

Fiscal policy as a tool for innovative development activation and strengthening of economic security of the country

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Research Methodology. The effect of budget funding on innovative processes as a factor of economic security was researched using a systematic approach. Quantitative parameters of fiscal policy that hinder the implementation of innovative economic development of Ukraine were evaluated by the economic and statistical methods.

Results. Analysis of the structure of state budget expenditures by economic activities and analysis of state capital investments were done. It has proven that the government has practically abandoned an active investment and innovation policy under the condition of public consumption increasing. It was found that the structure of state capital investments is not directed on development of high-tech and knowledge-intensive sectors of the national economy, and the role and tools of state innovative policy of Ukraine did not meet international trends in recent years.

Novelty. Methodological approaches to reorient fiscal policy from fiscal stimulation of branch level enterprises to supporting innovative development in accordance with Ukraine's WTO and the EU commitments have been suggested.

The practical significance. Recommendations on strategic priorities for reforming fiscal policies towards the innovational development and higher level of economic security that were presented in this article can serve as a basis for drafting amendments to the legislation of Ukraine.