, 2021 approved the allocation of 110 million hryvnas from the state budget to create centres of creative economy, which should stimulate economic activity in the regions, prioritize smart entrepreneurship and reduce unemployment and youth emigration. It is planned that they will include the creation of laboratories, IT schools, the development of micro-manufacturing, creative spaces for learning and coworking [15].

Thus, education directly affects the level of social security, providing the population and promoting the development of human capital in the country. In addition, education has an indirect impact on other components of security through a system of training and retraining of employees involved in various activities, increasing their efficiency, performing the most advanced tasks, as well as training in-demand professionals who will have a sufficient level of income improving the demographic situation in the country, stopping the outflow of specialists abroad, as well as improving the proportions between consumption and savings.

#### CONCLUSIONS

Summarizing the results of the study, it is possible to form a definition of educational security as a state of the national economy in which it is able to train professionals with sufficient skills and are in demand in the labour market, and on this basis to improve quality of life and its development, which will contribute to the solution of priority tasks not only in the social, but also in the production, demographic, energy, foreign economic, financial, innovation and investment, macroeconomic and food spheres.

The study found that educational security should protect the education system from internal and external threats and dangers. It is due to this protection that the ability of the education system to provide the national economy with qualified specialists in accordance with its needs in them increases. This, in turn, will allow to form the intellectual potential of the state and create conditions for accelerated economic development; solve key social problems (improving the quality of life, education, reducing unemployment, etc.); to create a basis for solving problems in the production, demographic, and other spheres of economic development of the national economy.

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