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**LIBERALIZATION OF FOREIGN ECONOMIC ACTIVITY
OF THE REPUBLIC OF BELARUS****MARYIA ZALESKAYA, VALENTINA BAHATUAROVA**
Polotsk State University, Belarus

The main forms of the liberalization of the foreign economic activity of the Republic of Belarus are introduced. The statistics for export and import of foreign trade of the country is analyzed. The main ways of the development of the foreign economic activity of the Republic of Belarus are described.

The liberalization of foreign economic activity implies the necessary logical consequence of the liberalization of internal economic relations. The foreign economic liberalization policy must ensure the accelerated development of internal market relations and their involvement in the world economy; prevent the damage to the development of national production.

The main forms of the liberalization are the following:

- broadening access to foreign investment;
- export liberalization (abolition of customs, quotas, licences and breaks);
- ensuring convertibility of national currency;
- removal of protectionist restrictions for import.

The Republic of Belarus belongs to the number of smaller industrial countries with restricted national resources and open economy that directly determines the specific character of its foreign economic activity.

Over the past few years the dynamics of international trade of the Republic of Belarus is characterized by high rates of economic growth, increase of scientific, technical and transit potential; the participation in integration processes within CIS and also the development of trade and economic relation with other countries.

The total world output of final consumption output (the total GDP of all countries) for Belarus is approximately 0,04%. Belarus takes just 0,1% in the total volume of world trade.

According to the National Bank of the Republic of Belarus the foreign trade turnover of goods and services in January-August 2016 equals 87.3% in comparison with the same period in 2015 [1].

Analyzing the foreign trade turnover of goods and services in the same period is also characterized by the dynamics of services import and decrease of goods import, 101,7% and 87,2%.

The most important export positions in foreign trade for goods are oil and oil products, potash and nitrogen fertilizers, cargo trucks, tractors, sugar, milk and meat products, chemical fiber, metal production. At the same time the import base includes mainly energy supply, raw materials, manufacturing equipment.

The main trade partner of the Republic of Belarus in the sphere of goods is the Russian Federation. (40% of export, 50–60% of import). The European Union takes the second place (30% of export, 20% of import).

The Republic of Belarus also has developed trade and economic relations with the United Kingdom, the Netherlands, Germany, Lithuania, Italy, Belgium, Poland, Latvia.

Among CIS countries the central trade partner is still the Russian Federation, the second one is Ukraine, the third – Kazakhstan.

The dynamic development of relations is typical for partners in Asian region – China, India, Indonesia, and also in Latin America – Brazil, Venezuela, Ecuador.

Within the external trade of services the export includes mainly transport, computer and construction services. The European Union is one of the main trade partners in foreign trade of services (50% of export). The Russian Federation has only 25%.

The development of relations with EU is possible due to the effective involvement of Belarusian economy into European international economic, scientific, financial structures, active participation in a complex political and economic dialogue within many international and regional organizations.

According to the data it is possible to make a conclusion that further liberalization of foreign economic activity of the Republic of Belarus in the field of foreign trade depends on import and export parts of the provided goods and services. That is why the following factors can lead to the successful foreign trade ensuring:

1. research and technical potential;
2. tourism;
3. increase of cargo traffic through the Republic of Belarus due to the beneficial geographical position;
4. infrastructure development;
5. conditions ensuring export increase;
6. collaboration broadening in cultural, social and ecological spheres.

Economics

The entry of the Republic of Belarus into World Trade Organization (WTO) is also one of the possible perspectives. It will provide not only the development of foreign trade with other countries, but also ensure the additional opportunities for export and import, attraction of capital investment, reduction in the cost of borrowing.

The widening of internal market borders is one of the principle aims of foreign economic activity. Cheap, but highly skilled labor force, beneficial geographic position, scientific and technical potential can become competitive advantages of the Republic of Belarus on the world market.

The attraction of foreign investment is one of the most important tendencies of Belarusian economy development. Direct investments are the most optimal for the Republic of Belarus. They will not influence the balance of payment and lead to the increase of debt instrument.

During the first half of 2016 the real sector of the Republic of Belarus (excepting banks) received 4.7 billion US dollars of gross foreign investments: direct – 3,9 billion USD, portfolio – 0,0008 billion USD, others – 0,8 billion USD. Among the major investors of the Republic of Belarus in the first half of 2016 are the following:

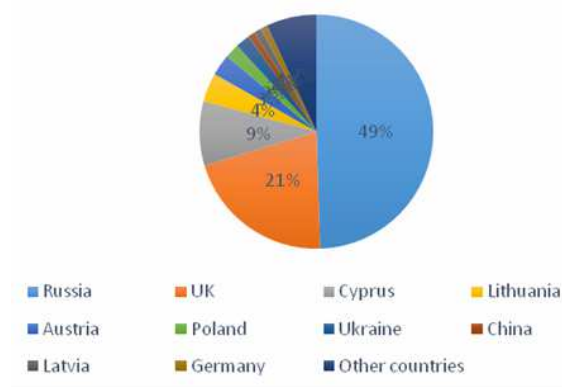


Fig. 1. Main investors of the Republic of Belarus in the first half of 2016

Note: The private development.

Nowadays foreign capital is mainly invested in light industry (catering, trade, transport services). Such a placement of foreign investment is not very effective. Taking into account the rich skilled, scientific and technical potential of our country, there is a need to use own scientific development, the creation of unique technologies, attraction of foreign capital in high-tech fields – electronics, information technology, scientific developments.

One more factor, which leads to the broadening of foreign economic activity of the Republic of Belarus, is the formation of financial, industrial groups and the transnational corporations that can ensure the implementation of social, economic and environmental developments.

It is also necessary to point out the creation and further development of free economic areas as one of the directions of stable development of the Republic of Belarus.

Free economic areas are aimed at the creation and development of manufactures, which are based on new technologies, increase of working places, export growth and import replacement, attraction of foreign investment. According to statistics on September 1, 2016 there are 419 resident companies (over 124 thousand people) that operate in free economic areas.

The main advantages of free economic areas in the Republic of Belarus are:

- Exemption from land tax;
- Exemption from property tax on buildings and facilities;
- Financing costs for the creation of engineering and transport infrastructure [2].

Thus, the competent realization of goals and objectives will create all necessary conditions for the liberalization of foreign economic activities of the Republic of Belarus. It will result in improving of the population welfare and ensuring of competitiveness in the global market.

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