

Corruption as a Threat to the Economic Security of the Country

Irina V. Chistnikova*

PhD in Economic Sciences, Associate Professor at the Department of economics and the modeling of production processes, Belgorod State National Research University, Russia

Marina V. Antonova

PhD in Economic Sciences, Associate Professor at the Department of finance and customs income, Belgorod University of Cooperation, Economics and Law

Elizaveta G. Serova

PhD in Economic Sciences, Associate Professor at the Department of finance and customs income, Belgorod University of Cooperation, Economics and Law, Russia

Igor A. Sklyarenko

PhD in Economic Sciences, Associate Professor at the Department of finance and customs income, Belgorod University of Cooperation, Economics and Law, Russia

Elena S. Alyokhina

PhD in Economic Sciences, Associate Professor at the Department of finance and customs income, Belgorod University of Cooperation, Economics and Law, Russia

Abstract

The article analyzes the current level of corruption as a threat to Russia's economic security. By the method of generalization of the provisions of the legislation, the features of corruption in Russia in the context of economic security are studied, the characteristic of corruption crimes is given. The dynamics of the corruption perception Index in the Russian Federation for 2015-2017 published by Transparency International is studied. Economic and statistical methods of data processing and analysis studied the indicators of corruption in Russia in 2015-2017 on the basis of official data. The value of damage to the country's economy from corruption is revealed. The dynamics and structure of penalties for corruption crimes in Russia in 2015-2017 are studied on the basis of the generalization of data of the General Prosecutor's office and Judicial Department at the Supreme court of Russia. Based on the calculation and analysis of the economic security indicators of the Russian Federation for 2015-2017, the impact of corruption on the economic security of the country is assessed. The level of economic security in the country under the influence of the mechanism of corruption is revealed. Methods of positive and normative approaches, abstract-logical and systemic approaches have revealed the directions of the negative impact of corruption on the economic security of the country. The mechanism of influence of corruption on economic security of Russia is presented by graphic method. The social danger of corruption in Russia is that it has a destructive, destabilizing effect on all state institutions and impedes the progressive development of the global legal order. The public danger of corruption is also linked to its latent nature. Corruption has a significant scale that threatens the economic security of Russia, but its real level is almost impossible to establish. Data on corruption in cases registered in the Prosecutor's office and the judiciary, as well as international expert agencies, allow us to state a high level of corruption in Russia.

Keywords: Corruption; Corruption assessment in Russia; Corruption indicators in Russia.



CC BY: [Creative Commons Attribution License 4.0](https://creativecommons.org/licenses/by/4.0/)

1. Introduction

Today corruption is one of the most difficult problems for the Russian society, state and economy. Its impact on the country's economy is growing, the scale is increasing, the areas of corruption are expanding.

The national security Strategy of the Russian Federation and the economic security Strategy of the Russian Federation identified corruption as one of the main threats to state and public security.

The influence of corruption affects all stages of production and redistribution of resources, violates the integrity of economic systems, reduces budget revenues at all levels.

Significant prevalence of corruption and reduces the degree of public confidence in the economic programs of the state, undermines the business reputation of Russian business in the eyes of the world community.

Today corruption is one of the main obstacles to foreign investments beneficial for the whole country.

Due to the scale of corruption in Russia, the cult of super-large projects financed from the budget on the terms of fixed corruption rewards has been established. Low-cost projects, honest and socially oriented business in many cases do not receive proper support from officials with the authority to provide such support if they do not have a corruption component.

Corruption is accompanied not only by a large-scale withdrawal of resources from the official turnover, but also by distortion of statistical, financial, tax reporting, reduction of economic transparency. In the corruption turnover, huge resources are concentrated, which in case of their legalization can become a reserve for economic growth.

The solution of these tasks can be carried out only on the basis of a comprehensive analysis of the impact of corruption on the economy and economic security of economic systems, its study as a threat to the economic security of modern Russia.

Corruption in the whole country affects many areas and areas of activity, in this connection, especially in the context of globalization of the economy, there is a need to search for and introduce new methods and approaches to ensure the anti-corruption security of the country and the entire world community.

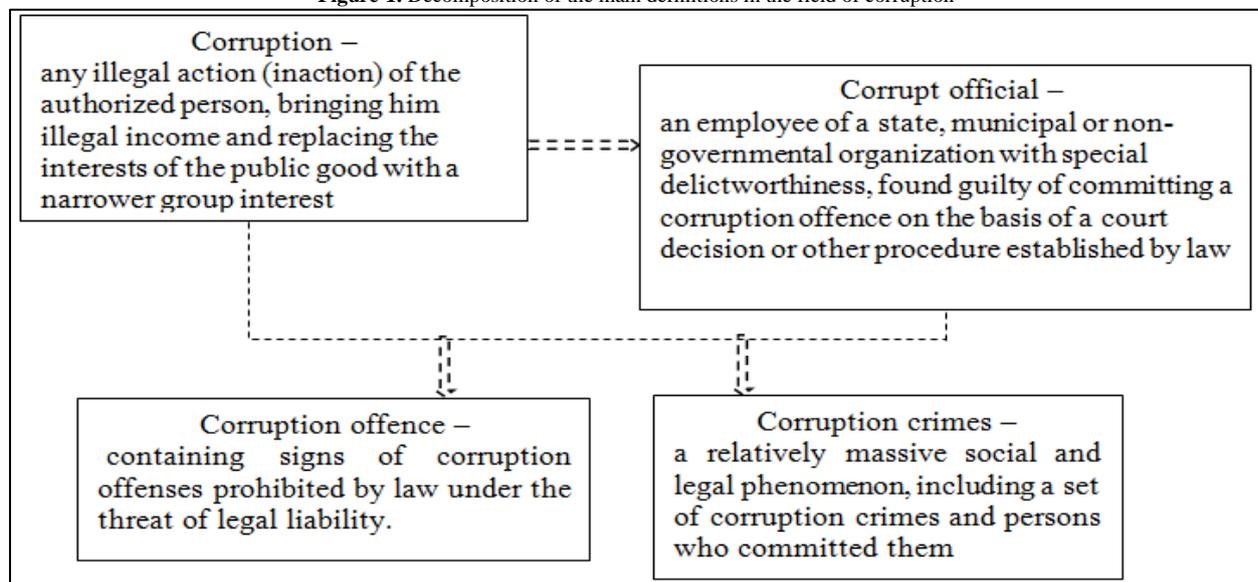
2. Features of Corruption in Russia in the Context of Economic Security

Corruption and the shadow economy are among the main threats to the national security of modern Russia, are the leading risk factors for all the basic national projects of the country and its economy as a whole, the preservation and development of pronounced social inequality.

A corrupt official in Russia is an employee of a state, municipal (official or non-official) or non-state (person performing managerial functions or not performing such) organization, who has a special tort capacity (i.e. the ability to bear legal responsibility for the Commission of an act of corruption), who is found guilty of committing a corruption offence on the basis of a court decision or in another procedure established by law (for example, in the case of disciplinary corruption offenses) [Devbush \(2016\)](#).

Definitions and interpretations of categories in the field of corruption in Russia are shown in [Figure 1](#).

Figure-1. Decomposition of the main definitions in the field of corruption



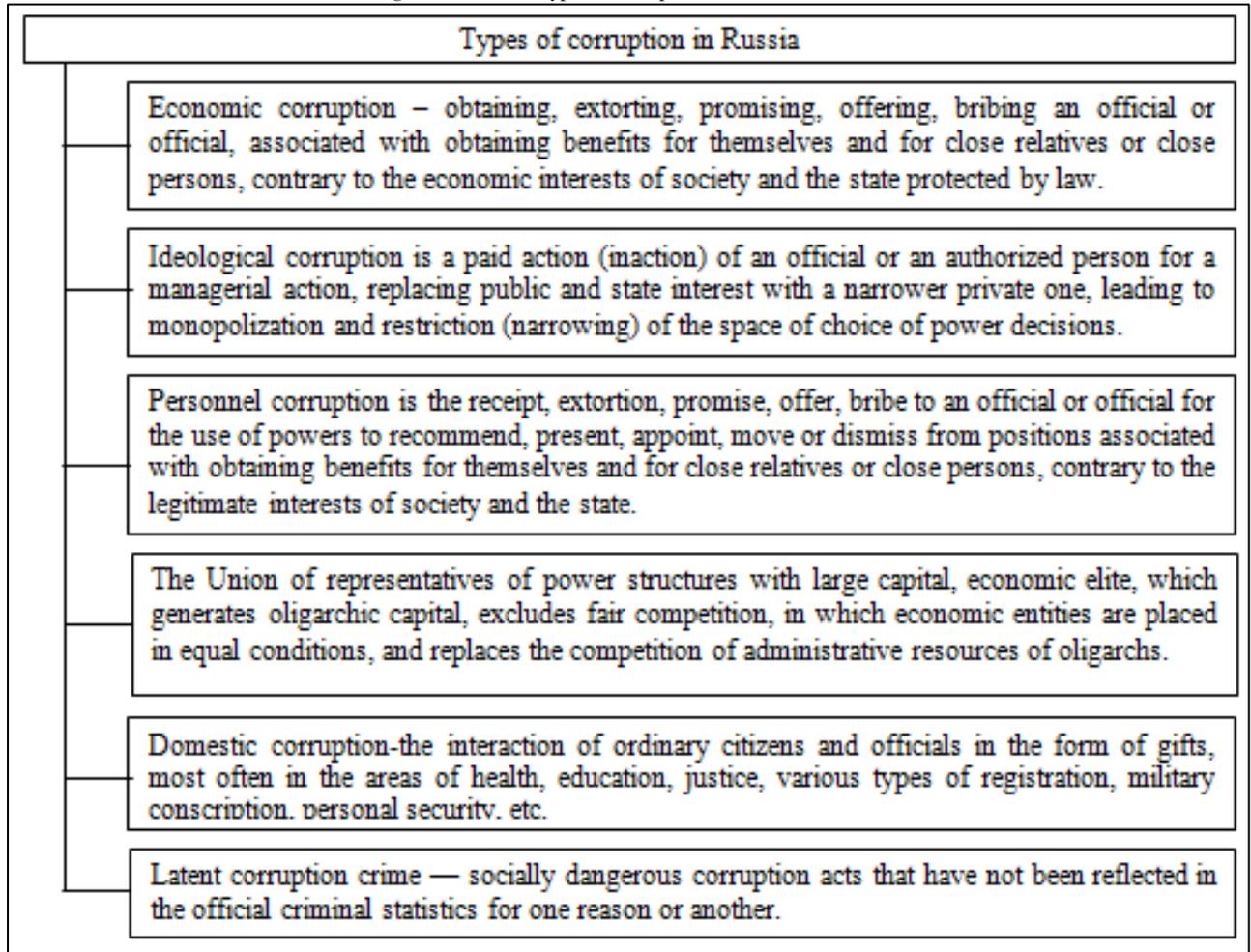
The number of offences in the sphere of corruption include having signs of corruption of civil offences, disciplinary offences, administrative offences as well as crimes. Also often in Russia committed crimes of corruption in the form of abuse of power and misuse of budget funds [Table 1](#).

Table-1. Basic corruption crimes in accordance with the provisions of the Criminal code of the Russian Federation

| Type of corruption crimes | Characteristics of corruption crimes |
|--|--|
| Commercial bribery | Illegal transfer of money, securities, other property to a person performing management functions in a commercial or other organization, as well as illegal provision of property services to him, provision of other property rights for actions (inaction) in the interests of the giver or other persons, if these actions (inaction) are included in the official powers of such person |
| Taking bribes | Receiving by the official personally or through the intermediary of the bribe in the form of money, securities, other property or in the form of illegal rendering of services of property character to him, granting other property rights for Commission of actions (inaction) in favor of the bribe-giver or persons represented by him, if the specified actions (inaction) are included in the official powers of the official or if it by virtue of official position can promote the specified actions (inaction), as well as for the General protection or connivance in the service |
| Bribery | Giving to an official personally or through an intermediary (including when a bribe is transferred to another natural or legal person at the direction of an official) |
| Abuse of office | Commission by the official of actions which are obviously beyond its powers and which entailed essential violation of the rights and legitimate interests of citizens or the organizations or the interests of society or the state protected by the law |
| Non-targeted expenditure of budget funds | Expenditure of budgetary funds by the official of the recipient of budgetary funds for the purposes that do not meet the conditions of their receipt, determined by the approved budget, budget list, notification of budgetary appropriations, estimates of income and expenses or other document that is the basis for obtaining budgetary funds, committed in a large amount |

The phenomenon of corruption has historically been part of the model of public administration in Russia. The main types of corruption in modern Russia are summarized and presented in Figure 2.

Figure-2. The main types of corruption in modern Russia



In modern Russia, not obvious (non-obvious) manifestations of corruption are quite widespread, which, according to the classification of some authors, are classified as "soft" corruption (Table. 2).

Table-2. Types of "soft" (implicit, non-obvious) corruption in Russia

| Kind of soft corruption | Characteristics of manifestations of soft corruption |
|-------------------------|--|
| Nepotism | protection of close and distant relatives and friends at the expense of business, appointment or promotion on the basis of family ties, giving priority to relatives in the distribution of positions, despite the fact that other candidates have higher qualifications |
| The cronyism | appointment or selection as partners based on friendship (acquaintance) rather than business or economic characteristics |
| Blat, when | use of personal contacts to gain access to public resources-goods, services, sources of income, privileges, provision of various services to relatives, friends, acquaintances, etc. |
| Tribalism | granting privileges to persons of the same ethnic group in the selection and placement of personnel in the state apparatus; discrimination against representatives of all other ethnic groups |
| Clan, tribe | a kin or related group linked by economic and social ties; a monopoly or dominant closed group of accomplices linked by economic or social ties |
| Localism, regionalism | activities aimed at ensuring the entire or primarily local, local interests to the detriment of wider regional, interregional, national, civil and other public interests |

Corruption in Russia as a systemic threat to economic security is a market of shadow services, closely linked with other social institutions - political, economic, cultural. Modern corruption is characterized by the presence of regular and long-term social actions, certain corruption manifestations, some of which are already known shadow schemes, economic crimes, financial fraud used by criminals to "launder" dirty "money, as well as other unique processes in terms of species.

The results of the influence of corruption on the social sphere are primarily expressed in the existence of a sharp difference between the officially declared and actual, i.e. real values. This leads to the establishment of double standards; money becomes a universal criterion in society; the importance of a person is determined by the size of his personal wealth, regardless of the ways of its acquisition; there is a devaluation and the destruction of moral regulators of human behavior.

A serious threat to the strategic stability and economic security of the Federation is the merging of corruption with large economic entities in the region and the actual emergence on this basis of a kind of state monopolies.

More often, the authorities force people to participate in corrupt activities, but often the citizens themselves are willing to use corrupt methods to solve their problems.

Ensuring the economic security of the regions of Russia as a Federal state, along with ensuring the economic security of municipalities, public organizations, business structures and certain categories of citizens, is one of the most important components of the socio-economic policy of the state. (Yanioglo, 2015).

3. Analysis of the Current State and Level of Corruption in Russia

3.1. Corruption is a Significant Problem in Modern Russia

In 2015-2017, corruption in Russia was an act in the form of bribes, abuse of authority, commercial bribery or other illegal use by individuals of their official position contrary to the legitimate interests of society and the state in order to obtain benefits in the form of money, values, other property or services of a property nature, other property rights for themselves or for third parties, or illegal provision of such benefits to the specified person by other individuals; as well as the Commission of these acts on behalf or in the interests of a legal entity.

According to official data and statistics, the level of corruption in Russia is very significant. Russia is one of the most corrupt countries in the world.

The current state and level of corruption in Russia are determined by a large number of components and the impact on them of measures of state regulation and struggle.

To study the level of economic corruption in the world, the corruption Perceptions Index (The Corruption Perceptions Index) is used, which is established on the basis of the global study and accompanied by its ranking of the world's countries in terms of the prevalence of corruption in the public sector (Koshkina *et al.*, 2016).

The corruption perception index measures the statistics of corruption in the world, it is calculated on the basis of independent surveys conducted by international experts from financial and human rights institutions.

The dynamics of the corruption perception index In the Russian Federation for 2015-2017 is presented in Table 3.

Table-3. Dynamics of corruption perception Index in the Russian Federation for 2015-2017

| Indicator | Recommended value of the indicator | Years | | |
|---|---|-------|------|------|
| | | 2015 | 2016 | 2017 |
| Corruption perception index (CPI) | Scale from 0 to 100. About points - the lowest level of corruption. 100 points – the highest level of corruption. | 29 | 29 | 29 |
| Russia's place among the countries of the world in terms of corruption perception index | The higher the country's place in the ranking, the lower the level of corruption in it. | 119 | 131 | 135 |
| Level of corruption in Russia according to Transparency International | – | high | high | high |

In the corruption perceptions Index, published annually by Transparency International, Russia is among the 50 most corrupt countries in the world. Thus, in the corruption perceptions index (CSI) compiled by the international organization Transparency International, Russia scored 29 points out of 100 in 2017 and ranked 135th out of 180 in the corruption perceptions Index.

In the study period, Russia scores 29 points in the IWC for three consecutive years, i.e. its position in the index remains stable, and changes in the place (in 2015 – 119th, in 2016-131th) are associated with changes in other countries and with the inclusion or exclusion of some countries from the index.

Let us consider the main indicators characterizing corruption in Russia in 2015-2017 (Table 4).

Table-4. The main indicators characterizing corruption in Russia in 2015-2017

| Indicator | Years | | | Absolute deviation (+,-) | | | Growth rate, % | | |
|--|--------|--------|--------|--------------------------|---------------|---------------|----------------|---------------|---------------|
| | 2015 | 2016 | 2017 | 2016/ 2015 | 2017/ 2016 | 2017/ 2015 | 2016/ 2015 | 2017/ 2016 | 2017/ 2015 |
| Registered in the Prosecutor's office of corruption cases, total | 32455 | 32924 | 29634 | 469 | -3290 | -2821 | 101.45 | 90.01 | 91.31 |
| of them identified by the staff: | | | | | | | | | |
| investigative bodies of the Investigative Committee of the Russian Federation | 933 | 1063 | 868 | 130 | -195 | -65 | 113.93 | 81.66 | 93.03 |
| internal Affairs bodies | 26033 | 25544 | 22619 | -489 | -2925 | -3414 | 98.12 | 88.55 | 86.89 |
| custom authority | 75 | 88 | 64 | 13 | -24 | -11 | 117.33 | 72.73 | 85.33 |
| Number of corruption cases sent to court | 29645 | 30256 | 26932 | 611 | -3324 | -2713 | 102.06 | 89.01 | 90.85 |
| The share of cases of corruption, registered in the Prosecutor's office, submitted to the court, % | 91,34 | 91,90 | 90,88 | 0,56 | -1,02 | -0,46 | 100.61 | 98.89 | 99.50 |
| Number of persons convicted of corruption crimes, pers. | 11499 | 19905 | 17334 | 8406 | -2571 | 5835 | 173.10 | 87.08 | 150.74 |
| Share of convicted persons in corruption cases brought to court, % | 38.79 | 65.79 | 64.36 | 27 | -1.43 | 25.57 | 169.61 | 97.83 | 165.92 |
| Corruption activity index per 100 thousand people. | 221.90 | 224.70 | 201.90 | 2.80 | -22.80 | -20 | 101.26 | 89.85 | 90.99 |

Compiled according to the Prosecutor General of the Russian Federation: <https://www.genproc.gov.ru>; Judicial Department at the Supreme court of Russia: <http://www.cdep.ru>.

In 2015-2017, the number of corruption – related cases registered with the Russian Prosecutor's office was at approximately the same level-about 30 thousand cases annually. A positive phenomenon can be considered a decrease in the number of registered cases of corruption in 2017 compared to 2015 by 8.69% or 2821 cases.

In 2015-2017 in Russia, more than 90% of corruption-related cases registered with the Prosecutor's office were brought to court.

The greatest number of detected corruption offences and persons convicted for these crimes was observed in 2016, While the lowest values of these indicators were in 2017, indicating a positive trend.

The share of convicted persons in corruption cases in 2016 and 2017 compared to 2015 has increased significantly, in these years more than 60% of cases brought to court had a sentence.

At the same time, in 2015-2017, about 10% of convicted persons in corruption cases in Russia were law enforcement officers, and a significant share was accounted for state and municipal employees.

Accordingly, in 2015, more than 60% of corruption cases brought to court were terminated, or they were acquitted or forced medical measures against the insane. In 2016 and 2017, this figure was lower - at the level of 35%.

The index of corruption activity in Russia in 2015-2017 was at a high level, the decline in this indicator in 2017 can be considered a positive dynamics. Economic indicators of corruption in Russia in 2015-2017 are presented in Table 5.

Table-5. Economic indicators of corruption in Russia in 2015-2017

| Indicator | Years | | | Absolute deviation (+,-) | | | Growth rate, % | | |
|--|-------|-------|------|--------------------------|---------------|---------------|----------------|---------------|---------------|
| | 2015 | 2016 | 2017 | 2016/ 2015 | 2017/ 2016 | 2017/ 2015 | 2016/ 2015 | 2017/ 2016 | 2017/ 2015 |
| Damage to the economy of the country on accusatory corruption cases, billion rubles. | 38.3 | 111.3 | 26,5 | 73 | -84.8 | -11.8 | 290.60 | 23.81 | 69.19 |
| Damage to the country's economy on charges of corruption cases in % of GDP | 0.05 | 0.13 | 0.03 | 0.08 | -0.10 | -0.02 | 260.00 | 23.08 | 60.00 |
| The amount of bribes received, billion rubles. | 2.1 | 2.3 | 6.7 | 0.2 | 4.4 | 4.6 | 109.52 | 291.30 | 319.05 |
| Average size of a bribe and commercial bribery, thousand rubles. | 173 | 247 | 357 | 74 | 110 | 184 | 142.77 | 144.53 | 206.36 |

Compiled according to the Prosecutor General of the Russian Federation: <https://www.genproc.gov.ru>; Judicial Department at the Supreme court of Russia: <http://www.cdep.ru>.

The highest value of damage to the economy of the country on accusatory corruption cases was observed in 2016.

The share of direct economic damage to the country's economy in accusatory corruption cases was observed as a percentage of Russia's GDP.

The amount of bribes received in Russia increases annually, while their growth in 2017 compared to previous years was 3 times, which is a negative trend. There is also an annual increase in the average size of bribes and commercial bribery in the study period.

The dynamics and structure of the imposed penalties for corruption crimes in Russia in 2015-2017 are presented in Table 6.

Table-6. Dynamics and structure of penalties for corruption crimes in Russia in 2015-2017, pers

| Indicator | Years | | | | | | 2017/2015 | | |
|--|----------------|--------------------|----------------|--------------------|----------------|--------------------|---------------------------------|--------------------------|----------------|
| | 2015 | | 2016 | | 2017 | | Change in specific weight (+,-) | Absolute deviation (+,-) | Growth rate, % |
| | Absolute value | Specific weight, % | Absolute value | Specific weight, % | Absolute value | Specific weight, % | | | |
| Number of persons convicted of corruption crimes, total: | 11499 | 100.00 | 19905 | 100.00 | 17334 | 100.00 | – | 5835 | 150.74 |
| including penalties: | | | | | | | | | |
| Deprivation of liberty for a certain period: total | 1564 | 13.60 | 1620 | 8.14 | 1475 | 8.51 | -5.09 | -89 | 94.31 |
| up to 1 year incl. | 375 | 3.26 | 336 | 1.69 | 223 | 1.29 | -1.97 | -152 | 59.47 |
| over 1 to 2 years incl. | 376 | 3.27 | 372 | 1.87 | 315 | 1.82 | -1.45 | -61 | 83.78 |
| over 2 to 3 years incl. | 351 | 3.05 | 390 | 1.96 | 345 | 1.99 | -1.06 | -6 | 98.29 |
| over 3 to 5 years incl. | 268 | 2.33 | 324 | 1.63 | 336 | 1.94 | -0.39 | 68 | 125.37 |
| over 5 to 8 years incl. | 164 | 1.43 | 173 | 0.87 | 209 | 1.21 | -0.22 | 45 | 127.44 |
| over 8 to 10 years incl. | 29 | 0.25 | 21 | 0.11 | 37 | 0.21 | -0.04 | 8 | 127.59 |
| over 10 to 15 years incl. | 1 | 0.01 | 4 | 0.02 | 10 | 0.06 | 0.05 | 9 | 1000.00 |
| Restriction of freedom | 16 | 0.14 | 61 | 0.31 | 77 | 0.44 | 0.30 | 61 | 4.81 |
| Restriction on military service | 2 | 0.02 | 1 | 0.01 | 1 | 0.01 | -0.01 | -1 | 50.00 |
| Correctional work | 34 | 0.30 | 161 | 0.81 | 224 | 1.29 | 0.99 | 190 | 6.58 |
| Required work | 17 | 0,15 | 50 | 0.25 | 18 | 0.10 | -0.05 | 1 | 105.88 |
| Deprivation of the right to hold certain positions or engage in certain activities as a primary punishment | 98 | 0.85 | 103 | 0.52 | 107 | 0.62 | -0.23 | 9 | 109.18 |
| Penalty (fine) | 6203 | 53.94 | 5520 | 27.73 | 4326 | 24.96 | -28.98 | -1877 | 69.74 |
| Suspended sentence to imprisonment | 2728 | 23.72 | 2643 | 13.28 | 2766 | 15.96 | -7.76 | 38 | 101.39 |

The dynamics and structure of the appointed penalties for corruption crimes in Russia in 2015-2017 allows us to conclude that the largest number of corrupt officials were responsible in the form of a fine (in 2015 – 53.94% of all convicted persons, in 2016 – 27.73%, in 2017 – 24.96%).

The number of persons sentenced to probation in 2017 increased by 38% or 1.39% compared to 2015. 23.72% of all corrupt officials were held liable in the form of conditional imprisonment in 2015, 13.28% in 2016, and 15.96% in 2017.

The penalty in the form of real imprisonment was incurred in 2015 – 13.60% of all convicts, in 2016 – 8.14%, in 2017 – 8.51%. At the same time, there was a decrease in penalties in the form of real imprisonment by 89 or 5.69%.

4. Assessment of the Impact of Corruption on the Economic Security of Russia

Economic security of the Russian Federation – the state of protection of the national economy from external and internal threats, which ensures the economic sovereignty of the country, the unity of its economic space, the conditions for the implementation of the strategic national priorities of the Russian Federation.

According to the Strategy of economic security of Russia for the period up to 2030, the main challenges and threats to the economic security of our country include a high level of corruption in the economic sphere.

Today corruption is one of the entrenched problems for the Russian society and the state. It has an impact on all spheres of society:

- economic outputs out of legal circulation significant funds hinders the development of business;
- political – the country's prestige on the world stage is falling, the threat of its economic and political isolation is growing;
- social – leads to a decrease in citizens' confidence in the government and worsens the quality of life of the population.

Among the reasons that create the ground for the emergence and existence of corruption, we can distinguish the following:

- excessive administration by the state;
- prescribed most corruption cases;
- ineffective international anti-corruption cooperation (Russia is unable to protect its national interests, while officials who flee abroad quietly use illegally acquired capital abroad);
- closure of the activities of legislative and representative bodies;
- pressure on non-profit organizations and independent mass media (the law limiting the share of foreigners in the media, equating bloggers to journalists and a ban on advertising on cable channels);
- opacity of large projects;
- disregard of legal education of citizens (Stryabkova *et al.*, 2018).

The level of economic security of the state should be characterized by certain quality criteria that reflect the:

- economic and political stability of society;
- integrity of States;
- ability to resist the impact of internal and external threats;
- sustainability of the socio-economic situation in the country, etc.

The state of economic security of the state is assessed by an objective system of parameters, criteria and indicators of economic development of the object, which determine the threshold values of the successful functioning of the economic system. Beyond these values, the system loses the ability to dynamic growth and self-development, competitiveness in domestic and foreign markets, becomes the object of expansion of transnational corporations, suffers from internal and external plunder of the national wealth of the country, the prosperity of corruption Chistnikova *et al.* (2017).

The economic security of a strong state should be characterized by the stability of the functioning of the regions and a stable positive trend in the socio - economic development of the whole country. For evaluation and forecasting, it is necessary to create and develop an effective system of indicators (indicators), based on the threshold values of which, you can know exactly in which directions you should focus and what you should pay attention to.

Consider the basic indicators of economic security of the Russian Federation for 2015-2017 at the level of which was influenced by corruption in the country Table. 7.

Table-7. The main indicators of economic security of the Russian Federation for 2015-2017

| Indicator | Threshold value | Years | | | Absolute deviation (+,-) | | Growth rate, % |
|---|-----------------|------------|------------|------------|-------------------------------|-----------|----------------|
| | | 2015 | 2016 | 2017 | 2017 from the threshold value | 2017/2015 | |
| The volume of GDP, bln. | – | 83387 | 86148 | 92037 | – | 8650 | 110.37 |
| GDP per capita, billion rubles | – | 569196 | 586843 | 626938 | – | 57742 | 110.14 |
| External debt, % of GDP | ≤40 | 3.6 | 3.5 | 3.3 | 36.7 | -0.3 | 91.67 |
| Domestic debt, % of GDP | ≤25 | 8.6 | 8.8 | 9.9 | 15.1 | 1.3 | 115.12 |
| Surplus, deficit (-) of the consolidated budget, billion rubles. | – | -2819 | -3142 | -1380 | – | 1439 | 48.95 |
| The Federal budget deficit, % of GDP | ≤3 | 2.6 | 3.7 | 1.4 | 1.6 | -1.2 | 53.85 |
| Rate of inflation, % | ≤25 | 12.9 | 5.4 | 2.5 | 22.5 | -10.4 | 19.38 |
| Gross grain harvest, million tons | ≥60 | 108.8 | 120.7 | 134.1 | 74.1 | 25.3 | 123.25 |
| Share of investments in fixed capital, % of GDP | ≥16 | 16.67 | 17.12 | 17.35 | 1.35 | 0.68 | 104.08 |
| The share of defense spending, % of GDP | ≥3 | 4.2 | 3.7 | 3.6 | 0.6 | -0.6 | 85.71 |
| Share of innovative products in total industrial output, % | ≥15 | 8.9 | 8.4 | 8.5 | -6.5 | -0.4 | 95.51 |
| Proportion of persons with monetary income below the subsistence level in the total population, % | ≤7 | 13.3 | 13.6 | 13.5 | -6.5 | 0.2 | 101.50 |
| Decile coefficient of differentiation of income of the population | ≤8 | 15.7 | 16.5 | 16.2 | -8.2 | 0.5 | 103.18 |
| Unemployment rate, % of economically active population | ≤8 | 5.6 | 5.5 | 5.8 | 2.2 | 0.2 | 103.57 |
| Volume of foreign investments, billion rubles | – | 424 | 1247 | 1434 | – | 1010 | 338.21 |
| The level of corruption in Russia | – | High | High | High | – | – | – |
| Level of economic security of Russia | – | Pre-crisis | Pre-crisis | Pre-crisis | – | – | – |

As can be seen from the table, the economic security indicators of Russia in 2015-2017 did not meet the recommended thresholds.

Thus, in 2015-2017, the share of innovative products in the total volume of industrial products was significantly lower than the recommended level of 15%.

The greatest negative impact of corruption on the level of economic security of the Russian Federation in 2015-2017 was manifested in the stratification of the country's population by income level and the decline in living standards.

In 2015-2017, the share of persons with monetary income below the subsistence level in the total population was more than 13%, while the standard value was not more than 7%.

The decile coefficient of differentiation of income of the population in 2015-2017 was about 16% at the recommended level-no more than 8%.

In 2016, Russia's Federal budget deficit as a percentage of GDP was 3.7%, which is above the recommended level-no more than 3%. The negative dynamics of this indicator, including the impact of corruption, as contributes to the shortfall in taxes to the budget.

As can be seen from Table 7, the high level of corruption in Russia in 2015-2017 led to the pre-crisis level of economic security in the country.

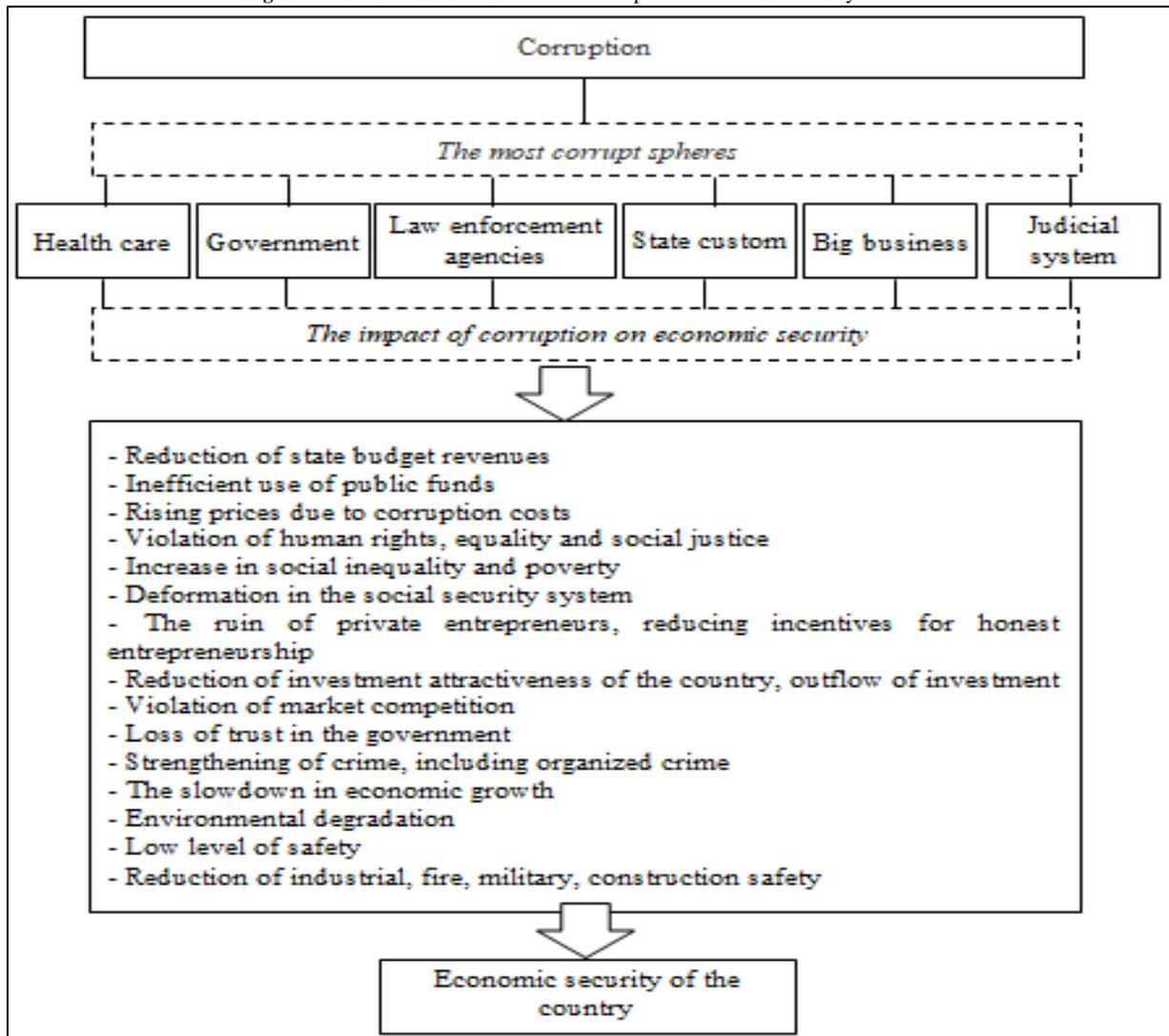
The following directions of the negative impact of corruption on the economic security of the country can be identified:

- lower investment in production and slower economic growth;
- inefficient use of force (talent): instead of producing material goods, individuals spend time on unproductive rent seeking;
- reduction of the effectiveness of international assistance to developing countries as a result of its misuse;
- loss of taxes when corruption takes the form of illegal use of power by tax inspectors;
- decrease in the quality of public service;
- inefficient allocation of government spending. Antonova *et al.* (2018)

Corruption in Russia has become a systemic threat to economic security, has become the norm of relevant practices in politics, economy and public life.

The mechanism of corruption influence on the economic security of Russia is schematically presented in Figure 3.

Figure-3. The mechanism of the effect of corruption on economic security of Russia



According to some reports, it is corruption that contributes to more than double overestimation of the price of milk and dairy products, as between the producers and consumers of milk are the intermediate links in the form of various services and regulatory bodies that claim a kind of rent for their legal status.

Corruption reduces the effect of the competition mechanism, strengthening and improving at the same time monopolistic tendencies. Merging the bureaucracy with business structures is the main reason for pressure on competition, regardless of the methods used. These include raider seizures, providing information about the financial and economic situation of a competitor, running in obtaining favorable state orders, providing preferential loans, custom state inspections, etc.

Administrative corruption has a significant impact on investment activity, especially in public investment. In case of public investment, a side product of corruption is usually the overestimation of the value of an investment project. The impact of administrative corruption on the structure and efficiency of public investment, which in turn determines the dynamics of socio-economic development, should be particularly noted. In the process of deep institutional change, without any restrictions on corruption, as well as the personification of the owner and official, public investment is often held hostage to corruption. In the context of soft budget constraints, preference is given, as a rule, in favor of high-cost investment projects, in which a corrupt official is interested, which limits the resources necessary for the modernization of the economy.

The result of the decrease in the efficiency of public investment is a slowdown in economic growth. (Aksenova, 2018)

The social danger of corruption in Russia is that it has a destructive, destabilizing effect on all state institutions and impedes the progressive development of the global legal order. The public danger of corruption is also linked to its latent nature. Various studies show that only four to five per cent of corruption cases are detected and investigated.

Corruption in Russia threatens the rule of law, democracy and human rights, violates the principles of equality and social justice, threatens the stability of democratic institutions and the moral foundations of society, and threatens the foundations of the state system.

5. Summary

In Russia, corruption is a systemic problem. Corruption in the country is considered to be a crime in the form of: commercial bribery, abuse of official authority, illegal participation in business, bribery, mediation in bribery and forgery. Corruption threats are manifested in all spheres of public life in Russia, they have become the most dangerous and have acquired the features of a systemic threat to the peace and security of mankind.

Corruption in Russia affects all aspects of life, including public administration, law enforcement, health and education. The high level of corruption in Russia in 2015-2017 led to the pre-crisis level of economic security in the country.

It can be concluded that corruption has a significant scale that threatens the economic security of Russia, but its real level is almost impossible to establish. Data on corruption in cases registered in the Prosecutor's office and the judiciary, as well as international expert agencies, allow us to state a high level of corruption in Russia.

6. Conclusion

Corruption and the shadow economy despite the efforts of the state are among the main threats to the national security of modern Russia, are the leading risk factors of all the basic national projects of the country and its economy as a whole, the preservation and development of pronounced social inequality.

Corruption is a significant problem in modern Russia.

In the modern economy of Russia will be effective only a comprehensive approach that combines a powerful legal apparatus and the widespread use of economic measures to influence the economic mechanism. We believe that in order to effectively combat corruption as a threat to the economic security of the country, it is necessary to minimize the regulatory role of the state in small and medium-sized businesses, any requirements and preferences should be unified, simple and open. This applies to both tax and fire, sanitary and other rules of business. Remote computer technologies and notification systems should be widely used to provide state and municipal services in place of the licensing system for the provision of public services. However, this system of measures will work for the benefit of economic security only with timely and strict legal support. In Russia, this applies to both civil and criminal legislation, which requires tougher sanctions, expanding measures of responsibility and offenses. On the other hand, the administrative law, on the contrary, needs some liberalization and optimization of procedures, ensuring the openness of the process.

References

- Aksenova, A. V. (2018). Structure of anti-corruption in Russia. *Library of Criminal Law and Criminology*, 1(25): 126-30.
- Antonova, M. V., Shekhovtsov, V. V., Chistnikova, I. V. and Antonov, A. Y. (2018). *Development of credit cooperation in the region*. Espacios: Belgorod, Rusia. 39: 21.
- Chistnikova, I., Yakimchuk, S., Glotova, A., Dynnikov, Y. and Antonova, M. (2017). Indicators and a mechanism to ensure economic security of the regions. *Regional Science Inquiry*, 9(1): 97-105.
- Devbash, F. N. (2016). Corruption as a threat to the national security of Russia. *Bulletin of Economics, law and sociology*, (1): 324-26.
- Koshkina, I. A., Chippewa, S. G. and Sarvarov, R. R. (2016). The Impact of corruption on economic security. *The Young scientist*, (1): 387-89. Available: <https://moluch.ru/archive/105/24649/>
- Stryabkova, E. A., Chistnikova, I. V., Lyshchikova, J. V., Dobrodomova, T. N., Mochalova, Y. V. and Izvarin, A. A. (2018). Human capital as a strategic factor in the development of the region's economy. 15(2): 1492-502.
- Yanioglo, A. (2015). Complex system of economic security. *Agricultural and Resource Economics: International Scientific E-Journal*, 1(1): 69-79.