## SECTION 2. ECONOMY AND MANAGEMENT OF STATE GRATITUDE

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### 2.1 Investment management in the context of ensuring the economic security of the state as an important aspect of the development of the rental housing market in Ukraine

In today's conditions, when a full-scale invasion of russia is taking place in Ukraine, the issues of not just the country's survival, but also ensuring its prosperity in the foreseeable future are becoming urgent. In this context, the issue of attracting investments, in particular foreign ones, for the development of the rental housing market, taking into account the development and implementation of measures adequate to modern conditions to improve the mechanism of providing the population with housing under the terms of financial leasing in the context of the recovery of the Ukrainian economy, is a cornerstone of the economic growth strategy and a powerful lever for the formation of a national economy in accordance with the Sustainable Development Strategy of Ukraine until 2030, the National Economic Strategy 2030, etc. Given the fact that the national economy is an economically and organizationally unified system of interconnected sectors and spheres of human activity, it acts as a complete organism, achieved under the influence of a set of factors, functioning according to certain laws [29]. But economic growth and an increase in the level of economic security are impossible without solving the problems of increasing investment in production – from creating a favorable investment climate to redistributing financial resources and choosing priority areas of investment [30].

At various stages of the world's development, economic security as a category played a significant role in the economic systems of countries, while going through a long path of evolutionary development from the point of view of human protection to the protection of the state from dangers. However, it is considered appropriate to note that there is no single definition of economic security as a category in modern scientific literature, but there are a large number of scientific approaches to its characterization due to the use of various objects and tools in the study of this category. The scientific works of most researchers are mainly related to the study of economic security as a state of protection of the economy from external and internal threats for its further development. Considering that economic security is a component of national security, it is considered appropriate to conduct a study of the theoretical foundations of the management of the economic system of higher education institutions through the prism of its connection with national security, the economic security of the state, region, enterprise (business entity) [31-32].

In connection with the above, it is considered expedient in modern conditions to create appropriate conditions for ensuring the effective development of the economy and the development of adequate measures to increase the level of economic security of the state. The appropriate level of economic security is achieved by the implementation of a unified state policy supported by a system of coordinated measures adequate to internal and external threats. Without such a policy, it is impossible to ensure the proper level of economic development of the state [31-32].

Rental housing will contribute to the solution of housing issues of victims of Russian aggression, this is an incentive for the creation of a full-fledged rental housing market, in particular municipal housing. In particular, following the example of housing provision in post-war Germany, the issue of providing housing to the population was solved by providing a significant amount of municipal and state housing for rent. However, in Ukraine there is no full readiness to create municipal housing to solve this pressing social issue. In Ukraine, local budgets are filled with personal income tax (PIT), land and real estate tax. For example, in Berlin, more than 50% of the budget comes from the rent of apartments and the tax on it. Considering the issues of the research, municipal housing can become a strategic tool for the development of the city, and therefore, the regions and the state as a whole [33]. In this context, it should be noted that the full-fledged development of the rental housing market is possible in the case of the development and implementation of measures to improve the mechanism of providing the population with housing under the terms of financial leasing, which requires intensifying efforts at all levels of management, in particular, to increase the volume of attracting foreign direct investments with a clearly defined target an appointment that will contribute, among other things, to increasing the level of economic security of the state.

History shows that in 2000 attempts were made to build an efficient economy in Ukraine. The Government developed an Action Program, which included a number of decisive steps. Among which the following were the main ones:

- reforming the system of state regulation: ending state interference in the direct activity of enterprises, removing regulatory obstacles to doing business;
- optimization of production due to systematic restructuring of the industry;
- increasing the competitiveness of products due to the reduction of production costs;
- structural restructuring of the machine-building complex and increasing the volume of production of science-intensive products;
- formation of closed and semi-closed technological cycles of production of final products.

However, until 2003, the Government's attempts were not successful, the reasons for this mainly lie in the significant restraining effect on Ukrainian exports of a complex of endogenous and exogenous factors, including the following [34]:

- low competitiveness of domestic industrial products;
- difficult financial condition of a large number of enterprises;
- insufficient development of domestic systems of certification and quality control of export products against the background of significant strengthening of requirements for consumer and environmental characteristics, as well as for the safety of products that are sold on the markets of industrially developed countries;
- lack of special knowledge and work experience in the field of export among most Ukrainian entrepreneurs, as well as insufficient coordination of their activities on foreign markets;
- Ukraine's global reliability rating for loans and investments is not high enough, which makes it difficult to use foreign financial resources to develop the country's export potential.

The listed trends indicate a gradual modification of the export structure in the direction of increasing the share of innovative goods. But these trends are still very weak and require comprehensive support from the state. "Therefore, the strategic task facing our state is to take a worthy place in the international division of labor for the production of high-tech industries" [35, p. 143].

Under the current conditions, when the initial shifts have already occurred, it is necessary to use all the chances as fully as possible to accelerate the reformation of the national industry and economy in general. The effectiveness of the further development of the export potential of the machine-building industry of Ukraine depends on its competitiveness, determined by the general industrial and innovation policy. And an important tool for achieving success in this matter is the national system of technological regulation, an important component of which is the state systems of standardization, metrology, licensing and certification of products, as well as quality control systems and compliance with mandatory standards [36-37].

In order to increase the effectiveness of investment policy implementation, the developed countries of the world use various investment development strategies, the most common of which are the following [38, p. 324-327]:

1. Active intervention (common in Japan). The state directly participates in the implementation of investment programs through the state sector of the economy, and indirectly through institutions and promotes active financial support, provides significant benefits to both entrepreneurial structures and higher education institutions that independently perform research and development.

2. Decentralized regulation (received the greatest distribution in the USA and Great Britain). The state participates more indirectly in the investment development of organizations and economic entities, uses tax and other incentives and creates favorable legal, investment and technical and economic conditions for this activity.

3. Mixed strategy (spread in France, Sweden), in those countries with a powerful public sector, in relation to which the state conducts an active investment policy, direct and indirect regulation. For the private sector, the strategy of decentralized regulation is mainly used.

In Ukraine, individual features of each strategy are observed, but they are not used in their pure form. The state manages investment activities through the implementation of investment policy, which, in turn, is based on legislative, regulatory acts and measures that contribute to the creation of a positive investment climate in the country, which is formed under the influence of a number of factors, the main of which are: the expected rate of inflation; interest rate on the market; risks associated with legislative, regulatory and tax norms [38, p. 326].

This state of affairs in the investment sphere indicates the expediency of developing and using measures at the expense of leveling or at least reducing the influence of threats to the economic security of the state. This can be achieved, in particular, by stimulating the commercial implementation of scientific and technical developments using the experience of the developed countries of the world as a result of the consolidation of the preserved elements of the innovative infrastructure and the activation of the state's participation in this area in order to implement an effective public-private partnership, the unification of all regional resources (state and regional budgets, banks and enterprises) in order to increase the level of economic security of the state based on innovative principles [39-40].

In this context, it should be noted that measures to improve the investment climate and increase the volume of investments in Ukraine may include: liberalization of foreign trade and movement of foreign capital; modernization of customs and transport policy; introduction of a transparent procedure for certification of imported goods; stimulating investment activity by introducing preferential taxation; creation of a system of partnership between authorities and business, stabilization of the legislative environment and "rules of the game" for business; improvement of corporate, state and public management, reduction of political risks [38, p. 326-327, 40].

Potentially, Ukraine can become one of the leading countries receiving direct and portfolio foreign investments, primarily due to its huge domestic market, qualified and at the same time cheap labor force, significant scientific and technical potential, rich natural resources, infrastructure, although not too developed.

Economic security is ensured both by purely economic methods and by means of a non-economic nature: political, legal, legal, special, military and other, including the protection of secrets. In turn, it should be emphasized that security in adjacent non-economic spheres is ensured not only by methods specific to them, but also to a large extent by economic means, in particular, always with the involvement of monetary and other resources of an economic nature. In addition, the economic assessment of the consequences of security threats in any sphere, as a rule, provides a universal approach, making it possible to quantify the damage and, on this basis, to determine a system of priorities [41]. Therefore, the main efforts should be directed not at attempts to determine the most accurate volumes of the shadow economy, but at eliminating the causes and conditions of its extraordinary spread, since the state has reached the limit beyond which, in the case of further general "shading" of the economy, it may lose the levers of real influence on the situation [42].

It is a set of economic relations that includes unaccounted for, unregulated and illegal types of economic activity. Every country has such a component of economic activity that does not fit into established and legalized norms. This sector of the economy is called differently in different countries: in France – "underground", "informal" economy; in Italy – "secret", "underwater"; in England – "unofficial", "underground", "hidden"; in Germany – "wall". According to the sphere of activity, different authors attribute different types of activities to the shadow economy. Some believe that the shadow economy covers primarily criminal activity; others point out that the shadow economy as a special sector is formed by those who avoid paying taxes. In Germany, only financial secret agreements were initially included in the shadow economy. At the UN, specialists dealing with national accounts divide the shadow economy into three types of activity: hidden (or shadow), informal (or unofficial) and illegal. Hidden activity characterizes work permitted by law, which is not officially announced or its results are understated in order to avoid paying taxes. Informal operates on a legal basis and is aimed at the production of goods and services to meet the own needs of households (for example, individual construction on their own). Illegal is an activity carried out by hired workers without a legal contract [43].

The most precise essence and nature of the emergence of the illegal economy was established by the leading Peruvian economist Hernando de Soto, who formulated the following principles [43]:

1) illegal economy (spontaneous reaction of the people to the inability of the state to satisfy the basic needs of the impoverished masses);

2) "black" market (the reaction of the masses to the system, which traditionally puts them in the position of victims of a kind of legal and economic apartheid. In the existing system, laws are adopted that make impossible the natural desire of the people to have a job and a roof over their heads. In these conditions, the masses they stop obeying the laws, go out into the streets to sell what they can, create their own shops, where there is no work, they find it by learning trades that most of them had no idea about until then);

3) involved in shadows are active and live more prosperously when they break the law than when they respect it. It can be argued that illegal activity flourishes if legal restrictions exceed some socially acceptable level and at the same time the state does not have sufficient coercive power;

4) self-restraints are not "shadows" in themselves, their actions and activities are shadowy. Those who act illegally do not constitute a specific sector of society. People tend to fall into the shadow economy, when the costs of complying with the law exceed the benefits of breaking it.

According to [43-44], the reasons for the formation of the shadow economy are:

1) accounting and statistical: evasion of business entities from reporting to state statistics bodies and control bodies; lack of proper information due to shortcomings of the method of statistical coverage of business entities and statistical reporting;

2) economic: evasion of business entities from state registration in order to avoid paying taxes, fees (mandatory payments); understatement by business entities of information on received income in order to reduce the amount of paid taxes, fees (mandatory payments).

In order to reduce the volume of the "shadow" economy, taking into account the realities of today and the reconstruction of Ukraine in the post-war period. Currently, Ukraine is on the sidelines of the processes of integration and internationalization of the world economy, which inhibits its development as a subject of the economic mechanism of the world. In order to speed up the entry of the state into the world community not as a commodity supplement and the market of third-rate goods, but as a full-fledged participant who must be reckoned with both in the political and economic vicissitudes of modern life, it is considered appropriate to review the theoretical foundations and practice of the functioning of the economy of Ukraine [45].

Ukraine has a significant interest in increasing the volume of direct foreign investments, since they do not increase the external debt, but, on the contrary, contribute to the receipt of funds for its payment, ensuring the effective integration of the national economy into the world thanks to industrial and scientific and technical cooperation, and at the same time serve as a source of capital investments, involve Ukrainian entrepreneurs in the global business experience. This will become especially relevant in the post-war period, because for the reconstruction of the economy in general and all its sectors in particular, including in the context of the development of the rental housing market under the terms of financial leasing, it is considered appropriate to create conditions at all levels of management in order to increase the volume of foreign direct investments, which will contribute increasing the level of economic security of the state and competitiveness [31-32, 40, 45], improving the investment climate in the country and ensuring the upward trend of economic growth of Ukraine.

In general, it can be stated that the issue of investment management in the context of ensuring the economic security of the state can be considered open for quite a long time, it is an important aspect of the development of the rental housing market in Ukraine and requires intensified efforts at all levels of management, in particular regarding the improvement of the mechanism of providing the population with housing. This can be achieved, in particular, due to the operational combination of fundamental and applied scientific achievements with high technological potential in those sectors of the economy, where the scientific and technical potential is still preserved for the further practical use of the results of such research in the process of providing the population with housing under the terms of financial leasing in the context of economic recovery of Ukraine in the post-war period in order to transition the state and its regions to sustainable development and Industry 5.0.