

“Features of the EU and Ukraine’s debt policy”

AUTHORS

Igor Chugunov  <https://orcid.org/0000-0002-3612-7236>
 <http://www.researcherid.com/rid/O-8662-2016>
Valentyna Makohon  <https://orcid.org/0000-0002-2331-8455>
 <http://www.researcherid.com/rid/P-3053-2017>
Yuliya Markuts  <https://orcid.org/0000-0002-5131-1592>
 <http://www.researcherid.com/rid/M-5090-2016>

ARTICLE INFO

Igor Chugunov, Valentyna Makohon and Yuliya Markuts (2019). Features of the EU and Ukraine’s debt policy. *Investment Management and Financial Innovations*, 16(4), 254-261. doi:[10.21511/imfi.16\(4\).2019.22](https://doi.org/10.21511/imfi.16(4).2019.22)

DOI

[http://dx.doi.org/10.21511/imfi.16\(4\).2019.22](http://dx.doi.org/10.21511/imfi.16(4).2019.22)

RELEASED ON

Wednesday, 18 December 2019

RECEIVED ON

Thursday, 14 November 2019

ACCEPTED ON

Wednesday, 04 December 2019

LICENSE



This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/)

JOURNAL

"Investment Management and Financial Innovations"

ISSN PRINT

1810-4967

ISSN ONLINE

1812-9358

PUBLISHER

LLC “Consulting Publishing Company “Business Perspectives”

FOUNDER

LLC “Consulting Publishing Company “Business Perspectives”



NUMBER OF REFERENCES

32



NUMBER OF FIGURES

0



NUMBER OF TABLES

2

© The author(s) 2025. This publication is an open access article.



BUSINESS PERSPECTIVES



LLC "CPC "Business Perspectives"
Hryhorii Skovoroda lane, 10,
Sumy, 40022, Ukraine

www.businessperspectives.org

Received on: 14th of November, 2019

Accepted on: 4th of December, 2019

© Igor Chugunov, Valentyna
Makohon, Yuliya Markuts, 2019

Igor Chugunov, Doctor of Economics,
Professor, Kyiv National University of
Trade and Economics, Ukraine.

Valentyna Makohon, Doctor of
Economics, Senior Researcher, Kyiv
National University of Trade and
Economics, Ukraine.

Yuliya Markuts, Ph.D. in Economics,
Associate Professor, Finance
Department, Kyiv National University
of Trade and Economics, Ukraine.



This is an Open Access article,
distributed under the terms of the
[Creative Commons Attribution 4.0](https://creativecommons.org/licenses/by/4.0/)
International license, which permits
unrestricted re-use, distribution,
and reproduction in any medium,
provided the original work is properly
cited.

Igor Chugunov (Ukraine), Valentyna Makohon (Ukraine),
Yuliya Markuts (Ukraine)

FEATURES OF THE EU AND UKRAINE'S DEBT POLICY

Abstract

The world economic globalization determines the feasibility of rethinking fiscal system knowledge on the formation and implementation of debt policy in the countries with transformation and advanced economies. In order to improve the system of public administration, the proper level of financing of innovation-investment projects, the important task is to improve the effectiveness of debt policy instruments and to ensure the consistency of its components. This article describes the essence of debt policy. The features of formation and implementation of the EU and Ukraine's debt policy in the public administration system are defined in the context of institutional transformations. The authors assess the share of gross debt of the EU countries and the sovereign debt of Ukraine in GDP; conduct a regression analysis of the impact of public debt in GDP on real GDP growth in Ukraine. The article discusses the debt policy tasks, summarizes and systematizes the approaches to its implementation in different countries. The authors identify the features of public debt management strategies in terms of marginal indicators of the budget deficit, public debt, and instruments for improving the effectiveness of the public debt management system. The impact of debt policy on country's financial and economic security is substantiated.

Keywords

finance, debt, budget, deficit,
European Union, Ukraine

JEL Classification

F34, H63

INTRODUCTION

Theoretical and practical aspects of the formation and implementation of debt policy are studied in the scientific journals over the centuries. However, despite the abovementioned, the debate about their effectiveness and impact on macroeconomic stability and countries' economic growth continues. These issues become especially important due to the financial and economic crisis, which adversely affected the dynamics of economic growth both in the countries with transformation and advanced economies. Challenges to justify new approaches to public debt management as a stimulating tool for accelerating the economic growth and the rational use of borrowed financial resources, selecting the tools and forms of budget deficit financing have become important. At the same time, it is necessary to note that the significant increase of the public debt in countries with transformation economies is mainly due to the reduction of tax burden in connection with the fall in production volume and increasing tensions in the budgetary sphere. Loans are made to finance the budget deficit in the vast majority of countries. Thus, the research highlights the features of the formation and implementation of debt policy, studies the methods of public debt regulating and debt instruments, assesses the impact of public debt on macroeconomic processes both in countries with transition and developed economies.

1. LITERATURE REVIEW

In modern conditions, the priority of financial policy is to justify the instrument of stabilizing the public debt in order to promote its sustainability and maintain an acceptable level in the countries with transformational and advanced economies. The choice of appropriate instruments depends on many factors, among others, the peculiarities of monetary policy are important. In this case, the priority objectives of the public debt management strategy depend on the openness of the economy (Draksaite, 2014).

The economic nature of the debt is of particular obligation, which is identified according to the types of financial instruments used. In the general case, the debt is the aggregate of all liabilities that require the payment of interest and principal by the debtor to the creditor at a specific date in the future (International Monetary Fund, 2003).

The Keynesian theory of public finances has legalized the budget deficits and public debt to stimulate the economic growth. The main task of public debt, according to Keynes, was to stabilize the economic processes. At the same time, according to Ricardo, public debt indirectly reduces the personal income of households and consequently causes a decrease in fixed capital (Petty, Smith, Ricardo, Keynes, & Friedman, 2000). The Sargent-Wallace model estimates the macroeconomic implications of budget deficit financing methods: monetary issues and government bonds. The inflation rate may be much higher in terms of financing the budget deficit by increasing government debt, not monetary financing of budget deficit (Sargent & Wallace, 1987).

The essence of debt policy is the formation and implementation of public administration measures: debt servicing, repayment of their principal amount and interest payments, changes in terms of disbursed loans, construction of new loan conditions, debt volume and level monitoring, their comparison with public finance indicators, mutual relations with creditors regarding the regulation of old debt and the granting of new loans, debt restructuring and refinancing (Hominich & Savvina, 2014); the activities of public authorities aimed at managing public debt (Volynskaya, 2006).

Macro-level debt policy stability is disrupted due to increased systemic risk at the macro-level (Zhen, Weiwei, & Liying, 2018). The need for a systematic approach to assessing public debt sustainability is justified. In a stochastic economy, the use of deterministic methods does not allow for debt effective assessment. Public debt sustainability assessment should be based on an integrated analysis of the factors that affect its sustainability (Draksaite, Snieska, Valodkiene, & Daunoriene, 2015). Effectiveness is determined by the validity of debt policy orientation borrowed resources in the development of certain economic sectors (Xinghe, Enxian, & Danting, 2019).

In today's society, the vast majority of the countries with transformational and advanced economies are characterized by high levels of debt and low economic growth. In order to curb the rise in debt levels, the priority areas are the implementation of a monetary policy that responds to household debt and macroprudential policies. It is to reduce the borrowing limit ratio to its value (Turdaliev & Zhang, 2019).

The impact of monetary policy on the yield of government bonds and their fundamental determinants has gained considerable attention. Alternative monetary policy measures affect the pricing risk not only directly but also indirectly by changing the banking risk (Afonso, Arghyrou, Gadea, & Kontonikas, 2018).

In order to increase the effectiveness of debt policy in the EU countries, the European Central Bank has developed the Open Currency Transactions Program. The European Central Bank purchases on the secondary, sovereign bond markets issued by the EU Member States. The purpose of the program is to prevent short-term bond divergences in all the EU member states (ECB, 2012).

The dynamic growth of debt does not contribute to increased production. In order to improve the effectiveness of debt policy, it is necessary to ensure a nominal interest rate increase, creating the conditions where the money supply is predominantly exogenous (Ascari & Rankin, 2013).

Government debt management approaches are changing; in particular, an optimal debt manage-

ment strategy in the context of a need to increase the government spending is the issuance of government securities in the short term. In the economic literature, most approaches to debt management provide that with a significant level of public debt, optimum policies should be based on the issue of long-term government bonds (Bouakez, Oikonomou, & Priftis, 2018).

Increased levels of sovereign debt raise concerns about its impact on long-term economic growth (Croce, Nguyen, Raymond, & Schmid, 2019). Public debt can accelerate the economic growth by boosting the supply of liquid assets. It is the internal debt, not the external one, that has a more positive impact on the development of economic sectors (Grobéty, 2018). Public authorities are obliged to balance their budgets in an interbalanced manner, setting the present value of the debt equal to the reduced amount of expected future surpluses (Chen & Wu, 2018).

The growing level of debt in the countries with transformational economies indicates the inefficient financial assets accumulated in the household sector and the inefficient real assets accumulated in the enterprise sector (Nakamura, 2017).

The methodology for compiling the government debt statistics in the vast majority of the countries is based on the recommendations of the International Monetary Fund, the World Bank and other international organizations, corresponds to the basic principles of the UN System of National Accounts (UNSD, 2008) and balance of payments statistics (International Monetary Fund, 2009).

2. RESULTS

In terms of increasing globalization, an important objective is to improve the credit rating of the country to attract foreign investment. This contributes to the liberalization of the currency regime, macroeconomic stability, and accelerated economic growth. Financial policies, including debt policy, aim at improving the credit rating of the countries and increase the degree of economic openness. This implies the implementation of effective measures to ensure the proper level of financial and economic security, and create the con-

ditions for the development of financial markets, including the stock market.

The experience of the countries with advanced economies indicates that the implementation of justified debt policy is a significant factor in ensuring the country's macroeconomic stability. Every country, based on financial capacity, degree of development of the domestic capital market, defines its strategic objectives of debt policy. In addition, there are certain uniform rules on the justified level of public debt. According to the "Stability and Growth Pact" and "Procedure for Harmonization of Key Macroeconomic Indicators of Economic Development of Eurasian Economic Community Member States," public debt not exceeding 60% and 80% of GDP, respectively, is reasonable (European Commission, 2011; The Treaty on the Eurasian Economic Union justifies the level of public sector debt, which does not exceed 50% of GDP (Legislation of the CIS countries, 2014). According to the World Bank's classification, the countries with excessive levels of debt are countries where in recent years, the share of public debt to GDP was over 80% (debt level is considered moderate if the figure is in the range from 18% to 80%) or the ratio of government debt to exports exceeded 220% (debt level is considered moderate if the figure is from 132% to 220%) (World Bank official website). These standards are reviewed in every country according to its institutional capacity and economic situation.

In modern conditions, the growth of the level of public debt both in nominal value and its share in GDP is observed both in the countries with transformational and advanced economies. In recent years, public debt in the European Union has grown significantly. The gross debt of the general government of the EU countries (28) increased in absolute terms from EUR 7,557.7 billion in 2007 to EUR 12,789.1 billion in 2018, towards to GDP from 58.1% to 80.4%. The largest increase in debt in absolute terms in 2018 compared to 2007 is observed in the following countries: the United Kingdom – EUR 1,177.5 billion, France – EUR 1,062.4 billion, Spain – EUR 788.6 billion, Italy – EUR 702.9 billion, and Germany – EUR 469.4 billion. The smallest increase in debt in absolute terms in 2018 compared to 2007 is observed in the following countries: Estonia – EUR 1.6 billion, Malta – EUR 2.1

billion, Bulgaria – EUR 7.2 billion, Latvia – EUR 8.8 billion, and Luxembourg – EUR 9.7 billion.

The largest increase in debt to GDP in 2018 compared to 2007 is observed in the following countries: Greece – 78.10 percentage points, Spain – 61.80 percentage points, Portugal – 49.50 percentage points, Slovenia – 47.60 percentage points, and Cyprus – 46.60 percentage points. Debt reduction in GDP in 2018 compared to 2007 is noted in the following countries: Malta – 16.50 percentage points, Germany – 2.10 percentage points, Sweden – 0.40 percentage points (Table 1).

Based on these data, it is appropriate to note the relationship between the level of growth of debt and features of the institutional environment of fiscal sector, the level of socio-economic development. The lowest

level of borrowing to finance budget deficits involves the countries that are at the stage of dynamically active development. At the same time, debt management in the EU is based on a comparison of alternatives capabilities, and features of unified standards achieve the threshold level of public debt.

An important method of ensuring the efficiency of debt policy in the EU is considered to be fiscal consolidation, which includes the measures aimed at reducing the debt and flexibility of their structure. Along with this, in most EU countries, fiscal consolidation is relative because of the characteristics of the institutional environment of the fiscal sector.

The main tasks of the EU debt policy are: restructuring public debt on acceptable terms; improve-

Table 1. The share of gross debt in GDP, %

Source: Based on the data from [Official site of the Statistical Office of the European Commission – <http://ec.europa.eu/eurostat>].

Country/period	2007–2009	2010–2012	2013–2015	2016–2018	2007–2018
Euro area (19 countries)	71.90	88.03	92.07	87.90	84.98
Euro area (18 countries)	72.10	88.20	92.27	88.07	85.16
EU (28 countries)	64.47	82.00	86.07	82.10	78.66
EU (27 countries)	64.53	82.03	86.07	82.13	78.69
Belgium	93.57	102.87	105.90	102.23	101.14
Bulgaria	14.33	15.77	23.40	25.63	19.78
Czech Republic	29.80	40.57	42.37	34.70	36.86
Denmark	33.60	44.53	42.70	35.63	39.12
Germany	67.50	81.10	75.50	65.47	72.39
Estonia	5.17	7.50	10.27	9.30	8.06
Ireland	42.60	105.67	100.33	68.43	79.26
Greece	113.07	159.30	177.40	178.63	157.10
Spain	42.93	72.23	98.60	98.47	78.06
France	72.10	87.90	94.63	98.27	88.23
Croatia	41.80	64.10	83.43	77.93	66.82
Italy	108.87	121.80	134.37	134.57	124.90
Cyprus	51.30	67.53	106.90	99.30	81.26
Latvia	20.77	44.00	39.00	38.40	35.54
Lithuania	19.50	37.77	40.67	37.77	33.93
Luxembourg	12.77	20.17	22.80	21.13	19.22
Hungary	71.87	79.97	76.73	72.87	75.36
Malta	64.17	68.47	63.20	50.53	61.59
The Netherlands	51.50	62.37	66.70	57.07	59.41
Austria	71.20	82.33	83.40	78.40	78.83
Poland	46.63	53.63	52.47	51.23	50.99
Portugal	78.70	114.53	131.83	126.57	112.91
Romania	15.33	33.53	38.20	35.80	30.72
Slovenia	26.37	46.13	77.63	74.40	56.13
Slovakia	31.77	45.43	53.37	50.90	45.37
Finland	36.00	49.60	59.67	60.83	51.53
Sweden	39.27	37.73	43.20	40.60	40.20
The United Kingdom	51.40	79.30	85.77	86.30	75.69

ment of the instruments of the securities market; improving the efficiency of the process and mechanisms of lending; improving the public debt management model, which involves minimizing the maintenance costs and improving the efficiency of debt management tools risks; optimization of the structure of the debt portfolio, particularly through its stress testing; ensuring the coordination of public administration bodies in the process of public debt management; strengthening of restrictive measures in case of exceeding the thresholds based on the structure of the national debt, forecasting the dynamics of macroeconomic indicators, indicators of fiscal sustainability; improving the system of information exchange between public authorities responsible for managing public debt, in particular by creating an integrated electronic database; systematic monitoring and assessment of the state debt based on the definition of sound indicators.

The stated tasks of debt policy are solved in the context of debt strategies implementation, which aims at ensuring the proper level of financial and economic security of the country, in particular by reducing the share of external borrowing and increasing domestic ones.

At the same time, at this stage, there is an increase in the level of external debt, especially in the countries with transformational economies.

In particular, public debt in Ukraine increased in absolute terms from UAH 88.7 billion in 2007 to UAH 2168.3 billion in 2018, towards to GDP from 12.31% to 60.94%. At the same time, on average, over the period 2007–2018, the share of internal and external government debt in GDP was 17.89% and 30.63%, respectively (Table 2).

Insufficient level of development of debt instruments, a significant share of external debt and restructured liabilities in the structure of government borrowing, domination in the structure of government borrowings of non-market debt, effective management of which is difficult make it impossible to ensure an effective impact of the debt policy of Ukraine on the economic growth. Increasing the share of Ukraine's public debt in GDP by one percentage point over the period 2007–2018 leads to a decrease in real GDP growth of 0.09 percentage points. The results of the dependence are expressed by the equation $y = 4.01 - 0.09x$.

Accordingly, there are currently several issues in the countries with advanced and transformational economies the need to be addressed to improve the effectiveness of debt policy. The rapid growth of external public debt exacerbates the vulnerability of countries as a result of the worsening situation in international financial markets. And, accordingly, the currency risk increases. To reduce

Table 2. The share of Ukraine's public debt in GDP, %

Source: Based on the data from [Ministry of Finance of Ukraine – <https://minfin.gov.ua>].

Period	Total share of public debt in GDP, %	Share of domestic public debt in GDP, %	Share of external public debt in GDP, %
2007	12.31	2.61	9.70
2008	19.98	4.92	15.06
2009	34.81	11.51	23.30
2007–2009	22.37	6.35	16.02
2010	39.93	14.37	25.56
2011	36.34	13.35	23.00
2012	36.53	14.63	21.90
2010–2012	37.60	14.12	23.48
2013	40.19	19.53	20.67
2014	69.37	30.81	38.56
2015	79.04	26.63	52.42
2013–2015	62.87	25.65	37.22
2016	80.97	28.94	52.03
2017	71.80	25.70	46.10
2018	60.94	21.68	39.26
2016–2018	71.24	25.44	45.80
2007–2018	48.52	17.89	30.63

it, a systematic assessment of economic and political factors that can influence the exchange rates of the currency structure of the national debt, as well as the constant review of limits on the currency position, are carried out. The insignificant level of diversification of the monetary structure of the national debt leads to an increase in the risk of financial losses as a result of significant fluctuations in the exchange rates. It consequently causes a decrease in the countries' financial and economic security levels. At the same time, world experience shows that short-term foreign currency liabilities, in particular, the banking sector, represent the most significant currency risk. In the context of the regulation of external government debt, the setting of short-term foreign currency liquidity limits by banking institutions plays a significant role.

The priority of the foreign and domestic debt management tasks depends on the level of institutional capacity of the countries. Increasing public external debt causes a negative impact not only on the internal economic environment but also on the country's financial and economic security. To ensure the financial and economic security of the country, it is advisable to establish an effective system of public debt management, which allows keeping external public debt at an economically and security level in the medium and long term.

Thus, the external borrowing in foreign currency increases the susceptibility to increased currency risk, lending these funds by providing the loans to borrowers who do not have their sources of foreign exchange. This increases bank credit risk, and the imbalance in terms of assets placed and liabilities attracted has a negative impact on the level of currency liquidity of national banks.

In many countries with transformational economies, issues relating to the guaranteed debt are

outstanding. Because there is an insufficient level of efficiency of the system of state control over the financial condition of economic entities whose debt is covered by state guarantees. The measures defined by regulatory documents to minimize the risks of the occurrence of obligations under state guarantees do not allow for the timely implementation of effective measures for managing these obligations.

3. DISCUSSION

Activation of globalization leads to the growing influence of exogenous factors on the financial and budget sphere, despite the variety of different vectors debt policy, to some extent, standardized financial instruments for public debt management applied in the countries with transition and developed economies. The issue of positive or negative impact of public debt on macroeconomic stability and economic growth remains debatable (Kameda, 2014; Taylor, Proaño, Carvalho, & Nelson, 2012). Bashar, Bhattacharya, and Wohar (2017), Combes, Minea, and Sow (2017) determine the need to implement procyclical and anti-cyclical debt policy at a significant level of public debt.

Thus, each country, based on the institutional capacity of the financial and budgetary sector, should independently determine the vectors of debt policy; improve the methodology of public debt management, taking into account the risks arising in the process of procyclical and counter-cyclical debt policy. Thus, the amount of payments related to servicing the public debt is the main factor that determines the validity of implementing pro-cyclical debt policy. Thus, the increasing demands on the stability and sustainability of public finances, strengthening financial and economic crisis processes actualize the development of new approaches to the management of public debt.

CONCLUSION

The conducted research makes it possible to determine that debt policy is a dynamic, adaptive system of goals, principles, directions, and tasks of public authorities in the sphere of public debt management to internal and external changes of the economic environment, financial and budgetary transformations, aimed at ensuring the acceleration of economic growth. The study of debt policy features in the EU and Ukraine shows the establishment of guidelines for the development of the financial instruments in the

public debt management system based on the integration and unification of its principles. However, the system of public debt management has its specification in each country, which is due to the features of the institutional environment development for the financial sector and the level of countries' social and economic development.

We proved that currently the immediate measures of debt policy are rationale and setting optimal parameters of public debt and its architectonics; enhancing the flexibility and minimizing the debt risk management; ensuring the coherence of actions of public authorities in the process of public debt management; improving the efficiency of debt assessment and monitoring. That is why the formation and implementation of debt policy should be carried out through the integration of instruments: defining public debt thresholds for the short, medium and long term; assessing the risks of public debt and financial and debt security indicators of the country; coordinating the activities of public authorities in the process of forming and implementing the debt policy; monitoring and evaluation of debt, its architectonics.

Given the significant transformation processes in a globalized economy, it is appropriate to enhance the transparency in the development of the debt policy. This will provide an opportunity for coordination of decisions in the process of its formation with the decisions in the process of its implementation. At the same time, goals, principles, directions, problem debt policy should be determined by allowing for the implementation of all components of financial policy. This implies the need to reform the public finance system to increase the transparency and openness of public authorities' activities, especially in the countries with transformational economies.

Limited financial resources will always determine the need for updating the change in debt policy vectors in terms of the possibility of implementing the alternative ways of attracting and directing the debt borrowing in the development of economy's priority sectors. Therefore, future research should be carried out in the direction of finding the alternative approaches to the methodology of public debt management, the formation and implementation of debt policy, taking into account the dynamic and cyclical nature of economic processes.

ACKNOWLEDGMENT

The article was prepared based on: "Financial and fiscal strategy of economic growth" (state registration number 0119U100577); "Financial policy of Ukraine under institutional modernization of the economy" (state registration number 0118U000129); "Strategy of public finance management under economic transformation" (state registration number 0117U000505); "Fiscal strategy for economic growth" (state registration number 0118U000128).

REFERENCES

1. Afonso, A., Arghyrou, M., Gadea, M., & Kontonikas, A. (2018). "Whatever it takes" to resolve the European sovereign debt crisis? Bond pricing regime switches and monetary policy effects. *Journal of International Money and Finance*, 86, 1-30. <https://doi.org/10.1016/j.jimonfin.2018.04.005>
2. Ascari, G., & Rankin, N. (2013). The effectiveness of government debt for demand management: Sensitivity to monetary policy rules. *Journal of Economic Dynamics and Control*, 37(8), 1544-1566. <https://doi.org/10.1016/j.jedc.2012.10.010>
3. Bashar, O. H. M. N., Bhattacharya, P. S., & Wohar, M. E. (2017). The cyclical nature of fiscal policy: New evidence from unobserved components approach. *Journal of Macroeconomics*, 53, 222-234. Retrieved from <https://www.sciencedirect.com/science/article/abs/pii/S0164070417303208#!>
4. Bouakez, H., Oikonomou, R., & Priftis, R. (2018). Optimal debt management in a liquidity trap. *Journal of Economic Dynamics and Control*, 93, 5-21. <https://doi.org/10.1016/j.jedc.2018.01.033>
5. Chen, S.-W., & Wu, A.-C. (2018). Is there a bubble component in

- government debt? New international evidence. *International Review of Economics & Finance*, 58, 467-486. <https://doi.org/10.1016/j.iref.2018.05.005>
6. Combes, J.-L., Minea, A., & Sow, M. (2017). Is fiscal policy always counter- (pro-) cyclical? The role of public debt and fiscal rules. *Economic Modelling*, 65, 138-146. Retrieved from <https://www.sciencedirect.com/science/article/abs/pii/S0264999316304072#!>
 7. Croce, M., Nguyen, T., Raymond, S., & Schmid, L. (2019). Government debt and the returns to innovation. *Journal of Financial Economics*, 132(3), 205-225. <https://doi.org/10.1016/j.jfineco.2018.11.010>
 8. Draksaitė, A. (2014). Government Debt Stabilization in a Small Open Economy within Currency Board System. *Procedia – Social and Behavioral Sciences*, 156, 524-528. <https://doi.org/10.1016/j.sbspro.2014.11.233>
 9. Draksaitė, A., Snieska, V., Valodkienė, G., & Daunoriene, A. (2015). Selection of Government Debt Evaluation Methods Based on the Concept of Sustainability of the Debt. *Procedia – Social and Behavioral Sciences*, 213, 474-480. <https://doi.org/10.1016/j.sbspro.2015.11.436>
 10. ECB (2012, September). *Technical features of Outright Monetary Transactions*. Retrieved from https://www.ecb.europa.eu/press/pr/date/2012/html/pr120906_1.en.html
 11. European Commission (2011). *Public finances in EMU*. Retrieved from http://ec.europa.eu/economy_finance/publications/european_economy/2011/pdf/ee-2011-3_en.pdf
 12. Fisher, I. (1933). The Debt-Deflation Theory of Great Depressions. *Econometrica*, 1(4), 337-357. Retrieved from https://phare.univ-paris1.fr/fileadmin/PHARE/Irving_Fisher_1933.pdf
 13. Grobéty, M. (2018). Government debt and growth: The role of liquidity. *Journal of International Money and Finance*, 83, 1-22. <https://doi.org/10.1016/j.jimonfin.2018.01.004>
 14. International Monetary Fund (2003). *Translation of: External Debt Statistics: Guide for Compilers and Users* (328 p.). Retrieved from <https://www.imf.org/external/pubs/ft/eds/eng/guide/index.htm>
 15. International Monetary Fund (2009). *Balance of payments and international investment position manual* (351 p.). Washington, D.C. Retrieved from <https://www.imf.org/external/pubs/ft/bop/2007/pdf/bpm6.pdf>
 16. Kameda, K. (2014). Budget deficits, government debt, and long-term interest rates in Japan. *Journal of the Japanese and International Economies*, 32, 105-124. <https://doi.org/10.1016/j.jjie.2014.02.001>
 17. Khominich, Y. P., & Savvina, O. V. (2014). *Gosudarstvennyy kredit v usloviyakh finansovoy globalizatsii [State loan in the conditions of financial globalization]* (256 p.). Finansy i statistika: Infra-M (in Russian). Retrieved from <https://rucont.ru/efd/49490>
 18. Ministry of Finance of Ukraine (n.d.). Official site of Ministry of Finance of Ukraine. Retrieved from <https://minfin.gov.ua>
 19. Nakamura, Y. (2017). The relationship between the real and financial economies in the Soviet Union: An analysis of government debts using newly available data. *Explorations in Economic History*, 66, 65-84. <https://doi.org/10.1016/j.eeh.2017.06.001>
 20. North, D. C. (1991). *Institutions, Institutional Change and Economic Performance*, series: *Political Economy of Institutions and Decisions* (164 p.). Cambridge University Press. <https://doi.org/10.1017/CBO9780511808678>
 21. Official site of the Statistical Office of the European Commission. Retrieved from <http://ec.europa.eu/eurostat>
 22. Orlov, M. F. (1840). *O gosudarstvennom credite [On the state credit]*. Leipzig: O. Wigand (in Russian).
 23. Petty, V., Smith, A., Ricardo, D., Keynes, J., & Friedman, M. (2000). *Nachala politicheskoy ekonomii. Klassika ekonomicheskoy mysli: sochineniya [The fundamentals of political economy. Classics of Economic Thought: essays]* (895 p.) Moscow: EKSMO-Press (in Russian).
 24. Sargent, T., & Wallace, N. (1987). Inflation and the Government Budget Constraint. In A. Razin & E. Sadka (Eds.), *Economic Policy in Theory and Practice* (pp. 170-207). MacMillan Press. Retrieved from https://link.springer.com/chapter/10.1007/978-1-349-18584-9_5
 25. Taylor, L., Proaño, C., Carvalho, L., & Nelson, B. (2012). Fiscal deficits, economic growth and government debt in the USA. *Cambridge Journal of Economics*, 36, 189-204. <https://doi.org/10.1093/cje/ber041>
 26. The World Bank's official website. (n.d.). Retrieved from <https://www.worldbank.org/>
 27. Turdaliev, N., & Zhang, Y. (2019). Household debt, macroprudential rules, and monetary policy. *Economic Modelling*, 77, 234-252. <https://doi.org/10.1016/j.econmod.2018.09.001>
 28. UNSD (2008). *System of National Accounts*. Retrieved from https://unstats.un.org/unsd/publication/seriesf/SeriesF_2Rev5e.pdf
 29. Volynskaya, O. A. (2006). Ponyatie dolgovoy politiki i kriterii otsenki ee effektivnosti [The concept of debt policy and criteria for evaluating its effectiveness]. *Sibirskaya finansovaya shkola – Siberian Financial School* (in Russian). Retrieved from <https://elibrary.ru/item.asp?id=11609911>
 30. Xinghe, L., Enxian, W., & Danting, C. (2019). Green credit policy, property rights and debt financing: Quasi-natural experimental evidence from China. *Finance Research Letters*, 29, 129-135. Retrieved from <https://www.sciencedirect.com/science/article/abs/pii/S154461231830744X>
 31. Zakonodatelstvo stran SNG [Legislation of the CIS countries] (May 29, 2014). *Dogovor o Evraziyskom ekonomicheskom soyuze [The Treaty on the Eurasian Economic Union]* (in Russian). Retrieved from http://base.spininform.ru/show_doc.fwx?rgn=67857
 32. Zhen, H., Weiwei, G., & Liying, C. (2018). Does the external environment matter for the persistence of firms' debt policy? *Finance Research Letters*. <https://doi.org/10.1016/j.frl.2018.12.021>