UDC 338.24-049.5:[005:174] JEL F51, G32 DOI 10.32782/2786-765X/2024-4-36

#### Anna Pavlovska

Doctor of Economics, Professor, Cherkasy State Technological University ORCID: https://orcid.org/0009-0004-7716-8319

#### Olena Stoliarenko

Doctor of Economics, Associate Professor, Professor of the Department of Financial and Economic Security, National Academy of the Security Service of Ukraine ORCID: https://orcid.org/0000-0003-3134-3201

#### Victor Martinovich

Candidate of Economy Sciences, Associate Professor of the Department of Economics and Management, Cherkasy State Technological University ORCID: https://orcid.org/0000-0001-5210-3026

#### **Pavlo Martinovych**

Senior Product Manager, Uptiq.ai ORCID: https://orcid.org/0000-0003-0895-3634

# ACHIEVING ECONOMIC SECURITY: CROSS-CULTURAL FEATURES

In the current conditions of globalization and growing geopolitical instability, the issue of ensuring economic security is becoming particularly relevant. For most countries, economic security is becoming a strategic priority because it determines the ability of the state to effectively counter threats, maintain economic stability and ensure sustainable development. However, the practical implementation of economic security policies varies significantly depending on the cultural and civilisational characteristics, value system and management traditions of a particular society. The purpose of the article is to study the possibilities of achieving economic security in countries around the world, taking into account their cross-cultural characteristics, which determine different approaches to the formation of national security strategies. It is noted that economic security is a complex multifaceted category that includes the protection of national interests, resistance to external and internal threats, and the ability to independently develop and adapt to global transformations. A comparative analysis of economic security models operating in countries with different cultural traditions, levels of institutional development and political and economic systems has been conducted. Special attention is paid to the role of cultural values, norms, behavioural models and management styles in the formation of strategies for ensuring economic stability. It has been determined that the effective achievement of economic security is possible only if cultural specificity is taken into account in management decisions, in particular in the field of security policy, regulatory practice, international cooperation and economic diplomacy. A number of practical recommendations are proposed for taking into account the crosscultural factor when developing the economic policy of states seeking to strengthen their position in the conditions of global competition and instability. Therefore, achieving economic security requires a comprehens

**Keywords:** economic security, cross-cultural features, national strategies, economic stability, international cooperation, economic diplomacy, intercultural management.

Statement of the problem in general terms. In the current context of globalisation and growing geopolitical instability, the issue of economic security is becoming particularly relevant. For most countries, economic security is becoming a strategic priority, as it determines the ability of the state to effectively counter threats, maintain economic stability and ensure sustainable development. However, the practical implementation of economic security policies varies considerably depending on the cultural and

civilisational characteristics, value system and management traditions of a particular society. Existing approaches to economic security are largely based on universalist models that ignore the influence of cross-cultural factors. However, in the context of growing intercultural interaction and interdependence of national economies, there is a need for a deeper understanding of the role of culture as a social code that shapes approaches to risk management, setting economic priorities and responding to challenges. Failure to adapt

economic security models to the cultural context can lead to ineffective policies, loss of trust in government institutions, and increased internal threats.

Thus, there is a problem of insufficient development of scientific and methodological foundations that allow taking into account cross-cultural features in the formation and implementation of economic security policies. This necessitates a comprehensive study of this phenomenon, which has an interdisciplinary character and covers the fields of economics, sociology, political science, cultural studies and international management.

Analysis of recent studies and publications. The issue of economic security is being actively studied by both Ukrainian and foreign scholars, but the cross-cultural dimension of this phenomenon remains a relatively new and insufficiently studied area. Among foreign researchers, a significant contribution to the theoretical understanding of economic security was made by B. Buzan [3]. Significant attention to the cultural context of economic behaviour was paid by H. Hofstede [11], who developed a model for measuring cultural differences (power distance, uncertainty avoidance, etc.), and R. Inglehart [12], who studied the relationship between cultural values and economic development.

In modern research, there is a tendency towards an interdisciplinary approach to economic security, which takes into account social, institutional and cultural factors. For example, K. Kryvobok, O. Kanova, and Y. Kotelnykova [15] emphasise the importance of intercultural dialogue and trust in reducing socio-economic risks.

Among Ukrainian scholars, a significant contribution to the development of the theory of economic security was made by V. Heets and S. Kozmenko [8], who considered the issues of protecting national economic interests, financial stability, energy security and institutional capacity of the state. V. Gorin [9] examines the theoretical conceptualisation and problems of ensuring economic security. Some Ukrainian studies (in particular, the work of N. Meshko [16]) focus on analysing the impact of the international economic environment and intercultural features of doing business on the economic security of the country and international companies. However, the national scientific discourse still lacks thorough studies that would systematically integrate the cross-cultural approach in the context of national and global economic security.

Thus, the available publications create a certain basis for further study of the topic, but the issues of a comprehensive understanding of

the impact of cultural factors on strategies for ensuring economic security in the context of modern transformations remain open.

Identification of previously unresolved parts of the general problem. While there is a significant body of research on economic security, most of it focuses on macroeconomic, financial, resource or institutional aspects, while cross-cultural factors are largely ignored. The scientific discourse is dominated by unified approaches to assessing economic security, which focus on universal indicators and standards, without taking into account the specifics of the cultural environment, which significantly affects economic behaviour, management models, risk perception and methods of responding to threats.

The question of how cultural values, social norms, dominant types of leadership and intercultural interaction influence the formation of economic security policies remains unresolved. Mechanisms for adapting economic security models to the specifics of countries with different cultural and civilisational codes also remain insufficiently studied. There is a need to develop a typology of cross-cultural threats and risk factors that have different weight depending on the country or region.

In addition, in the context of increasing global interdependence, there is a growing need to study how intercultural communication, economic diplomacy and value compatibility affect the effectiveness of international alliances, economic partnerships and collective security systems. The absence of unified methods for integrating the cultural factor into analytical models of economic security complicates decision-making at the level of public policy and international cooperation. Thus, today the task is to overcome these scientific gaps through a systematic study of the impact of cross-cultural features on economic security strategies and the development of appropriate interdisciplinary tools.

The purpose of the article is to study the possibilities of achieving economic security of countries of the world, taking into account their cross-cultural characteristics, which determine different approaches to the formation of national security strategies.

Presentation of the main research material. Understanding economic security as a complex multidimensional category means that it includes not only purely financial or macroeconomic indicators, but also a wider range of factors that ensure the stable functioning of the national economy in the face of constant challenges and changes. This includes, in particular, the protection of strategic national interests, maintaining control over key resources and infrastructure, and

ensuring energy, food, financial and information security. Economic security also means the ability of the state to effectively counteract both external threats (e.g., economic pressure, sanctions, global crises) and internal threats (corruption, shadow economy, social inequality) without losing its ability to develop sustainably and independently. Economic systems must also remain adaptive to global transformations: digitalisation, climate policy changes, transformation of international trade and supply chains. In other words, economic security is a dynamic system that combines elements of risk management, strategic planning, and flexible response to changes in the global environment.

Economic security cannot be viewed in isolation from the cultural context, political logic of governance and level of institutional development. This confirms the need for a crosscultural approach to the development of economic security policies that takes into account not only economic, but also socio-cultural and governance features of each country. Contemporary scholar V. Gorin confirms these provisions in light of inclusive development criteria: "the problem of growing social and property gap is becoming increasingly deep in the world" in his monograph [9, p. 41–43]. The specifics of achieving economic security in the context of cross-cultural differences involves analysing how the cultural characteristics of different societies – including dominant values, norms, the level of trust in institutions, management style, attitudes to risk and innovation – affect the vision of economic security priorities and the ways in which they are achieved. For example, in countries with a high level of collectivism and a focus on stability,

centralised risk management and social security are preferred, while in cultures with a high level of individualism and market openness, the emphasis is on entrepreneurship, decentralisation and innovation. Thus, cultural differences determine the formation of different national economic security strategies, defining both goals and mechanisms for their implementation in a particular socio-economic environment.

A comparative analysis is presented of economic security models in different countries (Table 1).

Effective achievement of economic security is possible only if cultural specifics are taken into account in management decisions, based on the analysis of real cases and scientific research demonstrating how culture shapes the content and forms of implementation of security policy, regulatory practice, international cooperation and economic diplomacy.

Security policies in East Asian countries such as Japan and South Korea are closely integrated with cultural norms of harmony, collective responsibility and long-term planning. For example, Japan's "keiretsu" strategy (a network of interdependent corporations supported by the state) has become an element of not only industrial but also economic security, maintaining the stability of the domestic market and export potential. This approach is based on the high level of internal trust inherent in Japanese culture [11].

In the Nordic countries, in particular Sweden and Denmark, due to a culture of transparency, low hierarchy and high social trust, regulatory policy is based on a partnership between government, business and civil society.

Table 1 Cross-cultural features of achieving economic security as a key factor of sustainable development

| Cultural factor                     | Characteristics                                | Impact on economic security  | Examples of countries  |
|-------------------------------------|--|--|--|
| Values and norms                    | Collectivism/<br>individualism                 | Determines the degree of state intervention and partnership between the state and business | Japan, South Korea<br>(collectivism); USA, UK<br>(individualism)                 |
| Management style                    | Hierarchical/<br>participatory                 | Affects decision-making and responsiveness to threats                                      | China (hierarchical); Sweden,<br>the Netherlands (participatory)                 |
| Attitude to risk                    | Uncertainty avoidance (high/low)               | Determines risk minimisation strategies or adaptive flexibility                            | France, Japan (high avoidance);<br>USA, Australia (low avoidance)                |
| Model<br>of economic<br>interaction | Trust-and-<br>interdependence /<br>competition | Shapes models of cooperation or market competition for security                            | Sweden, Norway (high<br>trust); USA, India (market<br>competition)               |
| International communication         | High context/<br>low context                   | Determines the ways of negotiating and concluding agreements                               | China, Japan (high context);<br>Germany, USA (low context)                       |
| Institutional culture               | Stability and trust in institutions            | Increases the effectiveness of economic security policies                                  | Switzerland, the Netherlands (high trust); some transition countries (low trust) |

Source: [4; 9; 11; 14; 15]

For example, the Swedish model of the "welfare economy" successfully ensures socio-economic stability even in times of global crises due to effective fiscal regulations adopted with the participation of all stakeholders [15]. Countries with a high level of collectivism and contextual thinking, such as China, attach great importance to intercultural sensitivity and strategic partnerships in their foreign economic policy. For example, within the framework of the One Belt, One Road initiative, China forms partnerships not only based on economic benefits, but also with respect for the local cultural characteristics of recipient countries. This reduces the risk of conflict and promotes sustainable international cooperation. India is an example of a country where economic diplomacy is closely intertwined with national identity and cultural values. Indian trade missions promote not only goods and services, but also soft power through concepts such as Ayurveda, Yoga and Digital India, which are culturally significant both at home and abroad. This allows India to expand its economic presence in the global market while maintaining cultural autonomy [4, p. 105–120; 14].

Examples from the real-life experience of countries confirm that ignoring cultural specifics in the development of management decisions can lead to strategic miscalculations, reduced policy effectiveness and exacerbation of socio-economic threats. On the contrary,

taking into account cultural peculiarities helps to strengthen economic security at the national and international levels.

The article offers several practical recommendations for taking into account the cross-cultural factor in the development of economic policies of states seeking to strengthen their positions in the context of increased global competition and economic instability. These recommendations are based on the analysis of international experience and take into account the specifics of the socio-cultural environments of different countries (Figure 1).

States are recommended to involve experts in cultural studies, sociology and intercultural management in the development of economic strategies. For example, the Scandinavian countries widely use an interdisciplinary approach that allows them to take into account the specifics of local cultural values in creating programmes to support entrepreneurship and innovation [2]. It is important to develop rules and regulations that meet the expectations and behavioural patterns of the local population. For example, in Japan, regulatory measures partnerships support long-term business and the state, reflecting the traditions of collectivism and mutual responsibility [7].

To participate effectively in global economic processes, countries need to develop intercultural dialogue skills. For example, the European Union

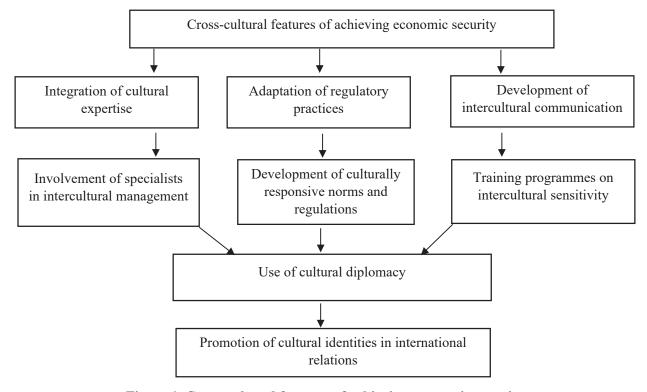


Figure 1. Cross-cultural features of achieving economic security

Source: compiled by the authors

implements programmes to train diplomats and businessmen in cultural sensitivity, which contributes to successful negotiations and the conclusion of profitable deals [9; 10].

Countries should actively promote their cultural identity in the international arena by integrating it into trade missions and investment projects. For example, South Korea uses K-pop and technological innovations to strengthen its brand and attract investment, which contributes to economic security through enhanced image and global influence [9; 13]. As culture is a dynamic system, policy makers should be open to change and ready to adjust their policies in line with transformations in society. For example, in Spain, after the financial crisis of 2008, reforms were made to take into account new social attitudes and the increasing role of youth entrepreneurship [18].

Conclusions. The article examines the crosscultural peculiarities of achieving economic security as a key factor in the sustainable development of states in the current conditions of globalisation and economic instability. The author establishes that economic security is a multifaceted phenomenon that includes the protection of national interests, the ability to adapt to internal and external threats, and global transformations. A comparative analysis of economic security models has revealed a significant influence of cultural traditions, institutional development, and political and economic systems on the formation of national strategies.

Particular attention is paid to the role of cultural values, norms and styles of governance in determining priorities and methods of ensuring economic stability, which underlines the need to integrate cultural specificity into security policies, regulatory practices, international cooperation and economic diplomacy. The practical recommendations proposed in this paper are aimed at improving the effectiveness of economic policy through an interdisciplinary approach and consideration of cross-cultural factors. Achieving economic security requires a comprehensive and flexible approach based on an understanding of the cultural characteristics of each country and the adaptation of management decisions to these characteristics. Such an approach can strengthen the position of states in the global economy, promote stability and sustainable development in the face of growing challenges and a competitive environment.

#### References

- 1. Analitychnyi zvit pro stan i perspektyvy rozvytku maloho ta serednoho pidpryiemnytstva v Ukraini. Derzhavna rehuliatorna sluzhba Ukrainy [Analytical report on the state and prospects for the development of small and medium-sized businesses in Ukraine. State Regulatory Service of Ukraine]. Available at: https://drs.gov.ua/
- 2. Bjornskov, C., & Foss, N. J. (2016). Culture and Entrepreneurship: An Introduction. *Strategic Entrepreneurship Journal*, 10(3), 217-225.
- 3. Buzan, B., & Wæver, O. (2003). Regions and Powers: *The Structure of International Security*. Cambridge University Press.
- 4. Callahan, W. A. (2016). China's Belt and Road Initiative and the New Eurasian Order. *Asian Perspective*, 40(1), 10-120.
- 5. EU Communication. EU's investment policy. «Towards a comprehensive European international investment policy / EU Commission official site. Available at: http://trade.ec.europa.eu/doclib/html/147884.htm

6. Eurostat. European statistics. Available at: https://ec.europa.eu/eurostat/

- 7. Fukuyama, F. (2013). Political Order and Political Decay. Farrar, Straus and Giroux.
- 8. Heiets, V. M. (2017). Osoblyvosti vzaiemozv'iazku ekonomichnykh ta politychnykh transformatsii na shliakhu do rekonstruktyvnoho rozvytku ekonomiky Ukrainy. [Peculiarities of the relationship between economic and political transformations on the path to the reconstructive development of the Ukrainian economy]. *Ekonomika Ukrainy*, 10, 3-17.
- 9. Horyn, V. (2020). Finansovyi mekhanizm zabezpechennia suspilnoho dobrobutu: teoretychna kontseptualizatsiia ta problemy funktsionuvannia: monograph [Financial mechanism for ensuring social welfare: theoretical conceptualization and problems of functioning]. Ternopil: TNEU, 516 p.
- 10. Gudykunst, W. B. (2004). Bridging Differences: Effective Intergroup Communication. Sage Publications.
- 11. Hofstede, G., Hofstede, G. J., & Minkov, M. (2010). *Cultures and Organizations: Software of the Mind. Intercultural Cooperation and Its Importance for Survival*. New York: McGraw-Hill.
- 12. Inglehart, R. (2018). *Cultural Evolution: People's Motivations are Changing, and Reshaping the World.* Cambridge University Press.
- 13. Jin, D. Y. (2016). New Korean Wave: Transnational Cultural Power in the Age of Social Media. University of Illinois Press.
- 14.Kozmenko S. M. (2013). Entsyklopediia Suchasnoi Ukrainy. [Encyclopedia of Modern Ukraine]. NAN Ukrainy, NTSh. Kyiv: *Instytut entsyklopedychnykh doslidzhen NAN Ukrainy*. Available at: https://esu.com.ua/article-8008

15.Kryvobok, K.V., Kanova, O.A., Kotelnykova, Yu.M. (2023). Problemy rozvytku kros-kulturnoho menedzhmentu v mizhnarodnomu biznesi [Problems of developing cross-cultural management in international business]. *Ukrainskyi zhurnal prykladnoi ekonomiky ta tekhniky, 1, 202-207*.

16.Meshko, N. (2012) Kros-kulturnyi menedzhment u korporatyvnykh stratehiiakh mizhnarodnykh kompanii [Cross-cultural management in corporate strategies of international companies]. *Efektyvna ekonomika*, 7.

Available at: http://nbuv.gov.ua/UJRN/efek\_2012\_7\_29

17.Potoky priamýkh inozemnykh -investytsii za osnovnymy komponentamy (pervisne vkladennia, reinvestuvannia ta inshi resursy) v 27 rozvynenykh krainakh za metodykoiu YuNKTAD. Ofitsiinyi sait YuNKTAD [Foreign direct investment flows by main components (initial investment, reinvestment and other resources) in 27 developed countries according to the UNCTAD methodology. Official UNCTAD website]. Available at: http://unctad.org/en/Docs/webdiaeia2012d1 en.pdf

18. Sánchez, M., & García, J. (2015). Entrepreneurship Policies in Spain: Challenges and Opportunities after

the Crisis. Journal of Business Research, 68(10), 2137-2141.

### Бібліографічний список

- 1. Аналітичний звіт про стан і перспективи розвитку малого та середнього підприємництва в Україні. Державна регуляторна служба України. URL: https://drs.gov.ua
- 2. Bjornskov C., Foss N.J. Culture and Entrepreneurship: An Introduction. *Strategic Entrepreneurship Journal* 2016. № 10(3). P. 217-225.
- 3. Buzan B., Wæver O. Regions and Powers: The Structure of International Security. Cambridge University Press. 2003.
- 4. Callahan W.A. China's Belt and Road Initiative and the New Eurasian Order. Asian Perspective. 2016. №40(1). Pp. 105120.
- 5. EU Communication. EU's investment policy. «Towards a comprehensive European international investment policy. URL: http://trade.ec.europa.eu/doclib/html/147884.htm/

6. Eurostat. European statistics. URL: https://ec.europa.eu/eurostat/

- 7. Fukuyama F. Political Order and Political Decay. Farrar, Straus and Giroux. 2013.
- 8. Геєць В.М. Особливості взаємозв'язку економічних та політичних трансформацій на шляху до реконструктивного розвитку економіки України. *Економіка України*. 2017. № 10. С. 3-17.
- 9. Горин В. Фінансовий механізм забезпечення суспільного добробуту: теоретична концептуалізація та проблеми функціонування: моногр. Тернопіль: THEY, 2020. 516 с.
- 10. Gudykunst W.B. Bridging Differences: Effective Intergroup Communication. Sage Publications. 2004.
- 11. Hofstede G., Hofstede G.J., Minkov M. Cultures and Organizations: Software of the Mind. Intercultural Cooperation and Its Importance for Survival. New York: McGraw-Hill, 2010.
- 12. Inglehart R. Cultural Evolution: People's Motivations are Changing, and Reshaping the World. Cambridge University Press, 2018.
- 13. Jin D.Y. New Korean Wave: Transnational Cultural Power in the Age of Social Media. University of Illinois Press, 2016.
- 14. Козьменко Сергій Миколайович / Т. О. Семененко. Енциклопедія Сучасної України [Електронний ресурс] / редкол.: І.М. Дзюба, А.І. Жуковський, М.Г. Железняк [та ін.]; НАН України, НТШ. Київ: Інститут енциклопедичних досліджень НАН України, 2013. URL: https://esu.com.ua/article-8008
- 15. Кривобок К.В., Канова О.А., Котельникова Ю.М. Проблеми розвитку крос-культурного менеджменту в міжнародному бізнесі. *Український журнал прикладної економіки та техніки.* 2023. Т. 8. № 1. С. 202-207.
- 16.Мешко Н. Крос-культурний менеджмент у корпоративних стратегіях міжнародних компаній. *Ефективна економіка*. 2012 (7). URL: http://nbuv.gov.ua/UJRN/efek 2012 7 29
- 17. Потоки прямих іноземних інвестицій за основними компонентами (первісне вкладення, реінвестування та інші ресурси) в 27 розвинених країнах за методикою ЮНКТАД. Офіційний сайт ЮНКТАД. URL: http://unctad.org/en/Docs/webdiaeia2012d1 en.pdf

18. Sánchez M., García J. Entrepreneurship Policies in Spain: Challenges and Opportunities after the Crisis. *Journal of Business Research*. 2015. 68(10). P. 2137-2141.

Стаття надійшла до редакції 14.02.2024

#### Павловська А.С.

доктор економічних наук, професор, професор кафедри менеджменту та бізнес-адміністрування, Черкаський державний технологічний університет ORCID: https://orcid.org/0009-0004-7716-8319

## Столяренко О.М.

доктор економічних наук, доцент, професор кафедри фінансово-економічної безпеки, Національна академія Служби безпеки України

## Мартінович В.Г.

кандидат економічних наук, доцент, доцент кафедри економіки та управління, Черкаський державний технологічний університет ORCID: https://orcid.org/0000-0001-5210-3026

## Мартінович П.Г.

директор з розробки продуктів у сфері фінансових технологій та штучного інтелекту, Uptiq.ai, США, штат Техас ORCID: https://orcid.org/0000-0003-0895-3634

## ДОСЯГНЕННЯ ЕКОНОМІЧНОЇ БЕЗПЕКИ: КРОС-КУЛЬТУРНІ ОСОБЛИВОСТІ

Анотація. У статті розкрито особливості досягнення економічної безпеки в контексті крос-культурних відмінностей, що обумовлюють різні підходи до формування національних стратегій безпеки. Зазначено, що економічна безпека є складною багатоаспектною категорією, яка охоплює захист національних інтересів, стійкість до зовнішніх і внутрішніх загроз, здатність до самостійного розвитку та адаптації до глобальних трансформацій. Проведено порівняльний аналіз моделей економічної безпеки, що функціонують у країнах з різними культурними традиціями, рівнем інституційного розвитку та політико-економічними системами. Окрему увагу приділено ролі культурних цінностей, норм, моделей поведінки та стилів управління у формуванні стратегій забезпечення економічної стабільності. Визначено, що ефективне досягнення економічної безпеки можливе лише за умови урахування культурної специфіки в управлінських рішеннях, зокрема у сфері політики безпеки, регуляторної практики, міжнародного співробітництва та економічної дипломатії. Запропоновано низку практичних рекомендацій щодо врахування крос-культурного чинника при розробці економічної політики держав, що прагнуть зміцнити свою позицію в умовах глобальної конкуренції та нестабільності.

**Ключові слова:** економічна безпека, крос-культурні особливості, національні стратегії, економічна стабільність, міжнародне співробітництво, економічна дипломатія, міжкультурне управління.