Europe and Asia in economical and regional way of union: national and international aspects

In author’s article pressing questions of integration with participation of Kazakhstan. The model of the integration stages passed by other countries and regional associations is presented. In EvrAzES it is necessary to solve problems of four stages planned to end in 2015 and the author considers expedient not to be limited to terms, and to develop the doctrine of integration with the decision of questions not only economic integration, but also social integration with the permission of requirements of citizens and definition of integration interest. Article the general approach to research of problems of the Eurasian integration is used.

Key words: Integration, EurAsEC, Customs union, CIS, regional economic integration, labor.

Introduction

On October 10, 2000 the EuroAsian Economic Community in which format is created the Customs Union which Legal base receives documents since 2007. Total number from 73 basic international documents of this format focuses three states on their realization. It is necessary to mention and not the uniform Customs Code of the Customs union adopted by the Decision of Interstate Council from 27.11.2009 which not to exclude the customs legislation of the states—members of the Customs union.

Integration stages on the former Soviet Union (a free trade zone, the Customs union, a common economic space and the Eurasian union) are put in economic and organizational the plan, but can be quite realized on condition of a simultaneous realized and questions of social integration.

Integration (from Lat. integrum — whole, restoration, completion) can represent in modern conditions — unity, association of political, economic, state and public structures within the region, the country, the world. At once we will designate the solution, causing in society certain fears: the sovereign state is quite capable to remain that on condition of coordination of national interests and regional tasks and ways of their realization. Thus, development of «regional» interest is possible and necessary. It is possible to see threat to the sovereignty only at the most pessimistic scenario, based on political and economic modes. Sovereign states in the context of globalization, not all and not always self-sufficient and self-preservation is objectively necessary to find partners and space. We see experience of preservation of the sovereignty on integration level in European Union. A lot of things, of course, depend on the solution of social problems and ensuring human rights in each of the states and as a whole in this or that regional association which includes the country. Of course, all tools of system approach are necessary for an assessment and reasonable use of experience.

As you know, distinguish peculiar levels of integration: political, economic, social, web integration, system. Today, the EurAsEC implemented economic integration as a process of development of sustainable relationships of neighboring countries, leading to their gradual economic merger, based on the conduct of the two countries agreed interstate commerce and politics. In the main objectives of the EurAsEC it is possible to see some posing challenges and the first forms of integration (system and social), which was mentioned above: the completion of registration in full free-trade regime, the formation of a common customs tariff and a unified system of non-tariff regulation; ensuring freedom of movement of the capital; formation of the common financial market; coordination of the principles and conditions of transition to uniform currency...
within EurAsEC; establishment of the general rules of trade by goods and services and their access on domestic markets; creation of the general unified system of customs regulation; development and implementation of interstate target programs; creation of equal conditions for a production and entrepreneurial activity; formation of a common market of transport services and uniform transport system; formation of the common energy market; creation of equal conditions for foreign investment in the markets of the Community, the free movement of citizens of the EEC within the Community; coordination of social policy for the purpose of the formation of community of the social states providing a common market of work, the uniform educational space, the coordinated approaches in the solution of questions of health care, labor migration, etc.; approximation and harmonization of national laws, ensuring interaction of legal systems of the EEC in order to create a common legal space within the Community. Common economic space formation — an integration stage on (Eurasian) former Soviet Union. The Post-Soviet CIS format continues to have positive influence to the general component (base) in integration processes that in our opinion, needs in conceptual fixing and the subsequent realization. In this regard, the idea of the common economic space (CES) within all CIS, put forward after making decision on Commonwealth creation, gains new relevance and requirement. EEP as a stage of integration is solved in EurAsEC since January 1, 2012; it gives additional motivation for combination of tasks or their parallel decision on space formation.

In this regard, the following forms of economic integration are realized consistently in process of formation: preferential zone; free trade area; customs union; common market; economic union; economic and currency union. In this case, the basic features of integration are interpenetration and an interlacing of national productions; structural changes in economy of the participating countries; the need to control and targeted integration.

Structural levels of integration processes

<table>
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<th>Level</th>
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<td>local</td>
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<td>Micro level</td>
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<td>Regional</td>
<td>Complex of interacting economic subjects in a certain region in the state</td>
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<td>National</td>
<td>Interacting sectors of several regional complexes within the state</td>
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<td>Macro level</td>
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The advantages of these or those forms of integration: the increase in the size of the market — manifestation of a scale effect of production; the competition between the countries increases; there is an ensuring the best terms of trade; trade expansion in parallel with infrastructure improvement; distribution of the latest technologies.

Negative consequences: for more backward countries it leads to outflow of resources (production factors), there is a redistribution in favor of stronger partners; oligopolistic arrangement between multinational corporation of the participating countries which promotes to higher prices for goods, the effect of loss of scale.

The subjects of the global economy, as we know, a recognized national economy (national economies), the regional economic communities (the associations of the countries arising on the basis of interstate agreements, in coordination regulated by national or interstate authorities to establish preferences to each other and in processes of intra regional movement of factors and results of production), the international corporations, the international economic organizations, separate firms, — is reflected in reviews on the international economy [1].

So-called national economies as a system of social reproduction are formations, which have historically developed in certain territorial (national) borders. At present time, there are 210 state territorial units, i.e. countries and territories. Is not an exception of similar formations, behind some exception, the CIS and EurAsEC.

The emergence of regional economic integration associations belongs to the middle of the XX century now them is already more than sixty. Economic integration — the process of economic cooperation between the countries, bringing to rapprochement of the economic mechanisms, which takes the form of international agreements and consistently regulated by national or intergovernmental bodies.

Economic integration is characterized by some essential features which in aggregate distinguish it from other forms of economic interaction of the countries:
interpenetration and interlacing of national reproductive processes;
the extensive development of the international specialization and cooperation in production, R & D on the basis of the most progressive and their deep forms;
profound structural changes in economy of the participating countries, subordinated to strategic objectives of integration;
purposeful regulation of integration process, coordination of economic strategy and policy of the participating countries;
regional integration of spatial scales, as prerequisites paramount develop between countries which have close economic ties.

Association in integration groups was defined by a number of preconditions, as proximity of levels of economic development and degree of a market maturity of the being integrated countries; with rare exception (NAPHTHA, APEC) interstate integration develops either between industrially developed, or between developing countries, and also:

Geographical proximity of the integrating countries, the presence of the common border and the historical economic relations;
Community of the economic and other problems facing the countries in the field of development, financing, regulation of economy, political cooperation, etc;
Demonstration effect — in countries that have established integration associations usually occur improvements, which have a psychological impact on other countries;
«domino effect» — when the majority of the countries of this or that region became members of integration association, other countries experience some difficulties connected with reorientation of economic relations of the countries, entering into group, and are as a result also compelled to enter integration association.

Main objectives of integration can be use of advantages of economy of scales which provides expansion of the sizes of the market, reduction of transaction expenses, inflow of direct foreign investments; creation of the favorable foreign policy environment; solution of problems of a trade policy. Integration in this case is considered as a way to strengthen negotiation positions of the participating countries within multilateral negotiations in the WTO; assistance to economy restructuring; support of young branches of the national industry as for them there is wider regional market.

Participation of the countries in integration associations provides them a number of advantages in the course of economic development, the most significant are broader access of managing subjects to various resources: to financial, labor, material, latest technologies; the ability to produce products based on a more receptive market; opportunity to operate on wider market space; creation of exclusive conditions for firms of the participating countries, protection them in a certain degree from the competition from firms of the third countries; joint decision by participating countries of complex social and economic, scientific and technical, environmental and other problems (for example, decrease in unemployment, alignment of conditions of development of certain regions, etc.).

Historically integration evolves through several key stages, each of which follow gradually develops from the previous one. Highlighted and the stages of the integration process, which are interesting for the Eurasian (post-Soviet) space. Integration process usually is preceded by preferential trade agreements which are concluded on a bilateral basis, or between already existing integration group and the certain country or group of the countries. According to them the countries provide each other more favorable trade regime, than to the third countries.

In the first stage of integration countries go to the creation of a free trade area, which provides the complete abolition of customs tariffs in bilateral trade in goods (all or the majority) and services at preservation of national customs tariffs in the relations with the third countries. The free trade area can be coordinated by the small interstate secretariat, but quite often does without it, coordinating parameters of the development at periodic meetings of heads of the relevant departments.

The second stage of integration, the Customs union — differs the coordinated cancellation of national customs tariffs between member countries, the introduction of a common customs tariff and non-tariff regulation of trade in relation to third countries. Within the region is supposed duty-free intra integration trade in goods and services and full freedom of their movement. The system of intergovernmental bodies, coordinating a coherent foreign policy usually is created at this stage.

In the third stage, the overall market — countries agree on freedom of movement not only of goods and services, but also the factors of production — capital, labor and technology. Coordination takes place at periodic meetings of Heads of State and Government of the member countries, significantly more frequent meet-
ings of ministers. Permanent Interstate Secretariat is established at the same time (for example, in EU — the Council of Europe of heads of state and government, Council of ministers and the Secretariat).

In the fourth stage there is the full integration assuming carrying out by the participating countries of uniform economic, currency, budgetary, monetary policy, introduction of uniform currency, establishment of bodies of supranational regulation in integration group. Governments agreed to give up some of its functions in favor of supranational bodies that are granted the right to decide on matters relating to the integration without the consent of the member governments.

Estimates of the parameters and integration associations lead to a certain uniform classification. So, the national economy can be classified by such characteristics: the level of economic development (the most common indicator — GDP per capita), the type of economic growth (extensive, intensive); the level and nature of foreign economic relations, the economic value of the potential (level of development, the scale of the productive forces, population, territory, natural resources endowment). An appendix to this paper, we present statistical data for the CIS.

Level of economic development and the social and economic nature of managing divides the countries on:
  • developed countries with a market economy, or the advanced countries (USA, Canada, Western Europe, Japan, Australia, New Zealand), among which are particularly important country «Big Seven» (the U.S., Canada, Germany, Britain, France, Italy, Japan);
  • developing countries with market economies (most countries in Africa, Latin America, Asia, Oceania), in this group of countries, the most dynamically developing newly industrialized economies (NIEs) — a group of developing countries, who have given up the agro-commodity expertise, having achieved considerable success in industrialization, the creation of certain types of modern high-tech industries, and greatly expanded the export of manufactured goods and a number of socio-economic development of the approach to the developed countries;
  • transition (from a command to a market) economies (Central and Eastern Europe, CIS).

Among other indicators characterizing level of economy of this or that country, it is possible to allocate:
  • level and quality of life of the population which usually reflect such interconnected indicators as a consumer basket and a living wage, consumption per capita the main food in calories;
  • The status of the labor force (life expectancy, education, etc.);
  • The structure of the country's GDP (for developed countries are characterized by a high share of services, the low share of agriculture, industry — the predominance of manufacturing industries over mining);
  • The development of the social sphere (the number of physicians per 100,000 population, the number of hospital beds per 1000 population, housing);
  • Indicators of economic efficiency (labor productivity, capital intensity and material unit of GDP or a particular type of product, capital productivity unit of fixed capital);
  • Activity in world trade, which are the main indicators of the export quota, the structure of exports and imports (especially the ratio of volume of imported raw materials and finished products, which most clearly shows the dependence of the economy on foreign markets), the country's share in world production of GDP, GNP and in world trade.

Regionalization is base for the international economic integration, — said A.S.Bulatov [2, P.704]. For the current stage of development of the world economy is characterized by the following features:
  • Internationalization of economic life — rapprochement and interpenetration of national economies at all stages of the reproductive process. Whereas previously the objects of world economic relations were surpluses in excess of domestic demand of goods and products produced in the country, in the current conditions — not only the results of the national production, but also its factors of production. Actively developing international specialization and cooperation in production, and international economic relations from a purely commercial become a necessary condition for national reproduction process.
  • liberalization of foreign economic relations — increasing openness of national economies, which manifests itself primarily in the reduction of tariff barriers, the creation of a favorable investment climate, mitigating migration policy, the evolution of most national economies from the closed to the open type.
  • Regional economic integration — economic and political association of the countries on the basis of development of deep stable relations and the international division of labor (IDL).
  • Unification of the rules of economic life, the creation of a system of regulation of interstate economic ties (regulation of international currency, payment, credit, trade relations).
  • Capital and production transnationalization — creation by the companies uniting the capital and representatives of several countries, economic units outside the countries.
The globalization of the world economy, which includes:
• involvement in world economic processes practically all countries of the world;
• creation of comprehensive commodity markets and production factors;
• creation of global infrastructure of world economic communications;
• recognition by all countries of the market principles of managing as most effective form of economic development;
• universalization of rules of economic life and the international economic relations, creation of the international standard and legal base of implementation of the external economic cooperation in the world economy;
• the emergence of international production, based on the consumer anywhere in the world at the level of national standard industrial country;
• global nature of the international competition;
• rapprochement of branch structure of economy of the various countries.

Problems that have arisen in recent years show that, along with the integrity and unity of modern world economy characterized by distortions in the formation of the basic priorities. Firstly, the formation of a closed economic system in the leading Western countries. More than 75% of world trade, 60% of the world direct foreign investments, about 90% of all patents registered in the world are the share of their mutual trade. The problem also lies in the fact that a relatively small number of states (usually the country's «Big Seven») through their control of international economic institutions (IMF, World Bank Institute, the Paris Club of creditors, etc.) form the current world economic order. Developing countries of the world and the countries with a transitional economy still have the adaptation to the special rules of world economic communications created without their participation.

Further, unevenness of distribution of benefits from globalization of the world economy between the countries: for 20% of the population of the planet living in the industrial world, 86% of world gross domestic product, and for 20% living in developing countries — only is necessary 1%. There is also a problem of economic safety of the countries in development of their world economic communications.

Participation in the international division of labor during the modern period is very problematic, especially to the certain state. Therefore real there is a factor of real membership in the regional organizations and those for Kazakhstan and other countries of the former Soviet Union are the CIS, EurAsEC and derivative associations from them. It is known that the international division of labor (IDL) — this division of labor between the countries in the certain quantitative and qualitative proportions, mediated by an exchange, such way of the organization of the world economy, in which companies from different countries specialize in the production of certain goods and services, and then exchange them.

IDL — It is known that the international division of labor (IDL) — this division of labor between the countries in the certain quantitative and qualitative proportions, mediated by an exchange, such way of the organization of the world economy at which the enterprises of the different countries specialize on production of certain goods and services, and then exchange them. Result of development of public division in human society in the course of which there is a high-quality differentiation of different types of activity of the person. At the same time, it is important material prerequisite for establishing fruitful economic cooperation between states on a global scale, the objective basis for industrial, scientific, technical, commercial relations between all countries of the world, a direct continuation of the social division of labor, the natural result of its development within countries and between them.

The international division of labor is the highest step of development of public division of labor between the countries. It plays an ever-increasing role in implementation of processes of expanded reproduction in the world countries, provides interrelation of these processes, forms the corresponding international proportions in branch and territorial and country aspects. The main incentive motive of IDL for all countries of the world, irrespective of their social and economic distinctions, is the aspiration to receiving economic benefits.

Thus, market bases of functioning and openness of national economy raise extent of inclusion of the country in system of the international division of labor.
• The economic expansion of Multinational Corporation influencing IDL in several directions:
  a) geographical distribution of production and capacities in the world;
  b) formation of trade streams in IDL;
c) «Invisible» role in redistribution of a surplus value. Multinational corporations gave new shape of IDL: from a simple exchange of the countries of raw materials and the finished product which is available for them in surplus, to an exchange of semi-finished products, knots and details.

- Development of processes of regional economic integration that deepens the international specialization and cooperation between member countries of associations.

The factors determining the country's participation in the international division of labor include:

- The volume of domestic market of the country. The large countries with the developed market have more than opportunities to find on it necessary factors of production and consumer goods.

- Security of the country with natural resources. High degree of security of the country resources (for example, oil), and also low degree of security with minerals causes of active participation in IDL.

- Branch structure of economy. There is a regularity: the more specific weight in structure of economy is occupied by key branches (energy, metals, mining), the less its relative involvement in IDL. A manufacturing (machinery, electronics, etc.) require increased specialization of labor.

- Sociocultural factor — ethnic, social and political features of this or that country.

The president of Kazakhstan N.A.Nazarbayev in 1994 in performance «To the updated Kazakhstan through deepening of reforms, a national consent» at meeting of the Supreme Council emphasized that «now formed a new global economic zones in the United States, Europe, South-East and Central Asia. Because of the territory, raw material resources and other factors Kazakhstan, as well as all Central Asia, will inevitably involved in the solution of serious geopolitical and economic problems ... » [3].

In the subsequent President N.A.Nazarbayev addressed with the program address «Social modernization of Kazakhstan: Twenty steps to Society of General work» [4]. Quality and contents of documents in formats of the CIS (St. 3000), then and EurAsEC (St. 1500) sometimes does not raise doubts and it is possible to speak about very high level, especially legal point of view as prepared to an acceptance stage with active participation of scientists. In what reason of pro-slipping of the mechanism of their realization? Already now, as it is represented, it is necessary to give models: The CIS — EurAsEC in correct, legally and politically, a competent and reasonable value. Dispersion according to various documents of the general desire to realize the program (direction) in integration causes, sometimes, the need for layering new documents that we see. It is necessary to audit (systematization or codification) all accepted documents, as on time of acceptance, regulation area, and control over execution, etc.

Thereby, it is possible that the official doctrine of integration was not discussed separately and was fragmentary presented in the subsequent documents. It’s real that the «environment» continues to have a great influence in the face of advanced integration organizations and even individual states, not wanting to get so necessary to us a positive result. However, it is necessary to notice that EU doctrine, according to the experts, represents set of theoretical ideas of the purposes, the principles and legal forms of the European integration and as the separate document was not accepted.

Conclusion

Emergence of regional economic integration union treat the XX century middle now them is already more than sixty. Economic integration — process of economic interaction of the countries, bringing to rapprochement economic mechanisms, taking the form of intergovernmental agreements and in coordination regulated by national or interstate authorities. Union in integration groups is defined by proximity of levels of economic development and degree of a market maturity of the being integrated countries; with rare exception (NAPHTHA, APEC) interstate integration develops either between industrially developed, or between developing countries, existence of the majority of cases of the general border and historically developed economic relations, community of the economic and other problems facing the countries in the field of development, financing, regulation of economy, political cooperation etc.

Within EurAsEC Kazakhstan ratified a number of documents, national and regional interests depend on dependence of stages of integration, on which realization in each state, and as also a question of execution of decisions of national authorities (The commission of the Customs union and the Euroasian economic commission).

References

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С.Әлибеков

Экономикалық аймақтық бірлестік жолында Еуропа және Азия: ұлттық және халықаралық көрінісі

Макалада Қазақстандың катысуымен өтетін интеграция мәселелері кәрісірледі. Басқа елдер және аймақтық ұйымдары интеграцияның моделдері, 2015 жылыға дейін шешілуге тиіс ЕврАзЭО мәселелерінің много ашылыған. Автор тек экономикалық емес, соңдай-ақ алеуметтік интеграция шағындың дәл есебін ұсынап қою қажет.

С.Алибеков

Европа и Азия на пути к экономическим региональным объединениям: национальные и международные аспекты

В статье автор рассматривает актуальные вопросы интеграции с участием Казахстана. Представлены модели интеграции с другими странами и региональными объединениями. Рассмотрены вопросы деятельності ЕврАзЭС, раскрыты имеющиеся проблемы, которые необходимо решать поэтапно до 2015 г. Предложена разработка доктрины интеграции с решением вопросов не только экономической, но и социальной интеграции.

Список литературы

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