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### **OBJECTIVE INTEGRATION FACTORS OF BELARUSIAN POLICY ON THE EXAMPLE** OF CREATING A STATE UNION WITH THE RUSSIAN FEDERATION

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At the present stage, international economic integration has reached global proportions. The success of the development of national economies in recent years directly depends on the participation of countries in these processes. In this regard, the globalization of the world economy and its impact on national economic systems are becoming part of macroeconomic analysis.

Integration processes and interactions at the interstate level have always been associated with quite complex, multi-stage and long evolutionary transformations - differences in state and economic systems, in management, in the political traditions of their participants. As our own and international experience shows, regional integration of neighboring countries is more dynamic, durable and successful, when their common interests entail a gradual transformation of different economies towards their rapprochement. At the same time, the similarity of political cultures will become the driving force of this union, along with the general interests of socio-economic development.

According to the practice of international cooperation, depending on the level of integration, countries use such forms as "community" and "union". Moreover, the union is created with interest in the most profound international economic integration, when the main goal of the participating countries is the formation of a new intergovernmental association in the form of a single confederative or federal state with a corresponding common economic, informational, legal space, common market, government bodies implementing supranational union functions. The type of association, as a rule, is determined on the basis principles of interaction and positive or negative characteristics that can influence the integration processes. However, the advantages or disadvantages of any association cannot be identified outside the real conditions of its occurrence, that is, without taking into account the most important factors that predetermined the creation and prospects for the further development of this association. In this regard, it is of undoubted interest to analyze the specific socio-historical environment in which the alliance of Russia and Belarus arose, as well as the most important factors giving an idea of how it meets their vital interests [1].

The beginning of the large-scale integration of Russia and Belarus was laid on April 2, 1996 in Moscow, when Presidents B. N. Yeltsin and A. G. Lukashenko signed the Treaty on the Community of Belarus and Russia. The parties decided to form a deeply integrated political and economical Community in order to unify economic, political and intellectual resources of the two states. And already on April 2, 1997 in Moscow, the presidents of Russia and Belarus signed the Treaty on the Union of Belarus and Russia. A new phase of construction began, which was characterized by the development of its institutional framework, the structuring of functions, the definition of future tasks [3].

The key component of the Union State is the budget. It is executed in accordance with the Procedure for the formation and execution of the budget of the Union State. The Border and Customs Committees, the Committee of the Union State for Hydrometeorology and Monitoring of Environmental Pollution, the Commission for Tariff and Non-Tariff Regulation under the Council of Ministries of the Union State have been established and are working. In order to create a single economic space, a gradual rapprochement of the main indicators of economic development and living standards of the population is ensured; annual and medium-term forecasts of socio-economic development of the Union State, forecast balances of supply and demand for the most important products, as well as balances are developed and approved by the Union State Council of Ministers of fuel and energy resources of the Union State.

However, the legal basis is clearly not enough for integration to develop fully. It is necessary to take into account and use economic, political and social factors in order for the Union to become full and viable.

Analysis of international integration processes makes it possible to identify the following reasons that most often underlie the integration [3]:

- general economic interests,
- related or general ideology, religion, culture,

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- close or common nationality,
- the presence of common threats
- the presence of common borders, geographical proximity,
- the urge to integrate, artificially pushing unification processes.

In most cases, there is a combination of several factors. For example, the process of formation of the Union State to one degree or another was influenced by all mentioned factors.

When forecasting the prospects for the development of economic relations between countries, at least the analysis of the macroeconomic status and development trends of the countries participating in the integration association should be taken into account, which more fully and objectively reflects the causes and future prospects of such integration. Thus, the analysis of such factors as the structure of the economy, trade relations, investments, cooperation of production and migration will allow an objective assessment of the present and an assessment of the future of the Union State of Russia and Belarus [4].

The most important factor in the integration processes of Russia and Belarus is the complementarity of their economies. In the sectoral structure of Russia and Belarus, industry occupies the main place - 23.1% and 26.8%, respectively. At the same time, the ratio of the mining and processing industries of Russia and Belarus is particularly significant. These indicators are presented in the table 1.

Table 1 - The structure	of industry.	in% of the total
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Industry	Russia	Belarus
Extractive	38,7	1,1
Processing	61,2	98,9

Source: National Statistical Committee of the Republic of Belarus, Federal State Statistics Service of Russia.

The development of mutual trade is also promoted by a dynamic solution of border, customs, and tax problems. In Belarusian-Russian relations, the role of rapidly developing interregional cooperation is increasing. The activities of the Interdepartmental Coordination Council on Border Cooperation with the Border Countries of the Republic of Belarus, the Coordination Council on International Foreign Economic Relations and Border Cooperation under the Administration of the Bryansk Region were aimed at expanding cooperation in this area. Thus, within the framework of cross-border trade, cooperation was carried out between the Bryansk and Gomel agricultural engineering plants, which established the production of modern agricultural machinery. Interregional cooperation is also reflected in one of the areas of cross-border cooperation - the cross-border formations "Euroregion Neman" (the Kaliningrad region is included in the Euromanion "Neman") and "Euroregion Dnipro" (includes the Bryansk region).

A fuller realization of the mutual export opportunities of Russia and Belarus is directly linked to the prospect of modernizing Belarusian industry and the active participation of Russian capital in the privatization of Belarusian enterprises. The investment climate in Belarus (administrative barriers, the high cost of registering enterprises and the difficulty of opening them, high taxes), as a rule, does not attract potential Russian and foreign investors. Investors also have a negative attitude towards the practice of unofficial payments and other forms of extra-budgetary financing of social facilities [5].

The next factor contributing to integration is investment activity, which is relevant and interesting both to Belarus and Russia. However, it should be noted that foreign direct investment (when one foreign company creates a subsidiary in another country) has greater efficiency and return, as they allow to receive income not only in the present, but also in the foreseeable future with much greater return. At the same time, the main distinguishing feature of such investments is that they cover not only the movement of resources, but also the transfer of control over property. This is the main stumbling block in Belarus, where they even part with unwilling or unclaimed state property with great reluctance. In addition, in Belarus there is already a tendency to a shortage of highly skilled labor, and its cost is constantly growing. If 10 years ago the problem was not so acute, then today the level of training of Belarusian specialists, especially middle managers, no longer meets the expectations and requirements of foreign investors. Young professionals, as a rule, are not fluent in business foreign languages.

In connection with the above data, it can be noted that the efficiency of construction and management of the Union State depends on ensuring equal conditions for managing Belarusian and Russian enterprises.

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The creation of a favorable investment environment in both Russia and Belarus is seen as an especially important area.

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