**Vadym Maslii**
PhD in Economics, Associate Professor
Associate Professor, Department of Applied Mathematics
West Ukrainian National University
Ternopil, Ukraine
ORCID: 0000-0002-9672-9669
Web of Science Researcher ID: *ABT-7357-2022*
Scopus Author ID: *36069237300*

# FINANCIAL SYSTEM FROM A NEO-INSTITUTIONAL PERSPECTIVE: THEORETICAL FOUNDATIONS FOR STUDYING ITS INTERACTION WITH FOREIGN DIRECT INVESTMENT

The research gap addressed in the article is the absence of a comprehensive neo-institutional interpretation of the financial system in the context of its interaction with foreign direct investment. Existing studies predominantly examine this interaction through individual financial or institutional determinants, while the financial system is rarely conceptualized as an integrated institutional structure. The purpose of the article is to develop the theoretical foundations for studying the interaction between the financial system and foreign direct investment by systematizing the provisions of neo-institutional economics, clarifying the distinction between the categories of "institution" and "organization," and formulating a neo-institutional interpretation of the financial system. The methodological framework combines the historical-logical method, comparative analysis, systematization, generalization, content analysis, and conceptual modelling. The study traces the evolution of the institutional approach in international business and foreign direct investment research; summarizes the contribution of international and Ukrainian scholarly traditions to the application of neo-institutional tools in the financial sphere; and substantiates the distinction between institutions as organizations and institutions as rules. The financial system is interpreted as an ordered institutional architectonics combining financial regulators and financial institutions with formal and informal rules governing the accumulation, allocation, and redistribution of financial resources, as well as the protection of property rights and the legitimate interests of participants in financial relations. The scientific novelty lies in integrating the conceptual apparatus of neo-institutional economics, the concept of institutional architectonics, and the organizational-institutional approach of financial science into a unified theoretical framework. The practical value of the findings is associated with the possibility of using the proposed interpretation to develop indicators of the institutional quality of the financial system, investigate the channels of its interaction with foreign direct investment, and substantiate criteria for the recovery and improvement of the financial system.

**Keywords**: financial system; foreign direct investment; neo-institutionalism; institutional architectonics; institutions; institutional rules; institutional environment; international business.