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STRENGTHENING THE EU'S ECONOMIC SECURITY IN THE NEW GEOPOLITICAL ERA

Economic security is emerging as a critical aspect of international politics, with the European Union (EU) facing challenges in a landscape marked by rising protectionism, global subsidy races, and strategic manipulation of interdependencies. To address these challenges, the EU needs a comprehensive strategy that encompasses various aspects of economic security and strategic autonomy. [1]

The EU is increasingly focused on enhancing economic security and achieving strategic autonomy, requiring a balanced approach to navigate the competitive landscape of global power dynamics. This involves addressing risks and vulnerabilities through strategies such as stress tests and data analysis, as well as establishing the European Economic Security Committee to align national security with EU economic policy.

The EU's Economic Security Strategy, released in June 2023 [2], aims to unify economic statecraft tools, focusing on competitiveness, citizen protection, and partnership formation. This strategy emphasises economic resilience and industrial capacity, particularly in green and tech sectors. However, the EU continues to face institutional and strategic challenges in a geopolitical landscape dominated by rivalry. There's a lack of consensus within Europe on the path to economic security, with some advocating for maintaining open, multilateral frameworks, while others call for significant strategic shifts towards domestically focussed industrial policies.

The EU's approach to economic security involves preparing for high-risk events and managing hard economic security risks, such as cyber-attacks and foreign control of critical infrastructure. [3] This includes implementing export controls and investment screening, focusing on technologies critical for national security. The EU's Chips Act is an example of such measures, aimed at reducing dependency on external high-end chip production. [4]

Building resilience and forging strategic partnerships are key components of the EU's strategy. This involves upholding a rules-based international order and engaging with countries seeking flexible partnerships. Trade and investment policies play a crucial role in strengthening the resilience of the EU economy. The EU aims to avoid costly reshoring strategies, instead prioritising trade agreements with third countries and focused investments through the Global Gateway initiative. [5] Addressing institutional and systemic weaknesses is also vital for the EU's economic security.

The new geopolitical realities underscore the need for European public goods in areas such as R&D, defence, security, innovation, energy, and technology. Ambitious reforms are necessary, which possibly lead to progress towards a Fiscal Union and the reform of the Stability and Growth Pact. [6]

The EU's strategy centres around utilizing the euro for geo-economic purposes, requiring significant reforms in the Economic and Monetary Union (EMU) and the integration of the EU's financial system. Promoting the euro as an international currency involves several key steps, including creating a permanent safe asset and committing to limited common debt issuance to finance selected European public goods. [7] This would strengthen the financial system, providing various geo-economic benefits.

In conclusion, the landscape of great power competition requires the EU to adapt its strategies. Maintaining open strategic autonomy, focusing on increased trade, identifying and addressing hard security risks, and deepening economic and financial integration are essential to enhance EU leverage. The new geo-economic reality offers an opportunity for the EU to strengthen its economic integration and address political and institutional challenges. Developing an effective European economic statecraft strategy requires improved risk assessment tools and a collective commitment to strategic economic policymaking.

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THE DIGITALIZATION OF ACCOUNTING IN MODERN BUSINESS

The advent of the digital revolution has profoundly impacted various industries, and accounting is no exception. Integrating digital technologies into accounting processes has revolutionized how businesses manage and analyze financial information. A comprehensive review of the digitalization of accounting in modern business, aims to explore the transformative potential of digital technologies and provide insights for organizations seeking to leverage them effectively.

The benefits of digitalization in accounting are not limited to efficiency gains. By adopting cloud-based accounting systems, businesses can enjoy several advantages, such as scalability, cost-effectiveness, and enhanced collaboration. Moreover, integrating artificial intelligence (AI) applications in accounting processes has enabled intelligent data analysis, fraud detection, and predictive analytics. Additionally, blockchain technology offers enhanced transparency, data integrity, and security in financial transactions.

However, along with the benefits, the digitalization of accounting also presents challenges that organizations must address. Data security risks, the need for employee upskilling to adapt to new technologies, and ethical considerations surrounding AI and automation are some challenges businesses face in the digital era. Study contributes to understanding how digitalization is reshaping the accounting landscape and provides valuable recommendations for organizations seeking to embrace digital accounting technologies successfully. By leveraging the transformative power of digital technologies, businesses can improve financial efficiency, decision-making, and overall organizational performance in today's rapidly evolving digital business environment.

The literature on the digitalization of accounting highlights its transformative potential in modern business environments. Researchers have identified various benefits and challenges associated with adopting and implementing digital accounting technologies. Several studies emphasize the automation