

CONCLUSIONS TO CHAPTER 6

Effective usage of borrowed resources can become a factor in economic growth, while unwarranted increases in debt levels may have a destabilizing effect on the economy and create risks to a country's economic security. In the absence of a comprehensive system for regulating the formation, repayment, and servicing of public debt at the legislative level, and without clearly defined directions of debt policy, recent years in Ukraine have seen a rapid increase in the volumes of gross public debt. Consequently, this situation poses a threat to the economic and financial security of our country. The volumes of public borrowings, their dynamics, and structure directly or indirectly influence all spheres of the state's financial and economic activities, which is why statistical analysis of the structure and volumes of the country's debt burden acquires special importance in the process of managing financial security. One of the main summarizing indicators of the state of indebtedness is the ratio of the total volume of public debt to Gross Domestic Product (GDP). This ratio enables an assessment of the level of debt burden on the state's economy and also reflects its ability to settle with creditors based on its economic potential.

The main areas of effective management of the public debt are determined in order to reduce financial risks and increase the stability of public finances. In particular, diversification of funding sources and attracting funds from various sources, including international financial markets and bilateral loans, improving the efficiency of domestic debt and developing the domestic financial market for attracting funds at the domestic level are important. It is also necessary to increase transparency and accountability in debt management to increase the confidence of investors and the public.

It is obvious, that in conditions of rapid increase of government indebtedness after the full-scale invasion in 2022 effective debt management in future should include the debt restructuring. At the same time it is worth mentioning that control over use of borrowed resources is crucial.