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THE INNOVATIVE FINANCIAL TECHNOLOGIES AND ITS IMPACT ON SHADOW TRANSACTIONS

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One of the modern phenomena of the national economy is shadowing, some aspects of which are thoroughly investigated by scientists from around the world. Thus, the works of [11, 19-21] and others explore the essence, preconditions, and consequences of the shadow economy. Bublyk et al. [5], Fomina and Vynnychenko [6], Kendiukhov and Tvaronaviciene [8], Tiutiunyk et al. [17], Vasylieva et al. [18] in their research analyzed the mechanisms of de-shadowing of the economy and identified key vectors of development of the national economy aimed at reducing the volume of shadow financial transactions. Some researchers consider the introduction of innovative financial technologies aimed at increasing the transparency of financial transactions and withdrawing cash flows from the shadows as an instrument for de-shadowing the national economy. At the same time, today the role of innovative financial technologies in the policy of the national economy's de-shadowing has not been precisely defined either at national or international levels. In scientific literature the are a wide variety of innovative financial technologies interpretations and kinds. According to the results of the study, it can be concluded that the diffusion of innovative financial technologies into public administration policy in general, and the de-shadowing of the economy in particular, has several manifestations. One group of scientists argues about the stimulating effect of innovative financial technologies on the volume of shadow transactions. Digitization of forms and methods of doing business, the growing share of Internet business is an additional catalyst for the shadow cash flow, informal employment, and so on. These issues become especially relevant in the context of the growing share of electronic financial transactions. This leads to the emergence of cybercrimes, tax evasion, concealment of official income, and so on. In this context, digital shadow operations are becoming widespread, as a part of the shadow economy, which involves the implementation of illegal or shadow online trade or service provision. According to the second approach, technological innovations in the financial sector, on the contrary, contribute to the reduction of shadow transactions as the preconditions for control and cash flow in the accounts of economic entities are formed. According to [11], innovative financial technologies are the most important tool for economic progress and bringing subjects out of the shadows. The authors conclude that countries that actively implement innovative technologies in the financial sector can implement tools aimed at withdrawing funds from the shadows and preventing the implementation of shadow operations. Despite the important role of these technologies in economic development, today, the level of financial innovation of the majority of countries is much lower than in most countries [1]. Thus, according to the World Bank, the share of research and development expenditures on GDP is on average 1.5%. Slovenia and the Czech Republic are the highest, with the lowest Ukraine and Romania 0.48 and 0.49% respectively. Authors propose theoretical and methodological principles for the formation of the national strategy of innovative financial technologies growth, which is based on increasing the level of investment attractiveness of the country [13, 22], fighting corruption [15, 7], increase the level of transparency [3, 12], stimulating production [14, 24], scientific and technological development [10], establishing relations with international partners [1, 4, 9, 16], increasing level of financial inclusion of the population [2, 7, 23]. The implementation of these measures will contribute to the improvement of the country's innovation and investment climate, the intensification of its scientific and technical potential, the growth of its development indicators, including and by removing a significant proportion of assets from the shadows and directing them to finance economic and social programs.

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