Aspects of Stable Development of Economy in the Conditions of Market Relations

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Abstract

The article aims to analyze fiscal and monetary policy of Kazakhstan as the main factor of economic and social development of the country. The structure of financial development is represented by a set of investments, credit, and budget capacities of the country, forecasted for the medium term.

Keywords: fiscal and monetary policy; financial, credit, investment and fiscal potentials of Kazakhstan, financing measures and measurements on government programs. Tab. 2, Lit. 10

Formulation of the problem

Despite the difficulties of the current period in Kazakhstan's economy, measures to stimulate industrial activity-intensive, agriculture, transportation, road construction, light industry and other sectors of the economy are linked to the key objectives of economic growth due to the country's entry into the World Trade Organization (WTO). However, with the decrease of prices of oil, non-ferrous metals and many other export products decreased flow of financial resources into Kazakhstan; there is a destabilization of the financial and banking system and the outflow of funds, increased inflation. It is impossible to solve this problem without an analysis of the financial capacity.

Analysis of recent research and publications

Effect of a certain level of budget deficit to the level of inflation and the level of output depends not only on its size, but also on the method of its financing. According to A. Blinder, who conducted a study on the cooperation of the Government and National Bank, as well as the different ways of interaction between fiscal and monetary policy, there is a set of tools with which fiscal and monetary authority can achieve the main goals of stabilization policy: "... when no one is sure about what is better, no one can convince us that a coordinated policy of the authorities is better than the two-headed horse that we saddled "[10]. Later studies by L. Bovenberg and Van A. Wright extended the model of fiscal policy, which, in addition to their own purposes, may also be goal-oriented, traditionally considered to be monetary [9]. A. Dixit and Lambertini L. suggest that National Bank is independent and conservative, e.g. it is concerned about inflation largely, and the emission to a lesser degree than society. They come to the conclusion that it is more preferred strategic leadership of fiscal policy in relation to the monetary [12]. In turn, R. Beetsma and L. Bovenberg show the possibility of achieving effective cooperation between the two policies, both in the case of a dependent, and in the case of an independent national bank [11].

The purpose of the study is to develop an integrated approach to economic analysis, forecasting and development of the financial potential of the Republic of Kazakhstan.**The main results of the study**,The calculation of the structural potential is offered by the following formula: Formula 1).

$$БП = Д \times Трдох. - Бпер + Срместн(1).$$

Table.1 Calculation capacity at 2008- 2014.

год	БП, трл тенге	Д, трл тенге	Темп дох.%	Б пер. трл тенге
2008	3.46	3, 3	1.3%	0.83
2011	4.62	4.4	1.3%	1.10
2014	5.99	5.7	1.3%	1.42

Compiled by the author ..BP-budget potential of Kazakhstan;
D -.revenues of the consolidated budget;T pace of changes in the consolidated budget revenues;B- unrequited transfers in the areas of local budgets;
C-funds transferred to local governments to the state budget.

The calculation results are shown in table 1. The figures are taken from the author Kusainova A.B. [5]. Taxes in Kazakhstan are divided into local and national. On the local level, local government offices in the regions, districts and villages, taxes are not transferred to the national budget, but vice versa, it is with the republican budget's help the grants are made to local authorities, so there are no taxes taken from local budgets. After analyzing the data presented in Table 1, the stability of fiscal capacity in the period 2008-2014 can be concluded. At present, the influence of the neo-classical and Keynesian theory is reflected in the fiscal and monetary policies of the Kazakhstan government.

Times are changing, and models of posing problems and their solutions, methods of research, ruling over a certain period in the scientific community are also changing. In the last ten years, the tools of fiscal and monetary policy studied in research projects in order to address the practical issues of monetary policy have become particularly popular in practice [2]. According to the first credit bureau in Kazakhstan in January-May 2016, total outstanding loans on mortgage loans decreased by 0.7% and amounted to 1.34 trillion tenges. [1].

On the one hand, financial regulation occurs through the stimulation of certain segments of the economic system. In recent years, the financial resources of the country were concentrated in agriculture, road construction, housing, transport services and communications. On the other hand, through the suppression of other segments, by limiting the volume of incoming financial resources therein the same purpose is achieved. [7].

Table №2 Kazakhstan's economy is in a recession in the period 2013-2016.

Indicators: 2013 2015 2016

IFO figures in% to the corresponding period of the previous year 101.2% 99.1%

The volume of investments in fixed IPV in% to 7.1% the previous year of 37% to 37%

In the structure of GDP production 39% 39% 39%

Including industry, transport and communications 86% 98.6% 99.6%

IPV in% to the corresponding period of the industry 114.4% 98.6% 93.65

the volume of agricultural production in the Ifo% of the corresponding period 1.8 103.4 103

The volume of retail trade in the Ifo% of the corresponding period 12.4 98.8 24%

The volume of wholesale trade for the first half + 12.4% -1.4% 94.9%

Inflation in% of the corresponding period 4.6% 4.9%

The country's population as of July 1, at 17 thousand 028.0 17753.2 17753.2

показатели :	2013	2015	2016
показатели ИФО в % к соответствующему периоду предыдущего года		101.2%	99.1%
Объем инвестиции в основной ИФО в % к соответствующему периоду предыдущего года	+7,1 %	37%к	37%
В структуре ВВПпроизводства	39%,	39%	39%
В том числе промышленность, транспорт и связь	86%	98.6%	99.6%
ИФО в % к соответствующему периоду промышленность	114,4%	98.6%	93,65
объем продукции сельского хозяйства ИФО в % к соответствующему периоду	+1,8	103.4	103
Объем розничной торговли ИФО в % к соответствующему периоду	+12,4	98.8	24%
Объем оптовой торговли за первое полугодие	+12,4%	-1.4%	94,9%
Инфляция в % к соответствующему периоду		4,6%	+4,9%
Численность населения страны на 1 июля, втысяч человек	17 028,0	17753,2	17753,2

Compiled by the author.

Evaluating the effectiveness of the control process of the reproduction of the region's financial capacity is a relevant financial management direction of Kazakhstan. The evaluation of the effectiveness of the reproduction process in the formation of the market mechanism is problematic because the assessment indicators of efficiency indicators are not developed. The calculation results in June 2016 are given in Table 2

We need to understand the relationship between the amount of the total financial potential of the base year and the economic results of its reproduction costs formula (2) Under the cost-effective management of the process of reproduction in the region financial capacity, the formula (3) digital indicators for calculating reproduction. .

Where EPM - economic efficiency of financial capacity; [4].

SFPi the collection of financial capacity in the i-th characterizes the previously accumulated reserve of funds which can be expressed in the value of the national wealth in Kazakhstan, the assets of the National Bank and financial resources, the international reserves of the country in 2015, including the National Fund assets, amounting to more than 90 billion . USD, or almost 50% of GDP;

IFPi - financial potential of Kazakhstan, 41.1 billion US dollars used in the reproduction process in the current i-th period. The mechanism of reproduction management of financial potential is in the control subjects exposed to the reproduction process on the control objects for the purpose of development of the financial framework for the effective socio-economic development of Kazakhstan. The need for coordination of fiscal and monetary policy can be described as follows: - Government and National Bank have a common goal; - Using the tools of fiscal and monetary areas of the state stimulates the growth of GDP, or seeking to reduce inflation; - The scope of the fiscal imbalance can often be the cause of high inflation; - Reduction of public debt or the accumulation of the stabilization fund is important not only for governments but also for the National Bank and - trade-off between inflation and output determines the need for interaction between the government and the National Bank.

Moreover, financing of public debt by the government entails the imposition of certain restrictions on the operational independence of the monetary authorities. For example, in 2015. National Bank refused national holdings Samruk-Kazyna (SK) repayable financial assistance in the amount equivalent to 1.47 billion. US dollars. [8].

The grown amount of the loan (debt, deposit, etc.) refers to its original amount, together with accrued interest on it at the end of the period. Let P - the original amount of money, i - rate of simple interest. Accrued interest for a period equal to Pi, and for n periods - Rni.Simple interest. The process of changing the amount of debt with accrued simple interest can be represented in the form of an arithmetic progression, the formula (4), whose members include the value of the first term of this progression is equal to P, the difference Pi, while the last term is grown sum: $S = P (1 + ni)$. . This is a formula for compounding formula (5), on common interest or simple interest formula. Modifier - compounding multiplier. It shows how many times grown amount more than the initial amount, the formula (6). Grown amount can be represented in the form of two components: the initial amount P and the amount of interest I, formula (7): Determine the amount due as interest on the loan, and the amount due to the return of the formula (8), if the loan amount is US $ 1470.000 .000, period -. 1 year at the rate of simple interest of 3% per annum. Solution:, -For 1year, the formula (9), for a maximum of 20 years. The amount owed to the formula (10) is equal. Use the loan may also be exact or approximate. [6]

Thus, the National Bank of Kazakhstan lends to commercial banks, national companies, and changes reserve requirements. This is achieved by reducing the discount rate per cent increase in the purchase of government securities in the open market, the reduction of reserve requirements and the increase in the money multiplier. Expensive money policy is conducted by the National Bank is to restrict the money supply and reduce inflation. To this end, the National Bank raises the discount rate of interest (in this case 13%), sells government securities, reserve ratio increases. Flexibility of monetary policy and its instruments had a significant impact on the macro-economic processes in the economy of the Republic of Kazakhstan [3].

The policy of targeted lending and the regime of state guarantees for investment projects in the priority sectors of the economy will ensure the systemic nature of the restructuring and increase its effectiveness. As a result of a number of measures taken in Kazakhstan, the amount of overdue debts on bank loans in April 2016 decreased by 31.1%, compared to April 2016, in April 2017, the volume of investment increased by 40 billion dollars in comparison with April 2016, Kazakhstan's economy should not only focus on exporting resources, but also increase the volume of service economy. Today, the service sector is almost 60% of GDP. This can be seen on the capitalization of the stock market at 5% of GDP. If we compare this with the positive examples that we are targeting - the countries of Eastern Europe, America, they have a size of more than 15-20% of GDP. The demand of the population for digital services is increasing and this sector needs to be constantly improved. There is a Customs Eurasian Union, which implies no friction for business to business transactions on the border. These are economic opportunities in which recognized business centers, such as Moscow, St. Petersburg, Kazan and Minsk function in the development of IT technologies.

Kazakhstan has the opportunity to provide with new types of financial services, which are rendered to its neighbors throughout the geographic belt, the neighboring states of Singapore, Hong Kong and other countries. The most promising direction in the global sense is the implementation of the project to renew the ancient caravan Silk Road that existed for many centuries over the territories of China, Kazakhstan, Russia and Europe.

This program is connected with the Chinese economy, with the European in the Eurasian space; Kazakhstan can increase the volume of services in these areas, especially in the field of infrastructure financing.

Conclusions

At present, the priority vector of public policy is the development of the real sector of the economy while reducing costs and the transition from export dependence to innovative sustainable development, as well as improving the targeted management of the financial supply and the development of the social economy. In the conditions of constant correction of the existing economic model, the renewal of the institutional environment, the influence of the state's financial institutions also increases. Conducting structural transformations in industry, agriculture, construction, transport services, road construction, water, railway transport "The service economy needs to be developed within the country: today the service sector is 59% of GDP. We need to enter the scene with a new spectrum of financial services that we can render throughout the space of Central Asia. In Kazakhstan, the question is raised about timely execution and implementation of control over the implementation of the government, priority state programs, which are financed on preferential terms. The next direction is the active participation in the Silk Road project from Western China to Western Europe. The main railway line has already been implemented from China to London, shortening the time of cargo transportation on this way. These measures will contribute to the growth of Kazakhstan's economic activity.

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