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# GENERALIZATION OF THE INFLUENCE OF FOREIGN EXPERIENCE OF THE DIGITALIZATION PROCESS ON THE ECONOMIC SECURITY OF ENTERPRISES

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### **ABSTRACT**

The article examines the foreign experience of countries, which allows us to conclude that for the world's leading economy, digital transformation is important.

It is determined that the digitalization of the foreign economy is facilitated by special programs and concepts aimed at stimulating the development of enterprises.

It is established that economic security can act as the ability of the institutional and organizational system to protect the interests of economic entities on the basis of international and national law.

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**Introduction.** Security of economic processes is characterized by many political, legal and economic mechanisms and instruments that can protect economic interests.

In a broad sense, we can consider economic security as the ability of the institutional and organizational system to protect the interests of economic entities on the basis of international and national law while respecting and adhering to national traditions and values of management [2].

Effective risk management in the realities of digital transformation plays an important role in shaping the socio-economic benefits of the digital economy. The interaction of authorities, business structures and national organizations in addressing digital security is the basis for strengthening the foundations of joint activities.

**Research purpose.** The main purpose of the research there is generalization of the impact of foreign experience of the digitalization process on the economic security of enterprises.

**Research materials and methods.** In this article uses general scientific methods of analysis and synthesis of action induction and deduction, the transition from abstract to concrete, as well as special methods of analysis: grouping, comparison, systematic and others.

**Results.** Solving the problem of ensuring economic security in the current realities of digitalization of socio-economic processes is an important and urgent task for the national economy. Unsteady external and internal conditions, the digital transformation of almost the entire sphere of life is constantly creating new threats and challenges, which requires rapid response and improvement of ways to minimize the risks [1].

The experience gained allows us to state that economic and functional security is a key characteristic for the stable search and achievement of the necessary indicators of development of both individual economic entities and society as a whole.

When considering problems through the prism of macro-level indicators, the economic security of the country consists, inter alia, of the stable development of the business environment [3]. In other words, public economic security is inextricably linked to the current conditions of management and coordination of business activities [4]. In addition, the economic security of society is formed under the influence of public financial control [5] and shadow processes in the economy [6]. The organizational structure of public institutions, in turn, creates conditions for economic growth and reduction of threats to economic entities [7].

One of the key tasks of ensuring economic security, which has become relevant in the non-stationary processes of the modern world, is the task of forecasting threats and challenges. The key global challenge is the digital transformation in virtually all walks of life [13]. The digitalization of the techno sphere plays an important role in the scientific, social and economic world order, as evidenced by the United States, China, Japan the world's leading digital powers, as a significant share of income of their national economies is largely provided by digital technologies.

Competent information management, as a basic resource for digital transformation of economic processes, is an inappropriate attribute in almost all economic activities, and a monopoly on certain data, as a rule, is a significant competitive advantage [15]. Doing business in the global digital space on the one hand gives certain opportunities and levers in management, diversifies the activities of the organization, and on the other unusually leads to new challenges and threats to further development. Deep transformations caused by general digitalization, the discovery of new potential problems in ensuring the economic security of subjects of different hierarchies.

Despite the close attention to the problem of digitalization from a large number of stakeholders, the issue of the impact of digital technologies on economic security is insufficiently studied. Enterprises have a good response to changes in the external environment, so in the uncertainty caused by the digital transformation of society, they can act as a basic tool in its sustainable development. In this regard, it is important to study the experience of reactions to the current situation of more technologically advanced countries [14].

This will help to avoid similar mistakes when creating programs for the transformation of technical enterprises [8].

Traditionally, the leader in the field of digitalization is the United States, where various programs of development and support of digital transformations in the economy are constantly introduced at all levels of government with the scientific community and private businesses. Among such programs are: the federal initiative in 2009 in the field of cloud technologies; Obama's 2011 proposal to create a centralized network of Advanced Manufacturing Partnerships, a union of line ministries and major US digital corporations.

Another example is the Industrial Internet Consortium (IIC), established in 2014. Its key task is to «the development of industrial implementation and widespread use of machines, devices, as well as intelligent analytics interconnected, ie the industrial Internet».

In addition, the United States has specialized programs aimed at supporting digital technologies and analyzing their impact on the national economy. The first such program was developed in 2015, the Digital Economy Agenda, which aimed to help businesses and consumers realize the potential of the digital industry to accelerate economic growth and expand the range of opportunities. The program focuses on promoting a free and open Internet around the world, trust in the global network, providing access for businesses and citizens to digital technologies, and supporting breakthrough technologies and innovations [9].

There are more than 30 specialized national, regional and national strategies and programs in the EU aimed at increasing the digital transformation of industry and the economy. In order to create a single vector of digitization, in 2017 the Commission of the European Union introduced a unified information exchange platform for all countries, the EU Digital Single Market. This platform promotes national projects in the field of digitalization, provides financial support and coordinates the joint implementation of investment projects in the digital economy, serves as a platform for training competent staff and sharing experiences.

The platform encapsulates resources for the creation of breakthrough digital technologies and business organizations, acts as a kind of integrator of the digital technology market in the EU. In addition, the platform develops standards for the implementation of large-scale projects that can be implemented using computing infrastructure provided.

Thus, the key principles of EU policy in the field of digital transformation are the development of unified standards and rules in the field of information and communication technologies, comprehensive support research and development in the field of digitalization, focus on the interests of the consumer market.

Consider the three largest types of economies in Asia, which dictate current trends in the digital transformation of world society and business. Today, China's economy is one of the leaders in the field of digitalization and one of the three leaders in this field. Productive development in the digital industry can be explained by high competition and a large domestic market for digital technologies. In addition, China's digital sector receives comprehensive government support [10]. Following current global trends, China is actively adopting a variety of programs and concepts to support digital processes in the country's economy. For example, in 2018, the country approved the program «Made in China 2025», aimed at bringing the state to the leaders in the digital technology market by 2025 [11].

Another leader in the field of digitalization is South Korea. The state development strategy until 2022 defines the task of forming a new type of economy based on global digital platforms and digital technologies. South Korea invests in research and development of digital technologies and supports private business mainly through government subsidies. The funding vector is aimed at the work of artificial intelligence technologies and «Smart» technologies, 5G networks, etc.

To achieve these goals, the South Korean government supports the implementation of a program in the field of artificial intelligence and blockchain technologies, which encourages business to implement digital platforms.

In Japan, the key document regulating the long-term development of the state in the field of digital technology is the Strategy «Super Smart Society 5.0», approved by the Government of Japan in 2016. The strategy was supported by the Federation of Big Business «Keidanren», based on the concept «Industry 4.0» and is based on the use of digital technologies of artificial intelligence, robotics, Internet, etc. [12].

The economic effect of the transition to digital format should provide an increase in value added. To this end, it is purposeful to form the relevant modern demands of society, the conditions that implement artificial intelligence systems and Internet technology.

Therefore, it is a targeted development of organizational and economic aspects and mechanisms for ensuring the economic security of entrepreneurship in the context of digital transformation. In the period of rapid growth of digitalization of socio-economic systems there are significant changes in the organization of economic security of enterprises. To date, such changes do not fully require the study and serious theoretical and methodological understanding [16].

**Conclusions.** Analysis of foreign experience allows us to conclude that digital transformation is of great importance for the advanced economy of the world. There are basically two different models of state participation in the digital transformation of business: market (self-regulation) and administrative. In the first model, the role of the state is to create the right conditions for digitalization and economic processes (for example, the United States and EU countries). The second model is based on the gradual development of the infrastructure of the digital economy under the leadership of state institutions of power with the subsequent introduction of relevant economic actors in the digital sector (for example, China).

In many respects, the digitalization of foreign economies is facilitated by special programs and concepts aimed at stimulating the development of enterprises. The strategies of most countries in the development of the digital economy are a symbiosis of these two models of regulation.

Along with the positive aspects of digitalization, the possible negative consequences should also be noted. First, the information openness of organizations is increasing, which dangerously increases its vulnerability to harmful influences and cyberattacks and is an additional source of threats to economic security. Second, in many sectors of the domestic economy, digitalization dictates significant changes in the business models of organizations, which requires significant costs and entails certain financial and business risks.

Thus, digitalization is a qualitatively new paradigm for the development of socio-economic processes and contributes to the formation of innovative criteria for analyzing the economic security of enterprises. The digital economy forms a new contribution, determines the transition of traditional business processes in a new, digital industry.

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