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FINANCIAL ETHICS IN THE MICROECONOMIC ENVIRONMENT AS A FUNDAMENTAL BASIS FOR MACROECONOMIC STABILITY

When analyzing the macroeconomic policies established by the Central Bank of Venezuela and any other country in the world to maintain economic stability, these usually target the legal reserve requirement, interest rates, and consequently the money supply that must circulate in the financial system. All of this must act in synchronization, much like an orchestra conductor directs their musicians to carry out their instrumental performance. However, financial systems are not simply abstract, cold structures; rather, they are built based on the reality or quantitative and qualitative data of micro-entities that, in the day-to-day of their commercial, business, and industrial work, contribute that data to assist the statistics with which the Central Bank works to make decisions. Therefore, at the very heart of this operational circle lies a paramount function that cannot be underestimated: the work of the public accountant or any professional who has decision-making authority—be it an Administrator, Engineers, Lawyers, Doctors, or simply the business owner. In this particular case, I want to focus exclusively on the activity of the Public Accountant as a vital piece for the development of this essay, this professional being the entity qualified in the preparation of financial statements necessary for accounting administrative management.

Therefore, the practice of Public Accounting is not only limited to paying taxes, recording journal entries, or classifying accounts—key processes for the preparation of financial statements. In a highly dynamic economic environment such as the one Venezuela experiences, this activity enters into an axiological conflict, where the ethical and professional clash with each other. It is here where a call for reflection is made, as a going concern with a financial stability in doubt—because its solvency and borrowing capacity in certain periods is questioned, where its survival and the preservation of jobs may to a certain extent rely on accounting activity—it is here where the accountant in their work can help the company continue its operations by reporting the financial reality without alterations, mitigating that axiological conflict: doing good by helping the company continue operating, but without falling or succumbing to accounting deviations that distort the information. The objective of this essay is to analyze how this individual ethical clash impacts each of the micro-units operating in the country's economy and how accounting and administrative work—often invisible and underestimated—plays an important role in safeguarding collective trust.

THE GOING CONCERN

To establish context, it is necessary to step onto the playing field. Under the current accounting standards VEN-NIF, specifically IAS 1 (Presentation of Financial Statements) and Section 3 of the IFRS for SMEs, management and the accountant must evaluate the operational capacity to continue operating.

According to the going concern premise, it is assumed that no company has the intention of liquidating or curtailing its operations. If there are suspicions of financial imbalances that threaten the company's operations, the accountant has the professional obligation to disclose them in the notes to the financial statements. This is where values collide or clash. What happens if:

1.- **The Accountant's Ethics of Responsibility:** The accountant is aware that disclosing the financial reality of a company facing economic problems, and consequently operational issues, may lead to employee layoffs, closure of credit lines, and distrust among clients and investors.

2.- **The Ethics of Duty:** On the other hand, there is the Code of Ethics of the Public Accountant and the legal framework of the Federation of Public Accountants, which demands transparency, truthfulness, and objectivity in the profession, in order to avoid concealing losses, liabilities, and other elements that go against the good faith of the profession and public reliability.

THE NATIONAL CONTEXT, MULTI-CURRENCY, AND PRESSURE ON CASH FLOW

It is well known by all that the Venezuelan economy, like the rest of the world, moves with the transaction of the US dollar as a fundamental currency for the purchase and sale of goods and services both externally and internally. Due to its scarcity and the law of supply and demand, the value of the bolivar vs. the US dollar loses value every day. This fact further intensifies the work of the public accountant, as they must act like a magician to mitigate that impact on cash flow. It is crucial for companies to maintain a positive cash flow, remain solvent, and comply with bank reciprocity, given that the national currency depreciates every day; owners must safeguard their liquidity and profitability by investing in inventory without neglecting cash flow. All of this is done in order to meet their obligations, comply with the reciprocity percentage required by banks, and gain access to the scarce and limited financing provided by them to leverage their operational activity.

THE DOMINO EFFECT ON MACROECONOMIC STABILITY

At the macro level, the accountant's ethical conflict ceases to be an individual, isolated, or private matter and takes on a more leading role. The Central Bank of Venezuela (BCV), fulfilling its functions together with the Superintendency of Banking Sector Institutions (SUDEBAN), seeks to Identify, Diagnose, and Create—just like three specific objectives for a research project—monetary and economic policies that aim to mitigate vulnerabilities in the payment system and credit channel before they turn into a liquidity or banking solvency crisis.

For macroeconomic tools to work, decisions must be based on reliable and transparent information. Therefore, the information generated by these micro-units, rooted in the professional practice of the public accountant, must be objective and real. Consequently, it is worth mentioning:

1.- **Risk assessment is distorted:** Financial institutions will allocate resources to companies whose borrowing capacity is in question.

2.- **Information provided to regulators is weakened:** To the extent that micro-units provide reliable information, decision-making will be effective. Conversely, if the opposite happens, the decisions taken will be inadequate, forfeiting all truthfulness of the data and the prestige of both the micro-units and the regulatory body.

3.- **The payment system is jeopardized:** The sudden bankruptcy of one of these micro-units or "healthy" companies may seem insignificant; the issue arises when multiple companies present balance sheets inconsistent with financial reality, turning this problem systemic. When several companies collapse and banks cannot manage the collection and financing recovery process, this issue becomes a chain reaction, undermining the macroeconomic policies seeking economic stability in the Country.

CONCLUSION

Ensuring economic stability and the development of financial markets requires understanding the critical interconnection between Microeconomics and Macroeconomics, as well as the axiological conflict of

operational continuity vs. financial ethics, where the problem cannot be resolved by sacrificing what is real, objective, and tangible. The modern public accountant must be revalued and prepared from the academic classrooms of their alma mater as an integral professional, who will act as that first line of defense and invisible ally of the National financial system. Upholding professional ethics in any field is essential, and even more so in accounting. It can be said that ethics and financial integrity have become a necessity if we wish to safeguard the Macroeconomy from its very core: the Microeconomy.