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FINANCIAL RISK MANAGEMENT STRATEGIES FOR BUSINESS STRUCTURES IN CONDITIONS OF MILITARY CONFLICTS: THE CASES OF UKRAINE AND ISRAEL

СТРАТЕГІЇ УПРАВЛІННЯ ФІНАНСОВИМИ РИЗИКАМИ БІЗНЕС-СТРУКТУР В УМОВАХ ВОЄННИХ КОНФЛІКТІВ: ДОСВІД УКРАЇНИ ТА ІЗРАЇЛЮ

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The article explores financial risk management strategies for business structures during military conflicts, focusing on the cases of Ukraine and Israel. Key financial risks include currency, interest rate, regulatory, and reputational threats that endanger business continuity and financial resilience. The study emphasizes the use of tools such as insurance, currency hedging, income diversification, and the implementation of digital technologies. Special attention is given to the role of innovative solutions, particularly artificial intelligence and big data. The paper highlights the importance of international cooperation, investment attraction, and the development of partnerships between government, business, and academia as key conditions for strengthening macroeconomic sustainability. Integrating these strategies into corporate financial policy supports business viability in times of instability.

Keywords: financial risks, risk management, business structures, military conflicts, innovation, hedging, diversification, digital technologies, financial sustainability.

У науковій статті визначено ключові стратегії управління фінансовими ризиками бізнес-структур в умовах воєнних конфліктів, що охоплюють приклади України та Ізраїлю. Встановлено, що основними викликами для підприємств у кризових умовах є валютні, процентні, регуляторні, операційні та репутаційні ризики, які значно ускладнюють забезпечення фінансової стабільності, ефективне функціонування та збереження конкурентоспроможності. Досліджено сучасні інструменти управління ризиками, зокрема страхування, хеджування валютних коливань, диверсифікацію джерел доходу та впровадження цифрових технологій, які сприяють мінімізації збитків. Особливу увагу приділяється інноваційним рішенням у сфері ризик-менеджменту, зокрема застосуванню штучного інтелекту, великих даних та цифрових платформ для прогнозування та моніторингу ризиків. Розглянуто досвід Ізраїлю як країни, яка функціонує в умовах постійної зовнішньої загрози, та доведено можливість адаптації її підходів до українських реалій. Підкреслюється значення міжнародної співпраці, залучення інвестицій, адаптації регуляторної політики та розвитку партнерств між урядом, бізнесом і наукою для забезпечення сталого економічного розвитку. Визначено, що економічна стійкість напряму залежить від монетарної стабільності, інституційної підтримки підприємництва, створення кластерів співпраці та розвитку цифрової інфраструктури. Наголошується на важливості моніторингу геополітичних ризиків і раціонального використання інструментів криптовалют для диверсифікації фінансових потоків. Обґрунтовано необхідність впровадження інтегрованої політики ризик-менеджменту в умовах нестабільного середовища. Звертається увага на зростання ролі аграрного сектору як елемента національної безпеки та джерела економічної стабільності. Також визначено значення розвитку адаптивних логістичних рішень, орієнтації на менш ризикові ринки та активізації внутрішнього попиту як механізмів підвищення економічної живучості бізнесу. Особливо наголошено на важливості формування етичної стратегії ведення бізнесу в умовах геополітичної поляризації.

Ключові слова: фінансові ризики, управління ризиками, бізнес-структури, військові конфлікти, інновації, хеджування, диверсифікація, цифрові технології, фінансова стійкість.

Formulation of the problem. Modern business structures face unprecedented challenges caused by military conflicts or wars, affecting economic stability, financial sustainability, and competitiveness. In military operations, the relevance of studying financial risk management mechanisms that can minimize losses and ensure the stable functioning of enterprises is increasing. Integrating innovative approaches, digital technologies, and international experience is significant in creating adaptive strategies that meet the conditions of an unstable environment.

An important aspect is the study of risk management practices in different countries, particularly Ukraine and Israel, which face significant financial challenges. Israel's experience as a country with a long history of functioning in complex crises can help Ukrainian enterprises adapt to modern challenges. In this context, it is essential to analyze the effectiveness of using such tools as hedging currency fluctuations, diversifying sources of income, risk insurance, and implementing digital solutions.

The scientific article is based on theoretical approaches and empirical research that takes into account the specifics of the impact of war on the economy, financial sector, and business structures.

Analysis of recent research and publications. The scientific article is based on a thorough analysis of literary sources devoted to managing business structures' financial risks in conditions of military operations. It should be noted that the study is based on the works of domestic and foreign scientists who focus on key aspects of the impact of external risks on business stability. The work considers the scientific studies of Yankovska L. A., Semchuk Zh. V., Shevchuk Ya. V., and Pihotska O. M., which analyze various risks, particularly currency, regulatory, and reputational.

The study found that sources considering Ukraine's and Israel's experiences reveal the importance of integrating risk management strategies into enterprises' financial policies. In particular, the studies of scientists Kondratenko N. O. and Pisarevsky I. M. reflect the importance of developing comprehensive measures to neutralize financial losses.

In addition, it was investigated that modern approaches to risk management actively use digital technologies, such as artificial intelligence and big data. The scientific article uses the research of Bukhari S. R. H. and others, who

emphasize the importance of automating risk management processes. In addition, innovative hedging methods and income diversification are considered, which are confirmed by the research of Can Ergün Z.

We have determined that the literary base of scientific article also covers economic and geopolitical aspects that affect business functioning. In their works, scientists Tosun O. K., Eshraghi A., and Bhattacharya S. analyze the impact of sanctions, military actions, and crises on international markets.

Highlighting previously unresolved parts of the overall problem. Despite the growing attention to financial risk management in wartime, the literature lacks a comprehensive framework that combines macroeconomic indicators, digital innovations, and industry specifics to shape adaptive strategies for businesses. Moreover, the role of geopolitical shifts and cryptocurrency markets in risk mitigation remains under-researched.

Formulation of the goals of the article (statement of the task). The purpose of the scientific article is to develop and substantiate practical approaches and strategies for managing financial risks of business structures, taking into account the experience of Ukraine and Israel, to increase their stability in crisis conditions.

The tasks that must be set within the framework of the scientific article: analyze the impact of financial risks on the activities of business structures in conditions of military operations, in particular in Ukraine and Israel; investigate the financial risk management tools used in business structures, with an emphasis on innovative approaches; compare the experience of Ukraine and Israel in developing a policy for managing financial risks etc.

In the process of writing the scientific paper, the following methods were used: the method of analysis and synthesis (an analysis of financial risks of business structures, their nature and impact, as well as a synthesis of relevant risk management tools used in Ukraine and Israel were carried out); comparative analysis (a comparison of Ukraine and Israel in terms of financial risk management in conditions of military conflicts was carried out); the method of statistical analysis (an analysis of statistical data on inflation, public debt, GDP dynamics based on IMF data was carried out); the method of logical generalization (conclusions and recommendations on financial risk management were formulated, based on theoretical and practical analysis of the experience of different

countries); inductive and deductive methods (for studying individual cases of risk management and developing recommendations for business structures in Ukraine based on general trends and international experience); expert method (the opinions and research of leading scientists who analyzed financial risks and developed policies to minimize them were used).

Presentation of the main research material. The impact of negative factors on business structures during military operations is particularly noticeable. Ukrainian enterprises in wartime conditions have adapted their activities to new challenges. In this case, this is helped by using various financial resource management strategies, sometimes innovative ones. As scientists Yankovska L. A., Semchuk Zh. V., Shevchuk Ya. V., Antonyuk N. A., and Nahirna O. V. note, "Although in wartime conditions one cannot expect a significant economic recovery, Ukrainian business should work on increasing its own competitiveness and use maximum opportunities to obtain new sales markets and investments in the Ukrainian economy" [14]. Counteracting various financial challenges in such unstable times is possible and necessary through activating economic activity. In this case, an attempt to expand jobs will be relevant. Promoting stability and ensuring progress in achieving sustainable development is also necessary. In addition, significant attention should be paid at this stage to developing digital infrastructure, which will attract external investors and ensure more flexible functioning of enterprises. The creation of well-established cooperation between business, government, education, and science, as well as public organizations, will contribute to the rapid development of new markets.

We agree with the opinion of scientists Tomashuk I. V. and Tomashuk I. O. that "financial risk is a risk associated with the probability of loss of financial resources (cash)" [11]. Moreover, understanding the essence of financial risk should become the basis for implementing systems for monitoring and forecasting financial threats. Business structures should integrate risk management tools, such as insurance, hedging currency fluctuations, and diversification of income sources. This approach will reduce the probability of losses and ensure resilience to changes in the external environment. According to scientist Pihotska O. M.'s research, enterprises' financial risks during martial law include currency risk, interest rate risk, liquidity risk, operational risk, commodity price risk, regulatory risk, and

reputational risk [9]. It should be noted that various military conflicts, starting from World War II and up to the present day, have had a negative financial impact on stock markets, the energy sector, and trade relations, and they have also posed a detrimental geopolitical risk to the stability of the financial system. To minimize currency risk, enterprises should consider using multi-currency accounts. Interest and liquidity risks can be controlled by establishing liquidity reserves and cash flow planning. Operational risk in martial law conditions can be reduced by automating processes and building flexible supply chains.

According to scientists Kondratenko N. O., Pisarevsky I. M., and Borovyk M. V., "financial risk management policy is part of the general financial strategy of an industrial enterprise, which consists in developing a system of measures to neutralize possible negative financial consequences of risks associated with the implementation of various aspects of financial, operational and investment activities" [7]. An effective financial risk management policy should be integrated into the strategic management of business structures. This also involves regular risk audits, building scenarios to assess the potential consequences of financial shocks, and implementing early warning systems. It is also advisable to create specialized internal risk management units that allow for a prompt response to challenges.

Considering the theoretical vision of the policy of managing financial risks of business structures in conditions of military operations, we should pay attention to the current context over the past three years, which concerns the military conflict between Israel and Palestine and the full-scale Russian invasion of Ukraine. In both military conflicts, it is necessary to adopt comprehensive strategies for restoring the economy and the financial sector and apply diplomatic approaches to stabilizing risks [13]. Studying the experience of various military conflicts, it is worth noting that international cooperation plays a key role in stabilizing the financial situation. The conditions of military operations require the involvement of international financial assistance, adaptation of regulatory policy, and activation of innovative development. Using modern technologies for risk analysis, such as artificial intelligence and big data, can significantly increase the efficiency of management under challenging conditions.

We must understand that the adverse effects of various crisis manifestations in society, which are gaining large-scale dimensions, go beyond

the borders of countries and acquire geopolitical influence. To better understand how exactly war, pandemic, or economic crisis negatively manifest themselves, it is worth considering several indicators that describe the country's state in monetary and financial terms. In particular, this is the state of public debt, inflation expectations, and real GDP. In addition to Ukraine and Israel, let us mention the UK, Germany, South Korea, the USA, China, Brazil, and India in the study. In addition to countries where military operations are ongoing, we touched on the economic indicators of some NATO, EU, and BRICS countries in the study. It is worth considering the dynamics for 2004–2024 to understand the changes. The results of the study of the debt of the studied countries for 2007–2024 and the forecast for 2025–2027 are presented in Figure 1.

Thus, the data in Figure 1 indicate the following – the gross debt of countries has been growing steadily over the past 21 years. In this case, this thesis applies not only to the EU or BRICS countries but also to the USA and South Korea. Moreover, the USA leads in the growth of debt related to GDP. It should be noted that the debt situation was caused by such risks as the global financial crisis of 2008–2009, the COVID-19 pandemic in 2020–2022, and the derivative impact of Russia's full-scale invasion of Ukraine in 2022–2025. We should not expect a situation where the risks associated with debt will decrease in 2025–2027. Countries of the world can indeed face various crises, even those of a military nature. The probability of war exists not only for Ukraine or Israel. Therefore, we can understand that the world will face even more

significant debt problems in the next three years.

As for Ukraine, it can be noted that in 2004, the gross debt level was 24.8% of GDP; in 2010 – it was 40.63%; in 2022 – 77.72%; and in 2025, it is predicted to be 106.63%. That is, we see a noticeable trend toward increasing the state's debt, which is historically high. We should also note the state of debt in Israel. In 2004, the gross debt level was 88.18% of GDP; in 2010 – it was 68.94%; in 2022 – it was 60.18%; and in 2025, it is planned to be 69.34%. That is, it can be argued that Israel somewhat reduced its debt and kept it at 60–70% of GDP.

One key financial indicator that reflects changes in a country's state is the inflation index. In Figure 2, we will consider changes in the inflation indicator in 2004–2025 in the countries that we have previously identified and also display the forecast values of this indicator in 2026–2027 according to the IMF methodology.

Based on the study of the inflation index, the following can be stated. During 2004–2024, inflation did not exceed the 10% mark for the countries of Great Britain, Germany, the USA, China, South Korea, Israel and Brazil. India only crossed this mark in 2009, which was due to the consequences of the economic crisis. It is worth noting that inflation did not dispel the uncontrollable state. The policy of managing the financial risks of business structures in conditions of military operations is inevitably interconnected with the monetary policy of central banks. Thanks to comprehensive measures, many countries maintain a relatively low level of inflation even in challenging economic conditions. However, the situation in Ukraine in 2022 was challenging:

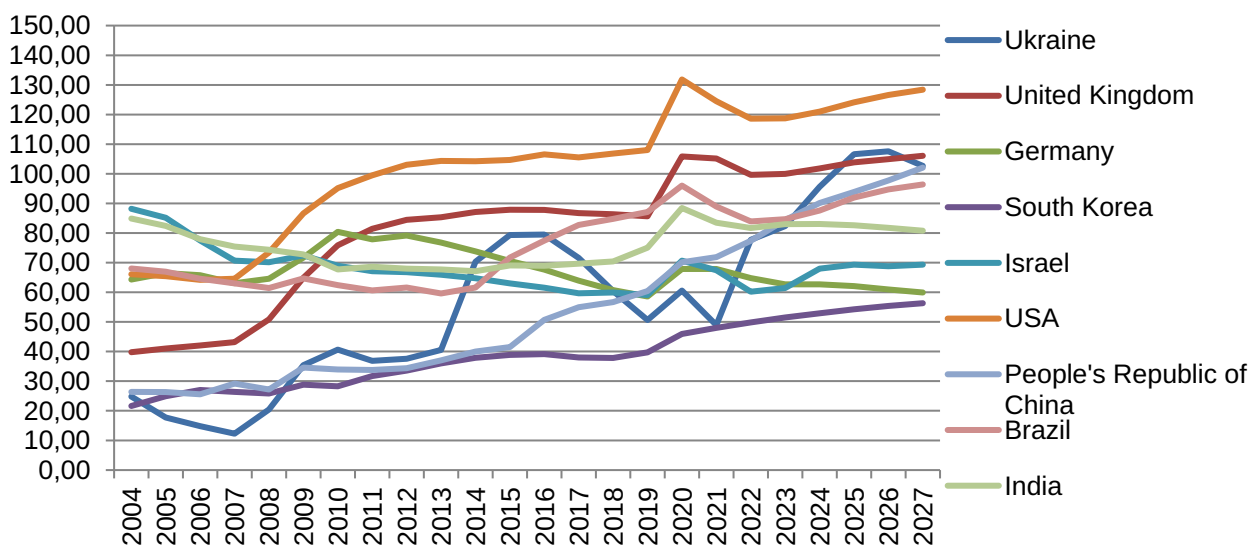


Figure 1. Gross Debt Position by Country during 2004–2027, % of GDP

Source: calculated by the authors based on IMF Dattamapper [6]

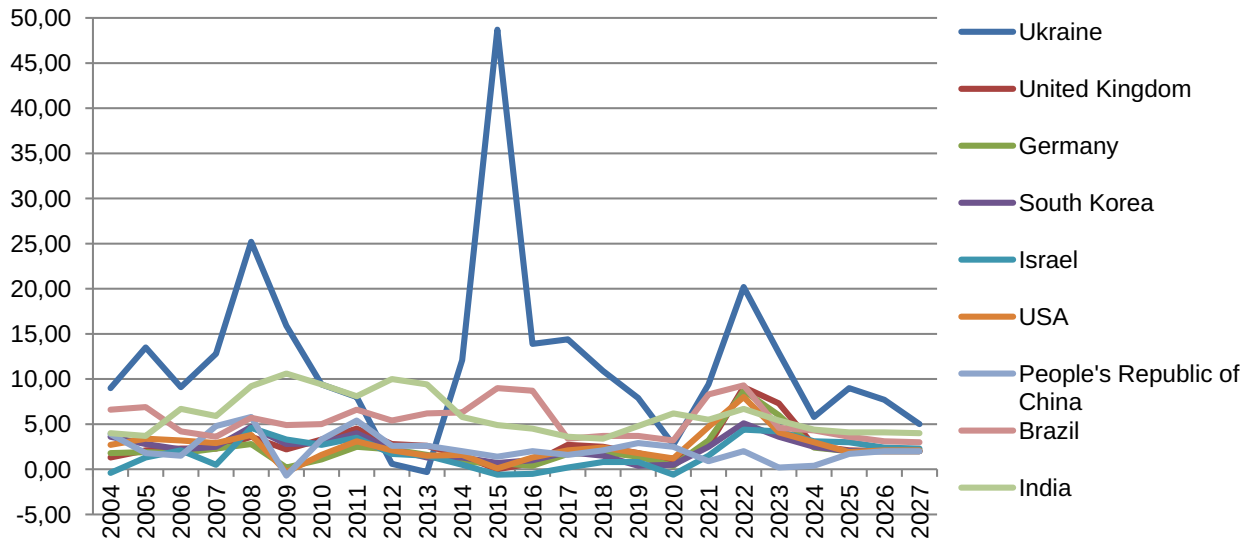


Figure 2. Inflation rate by country during 2004–2027, % of GDP

Source: calculated by the authors based on IMF Dattamapper [6]

inflation exceeded 20%. Despite this, such indicators were lower than during the financial crises of 2008 and 2015. This situation indicates the ability of the national economy to adapt to the challenges gradually. In the context of Ukrainian realities related to military operations, there is reasonable hope for a decrease in the inflation rate over the next two years. It is unnecessary to expect a repetition of the significant inflationary impact of 2022. Several key factors will contribute to this: moderate growth in household incomes, optimization of business expenses, and stabilization of utility tariffs, which will remain fixed. The key factor in reducing inflationary pressure will be the effective monetary policy of the central bank. Its main goals will be to support the national currency exchange rate and ensure the stability of the foreign exchange market.

As we have seen in recent months, achieving such a state of financial phenomena will be very difficult. Therefore, in the next six months, the inflation situation may even reach 15%. At the same time, inflation will likely stabilize in the medium term for all the countries we studied, even for Israel. For countries where we conducted research, inflation is expected to be at 2-4% in 2026–2027.

It is also necessary to study how the risks will affect the overall development of the economy. Let us consider how the gross domestic product changed in the countries we analyze in more detail. As in previous studies, we will conduct an analytical review for 2004–2025 and also try to reflect the forecast of GDP dynamics of

the mentioned countries for the medium term 2026–2027 (Figure 3).

As we can see from the study, in 2025–2027, there was no significant economic growth among the countries we considered. However, for Ukraine, these years may have chances for economic growth at 2.5-5.3%. The accurate GDP indicator for Israel in the coming years may be 2.7-4.8%. Other countries we studied will have 1.5-4.5% economic growth, except for India. This country's real GDP in the next two years will be 6.5%.

Companies' current risks may be associated with a new manifestation of the currency market - the cryptocurrency market. The bottom line is that although some cryptocurrencies felt the impact of military upheavals, as with BTC, TRX, SOL, and ETH in the example of the Israeli-Palestinian conflict in 2023, most currencies showed positive dynamics. Thus, we agree with the opinion of the scientist Can Ergün Z. that his research "may provide great insight for investors and financial analysts by perceiving cryptocurrencies as an alternative investment tool in these turbulent periods and using the findings to diversify their portfolios and create hedging strategies" [4]. At the same time, it is worth noting that criminals often use the cryptocurrency market as the primary means of money exchange, financing their operations and creating new risks. In the current economic instability and military conflicts in Ukraine and Israel, the cryptocurrency market is increasingly important as a tool for diversifying risks in the financial and monetary policy of

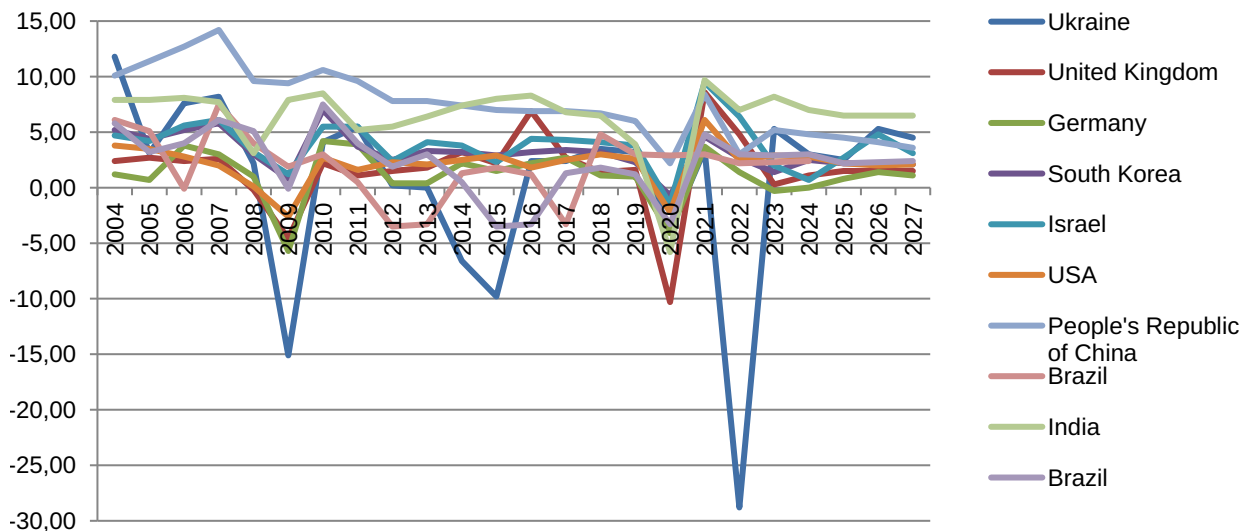


Figure 3. Real Gross Domestic Product by country during 2007–2027, %.

Source: calculated by the authors based on IMF Dattamapper [6]

business structures. Due to their global nature and relative independence from traditional financial institutions, cryptocurrencies can provide alternative opportunities for preserving capital and reducing risks associated with the volatility of conventional currencies or financial markets. However, the effectiveness of using cryptocurrencies largely depends on the financial risk management policy, which must consider their high volatility. This approach involves a thorough analysis of market trends, using predictive models to assess possible market development scenarios, and creating reserves to cover potential losses in the event of a sharp drop in cryptocurrency prices.

In the context of military operations, the cryptocurrency market can perform a dual function from the point of view of risk management. First, it provides access to alternative sources of financing for companies that are under sanctions or cut off from international financial instruments. Second, cryptocurrencies can become a means of preserving assets during sharp devaluations of national currencies. However, this requires businesses not only flexibility but also an innovative approach to financial management. In particular, we are discussing developing internal policies for using cryptocurrencies, investing in qualified specialists, and implementing the latest technological solutions.

As for the example of interest rate risk, it is worth considering what policy was pursued in Israel in October 2023. It is known that since the military conflict broke out with renewed force in the Middle East, the Bank of Israel

has implemented financial measures aimed at stabilizing the situation in the system. As befits a central bank, according to scholar D. G. Khokhich, such measures as "reducing the discount (key) rate, stimulating long-term credit development programs for the population and business, stabilizing the foreign exchange market, maintaining price stability, and supporting economic growth" were carried out [6]. Israel's experience managing interest rate risk is a vivid example of an effective financial policy that can ensure the economy's stability even under challenging conditions. Reducing the key interest rate, implementing a stabilization policy regarding the exchange rate, and implementing long-term credit programs have become the foundation for creating favorable conditions for business development and attracting investment resources. This approach is also relevant for Ukraine, which is amid military aggression and economic challenges. To adapt the Israeli experience to Ukrainian realities, it is necessary to develop measures to stabilize the financial system. In particular, reducing the key rate should be accompanied by measures to prevent inflation risk. This approach can be implemented by strengthening control over the money supply and maintaining the stability of the foreign exchange market. At the same time, it is worth ensuring the transparency and effectiveness of credit programs, mainly through mechanisms for co-financing business projects in sectors of strategic importance for the economy.

For business structures, this approach creates new opportunities. Reducing the cost

of financing will allow enterprises to direct the released resources to innovative projects, modernize production, and introduce the latest technologies. In conditions of war, when many sectors of the economy have suffered significant losses, this is a key factor for recovery and increasing competitiveness. Particular attention should be paid to supporting small and medium-sized businesses, which are often the most vulnerable to economic shocks while contributing significantly to GDP formation and job creation. As Israeli experience shows, exchange rate stability helps reduce uncertainty in the market, increasing investor confidence and activating capital inflows. Developing mechanisms to minimize currency fluctuation risks is essential, mainly through currency risk insurance. Such a vision can help businesses reduce financial losses and provide greater predictability in planning. Adapting best practices developed in Israel in the context of interest rate risk management can be an effective tool for building a strong financial base for the Ukrainian economy. The combination of monetary stability with active business support will contribute to the sustainable development of the economy even in times of serious challenges.

Professor A. Yaron, Governor of the Bank of Israel, noted in early 2024, "the Israeli economy knows how to recover from several difficult periods in the past and quickly return to prosperity; the drivers of economic growth, with an emphasis on innovation and technology sectors, in which we are world leaders, help the economy adapt to different situations and recover from difficult periods" [10]. Innovation and technology sectors, which are drivers of economic growth, should be integrated into the recovery strategies of the Ukrainian economy. Support for enterprises specializing in developing dual-use technologies (civilian and military) can ensure the sustainability of the economy even under challenging conditions. Intensifying cooperation between the government, technology companies, and academia can create new opportunities for economic breakthroughs.

Trade risk increases when, as noted by scientists Bukhari S. R. H., Iqbal N., and Khan E., "geopolitical dynamics disrupt trade flows, investment patterns, and strategic alliances, posing substantial challenges" [3]. This was evident over the past three years during the full-scale invasion of Ukraine and the escalation of the military conflict in Palestine. Geopolitical conflicts create serious challenges for the functioning of business structures, especially

in foreign economic activity, where trade risks become challenging to predict and destructive. In such conditions, effective management of financial risks requires a strategic approach to market diversification, which should include orientation to less risky regions and active development of the domestic market. This will also reduce dependence on external factors and increase the economic sustainability of the business. A significant role in minimizing risks is played by activating multilateral trade alliances, which can provide access to new markets and stable conditions for export-import operations. This approach reduces geopolitical risks, as it helps to reduce dependence on individual countries or regions that may be unstable due to conflicts or sanctions.

Of particular importance is the implementation of export insurance mechanisms that guarantee protection against financial losses in the event of unforeseen events, such as sanctions or payment blocking. Such a tool reduces the financial burden on business structures and creates conditions for stable development even in adverse circumstances. In addition, developing adaptive logistics strategies is an integral part of trade risk management policy. Flexible logistics solutions, such as creating alternative transportation routes, using multimodal transportation, or organizing stocks in strategic locations, help minimize the impact of disruptions in global supply chains.

In times of war, businesses face not only exchange rate volatility or regulatory changes, but also the deeper challenge of maintaining continuity and trust in the face of socio-economic upheaval. We must understand that in this case, the following strategic responses must be followed – from risk insurance and currency hedging to income diversification and the thoughtful implementation of digital tools. Particular attention should be paid to new technologies, such as artificial intelligence and big data, as tools for foresight and resilience. Israel's adaptive strategies, shaped by decades of geopolitical tension, offer valuable lessons for Ukraine, which seeks a path to economic recovery. Modern research highlights the power of international cooperation, flexible regulation and cross-sector partnerships to support financial stability. Ultimately, managing financial risks during war becomes not just a matter of tools and tactics, but also a matter of collective responsibility, institutional empathy, and an unwavering desire to protect human capital and future development.

In times of war, when traditional economic structures are destabilized and societal resilience is tested, the agricultural sector often emerges not simply as a source of food but as a strategic pillar of national resilience. The productive sector, and agriculture in particular, becomes a vital center of continuity – both economic and human – in the midst of massive upheaval. For countries affected by armed conflict and protracted crises, investing in agricultural development has proven to be not just a pragmatic response but a profound strategic imperative. Agriculture in such contexts serves as both a stabilizing economic force and a means of social cohesion. Israel offers a compelling example of how a state, despite persistent security threats, has successfully created a resilient and technologically advanced agricultural system. Based on scientific research and fostering close collaboration between public institutions and private enterprises, Israel's agricultural model exemplifies the transformative potential of innovation in difficult circumstances. This success is further reinforced by the unwavering support of its global diaspora, which provides not only funding but also a deep sense of solidarity. As Bodnarchuk T. L. rightly notes, targeted investments in farmer education, the promotion of cluster cooperation, and sustainable financing have contributed to the emergence of a high-tech agricultural sector that contributes to both domestic resilience and international competitiveness. In the broader context of managing financial risks during armed conflicts, agriculture should be recognized not as a peripheral activity but as a strategic sector capable of mitigating economic shocks, anchoring local economies, and offering a humane path to recovery and renewal [2]. The agricultural sector strategically stabilizes the economy during military operations, especially for countries with strong traditions in growing agricultural products. Ukraine, in particular, can benefit from Israel's experience by directing resources to develop innovations in agricultural technologies, modernization of production facilities, and support for agricultural producers through subsidies, preferential lending, and educational programs for farmers. The creation of cluster systems that combine state institutions, private structures, and scientific institutions will contribute to ensuring food security, increasing exports, and reducing dependence on imports of agricultural machinery. Such a vision will increase land use efficiency and create a

sustainable economic model for the agricultural sector even in difficult conditions.

It is worth noting the vital thesis of scientists Tosun O.K. and Eshraghi A., who noted that "firms that remained operating in Russia despite the invasion, sanctions and souring public sentiment, are doing so to the detriment of their market performance" [12]. That is, the risk for enterprises during the war period exists even in terms of whether to maintain business relations on the territory of the aggressor country. In the case of the war in Ukraine, companies that neglected this risk faced not only economic or financial difficulties but also reputational ones. Maintaining business relations with an aggressor country during hostilities undermines the reputation of foreign companies and creates long-term financial risks due to possible international sanctions. Business structures need to form a policy of ethical responsibility, which provides for the termination of cooperation with such countries. In addition, companies that reorient themselves to new markets promptly demonstrate a more stable financial position and long-term competitiveness.

Political risks have increased amid military conflicts in Ukraine and Israel, reshaping global alliances and destabilizing economic expectations. The shift of several Middle Eastern states toward closer ties with authoritarian states, including Russia, is bringing uncertainty to financial markets and weakening coordinated responses to conflict. The geopolitical shift is particularly affecting sectors dependent on oil, food, and transportation, where pricing and supply chains are becoming increasingly volatile. Russia's deliberate manipulation of key commodities is weaponizing economic interdependence, threatening global food security and trade stability. For businesses, managing financial risk today means navigating not only market fluctuations but also the shifting moral and political currents that are now shaping global trade[1; 8].

Conclusions. The study confirms that financial risks to businesses during military conflicts are complex and require multifaceted solutions. Key risk mitigation strategies include innovative financial management, insurance, income diversification, and currency hedging. The comparative analysis of Ukraine and Israel highlights the importance of integrating risk management into strategic planning and promoting collaboration between government, academia, and business to support market

recovery and attract investment. The role of digital technologies and artificial intelligence is highlighted as important for early detection of threats and adaptive response. In addition, international cooperation and harmonization

of regulatory acts increase macroeconomic resilience. Innovations in financial management, as the Israeli experience has shown, allow for effective adaptation to crises and ensure long-term stability.

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